



## FAIRFIELD-SUISUN SEWER DISTRICT

### Board of Directors

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*First Alternate*  
Manveer Sandhu,  
*Second Alternate*

### Board of Directors Meeting Agenda

Monday, January 26, 2026  
6:00 PM

**Location:** FSSD Board Room, 1010 Chadbourne Road, Fairfield, CA

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **PLEDGE OF ALLEGIANCE**
4. **PUBLIC COMMENTS**

Members of the public wishing to comment on any item not on the agenda, but within the Board's jurisdiction, should notify the Board at this time. Those wishing to comment on any item on the agenda should do so at the time the item is considered. Comments may be limited to three (3) minutes, or at the discretion of the President.

5. **DIRECTOR REPORTS**
6. **GENERAL MANAGER REPORT**
7. **PRESENTATIONS AND AWARDS**

- 7.1 Receive Report on District's 75<sup>th</sup> Anniversary and Plans for an Open House on May 2, 2026
8. **CONSENT CALENDAR**
  - 8.1 Adopt Resolution No. 2026-01, Re-Adopting Policy 2150, Financial Reserves.....3
  - 8.2 Adopt Resolution No. 2026-02, Designating "Responsible Person" for Form 1095-C Filing .....8
  - 8.3 Approve Improvement Agreement with City of Fairfield and Solano County for Sewer Improvements at the Solano County Hall of Justice Campus Asset Protection Project, and Authorize the General Manager to Execute the Agreement.....10
  - 8.4 Approve Right of Entry Agreement with City of Fairfield for the Lopes Road Lift Station.....29
  - 8.5 Approve Agreement between District, City of Fairfield, and City of Suisun City Regarding Sewer Collection System Master Planning Services, and Authorize the General Manager to Execute the Agreement .....39

8.6	Receive Annual Report in Accordance with Policy 1055, Legislative and Regulatory Advocacy Policy.....	70
8.7	Approve Board Minutes of November 24, 2025 .....	77
<b>9.</b>	<b>NEW BUSINESS</b>	
9.1	Receive the Annual Comprehensive Financial Report and Popular Annual Financial Report for the Fiscal Year Ended June 30, 2025.....	80
9.2	Receive Report on District's Internship Program .....	197
<b>10.</b>	<b>INFORMATIONAL ITEMS</b>	
10.1	Quarterly Investment Report.....	198
10.2	Board Calendar.....	269
<b>11.</b>	<b>ADJOURN</b>	

*The Fairfield-Suisun Sewer District will provide reasonable disability-related modification or accommodation to a person with a disability who requires a modification or accommodation in order to participate in the meeting of the Board of Directors. Please contact the District at (707) 429-8930 at least 48 hours before the meeting if you require such modification or accommodation.*

*Documents that are disclosable public records required to be made available under California Government Code Section 54957.5 (b)(1) and (2) are available to the public for inspection at no charge during business hours at our administrative offices located at the above address.*



## FAIRFIELD-SUISUN SEWER DISTRICT

January 26, 2026

### AGENDA REPORT

TO: Board of Directors

FROM: James Russell-Field, Director of Administrative Services

SUBJECT: Adopt Resolution No. 2026-01, Re-Adopting Policy 2150, Financial Reserves

**Recommendation:** Adopt Resolution No. 2026-01, Re-Adopting Policy 2150, Financial Reserves.

**Background:** The District is the Fiscal Agent for the Solano Stormwater Alliance. Participating agencies adopted Amendment No. 1 to the Agreement Providing for the Implementation of the Solano Stormwater Alliance (Agreement) in Fall 2025, which included setting a reserve for the Alliance.

**Discussion:** The District maintains Policy 2150, Financial Reserves, which defines reserve requirements and sets targets for various District reserves. While the District is acting as the Fiscal Agent for the Solano Stormwater Alliance, staff recommend amending and re-adopting Policy 2150, Financial Reserves, so all District maintained reserves are addressed within a single policy for administrative ease.

Staff proposes using the following language from the Agreement to amend Policy 2150, Financial Reserves:

*The Program will hold an Operating Reserve of 90 days (25%) of the Operating budget. Each July, the Fiscal Agent will review unspent funds from the prior budget year. Unless the PARTIES authorize the Program to carry reserve funds greater than the Operating Reserve, unspent proceeds above the Operating Reserve will be credited back to each PARTY's current annual contribution based on their cost allocation in Exhibit A (of the Agreement).*

Minor changes are proposed to Policy Section 3.2 to update language for "Sewer Capacity Charges" for consistency with other financial documents. No other changes are recommended.

**Fiscal Impact:** There is no fiscal impact to amending and re-adopting the Reserve Policy. District-held reserves remain unchanged.

Attachments: 1 – Resolution No. 2026-01  
 2 – Policy 2150, Financial Reserves (redline)

FAIRFIELD-SUISUN SEWER DISTRICT  
RESOLUTION NO. 2026-01

**A RESOLUTION RE-ADOPTING POLICY 2150, FINANCIAL RESERVES**

WHEREAS, the Fairfield-Suisun Sewer District has previously adopted Policy 2150, Financial Reserves, to capture reserve definitions, requirements, and targets in one policy; and,

WHEREAS, the Fairfield-Suisun Sewer District is the Fiscal Agent for the Solano Stormwater Alliance; and,

WHEREAS, the parties of the Solano Stormwater Alliance recently approved Amendment No. 1 to the Agreement Providing for the Implementation of the Solano Stormwater Alliance, which included a reserve target; and,

WHEREAS, the Fairfield-Suisun Sewer District wishes to capture all requirements for District-held reserves in one policy.

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE FAIRFIELD-SUISUN SEWER DISTRICT THAT:

1. The District hereby re-adopts Policy 2150, Financial Reserves, as revised.
2. This Resolution supersedes and replaces Resolution No. 2022-12, A Resolution Adopting A Financial Reserve Policy, in its entirety.
3. The General Manager is authorized and directed to take all steps necessary and proper to implement this resolution.

PASSED AND ADOPTED this 26th day of January 2026, by the following vote:

AYES: Directors \_\_\_\_\_

NOES: Directors \_\_\_\_\_

ABSTAIN: Directors \_\_\_\_\_

ABSENT: Directors \_\_\_\_\_

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
District Clerk



# FAIRFIELD-SUISUN SEWER DISTRICT

1010 Chadbourne Road • Fairfield, California 94534 • (707) 429-8930 • [www.FairfieldSuisunSewer.ca.gov](http://www.FairfieldSuisunSewer.ca.gov)

POLICY		
<b>Policy Number</b>	2150	<b>Adopted:</b> January 26, 2026 <b>Res No. 2026-01</b>
<b>Type of Policy</b>	2000 - Finance and Administration	
<b>Policy Title</b>	Financial Reserves	
<b>Policy Description</b>	Briefly describe the purpose or action of the policy.	

## 1. Purpose

The purpose of this Financial Reserves Policy (“Policy”) is to provide guidelines to the officers of the Fairfield-Suisun Sewer District (“District”) charged with the responsibility for maintaining and reviewing the District’s reserves.

## 2. General Policy

The purpose of this Financial Reserves Policy (“Policy”) is to provide guidelines to the officers of the Fairfield-Suisun Sewer District (“District”) charged with the responsibility for maintaining and reviewing the District’s reserves.

## 3. Types of Reserves

### 3.1 Operations Fund Reserves

- *Operating Reserve*

The Operating Reserve is maintained in order to meet the liquidity and cash flow needs for the District’s day-to-day operations. This reserve ensures continuity of service regardless of short-term changes in cash flow or sudden increases in operating costs.

The District will maintain an operating reserve equal to 25 percent of the Operations budget, which represents the minimum reserve level. The Operations budget is defined as expenses not related to debt service, Major Maintenance or the Capital Improvement Program.

- *Major Maintenance and Capital Improvement Program Reserve*

This Major Maintenance Reserve is intended to be used for both (a) catastrophic failure of critical infrastructure and (b) managing the inherent volatility of capital spending needs.

Because Major Maintenance and Capital Improvement Program spending is inherently volatile, the District will maintain a target reserve level equal to 100 percent of the five-year average of annual Major Maintenance and Capital Improvement Program spending (rolling average).

- *Collection System Rehabilitation & Replacement (R&R) Reserve*

The District will maintain two reserves for Collection System Rehabilitation and Replacement (R&R) as defined in the 1965 Agreement, as amended. A Collection System R&R reserve shall be maintained for the City of Fairfield, and the City of Suisun City as calculated by the Collection System Asset Management Plan.

To the extent all Operations Fund reserve targets are met, the District will pre-fund the Collection System R&R reserves for the cities at the beginning of the fiscal year. Prior to every fiscal year, each City will budget their anticipated expenditures for Collection System R&R for the upcoming fiscal year. This amount will be included in the District's budget and presented to the District's Board of Directors for approval.

The budgeted amount will be transferred from each City's Collection System R&R Reserve Fund to each City's collection system enterprise fund by August 1 of each year. Overspent or underspend funds from one year will be "trued up" in the next fiscal year.

Although the Collection System Rehabilitation & Replacements reserves are funded from Sewer Service Charges in the Operations Fund, the reserves for the City of Fairfield and City of Suisun City will be maintained in separate funds.

- *Debt Service Reserve*

The District will maintain a reserve equal to one year of debt service based on current loans covenants for existing State Revolving Fund (SRF) loans. Should the District issue any additional debt, the Debt Service Reserve will represent the requirements of all debt service.

### 3.2 **Sewer Capacity Charge Reserves**

- *Sewer Capacity Charge Reserves*

The District will maintain **Sewer Capacity Charge** reserves as follows:

- All revenue collected prior to July 1, 2022 will remain reserved for growth related projects.

- Revenue collected after July 1, 2022 can be used for rehabilitation and repair projects identified in the Major Maintenance and Capital Improvement Program Budget, and is no longer restricted for only growth-related projects.

### **3.3 Drainage Maintenance Fund Reserves**

- *Drainage Maintenance Reserves*

Within the Drainage Maintenance Fund, the District shall maintain three separate reserves:

- Operations Reserve – The District will maintain a minimum reserve of 10 percent of average annual Drainage Maintenance revenues. If the Operating Reserve target is met, additional net revenues should be allocated to the Drainage Maintenance and Capital Improvement Program Reserve unless there are anticipated operating impacts that need to be mitigated above the target Operating Reserve.
- Major Maintenance Reserve – The District will maintain a minimum reserve of 25 percent of average annual Drainage Maintenance revenues.
- Desilting Reserve – Annually the District will transfer \$30,500 to a Desilting Reserve for the ongoing maintenance dredging of the Suisun City Marina Village Channel Improvements, payable upon the Suisun City's request.

### **3.4 Solano Stormwater Alliance Reserve**

- *Solano Stormwater Alliance Reserve*

While acting as the Fiscal Agent for the Solano Stormwater Alliance, the District shall maintain a reserve in accordance with the Agreement Providing for Implementation of the Solano Stormwater Alliance (Agreement) and any subsequent Amendments. In accordance with Amendment No. 1:

*Recognizing that expenses do not always happen within the budget year, the Program may end up with unspent funds by the end of the fiscal year. The Program will hold an Operating Reserve of 90 days (25%) of the Operating budget. Each July, the Fiscal Agent will review unspent funds from the prior budget year. Unless the PARTIES authorize the Program to carry reserve funds greater than the Operating Reserve, unspent proceeds above the Operating Reserve will be credited back to each PARTY's current annual contribution based on their cost allocation in Exhibit A (of the Agreement).*

## **4. Procedures**

The General Manager, or their designee, is responsible for managing reserves in accordance with this policy. The Board of Directors may authorize use of reserves in accordance with applicable District policies and procedures.



## FAIRFIELD-SUISUN SEWER DISTRICT

January 26, 2026

### AGENDA REPORT

TO: Board of Directors

FROM: Melanie Wildeman, Accountant

SUBJECT: Designate "Responsible Person" for Form 1095-C Filings

**Recommendation:** Approve Resolution 2026-02 Authorizing the Accountant or Senior Accountant to Oversee and Complete Form 1095-C Filings

**Background:** Under the Affordable Care Act (ACA), and IRC Section 6056, Applicable Large Employers (ALEs), which is defined as those with 50 or more full-time employees, are required to file IRS Form 1095-C annually. This requirement is based on Internal Revenue Code §6056 and its implementing regulations, including Treasury Regulation §301.6056-1. Specifically, §301.6056-1(k)(1) outlines how a government agency must designate a "Responsible Person" to handle ACA reporting. To comply, the Board of Directors must pass a resolution appointing an employee to oversee the filing of Form 1095-C filings. The designation of a person to file and furnish returns under IRC §6056 does not relieve the District, as the Applicable Large Employer, of responsibility for compliance or liability for penalties.

**Discussion:** The District's Accountant or Senior Accountant has the expertise and familiarity with both IRS reporting requirements and payroll and benefits data necessary to ensure accurate and timely completion of Form 1095-C filings. By formally authorizing the Accountant or Senior Accountant to oversee and complete these filings, the Board ensures regulatory compliance with ACA and IRS requirements and accuracy in reporting employee health coverage information.

**Fiscal Impact:** None.

Attachment: 1 – Resolution No. 2026-02

FAIRFIELD-SUISUN SEWER DISTRICT  
RESOLUTION NO. 2026-02

**A RESOLUTION AUTHORIZING ACCOUNTANT OR SENIOR ACCOUNTANT TO  
OVERSEE AND COMPLETE FORM 1095-C FILINGS**

WHEREAS, this Resolution is necessary to comply with IRC Section 6056, which sets forth the Affordable Care Act (ACA) health coverage reporting and employee disclosure rules for applicable large employers; and,

WHEREAS, Treasury Regulation 301.6056-1(k)(1), mandates that large employers must report certain health insurance coverage information to the IRS and furnish related employee statements; and

WHEREAS, Treasury Regulation 301.6056-1(k)(1), sets forth rules for how the Responsible Person at a Governmental Agency must be "appropriately designated" for ACA reporting requirements; and

WHEREAS, the Fairfield-Suisun Sewer District is required under IRC Section 6056, and Treasury Regulation 301.6056-1(k)(1) to prepare and file Form 1095-C in compliance with the Affordable Care Act.

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE FAIRFIELD-SUISUN SEWER DISTRICT THAT:

1. The District hereby authorizes the Accountant or Senior Accountant to oversee and complete Form 1095-C filings for the tax year 2025 and subsequent years.
2. The District complies with the requirements of Treasury Regulation 301.6056-1(k)(1), and IRC Section 6056 relating to preparing and filing Form 1095-C in compliance with the Affordable Care Act.
3. The General Manager is authorized and directed to take all steps necessary and proper to implement this resolution.

PASSED AND ADOPTED this 26th day of January 2026, by the following vote:

AYES: Directors \_\_\_\_\_

NOES: Directors \_\_\_\_\_

ABSTAIN: Directors \_\_\_\_\_

ABSENT: Directors \_\_\_\_\_

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
District Clerk



## FAIRFIELD-SUISUN SEWER DISTRICT

January 26, 2026

### AGENDA REPORT

TO: Board of Directors

FROM: Karl Ono, Senior Engineer

SUBJECT: Authorize Execution of Agreement for the Solano County Downtown Fairfield Justice Campus Asset Protection – Offsite Sanitary Sewer Improvements Project

**Recommendation:** Authorize General Manager to execute an Improvement Agreement between the District, Solano County (County), and City of Fairfield for the Solano County Downtown Fairfield Justice Campus Asset Protection – Offsite Sanitary Sewer Improvements Project (Project).

**Background:** The District owns and maintains existing 18-inch and 24-inch trunk sewer mains that are situated within existing public sanitary sewer easements and public service easements within Solano County's Hall of Justice Campus on Texas Street in Fairfield. The County is proposing a FEMA-funded project to construct flood wall, security, and parking improvements at the Hall of Justice Campus. However, the proposed improvements would adversely affect the District's access for ongoing maintenance and repair of the existing 18-inch and 24-inch trunk sewers.

The Project is designed to address conflicts between the proposed flood control and security improvements by installing approximately 800 feet of 15-inch diameter trunk sewer main and other related facilities to be owned and maintained by the District, as well as approximately 1,000 feet of 6-inch, 8-inch, and 10-inch sewer main and other related facilities to be owned and maintained by the City of Farfield. The new sewers will route sanitary sewer flows from nearby areas within the City of Fairfield away from the County's Hall of Justice campus, and upon completion of the proposed sewer improvements, the existing 18-inch 24-inch trunk sewers within the Hall of Justice campus will no longer serve as public sewer facilities. The District may then quitclaim its rights to the existing easements that the existing trunk sewer mains are situated within. Attachment 1 indicates the proposed post-project sewer routing and ownership.

The County's FEMA funding requirements and timelines require approval and initiation of the flood control, security, and parking improvements prior to completion of the sewer rerouting project. The District and City of Fairfield require the County to enter into an Improvement Agreement for the installation of the proposed public sewer facilities.

Authorize General Manager/District Engineer to execute an Improvement Agreement for the Solano County Downtown Fairfield Justice Campus Asset Protection Project – Offsite Sanitary Sewer Improvements  
January 26, 2026  
Page 2 of 2

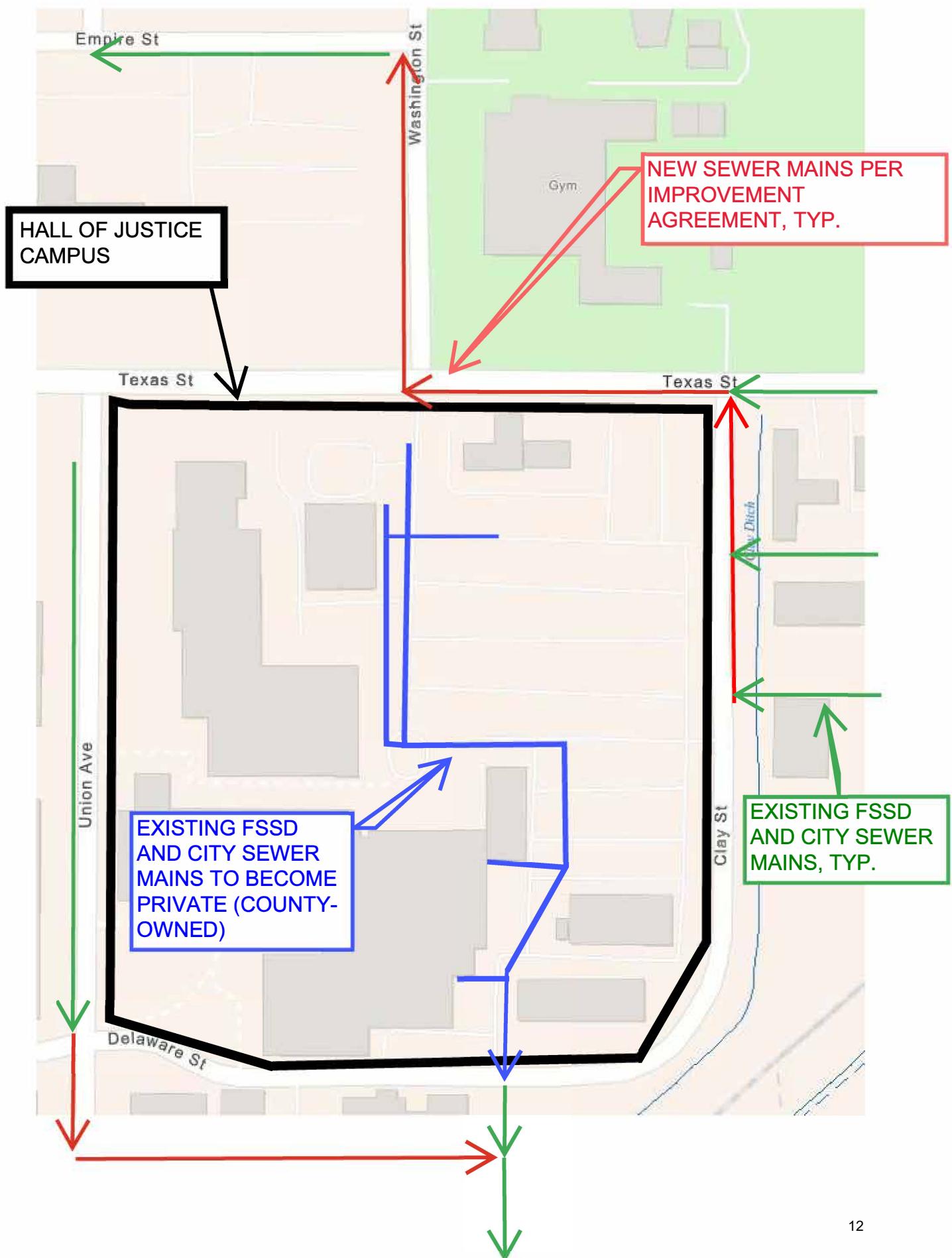
**Discussion:** The County expects to complete the offsite sewer design, award a construction contract, and complete the offsite sewer improvements in 2026. The attached Agreement is based on the City of Fairfield's standard Improvement Agreement, with modifications to reflect that the agreement is between public agencies and to include the District as a party to the agreement. Staff recommend the Board authorize the General Manager to enter into the three-agency Improvement Agreement to support completion of the sanitary sewer improvements, to mitigate the impacts of and to indemnify the District against any liability during the County's sewer construction project.

**Fiscal Impact:** The District will assume ownership of the public sanitary sewer trunk facilities and will be responsible for maintenance and operation. Future operation and maintenance costs are expected to be offset by the costs for facilities that are proposed to be abandoned and/or privatized under the proposed project.

Attachments: 1 – Figure of Sewer Routing Post-Project  
2 – Resolution No. 2026-03  
3 – Improvement Agreement

# FIGURE 1 - SEWER ROUTING POST PROJECT

Attachment 1



**FAIRFIELD-SUISUN SEWER DISTRICT**

**RESOLUTION NO. 2026-03**

**A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO EXECUTE  
IMPROVEMENT AGREEMENT FOR THE SOLANO COUNTY DOWNTOWN  
FAIRFIELD JUSTICE CAMPUS ASSET PROTECTION PROJECT – OFFSITE  
SANITARY SEWER IMPROVEMENTS**

WHEREAS, the Solano County Department of General Services has undertaken FEMA-funded flood barrier and security improvements at the County's existing Hall of Justice campus; and

WHEREAS, the District owns and operates existing trunk sewer mains that are situated within existing public sanitary sewer easements and public service easements within the Hall of Justice campus; and

WHEREAS, the County's proposed flood wall and security improvements would adversely affect the District's access for ongoing maintenance and future rehabilitation or replacement of the existing sewer mains situated on the Hall of Justice campus; and

WHEREAS, District, City of Fairfield, and County staff have partnered to propose a County sub-project to design and construct new sewer mains to reroute existing sewer flows around the Hall of Justice campus, eliminating adverse impacts, and allowing for the future privatization of onsite sewer mains and ability to quitclaim existing easements and related restrictions; and

WHEREAS, the County's FEMA funding requirements and timelines require approval and initiation of the flood control and related improvements prior to completion of the sewer rerouting sub-Project; and

WHEREAS, the District, City and County staff have proposed an Improvement Agreement between all parties to ensure the offsite sewer work would be constructed.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FAIRFIELD-SUISUN SEWER DISTRICT:

1. The foregoing Recitals are true and correct and made a part of this Resolution.
2. The General Manager/District Engineer is hereby authorized to execute an Improvement Agreement with Solano County and City of Fairfield for the Solano County Downtown Fairfield Justice Campus Asset Projection Project – Offsite Sanitary Sewer Improvements Project.
3. The General Manager/District Engineer is hereby authorized and directed to do all things necessary and proper to implement this resolution.

PASSED AND ADOPTED this 26th day of January 2026, by the following vote:

AYES: Directors \_\_\_\_\_

NOES: Directors \_\_\_\_\_

ABSTAIN: Directors \_\_\_\_\_

ABSENT: Directors \_\_\_\_\_

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President

ATTEST:

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District Clerk

**CITY OF FAIRFIELD  
IMPROVEMENT AGREEMENT**

**Downtown Fairfield Justice Campus  
Offsite Sanitary Sewer Improvements**  
Solano County

THIS IMPROVEMENT AGREEMENT ("Agreement") dated \_\_\_\_\_, 2026 ("Effective Date") is made and entered into by and between the CITY OF FAIRFIELD, a municipal corporation, hereinafter referred to as "City," the FAIRFIELD-SUISUN SEWER DISTRICT, a special district organized and existing under the laws of the State of California, hereinafter referred to as District, and the COUNTY OF SOLANO, a political subdivision of the State of California, hereinafter referred to as "County," referred to together herein as "Parties" or individually as "Party." The purpose of this Agreement is to set forth the respective obligations of the Parties with respect to coordination and discretionary approvals by the involved public entities relating to the proposed County Improvement.

**R E C I T A L:**

- A. County has presented to City a plan for a sewer improvement project (the "Improvement") located within the corporate limits of City, the plan having been prepared in accordance with the requirements of the Director of Public Works or their designee ("City Engineer") and the General Manager for the Fairfield-Suisun Sewer district or their designee ("District Engineer").

**A G R E E M E N T S:**

The Parties hereto agree as follows:

1. **The General Contractor:** The City acknowledges and agrees that the County is not a licensed contractor, but that the County intends to contract with a licensed general contractor (the "General Contractor") who will construct and install the Improvement. The contract between the County and General Contractor for completion of the Improvement is referred to herein as the Construction Contract.
2. **Performance of Work:** Subject to the prior receipt of all required approvals, permits, entitlements, and authorizations from the City and any other applicable public agencies, County agrees to furnish, construct, and install at its own expense, or cause to be furnished, constructed, and installed, all the Improvement, as shown on the plans and specifications, a copy of which is on file in the Office of the City Engineer and is incorporated herein by reference, along with any changes and modifications as may be required by the City Engineer due to errors or omission on the plans.
3. **Work; Satisfaction of the City Engineer:** All of the work on the Improvement is to be done at the places, with the materials, and in the manner and at the grades, all

as shown on the approved plans and specifications and the City's Standard Specifications and Details as authorized via Fairfield City Council Resolution 2014-93, and to the satisfaction of the City Engineer and District Engineer.

4. **Work; Time for Commencement and Performance:** The Parties agree that County will perform the work according to the construction schedule attached as Exhibit A. At least fifteen (15) calendar days prior to the commencement of the work, the County shall notify the City Engineer in writing of the scheduled start date. This notice will allow the City Engineer to arrange inspection services and to hold a pre-construction meeting between the Parties.
5. **Time of Essence; Extension:** Time is of the essence in this Agreement, but the dates for commencement and completion of the work of construction may be extended pursuant to Section 6 of this Agreement. The City Engineer shall be the sole and final judge as to whether good cause has been shown to entitle County to an extension. Extensions shall not be unreasonably withheld.
6. **Request for Extension; Granting:** Requests for extension of commencement and completion date shall be in writing and shall be delivered to the City in the manner hereinafter specified for services of notices. Extensions, if granted, shall be in writing; an oral extension shall not be valid for any purpose whatsoever.
7. **Extension; No Release of Obligations:** In the event it is deemed necessary by the City to extend the time of commencement or completion of the work to be done under this Agreement beyond the dates specified herein, such extension as shall be granted shall in no way release any guarantee given by the County pursuant to this Agreement, or to relieve or release those providing improvement security pursuant to this Agreement. The sureties in executing the bonds shall be deemed to have expressly agreed to any such extension of time.
8. **Extension; Conditions:** The granting of any extension may be conditioned upon the County providing the City with new or amended surety bonds in amounts increased to reflect increases in the costs of constructing the Improvement that have occurred prior to the granting of the extension or are likely to occur prior to the completion of work.
9. **Improvement Security:** Concurrently with the execution hereof, County shall furnish City:
  - (a) Improvement security in the sum of **\$4,041,400**, which sum is equal to one hundred ten percent (110%) of the estimated cost of constructing the Improvement, rounded up, and the cost of any other obligation to be performed by County hereunder, securing the faithful performance of this Agreement.
  - (b) Separate improvement security in the sum of **\$2,020,700**, which sum is equal to fifty-five percent (55%) of the estimated cost of constructing the Improvement, securing payment to the General

Contractor, its subcontractors, and to person furnishing labor, materials, or equipment to them for the construction Improvement.

(c) The form of the improvement security shall be subject to the approval of the City Attorney. Improvement security shall be reduced or released by the City only in the manner provided by the ordinances of the City. No change, alteration, or addition to the terms of this Agreement or the plans and specifications accompanying the same shall in any manner affect the obligation of those providing improvement security pursuant to this Agreement.

10. Engineering and Inspection Fee: The County shall:

(a) Pay to the City an engineering plan check fee of 1.35% of the total cost of the Improvement, as estimated by the City Engineer, less the initial plan check fee of one percent (1%) of the total cost paid upon submittal of improvement plans, rounded to the nearest whole number. The total amount of this fee due is:

$$(1.35\% \times \$3,674,000) = \$49,599.$$

(b) Pay to the City an engineering and inspection fee of five and a half percent (5.5%) of the total cost of the Required Improvements, rounded to the nearest whole number, as estimated by the City Engineer, being:

$$(5.5\% \times \$3,674,000) = \$202,070.$$

(c) Fee includes only items of work to be inspected by the City. It is understood that such fee covers only those inspections and engineering work performed by the City during the normal working hours of the City.

11. Hold Harmless Agreement:

(a) County will indemnify, hold harmless and assume defense of, in any actions of law or in equity, the City of Fairfield, Fairfield-Suisun Sewer District, officers, employees, agents, and elective and appointive boards from all claims, losses, damage, including property damage, personal injury, including death, and liability of every kind, nature and description, directly or indirectly arising from the operations of General Contractor or any subcontractor, or of any person directly or indirectly employed by, or acting as agent for General Contractor or any subcontractor, but not including the sole or active negligence or willful misconduct of the City of Fairfield or the Fairfield-Suisun Sewer District. This indemnification shall extend to claims, losses, damages, injury and liability for injuries occurring after completion of the work as well as during the work's progress.

(b) Acceptance of insurance certificates required under this Agreement does

not relieve General Contractor from liability under this indemnity and hold harmless clause. This indemnity and hold harmless clause shall apply to all damages and claims for damages of every kind suffered, or alleged to have been suffered, by reason of any of County's, its General Contractor's or any subcontractor's operations regardless of whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages.

- (c) The City and the District will indemnify, hold harmless and assume defense of, in any actions of law or in equity, the County of Solano, its officers, employees, agents, and elective and appointive boards from all claims, losses, damage, including property damage, personal injury, including death, and liability of every kind, nature and description, directly or indirectly arising from the operations of the County of Solano, General Contractor or any subcontractor, or of any person directly or indirectly employed by, or acting as agent for the County of Solano, General Contractor or any subcontractor, but not including the sole or active negligence or willful misconduct of the County of Solano. This indemnification shall extend to claims, losses, damages, injury and liability for injuries occurring after completion of the work as well as during the work's progress.

12. Limitation of Liability: To the extent permitted by law, in no event will the Parties or any of their contractors or suppliers be liable under or in connection with this Agreement under any legal or equitable theory, including breach of contract, tort (including negligence), strict liability, and otherwise, for any consequential, incidental, indirect, exemplary, special, or punitive damages. This limitation includes the cost or replacement goods or services regardless of whether Parties were advised of the possibility of such losses or damages, or such losses or damages were otherwise foreseeable. The parties agree that the limitations and exclusions of liability and disclaimers specified in this agreement will survive termination. Notwithstanding the foregoing limitation, nothing in this Section 12 shall limit or exclude either Party's liability for:

- (a) Direct damages, including the actual costs of repair, replacement, cleanup, or remediation;
- (b) Any amounts owed under Section 11;
- (c) Any obligations under Section 25; or
- (d) Any liability that cannot be limited or excluded under applicable law

13. Waiver of Warranties:

- (a) General Disclaimer: Except as required by applicable law, Parties will not be responsible or liable for any inaccuracies in the data or the information provided under or in connection with this Agreement, all warranties, express or implied, statutory or otherwise, including without limitation, any warranty of fitness for a particular purpose, merchantability, good and workmanlike product or service or

otherwise, are disclaimed by the Parties for any work, opinion, or information provided pursuant to or in connection with this Agreement.

(b) **Preservation of Statutory Obligations.** Nothing in this Agreement shall be construed to waive, limit, or disclaim any warranty, duty, or obligation imposed by California law.

(c) **Contractor Warranties Preserved.** This section does not affect the General Contractor's warranties regarding workmanship and materials as required by Section 17 of this Agreement and applicable law.

14. **Contractor's Insurance:** The County shall not commence work under this Agreement or permit its General Contractor or any subcontractor to commence work thereunder until County shall have obtained or caused to be obtained all insurance required under this paragraph and such insurance shall have been approved by the City Engineer of City as to form, amount, and carrier. The insurance shall be maintained in force and effect until the completion of work under this Agreement and the acceptance thereof by the City. All requirements herein provided shall appear either in the body of the insurance policies or as endorsements and shall specifically bind the insurance carrier.

(a) **WORKER'S COMPENSATION INSURANCE:** The County shall obtain and maintain (or cause to be obtained and maintained) workers' compensation insurance for all the County and General Contractor employees employed at the site of improvement. Proof of a qualified self-insurance program is acceptable. County shall require any subcontractor similarly to provide workers' compensation insurance for all of the subcontractor's employees, unless such employees are covered by the protection afforded by the County or the General Contractor. In case any class of employees engaged in work under this Agreement at the site of the project is not protected under any workers' compensation law, the County shall provide and shall cause General Contractor and each subcontractor to provide, adequate insurance for the protection of employees not otherwise protected. County hereby agrees to indemnify the City for any damage resulting to it from failure of General Contractor or any subcontractors to take out or maintain such insurance. The County shall provide the City Engineer with a certificate of insurance indicating workers' compensation coverage prior to engaging in any activity required by this Agreement.

15. **Liability Insurance:** The County shall be responsible for maintaining a program of insurance or self-insurance, or any combination thereof, that shall cover its indemnification obligations as set forth in this Agreement. The County shall provide the City with certificates of self-insurance, or other documentation, which details the scope, limits, and forms of the County's self-insurance coverage. The County agrees to provide the City with written notification of any changes in coverage applicable to this Agreement and shall do so within 30 days of the change or within ten days in the event the change results in the termination of coverage(s) applicable to this Agreement.
16. **Title to Improvements:** Title to and ownership of all improvements constructed hereunder shall vest absolutely in the City and the District upon completion and acceptance of such improvements by City.
17. **Repair or Reconstruction of Defective Work:** If, within a period of one year after final acceptance of the work performed under this Agreement, any improvement or part of any improvement furnished and/or installed or constructed, or caused to be installed or constructed by County, or any of the work done under this Agreement fails to fulfill any of the requirements of this Agreement or the specifications referred to herein, the County shall without delay and without any cost to the City or District, repair or replace or reconstruct, **or cause to be repaired or replaced or reconstructed**, any defective or otherwise unsatisfactory part or parts of the work or structure. Should the County fail to act promptly or in accordance with this requirement, or should the exigencies of the case require repairs or replacements to be made before County can be notified, the City or District may, at option, make the necessary repairs or replacements or perform the necessary work, and County shall pay to the City or District, as applicable the actual cost of such repairs.
18. **Neither County nor General Contractor Are Agent of City or District:** Neither the County nor General Contractor nor any of the County's or General Contractor's agents or subcontractors are or shall be considered to be agents of the City or District in connection with the performance of the obligations under this Agreement.

19. Remedies for Breach of Agreement: Should any Party form the opinion that another Party has breached, or is about to breach, any term of this Agreement, the Party concerned with the actual or potential breach shall notify the other Party of its concern in writing (email permitted) within ten days of learning of the alleged breach or anticipated breach. Upon receipt of notice, the Party accused shall have fifteen days to cure the alleged breach. The alleging Party shall not unreasonably refuse to accept a timely and adequate cure.
20. Remedies if Party Fails to Undertake an Obligation Under this Agreement: If, after fifteen days of communication and receipt of the notice described in Section 19, the alleged breach has not been cured or avoided to the satisfaction of the Party asserting it, and a breach is determined to have occurred, the Party alleging it may seek judicial remedies by filing a breach of contract action in the Solano County Superior Court. Specific performance shall be the exclusive remedy for any proven breach, as determined by the Superior Court or of an appeal by a court of higher authority. This Agreement shall be admissible in any proceeding for its enforcement in accordance with Section 1118 and 1123 of the California Evidence Code.
21. Notice of Breach and Default: Subject to sections 2 and 19 above, if County refuses or fails to obtain prosecution of the work, or any severable part thereof, with such diligence as will ensure its completion within the time specified, or any extension thereof, or fails to obtain completion of the work within such time, or if County should be adjudged a bankrupt, or County should make a general assignment for the benefit of County's creditors, or if a receiver should be appointed in the event of County's insolvency, or if County or its General Contractor or any of its subcontractors, agents, or employees should violate any of the provisions of this Agreement, City Engineer may serve written notice upon County and County's surety of breach of this Agreement, or of any portion thereof, and of default of County hereunder.
22. Breach of Agreement; Performance by Surety or City: In the event of any such notice in Section 21, the County's surety shall have the duty to take over and complete the work and the improvement herein specified; provided, however, that if the surety within fifteen (15) days after the serving of such notice of breach upon it does not give City written notice of its intention to take over the performance of the contract, and does not commence performance thereof within fifteen (15) days after notice to City of such election, the City may take over the work and prosecute the same to completion by contract, or by any other method City may deem advisable, for the account and at the expense of the County, and the County's surety shall be liable to City for any excess cost of damages occasioned City thereby; and in such event, City, without liability for so doing, may take possession of and utilize in completing the work, such materials, appliances, plant and other property belonging to County or its General Contractor as may be on the site of the work and necessary therefor. County shall cause the

Construction Contract to include a provision implementing the rights of City pursuant to Section 18.

23. Notices: All notices herein required shall be in writing, and delivered in person or sent by registered mail, prepaid postage.

Notices required to be given to City shall be addressed as follows:

Fairfield City Hall, Attn: City Engineer  
1000 Webster Street  
Fairfield, CA 94533

Notices required to be given to District shall be addressed as follows:

Fairfield-Suisun Sewer District, Attn: General Manager  
1010 Chadbourne Road  
Fairfield, CA 94534

Notices required to be given to County shall be addressed as follows:

General Services Dept., Attn: Capital Projects Manager  
County of Solano County  
675 Texas Street, Suite 2500  
Fairfield, CA 94533

Notices required to be given to surety of County shall be addressed as follows:

General Services Dept., Attn: Capital Projects Manager  
County of Solano County  
675 Texas Street, Suite 2500  
Fairfield, CA 94533

Any party or the surety may change such address by notice in writing to the other party and thereafter notices shall be addressed and transmitted to the new address.

24. Oversizing: Public improvement oversizing and/or reimbursement as defined in City Code Chapter 6B, Chapter 10, Article IV, Sections 10.56 through 10.65; and Chapter 25, Article III, Section 25.166.79 through 25.166.81 is not applicable.

25. Pollution Liability: The County shall be responsible for all impacts from sanitary sewer spills associated with construction, including bypass pumping and flow diversion operations. The County's liability for such sanitary sewer spills shall include, without limitation, cleanup and repair costs and any fines imposed by local, state or federal regulatory agencies in connection with such sanitary sewer spills. To the fullest extent permitted by law, the County shall also indemnify, defend and hold City and District harmless from any and all claims, arising out of or related to, in whole or in part, sanitary sewer spills from the Improvement. City's and District's approval of submitted plans for sewer connection and temporary rerouting shall in no way relieve the County of their responsibility for the protection of adjacent properties, downstream drainage systems, and water tributaries against sewage spill. Any litigation, claims, fines, etc. associated with any sewage spill shall be the responsibility of the County.

26. Additional Terms and Conditions: This Agreement is subject to the following additional terms and conditions (except as specifically provided otherwise):

(a) Conditions of Improvement: Following the construction of sewer improvements and prior to approval of the right-of-way vacation for Clay Street, the County shall:

- i. Provide public service easements on Clay Street and Delaware Street, that includes the Clay Street Ditch. The Clay Street ditch and sewer utilities will remain City-maintained.
- ii. Construct public storm drain system in Texas Street and Clay Street, rerouting the public storm drain system within the County property.
- iii. Remove or abandon the three (3) sewer manholes in the existing levee. If manholes cannot be removed, they should be abandoned by CIPP lining the manholes and filled with material approved by the City.
- iv. Privatize the public on-site water main by installing backflow preventers at the West Texas and Union Avenue right-of-way. Onsite water meters will remain City-maintained.
- v. Take maintenance responsibility of the streetlights along Clay Street.
- vi. Provide City and FSSD access to the future vehicular gates to be installed in Clay Street and Delaware Street. FSSD and City requires "nose-in," no turnaround access through Clay Street and Delaware Street. County shall construct vehicle turnaround/cul-de-sac at the vehicle gate in Clay Street.
- vii. Construct two (2) new driveways, per the City standards, on Clay Street for City vehicles to access the ditch.
- viii. Install street signage noting Clay Street and Delaware Street are

not through streets.

ix. Submit to City a draft maintenance agreement, for execution between the County and the City, outlining limits of responsibility:

- City = Clay Street ditch; sewer main within Clay Street; backflow preventers; and onsite water meters.
- County = storm drain pump station; Clay Street and Delaware Street roadways; streetlights; and security fencing.

27. Prohibited Interest: No employee of the City shall have any direct financial interest in this Agreement. This Agreement shall be voidable at the opinion of the City if this provision is violated.

28. Local Employment Policy: The City of Fairfield desires, wherever possible, to hire qualified local residents to work on city projects. Local resident is defined as a person who resides in Solano County. The City encourages an active local employment preference program on the part of its contractors, consultants, and the County. When local projects require, subcontractors, contractors, consultants, and County will solicit proposals from qualified local firms where possible.

29. Prevailing Wage Policy: County shall ensure or cause to be ensured that all work performed under the Construction Contract complies with California prevailing wage requirements pursuant to Labor Code sections 1720 et seq., including but not limited to registration, certified payroll, and posting requirements.

30. Governing Law and Venue: This Agreement shall be interpreted and governed according to the laws of the State of California. In the event of litigation between the Parties, venue, without exception, shall be in the Solano Superior Court of the State of California. If, and only if, applicable law requires that all or part of any such litigation be tried exclusively in federal court, venue, without exception, shall be in the Eastern District of California.

31. Severability: If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.

32. Warranty of Authority: Each of the person signing this Agreement represents and warrants that such person has been duly authorized to sign this Agreement on behalf of the Party indicated, and each of the Parties by signing this Agreement warrants and represents that such Party is legally authorized and entitled to enter into this Agreement.

33. Entire Agreement: This Agreement constitutes the entire agreement between the Parties. No other promises, agreements, or statements between the Parties shall

be binding unless made in writing and signed by all Parties hereto. Each Party acknowledges that no other Party, nor any agent or attorney of any other Party, has made any promise, representation, or warranty whatsoever, express or implied, that is not expressly contained in this Agreement. Each Party further acknowledges that it has not executed this Agreement in reliance upon any collateral promise, representation, or warranty.

34. Amendments: This Agreement cannot be changed or supplemented orally and may be modified or superseded only by written instrument executed by all Parties.
35. Cooperation: The Parties agree to do all things necessary, and to execute all further documents necessary and appropriate, to carry out and effectuate the terms and purpose of this Agreement.
36. Termination: This Agreement shall continue in effect from its Effective Date until the earlier of the following dates: a) the first date when all of the Parties' obligations under this Agreement have been fully satisfied; or b) the Parties agree in writing to terminate this Agreement.
37. Binding Effect: This Agreement is for the benefit of and shall be binding on all Parties and their successors, assigns, heirs, executors, administrators, predecessors, partnerships, employees, attorneys, insurers, sureties, agents, representatives, directors, officers, receivers, trustees, and stockholders.
38. Execution in Counterparts: This Agreement may be executed in several counterparts and shall be deemed legally effective at such time as counterparts thereof duly executed on behalf of all Parties have been furnished and delivered to the attorneys for the Parties to this Agreement. Signed copies and facsimile versions of this Agreement shall have the same force and effect as signature of the original. Signatures may be transmitted electronically.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date set forth opposite its respective signatures.

Dated: \_\_\_\_\_

**City of Fairfield,**  
a municipal corporation

ATTEST:

By: \_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
City Manager

**Fairfield-Suisun Sewer District**  
a California special district

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
General Manager/District Engineer

**Solano County**  
a political subdivision of the State of California

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Name: Anthony Tave  
Title: Director of General Services

**Exhibit A**  
Construction Schedule

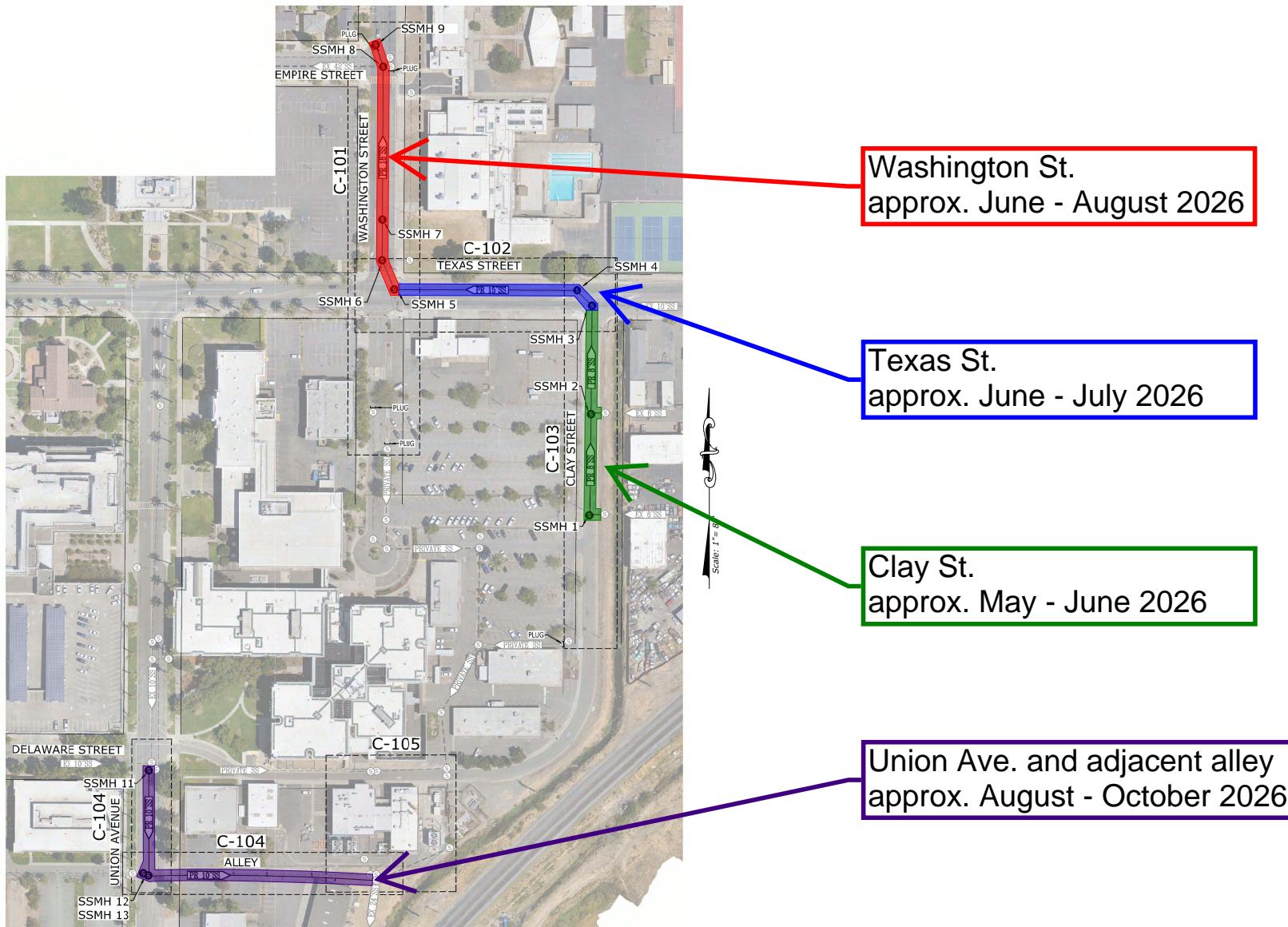


Exhibit B

## IMPROVEMENT AGREEMENT CHECK LIST

## **SUBDIVISION: Sewer Improvement Project**

OWNER: Solano County

ADDRESS: General Services Department, 675 Texas Street, Suite 2500, Fairfield, 94533

COUNCIL MEETING DESIRED: January 20<sup>th</sup>, 2026

**SUBMISSION DEADLINE: 12 PM, December 17<sup>th</sup>, 2025**

Executed Copies Provided to: City Manager  
City Engineer  
County Capital Projects Manager



## FAIRFIELD-SUISUN SEWER DISTRICT

January 26, 2026

### AGENDA REPORT

TO: Board of Directors

FROM: Kyle Broughton, Senior Engineer

SUBJECT: Lopes Road Lift Station Improvements – Authorize General Manager/District Engineer to execute a Right of Entry Agreement with City of Fairfield

**Recommendation:** Authorize General Manager/District Engineer to execute a Right of Entry Agreement with City of Fairfield for access, and contractor laydown yard for the construction of Lopes Road Lift Station Improvements.

**Background:** The District is currently in the final design phase for improvements to Lopes Road Lift Station. The lift station parcel has limited space for construction of the improvements, which will require maintaining continuous operations during construction including during temporary sewer bypass operations.

City of Fairfield owns the storm water detention basins parcel (APN No. 0180-432-020) directly to the south of the lift station parcel that also provides a secondary access to Lopes Road Lift Station. Due to the space limitations on the pump station parcel it is desirable to utilize the City's parcel for a contractor lay down and staging area to allow continuous access to work area and to minimize impacts to street parking on Andante Way in the Goldhill Village neighborhood.

The City requires Right of Entry Agreements for encroachments of this type and duration for liability purposes that ultimately require City Council's approval. The City's standard agreement was utilized, modified for the anticipated project duration of two years, and will apply to the District and its construction contractor. The agreement and a figure illustrating the proposed staging area are attached to this report.

**Discussion:** The District expects to bid the project in early 2026 and recommend construction contract award in the Spring of 2026. Execution of the Right of Entry Agreement will secure the laydown and staging area for the project.

**Fiscal Impact:** The District expects to bid the project in early 2026 and recommend construction contract award in the Spring of 2026. Execution of the Right of Entry Agreement will secure the laydown and staging area for the project.

Lopes Road Lift Station Improvements – Authorize General Manager/District Engineer to execute a Right of Entry Agreement with City of Fairfield

January 26, 2026

Page 2 of 2

Attachments: 1 – Resolution No. 2026-04

2 – Draft Right of Entry Agreement with City of Fairfield for Lopes Rd.  
Lift Station Improvements

**FAIRFIELD-SUISUN SEWER DISTRICT**

**RESOLUTION NO. 2026-04**

**A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO EXECUTE RIGHT OF ENTRY AGREEMENT FOR LOPES ROAD LIFT STATION IMPROVEMENTS**

WHEREAS, the District intends on proceeding with construction of the Lopes Road Lift Station Improvements Project (Project), and the District's Board of Directors is the decision-making body for the Project; and

WHEREAS, the District's Lopes Road Lift Station Parcel has limited space for construction of the improvements; and

WHEREAS, City of Fairfield owns the storm water detention basin parcel (APN No. 0180-432-020) directly to the south of the lift station parcel and it is desirable to utilize the City's parcel for a staging and lay down area to minimize impacts to street parking in the neighborhood; and

WHEREAS, City of Fairfield requires Right of Entry Agreements for encroachments of this type and the duration of the Project; and

WHEREAS, District staff recommends that the Board of Directors authorize the General Manager/District Engineer to execute the Right of Entry Agreement with City of Fairfield.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FAIRFIELD-SUISUN SEWER DISTRICT:

1. The foregoing Recitals are true and correct and made a part of this Resolution.
2. The General Manager/District Engineer is hereby authorized to execute a Right of Entry Agreement with City of Fairfield for a contractor staging and laydown area for construction of the Lopes Road Lift Station Improvements Project.
3. The General Manager/District Engineer is hereby authorized and directed to do all things necessary and proper to implement this resolution.

PASSED AND ADOPTED this 26th day of January 2026, by the following vote:

AYES: Directors \_\_\_\_\_

NOES: Directors \_\_\_\_\_

ABSTAIN: Directors \_\_\_\_\_

ABSENT: Directors \_\_\_\_\_

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
District Clerk

**RIGHT OF ENTRY/LICENSE AGREEMENT FOR THE  
FSSD PUMP STATION IMPROVEMENT FOR LOPES ROAD LIFT STATION PROJECT**

This Right of Entry and License Agreement ("Agreement") is entered into as of \_\_\_\_\_, 20\_\_\_\_ (the "Effective Date") by and between Fairfield-Suisun Sewer District (LICENSEE) and the City of Fairfield, a Municipal Corporation (LICENSOR).

**RECITALS**

A. LICENSOR is the owner of the property consisting of the following Assessor's Parcel Numbers 0180432020, located in the City of Fairfield, County of Solano, State of California, which is depicted on Exhibit A (the "Property") attached to this Agreement and hereby incorporated by reference.

B. LICENSEE has requested from LICENSOR the right to access and use the City Properties for the purpose of staging and storing construction equipment.

C. Subject to the terms and conditions of this Agreement, LICENSOR agrees to allow LICENSEE the right to use Property for the purpose of staging and storing of construction equipment and materials.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties have agreed as follows:

**AGREEMENT**

1. Grant of Right of Entry: LICENSOR hereby grants the LICENSEE its employees, consultants, contractors, subcontractors, agents and designees, permission to enter upon the Property for the sole purpose of staging and storing of construction equipment and materials.

LICENSEE shall pay to LICENSOR a license fee of \$1.00 ("License Fee") for the term of the Agreement. Payment of the License Fee shall be made prior to the commencement of the term of the Agreement.

2. Assumption of Risk: LICENSEE enters the Property and performs or causes to be performed such work as referred to above, at its own risk and subject to whatever hazards or conditions may exist on the Property.

3. Term: The term of this Agreement shall commence on the agreement execution date as entered above and shall expire six months after the Effective Date, unless sooner terminated as hereinafter provided. LICENSEE and LICENSOR each shall have the right to terminate this Agreement for either's sole convenience at any time during the term hereof by giving seven (7) days written notice to the other.

4. Duty to Repair, Restore, or Replace: LICENSEE shall not track mud, dirt or debris ("Debris") from its vehicles or equipment onto any public street. Should LICENSEE track Debris onto any public street LICENSEE shall immediately remove the Debris. If LICENSEE fails to remove the Debris, LICENSOR shall have the right to remove the Debris and charge LICENSEE for the cost of the removal. If LICENSOR is fined by any regulatory agency for LICENSEE'S tracking of the Debris onto any public street, LICENSOR shall seek remuneration from LICENSEE and LICENSEE agrees to pay any such fine.

LICENSEE shall, during the course of this Agreement, keep the Property in as safe and clean a condition as when LICENSEE first entered the Property. LICENSEE shall provide a construction fence with privacy screens around the perimeter of the Property. LICENSEE shall exercise due care not to damage the Property and upon completion of the FSSD Pump Station Improvement For Lopes Road Lift Station Project Right-Of Way, remove all materials and equipment placed on the Property during the course of this Agreement. Prior to the termination of this Agreement, LICENSEE shall restore the Property to its original gradient, fill and level all ditches ruts and depressions caused by LICENSEE's staging and storage of construction equipment and materials to its original condition. Restoration shall include the repair or replacement of any landscaping, structures, fences, roadways, driveways, or other improvements that are removed, damaged, or destroyed by LICENSEE's employees, contractors, subcontractors, agents and designees.

5. Compliance with Laws: LICENSEE shall conduct all operations on the Property in compliance with all federal, state and municipal statutes and ordinances, and with all regulations, orders and directives now existing or in the future, including but not limited to all requirements of the County of Solano and all regulatory agencies.

6. Permits: LICENSEE at no cost or expense to LICENSOR shall be responsible for obtaining any and all permits and approvals, necessary for LICENSEE to conduct any and all work or activities under this Agreement.

7. Cooperation: LICENSEE agrees to coordinate its activities with LICENSOR to minimize any impairment of access by contractors or business invitees of LICENSOR's to the Property and any inconvenience to or disruption of LICENSOR's business on the Property.

8. Environmental Conditions: LICENSEE unconditionally releases LICENSOR from and against any and all liability, both known and unknown, for damages to LICENSOR, arising out of any violation of any law, regulation or order relating to the protection of human health, natural and biological resources, and the environment or the presence on or under the property of any Hazardous Materials, or any releases or discharges of any Hazardous Materials during LICENSEE's occupancy of the Property. Hazardous Materials shall include, but is not limited to, any and all gasoline, diesel, oil or petroleum product used in the operations of vehicles and/or equipment placed on the Property.

9. Indemnification:

A. LICENSEE agrees, at its sole cost and expense to indemnify, hold harmless, release and defend, to the maximum extent permitted by law, LICENSOR, its City Council and each member thereof, and its officers, employees, commission members, agents and representatives (the "City Indemnified Parties") from any and all liability, loss, suits, claims, damages, costs and expenses, including reasonable attorney's fees and costs of litigation (a "City Claim"), which in whole or in part result from, or arise out of, or are claimed to result from, or to arise out of any activity, use or performance by LICENSEE or its employees, agents, or contractors under this Agreement on, in, under or adjacent to the Property including, without limitations, the release of any Hazardous Substance occurring in the Property, but excluding any release occurring prior to the Effective Date of the Agreement or after both (i) the expiration or termination of this Agreement, and (ii) the completion

of any restoration obligation pursuant to Section 4. LICENSEE agrees that this indemnity provision is effective without reference to the existence or applicability of any insurance coverage, and that this indemnity provision shall survive the expiration or termination of this Agreement.

B. This Agreement to indemnify includes, but is not limited to, personal injury, including death, and property or other damage sustained by any person or persons (including, but not limited to, companies or corporations, LICENSEE and its employees, agents or contractors, and members of the general public) from the causes specified in Section 9A, including, but not limited to, any act, error, or omission of LICENSEE or its employees, agents, or contractors. Notwithstanding anything to the contrary set forth herein, LICENSEE shall have no obligation to indemnify any City Indemnified Party for any City Claim arising from the active negligence or willful misconduct by any City Indemnified Party.

**10. Insurance:**

A. WORKERS' COMPENSATION. During the Term of this Agreement, LICENSEE shall fully comply with the terms of the law of California concerning workers' compensation. Said compliance shall include, but not be limited to, maintaining in full force and effect one or more policies of insurance insuring against any liability LICENSEE may have for workers' compensation. Said policy shall also include employer's liability coverage no less than \$1,000,000 per accident for bodily injury or disease.

B. GENERAL LIABILITY INSURANCE. LICENSEE shall obtain at its sole cost and keep in full force and effect during the Term of this Agreement commercial general liability insurance in the amount of no less than \$3,000,000 per occurrence for bodily injury, personal injury, products and completed operations, and property damage. Said insurance shall provide (1) that the LICENSOR, its officers, agents, employees and volunteers shall be named as additional insureds under the policy, and (2) that the policy shall operate as primary insurance, and (3) that no other insurance effected by the LICENSOR or other named insureds will be called upon to cover a loss covered thereunder.

C. AUTOMOBILE LIABILITY INSURANCE. LICENSEE shall obtain at its sole cost and keep in full force and effect during the Term of this Agreement automobile liability insurance in the amount of no less than \$1,000,000 per occurrence for bodily injury and property damage. Said insurance shall provide (1) that the LICENSOR, its officers, agents, employees and volunteers shall be named as additional insureds under the policy, and (2) that the policy shall operate as primary insurance, and (3) that no other insurance effected by the LICENSOR or other named insureds will be called upon to cover a loss covered thereunder.

D. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

i. The LICENSOR, its officers, officials, employees and volunteers are to be covered as insureds as respects: liability arising out of work or operations performed by or on behalf of the LICENSEE; products and completed operations of the LICENSEE; premises owned, occupied or used by the LICENSEE; and automobiles owned, leased, hired or

borrowed by the LICENSEE. The coverage shall contain no special limitations on the scope of protection afforded to the LICENSOR, its officers, officials, employees or volunteers.

ii. The LICENSEE'S insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

iii. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the LICENSOR.

E. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII.

F. The minimum limits stated above shall not serve to reduce the LICENSEE'S policy limits of coverage. Therefore, the requirements for coverage and limits shall be (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever is greater.

G. Verification of Coverage. LICENSEE shall furnish the LICENSOR with original endorsements effecting coverage required by this Section. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The endorsements are to be on forms provided by the LICENSOR or on forms equivalent to CG 20 10 11 85 subject to LICENSOR'S reasonable approval. All insurance certificates and endorsements are to be received and approved by the LICENSOR before work commences. At the request of the LICENSOR, LICENSEE shall provide complete copies of all required insurance policies, including endorsements affecting the coverage required by these specifications.

H. Sub-contractors. LICENSEE shall require all subcontractors to procure and maintain insurance policies subject to the requirements of this Section. Failure of LICENSEE to verify existence of sub-contractor's insurance shall not relieve LICENSEE from any claim arising from sub-contractors work on behalf of LICENSEE.

11. Recording: Neither LICENSOR nor LICENSEE shall record this Agreement.

12. Attorney's Fees: If any legal action or proceeding arising out of or relating to this Agreement is brought by either party to this Agreement, the prevailing party shall be entitled to receive from the other party, in addition to any other relief that may be granted, the reasonable attorneys' fees, costs, and expenses incurred in the action or proceeding by the prevailing party.

13. Notices: All notices required or permitted under the terms of this agreement shall be in writing and sent to:

City of Fairfield \_\_\_\_\_  
Sanjay Mishra \_\_\_\_\_  
Public Works Department \_\_\_\_\_  
1000 Webster Street \_\_\_\_\_  
Fairfield, CA 94533 \_\_\_\_\_  
Phone # (707) 428-7485 \_\_\_\_\_  
Fax # (707) 428-7607 \_\_\_\_\_

14. Time is of the Essence; Entire Agreement: Time is of the essence of each of the terms and provisions of this Agreement. This Agreement constitutes the entire Agreement between LICENSEE and the LICENSOR, no alteration, or amendment or any part thereof shall be affective unless in writing signed by parties sought to be charged, or bound thereby.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

**LICENSEE:**

---

---

**LICENSOR:**

**CITY OF FAIRFIELD**  
a municipal corporation

By: \_\_\_\_\_

By: \_\_\_\_\_

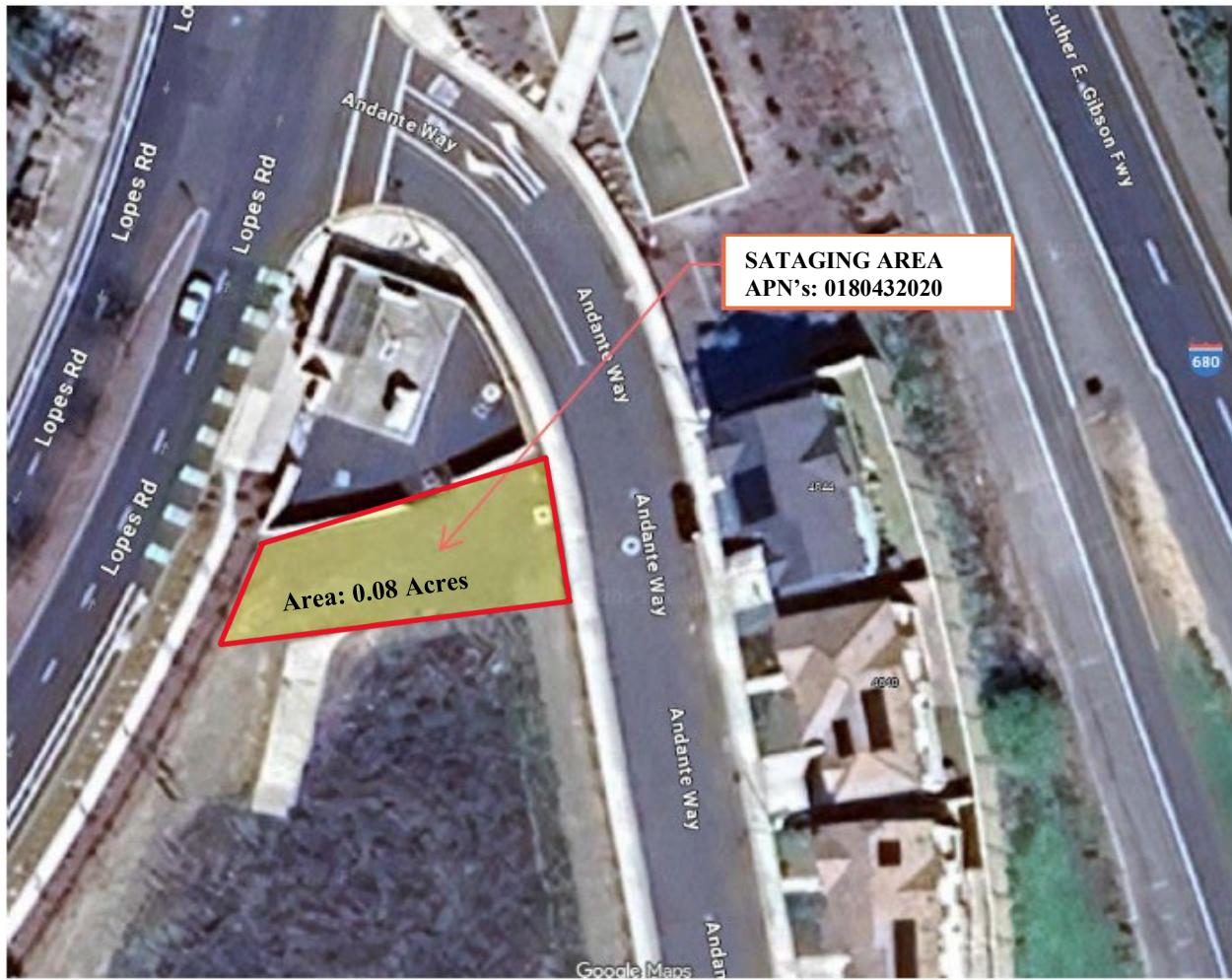
Its: \_\_\_\_\_

Its: Director of Public Works

Date: \_\_\_\_\_

Date: \_\_\_\_\_

EXHIBIT A



FSSD PUMP STATION IMPROVEMENT FOR LOPES ROAD LIFT STATION PROJECT

**CITY OF FAIRFIELD**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FAIRFIELD DELEGATING  
THE AUTHORITY TO SIGN CERTAIN RIGHT OF ENTRY AGREEMENTS  
PURSUANT TO FAIRFIELD CITY CODE SECTION 2.3.9**

**WHEREAS**, Fairfield City Code Section 2.3.9 provides that all contracts shall be in writing and shall be signed by a person authorized by State law or the City Code or an ordinance, resolution, motion or contract adopted or approved by the City Council; and

**WHEREAS**, the City Council desires to delegate to the City officers or employees designated below, the authority to sign certain agreements granting right of entry onto real property owned by the City.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF FAIRFIELD HEREBY  
RESOLVES:**

Section 1. The City Manager, the Director of Public Works, and the Director of Community Development are each hereby authorized to sign Right of Entry Agreements onto real property owned by the City, provided the duration of such agreements is less than one year.

**PASSED AND ADOPTED (DATE)**, by the following vote:

AYES: COUNCIL MEMBERS: \_\_\_\_\_

NOES: COUNCIL MEMBERS: \_\_\_\_\_

ABSENT: COUNCIL MEMBERS: \_\_\_\_\_

ABSTAIN: COUNCIL MEMBERS: \_\_\_\_\_

\_\_\_\_\_  
**MAYOR**

ATTEST:

\_\_\_\_\_  
**CITY CLERK**



## FAIRFIELD-SUISUN SEWER DISTRICT

January 26, 2026

### AGENDA REPORT

TO: Board of Directors

FROM: Karl Ono, Senior Engineer  
Irene O'Sullivan, Engineering Manager

SUBJECT: Authorize Execution of a Cost-Sharing Agreement with the City of Fairfield and the City of Suisun City for the Collection System Master Plan

**Recommendation:** Authorize the Board President to sign a cost-sharing Agreement with the City of Fairfield and the City of Suisun City for the Collection System Master Plan (Project).

**Background:** On July 28, 2025, the Board authorized the General Manager to execute a Consulting Services Contract with Woodard & Curran, Inc. (W&C) in an amount not to exceed \$1,172,865 for master planning and engineering services for the Project. The Project includes certain scope elements that would allow the Cities collection system assets to be added to a combined hydraulic model and support development of coordinated collection system Capital Improvement Plans for the Cities and District.

**Discussion:** Staff from both Cities and the District anticipate several benefits associated with completing a joint master plan effort; including cost and schedule efficiencies compared to conducting separate studies, development of coordinated Capital Improvement Plans between the three agencies, and an enhanced ability to partner on individual projects from planning through construction. For efficiency, the District is willing to administer the Cities' portions of the Project in partnership with staff from both Cities.

**Fiscal Impact:** The attached cost-sharing Agreement specifies the estimated consultant costs for master planning and engineering services that are proposed to be funded by each agency. Specifically, the agreement authorizes up to \$254,976 of project costs to be reimbursed by City of Fairfield and \$191,712 to be reimbursed by the City of Suisun City. Because the Capital Improvement Plans developed under the Project will support implementation of the Cities' Collection System Rehabilitation and Replacement (R&R) programs, the agreement also authorizes funds from each City's Collection System R&R Reserve Fund to cover reimbursement of Project Costs.

Authorize Execution of a Cost-Sharing Agreement with the City of Fairfield and the City of Suisun City for the Collection System Master Plan

January 26, 2026

Page 2 of 2

Attachments: 1 – Resolution No. 2026-05 – A Resolution Authorizing Execution of A Cost-Sharing Agreement Between Fairfield-Suisun Sewer District and the Cities of Fairfield and Suisun City Regarding Sewer Collection System Master Planning Services  
2 – Agreement Between Fairfield-Suisun Sewer District and the Cities of Fairfield and Suisun City Regarding Sewer Collection System Master Planning Services

**FAIRFIELD-SUISUN SEWER DISTRICT****RESOLUTION NO. 2026-05****A RESOLUTION AUTHORIZING EXECUTION OF A COST-SHARING AGREEMENT BETWEEN  
FAIRFIELD-SUISUN SEWER DISTRICT AND THE CITIES OF FAIRFIELD AND SUISUN  
CITY REGARDING SEWER COLLECTION SYSTEM MASTER PLANNING SERVICES**

WHEREAS, the District wishes to update its Collection System Master Plan (CSMP) to account for changes in growth assumptions associated with updated City General Plans and update its Collection System Asset Management Plan (CSAMP) to account for updated asset condition data obtained over the past five years ("Project"); and

WHEREAS, the Cities of Fairfield and Suisun City wish to join their sewer assets into the District's CSMP and CSAMP models and plan as a single, coordinated collection system; and

WHEREAS, the District is willing to administer the Cities' portions of the Project Scope with the District's portion of the Project Scope and to otherwise administer the overall "Project" on the District and Cities' behalf; and

WHEREAS, on July 28, 2025, the Board authorized the General Manager to execute a Consulting Services Contract with Woodard & Curran, Inc. (W&C) in an amount not to exceed \$1,172,865 for master planning and engineering services for the Project; and

WHEREAS, the District and Cities wish to enter into an Agreement Regarding Sewer Collection System Master Planning Services to establish Project roles, responsibilities, and terms for cost sharing and payment.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FAIRFIELD-SUISUN SEWER DISTRICT:

1. The foregoing Recitals are true and correct and made a part of this Resolution.
2. The Board authorizes finalizing and entering into a cost-sharing Agreement Regarding Sewer Collection System Master Planning Services with the City of Fairfield and the City of Suisun City.
3. The General Manager is hereby authorized and directed to do all things necessary and proper to implement this resolution.

PASSED AND ADOPTED this 26th day of January 2026, by the following vote:

AYES: Directors \_\_\_\_\_

NOES: Directors \_\_\_\_\_

ABSTAIN: Directors \_\_\_\_\_

ABSENT: Directors \_\_\_\_\_

\_\_\_\_\_  
President

ATTEST:

**AGREEMENT BETWEEN FAIRFIELD-SUISUN SEWER DISTRICT AND  
CITIES OF FAIRFIELD AND SUISUN CITY  
REGARDING SEWER COLLECTION SYSTEM MASTER PLANNING SERVICES**

This Agreement (“AGREEMENT”) is entered into and effective as of \_\_\_\_\_, 2025 by and between the FAIRFIELD-SUISUN SEWER DISTRICT, a special district organized and existing under the laws of the State of California (“DISTRICT”) the CITY OF FAIRFIELD, a municipal corporation, and the CITY OF SUISUN CITY, a municipal corporation; herein individually called “CITY” or collectively called “CITIES.”

**RECITALS**

**WHEREAS**, DISTRICT is updating its sewer Collection System Master Plan (CSMP, “Project”) to account for changes in growth assumptions based on updated City General Plans, update its Collection System Asset Management Plan (CSAMP) model with asset condition data obtained over the past five years, and integrate project recommendations from the CSMP and CSAMP into a combined CSMP document and planning tool; and

**WHEREAS**, DISTRICT and CITIES wish to join their sewer assets into the District’s CSMP and CSAMP models to plan as a single, connected collection system, decrease total planning costs, and potentially identify opportunities for construction efficiency between DISTRICT and CITIES; and

**WHEREAS**, DISTRICT is willing to administer the CITIES’ portions of the Project Scope and DISTRICT’s portion of the Project Scope together and to otherwise administer Project on CITIES’ behalf under the terms and conditions set forth herein; and

**WHEREAS**, CITIES wish to contract with DISTRICT to have DISTRICT administer the CITIES’ Project Scope in conjunction with the DISTRICT Project Scope (collectively the “Combined Project”); and

**WHEREAS**, on July 1, 2022, DISTRICT and CITIES entered into a Seventh Amendment to the 1965 Agreement for collection of sanitary sewer charges, which established Collection System Rehabilitation/Replacement (R/R) Reserve Funds, to be funded by the DISTRICT and used for rehabilitation and/or replacement of collection system assets owned by CITIES;

**TERMS**

**NOW, THEREFORE**, DISTRICT and CITIES agree as follows:

**1. Project Definition and Scope of Services.**

- A. *Combined Project Scope of Services.* DISTRICT, in consultation with the CITIES, has developed the scope of work for the Combined Project. Staff from both CITIES were included in scope development meetings and invited to review and provide comments, which have been incorporated into the Combined Project Scope. The Combined Project scope of services is included as “Exhibit A” to this AGREEMENT.
- B. *Itemized Breakdown of Tasks between District and Cities.* DISTRICT and CITIES acknowledge that certain elements of the Combined Project Scope are directly attributable to each particular agency, while others provide mutual benefit and cannot be practically broken

down into individual tasks attributable to each party. An itemized breakdown of tasks included within the Combined Project scope of services, and the proportional share of each task attributable to DISTRICT and each CITY is included as “Exhibit B” to this AGREEMENT.

C. *Project Modification.* The Combined Project Scope (“Exhibit A”) may be modified during the course of work as necessary to address unforeseen conditions, increases or reductions in scope, or otherwise. The modifications shall be in the form of contract amendments between the DISTRICT and Combined Project consultant, and will be approved in accordance with DISTRICT’s Purchasing Policy (Policy No. 2135). It is acknowledged that such contract amendments may or may not increase or decrease the overall cost of the Combined Project. The estimated costs of Project work attributable to each CITY, as described in Section 3 below, identify component costs including a contingency. DISTRICT and the CITIES agree that all contract amendments will be discussed at regularly scheduled project meetings, and that any contract amendments that alter either CITY’s Project work and costs shall require written approval by the affected CITY’s Director of Public Works, with such approvals or disapprovals made on a timely basis so as not to disrupt the project timeline or result in additional project costs due to time delays.

**2. Implementation of the Project.**

A. *Procurement.* DISTRICT will conduct and be responsible for the procurement of all contracts associated with the implementation of the Combined Project, including selecting and awarding a qualified consultant to perform the Combined Project scope of Services. Procurements shall follow DISTRICT’s Purchasing Policy (Policy No. 2135). CITIES may participate in the selection process by reviewing proposals and bids, and providing timely comments to DISTRICT, but the final selection of contractors and consultants shall be made by DISTRICT.

B. *Project Management.* DISTRICT shall be responsible for project management and administration of the Combined Project. DISTRICT will also be responsible for all DISTRICT staff costs, and other direct costs related to oversight of elements of the Combined Project scope attributable to DISTRICT. CITIES will be responsible for all CITY staff costs and other direct costs related to oversight of elements of the Combined Project scope attributable to CITIES, including data collection and review and adoption of project deliverables.

**3. Project Cost, Payments, and Compensation.**

A. *Project Cost Paid by the CITIES.* CITIES agree to be responsible for and pay those costs associated with the Project Scope per Sections 3(B) and 3(C) below. If either CITY hires third-party design consultants, inspectors, or others to aid in the implementation and/or oversight of the CITY’s Project scope, the respective CITY is responsible for paying for these costs directly.

B. *Amount of Project Cost Paid by the CITY OF FAIRFIELD.* This AGREEMENT authorizes the CITY OF FAIRFIELD to pay all actual Combined Project expenses attributable to the CITY OF FAIRFIELD as defined above in accordance with the maximums and procedures in this Section 3. The CITY OF FAIRFIELD’s Project Scope is estimated to cost that amount set forth below (“Estimated Cost”):

\$ 204,976	for Collection System Master Planning Services further identified in "Exhibit B"
<u>\$ 50,000</u>	<u>Contingency</u>
<u>\$ 254,976</u>	Total

Any amounts over the Estimated Cost shall require an amendment to this AGREEMENT prior to encumbrance of those costs. CITY OF FAIRFIELD agrees not to withhold its agreement for reasonable expenses related to implementation of the Project scope attributable to CITY OF FAIRFIELD. All parties agree to proceed with the project acknowledging that if the Project scope attributable to CITY OF FAIRFIELD exceeds resources available to CITY OF FAIRFIELD, the Project scope attributable to CITY OF FAIRFIELD may not be completed.

C. Amount of Project Cost Paid by the CITY OF SUISUN CITY. This AGREEMENT authorizes the CITY OF SUISUN CITY to pay all actual Combined Project expenses attributable to the CITY OF SUISUN CITY as defined above in accordance with the maximums and procedures in this Section 3. The CITY OF SUISUN CITY's Project Scope is estimated to cost that amount set forth below ("Estimated Cost"):

\$ 151,712	for Collection System Master Planning Services further identified in "Exhibit B"
<u>\$ 40,000</u>	<u>Contingency</u>
<u>\$ 191,712</u>	Total

Any amounts over the Estimated Cost shall require an amendment to this AGREEMENT prior to encumbrance of those costs. CITY OF SUISUN CITY agrees not to withhold its agreement for reasonable expenses related to implementation of the Project scope attributable to CITY OF SUISUN CITY. All parties agree to proceed with the project acknowledging that if the Project scope attributable to CITY OF SUISUN CITY exceeds resources available to CITY OF SUISUN CITY, the Project scope attributable to CITY OF SUISUN CITY may not be completed.

D. Project Cost Paid by DISTRICT. DISTRICT agrees to be responsible for and pay all actual Combined Project expenses attributable to the DISTRICT per Section 3(E) below. If the DISTRICT hires third-party design consultants, inspectors, or others to aid in the implementation and/or oversight of the DISTRICT's Project scope, the DISTRICT is responsible for paying for these costs directly.

E. Amount of Project Cost Paid by DISTRICT. Portions of the Combined Project scope attributable to DISTRICT are estimated to cost as follows:

\$ 675,687 Total

F. Payment Upon Invoice.

(i) Invoices. In accordance with Sections 3(B) and 3(C) CITIES shall reimburse DISTRICT the costs incurred by DISTRICT to complete the portions of the Combined Project scope attributable to each CITY. DISTRICT shall present invoices no more frequent than monthly and include the selected consultant's invoice(s) and any approved amendments for work listed in Section 3(B) and 3(C) above. After review and approval of invoices by each CITY's Director of Public Works or designee, approval of

which shall not take more than fifteen (15) calendar days from the DISTRICT's issuance to the CITY, invoices shall be forwarded to the CITY's Finance Department for payment to DISTRICT within thirty (30) calendar days of receipt by the Finance Department.

Alternatively, upon review and approval of invoices by each CITY's Director of Public Works or designee, each CITY may direct District to draw a portion of the invoiced amount from the respective CITY's Collection System R/R Reserve fund. The maximum amount authorized to be drawn from each CITY's Collection System R/R Reserve fund under this agreement is set forth below:

\$ 205,000	from City of Fairfield's Collection System R/R Reserve Fund
\$ 191,712	from City of Suisun City's Collection System R/R Reserve Fund

(ii) Interest on Overdue Invoices. CITIES agree that approved invoices that are not paid within the time established in Section 3 (F)(i) above shall be assessed a one percent (1%) per month interest charge, and that CITIES agree to pay and shall be financially responsible for such interest charges to the DISTRICT. Interest charges shall not accrue if a CITY reasonably disputes an invoice.

(iii) Use of Reserve Funds for Delinquent Payments. CITIES agree that invoices presented by the DISTRICT to each CITY as outlined in Section 3(F)(i), that are not paid within ninety (90) calendar days from the DISTRICT's issuance to the CITY, shall be subject to direct reimbursement from the respective CITY's Collection System R/R Reserve Fund. The DISTRICT will deduct and reduce from the respective CITY's Collection System Reserve Fund, the outstanding invoice amount plus interest (Section 3 (F)(ii)) on the overdue invoice to supplement the payment due to the DISTRICT.

#### **4. Adoption and Actions Taken based on Project Results.**

- A. Adoption of the Project. Prior to DISTRICT accepting the work of the selected consultant and/or adopting any deliverables, DISTRICT shall issue draft copies to each CITY for review and address any outstanding comments identified by either CITY related to the Project scope attributable to that CITY and request CITY accept the response. Each CITY may choose to adopt elements of deliverables produced under the Combined Project Scope at their discretion.
- B. Project Recommendations. Upon Project completion, CITIES will assume full discretion and responsibility for implementation of any or all recommendations identified by the Project attributable to facilities owned and maintained by each respective CITY. At DISTRICT's discretion, DISTRICT will assume responsibility for implementation of any recommendations identified as a result of the Project attributable to facilities owned and maintained by DISTRICT.

#### **5. Access to Records / Document Retention.**

DISTRICT will maintain Combined Project deliverables and other information regarding the implementation of the Combined Project for at least seven (7) years following completion of the project. Financial records associated with the Combined Project, including payables records, receivable records and grants receivable records, shall be maintained at least seven (7) fiscal years after the transactions are recorded. CITIES, or the duly authorized representatives of the CITIES, shall have access to any books, documents, papers and records of the DISTRICT which are directly pertinent to the subject matter of this AGREEMENT for the purpose of making audit, examination, excerpts and transcriptions. Except where longer retention is required by any federal or state law,

DISTRICT shall maintain all required records for at least seven (7) years after CITIES make final payment for any of the work authorized hereunder and all pending matters are closed, whichever is later.

**6. Term of the Agreement.**

The term of this AGREEMENT shall commence on the date first above written and shall continue through the DISTRICT's payment of the final consultant invoice and DISTRICT's written confirmation of completion of the Combined Project; except that the obligations of the parties under Paragraph 7 (Indemnification) shall continue in full force and effect after said expiration date or early termination in relation to acts or omissions occurring prior to such dates during the term of the AGREEMENT, and the obligations of DISTRICT to CITIES shall also continue after said expiration date or early termination in relation to the obligations prescribed by Paragraph 5 (Access to Records/Retention).

**7. Indemnification.**

- A. By DISTRICT. DISTRICT shall indemnify, hold harmless and defend, in any actions at law or in equity, the Cities, their officers, employees, agents, and elective and appointive boards, from all claims, losses, damage, including property damage, personal injury, including death, and liability of every kind, nature and description, including attorneys' fees, to the extent arising from District's operations, or from any persons directly or indirectly employed by, or acting as agent for, District, excepting the sole negligence or willful misconduct of the Cities.
- B. By CITIES. CITIES shall indemnify, hold harmless and defend, in any actions at law or in equity, the DISTRICT, its officers, employees, agents, and elective and appointive boards, from all claims, losses, damage, including property damage, personal injury, including death, and liability of every kind, nature and description, including attorneys' fees, to the extent arising from CITIES' operations, or from any persons directly or indirectly employed by, or acting as agent for, CITIES, excepting the sole negligence or willful misconduct of the DISTRICT.
- C. Each party shall notify the other party immediately in writing of any claim or damage related to activities performed under this AGREEMENT. The parties shall cooperate with each other in the investigation and disposition of any claim arising out of the activities under this AGREEMENT, providing that nothing shall require either party to disclose any documents, records or communications that are protected under peer review privilege, attorney-client privilege, or attorney work product privilege.

**8. Ongoing Duties and Responsibilities.** In addition to the parties' duties and responsibilities as described in other sections of this AGREEMENT, the parties acknowledge and agree to perform the following on an ongoing basis during the time that the Project is under implementation:

- A. Regular Staff Meetings. The respective staffs of CITIES and DISTRICT, and their retained consultants or contractors, will meet as needed to address matters contained in this AGREEMENT.
- B. Commitment of Staff and Resources. CITIES and DISTRICT agree to assign and provide sufficient staff and/or resources to this process to efficiently meet the goals and tasks set forth in this AGREEMENT.

**9. Warranty of Legal Authority.** Each party warrants and covenants that it has the present legal authority to enter into this AGREEMENT and to perform the acts required of it hereunder. If any

party is found to lack the authority to perform the acts required of it hereunder or is prevented from performing the acts by a court of competent jurisdiction, this AGREEMENT shall be void.

10. **Severability.** If any provision of this AGREEMENT, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this AGREEMENT.
11. **Dispute Resolution.** The parties agree to negotiate in good faith any disputes or disagreements arising from this AGREEMENT. In the event that the parties cannot come to agreement within a reasonable period of time, the parties agree to the use of a third party, independent mediator to help the parties come to mutual agreement. The parties agree not to seek remedy or dispute resolution through the courts without first attempting in good faith to resolve the dispute through negotiation or mediation, but in no way does this requirement limit the rights of any party to seek redress through legal action.
12. **Attorneys' Fees.** In the event that either party commences legal action of any kind or character to enforce the provisions of this AGREEMENT or to obtain damages for breach thereof, the prevailing party in such litigation shall be entitled to all costs and reasonable attorney's fees incurred in connection with such action.
13. **No Waiver.** The waiver by any party of any breach or violation of any requirement of this AGREEMENT shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this AGREEMENT.
14. **Notices.** All notices required or authorized by this AGREEMENT shall be in writing and shall be delivered in person or by deposit in the United States mail, by certified mail, postage prepaid, return receipt requested. Any mailed notice, demand, request, consent, approval or communication that any party desires to give the other party shall be addressed to the other party at the address set forth below. Any notice sent by mail in the manner prescribed by this paragraph shall be deemed to have been received on the date noted on the return receipt or five days following the date of deposit, whichever is earlier.

***Fairfield-Suisun Sewer District:***

General Manager  
1010 Chadbourne Rd.  
Fairfield, CA 94534

***City of Fairfield:***

Director of Public Works  
1000 Webster St.  
Fairfield, CA 94533

***City of Suisun City:***

Director of Public Works  
701 Civic Center Blvd.  
Suisun City, CA 94585

Changes may be made in addresses to where notices are to be delivered by giving notice pursuant to this provision.

15. **Entire Agreement.** This AGREEMENT, including any documents expressly incorporated by reference whether or not attached hereto, constitutes the entire agreement between the parties relating to the subject of this AGREEMENT and supersedes all previous agreements, promises, representations, understandings and negotiations, whether written or oral, among the parties with respect to the subject matter hereof.
16. **Amendment / Modification.** Except as specifically provided herein, this AGREEMENT may be modified or amended only in writing and with the prior written consent of both parties. In particular, only each CITY acting through its Council in the form of an amendment of this AGREEMENT, may authorize extra and/or changed work if beyond the scope of services prescribed in Sections 1 and 3 above. Failure of DISTRICT to secure such authorization in writing in advance of performing any of the extra or changed work shall constitute a waiver of any and all rights to adjustment in the costs to be paid by the affected CITY and no compensation shall be paid for such extra work.
17. **Recitals Adopted.** The parties hereby agree to and adopt the AGREEMENT recitals as portions of the AGREEMENT.
18. **Termination.** This AGREEMENT may be terminated by any party for any reason prior to DISTRICT authorizing the selected consultant to proceed with Combined Project by giving written notice of such termination to all parties; provided, however, that no such termination may be effected unless an opportunity for consultation is provided prior to the effective date of the termination. CITIES hereby authorize each of their City Managers to make all decisions and take all actions required under this Paragraph to terminate this AGREEMENT on behalf of each CITY for the convenience of the CITY.
19. **Execution in Counterparts.** This Agreement may be executed in several counterparts. Signed copies and facsimile versions of this Agreement shall have the same force and effect as signature of the original. Signatures may be transmitted electronically.

**IN WITNESS WHEREOF**, this AGREEMENT was executed by the parties hereto as of the date first above written.

CITY OF FAIRFIELD:

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
City Manager

CITY OF SUISUN CITY:

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
City Manager

FAIRFIELD-SUISUN SEWER DISTRICT:

By: \_\_\_\_\_  
President, Board of Directors

By: \_\_\_\_\_  
General Manager/District Engineer

APPROVED AS TO FORM City of Fairfield	ATTEST City of Fairfield	APPROVED BY THE CITY OF FARFIELD
By: _____ City Attorney	By: _____ City Clerk	Date: _____
APPROVED AS TO FORM City of Suisun City	ATTEST City of Suisun City	APPROVED BY THE CITY OF SUISUN CITY
By: _____ City Attorney	By: _____ City Clerk	Date: _____
APPROVED AS TO FORM Fairfield-Suisun Sewer District	ATTEST Fairfield-Suisun Sewer District	APPROVED BY THE FAIRFIELD-SUISUN SEWER DISTRICT
By: _____ District Counsel	By: _____ District Clerk	Date: _____

ATTACHMENTS:

Exhibit A – Combined Project Scope of Services

Exhibit B – Itemized Task and Cost Breakdown Between Agencies

# **Exhibit A**

## **Collection System Master Plan Update**

### **Scope of Services**

The scope of services presented below details Woodard & Curran's proposed work plan to update the Fairfield-Suisun Sewer District (District/FSSD) Collection System Master Plan. All deliverables, including meeting agenda, presentations, and minutes, Technical Memoranda (TMs), reports, and data will be submitted electronically. All meetings and workshops will be conducted virtually via MS Teams unless indicated otherwise in this Scope of Services.

Woodard & Curran, as the prime consultant, will provide overall project management and lead the tasks related to hydraulic modeling and capacity assessment, preparation of the Master Plan report, and development of the "model viewer" application. Carollo, as subconsultant to Woodard & Curran, will lead the update of the InfoAsset Planner (IAP) model, development of rehabilitation and replacement (R&R) solutions, and update of the District's funding model. Woodard & Curran and Carollo will both be involved in developing the capital improvement plans. Woodard & Curran and Carollo are referred to as the "project team" in this scope of services.

#### **Task 1 – Project Management**

This task includes meetings and coordination with the District, the Cities of Fairfield and Suisun City (Cities), and the project team, as well as contract and subcontract administration, budget and schedule tracking, progress reporting, and implementation of Woodard & Curran's quality assurance/quality control (QA/QC) program.

##### **Subtask 1.1 – Project Administration**

Woodard & Curran will use the Integrated Schedule and Budget Management (ISBM) approach to monitor project budget and schedule throughout the project. This subtask also includes subcontract administration, preparation of invoices, and preparation of monthly progress reports to document the work completed during the previous month, anticipated work for the coming month, and any project issues and decisions made.

##### **Subtask 1.2 – Progress Meetings and Communication**

The project team will participate in an in-person project kickoff meeting and monthly teleconference progress meetings during the project. The meetings will be attended by Woodard & Curran's project manager and project team members as needed. Additional, informal teleconference check-ins may be held if needed. In addition to progress meetings, there will be project workshop meetings and training, which are included in their respective tasks below. Woodard & Curran will prepare agenda and minutes for the kick-off meeting and progress meetings; action items and decisions will be documented in meeting minutes.

### **Subtask 1.3 – Quality Assurance/Quality Control**

Woodard & Curran will hold an internal Senior Technical Approach Review (STAR) workshop at the start of the project. The STAR Workshop brings together the project team, Woodard & Curran technical review leads, and other technical experts to review the project scope, schedule and technical challenges to ensure that all project objectives will be met. Deliverables review and checking are included under respective tasks.

#### *Task 1 Deliverables:*

- *Monthly invoices and progress reports*
- *Project schedule updates*
- *Meeting agenda and minutes*

#### *Task 1 Assumptions:*

- *18-month project duration*

## **Task 2 – Data Collection and Review**

This task includes the collection and review of information regarding the existing wastewater collection system.

### **Subtask 2.1 – Existing Information**

Woodard & Curran will prepare a data request list of additional or updated data and information that may be relevant to the study effort. The information may include additional data, facility information and other required information including but not limited to:

- Current geographic information system (GIS) base mapping, including parcels, streets, and other relevant layers
- Digital mapping related to the Cities' existing land uses, general plan or other specific planning areas, as available
- Record drawings of any sewer facilities for which up-to-date data is not included in the current GIS
- Pump station data, record drawings and operating information
- Cities' planning documents, including General Plan, Housing Element, and information on development projects currently in the planning/permitting process ("projects in the pipeline")
- Water consumption data by parcel (e.g., monthly water use for winter months for past 2 to 3 years), as available
- Current and historical permanent (and any available recent temporary) flow meter data
- Historical rainfall records
- Operations and maintenance records and information on known sewer "hot spots"
- CCTV inspection data
- Rehabilitation project plans
- Historical cost data/bid tabulations from District and city sewer projects
- District's and Cities' design and construction standards
- Current Sewer System Management Plans
- Current 5-year Capital Improvement Plans

In addition, Woodard & Curran will incorporate interview information with District and Cities' engineering and operations staff to supplement the information available in documents, maps, and files. An optional task has been included to perform survey, if needed (See Subtask 14.2)

**Task 2 Deliverables:**

- *Data request list*
- *Manhole survey data (if surveys are authorized under Subtask 14.2)*

**Task 2 Assumptions:**

- *Majority of data for the collection system sewers and manholes are available through the GIS and previous models*

## **Task 3 – Flow Monitoring**

This task will involve conducting a system-wide temporary flow monitoring program to collect data to quantify dry and wet weather flows. The data will also be used in Task 5 to calibrate the hydraulic model.

### **Subtask 3.1 – Prepare Flow Monitoring Plan**

Woodard & Curran will prepare a flow monitoring plan to describe the strategy for the flow monitoring program and identify recommended sites for meter and rain gauge placement. In preparing the plan, Woodard & Curran will solicit District and City staff input into the proposed meter locations. Fifteen (15) meters were installed for the 2018 program, which effectively captured flow from the major sewer basins. This task assumes 15 meters for this Master Plan Update. The plan will be submitted to the District for review and approval.

### **Subtask 3.2 – Conduct Flow Monitoring Program**

After District's approval of the plan, Woodard & Curran's flow monitoring subcontractor, V&A Engineers (V&A), will install, calibrate and maintain the flow meters for up to three months (12 weeks) during the 2025/26 wet weather season (likely during the December/January/February timeframe, to be determined jointly by Woodard & Curran and District). Woodard & Curran will review flow monitoring site reports to confirm final flow meter locations and will periodically review the flow monitoring data during the flow monitoring periods to check data quality and consistency. V&A will also obtain rainfall data for locations throughout the service area from up to five (5) Weather Underground personal weather stations.

V&A will provide final electronic data files (15-minute data) at the conclusion of the monitoring. Analysis of the flow monitoring data to quantify infiltration/inflow (I/I) and develop design flows is an integral part of model calibration and system performance evaluation and will be conducted as part of Tasks 5 and 6.

**Task 3 Deliverables:**

- *Flow Monitoring Plan showing proposed meter sites and alternate sites, if applicable*
- *Flow Monitoring Data*

*Task 3 Assumptions:*

- *15 area-velocity flow meters installed for a period of up to three months during the 2025/26 wet weather season.*
- *Rainfall data will be obtained from Weather Underground personal weather stations available on-line.*
- *Includes approximately \$5K of V&A labor effort to obtain encroachment permits.*
- *District or City staff will assist with traffic control for any sites where more than standard traffic control measures are needed (alternately, District can authorize additional budget for third-party traffic control services); clean any meter sites if necessary prior to meter installation; and provide secure locations and access for rain gauge installation.*

## **Task 4 – Hydraulic Model Network Update**

**Subtask 4.1 – Update FSSD Model Network.** Woodard & Curran will update the existing FSSD hydraulic model based on any changes and additions to the trunk sewer system made since the last update, as reflected in current GIS files and/or record drawings provided by the District.

**Subtask 4.2 – Develop City of Fairfield Network.** Woodard & Curran will expand the District's sewer model to incorporate City of Fairfield sewers. The initial sewer data will include information from the City's Heart of Fairfield sewer study, as well as data from the City's GIS database. Following initial construction, a QA/QC process called "model validation" will be used to verify the data before beginning any model runs. This process includes checking network connectivity and data completeness and reasonableness for apparent discrepancies (e.g., negative pipe slopes, outlet pipe invert elevations higher than inlet invert elevations, etc.). Missing or suspect data will be resolved to the extent possible through review of available record drawings, field verification by City staff, or surveying (if authorized under Subtask 14.2). Model network will generally include all sewers where elevation data is available; for areas of the City's system where data is missing from the GIS, assumptions based on minimum slope or best engineering judgement will be used, or the pipes omitted from the model.

*Task 4.2 Assumptions*

- *Woodard & Curran will provide up to approximately 40 hours of model validation effort (including record drawing review and incorporating field-collected data). City will be responsible for rectifying any missing, erroneous, or inconsistent data (e.g., pipe diameters, invert elevations, etc.) needed for the model that cannot be readily resolved by Woodard & Curran.*

**Subtask 4.3 – Develop City of Suisun City's Network.** Woodard & Curran will expand the District's sewer model to incorporate City Suisun City's sewer. The initial sewer data will be based on the City's GIS database. Following initial construction, a QA/QC process called "model validation" will be used to verify the data before beginning any model runs. This process includes checking network connectivity and data completeness and reasonableness for apparent discrepancies (e.g., negative pipe slopes, outlet pipe invert elevations higher than inlet invert elevations, etc.). Missing or suspect data will be resolved to the extent possible through review of

available record drawings, field verification by City staff, or surveying (if authorized under Subtask 14.2).

#### *Task 4.3 Assumptions*

- *Woodard & Curran will provide up to approximately 12 hours of model validation effort (including record drawing review and incorporating field-collected data). City will be responsible for rectifying any missing, erroneous, or inconsistent data (e.g., pipe diameters, invert elevations, etc.) needed for the model that cannot be readily resolved by Woodard & Curran.*

#### *Task 4 Assumptions*

- *Model will be developed in InfoWorks ICM hydraulic modeling software; Woodard & Curran will use its own software licenses for the modeling work.*

#### *Task 4 Deliverables:*

- *Hydraulic model files (to be provided at end of project).*
- *Documentation of model development will be included in the TM on Model Development, Calibration, and Flow Projections prepared after completion of Task 5 (see Task 5 Deliverables).*

### **Task 5 – Update Flows and Growth Projections**

#### **Subtask 5.1 – Existing Base Wastewater Flows**

Woodard & Curran will review existing data collected under Task 2 to determine the best approach for using this data to develop existing base wastewater flows. It is anticipated that water use or sewer billing records will be the primary source of data for developing existing model loads. Commercial, industrial, and/or institutional users which may contribute significantly greater flows than average or exhibit atypical use patterns will be identified individually based on water use data or information provided by District or City staff. Existing parcel loads will be parcel based, or aggregated to the model subcatchments if necessary.

#### **Subtask 5.2 – Model Calibration**

Woodard & Curran will use the flow monitoring data collected as part of this study to calibrate the hydraulic model. The model will first be calibrated for dry weather flows to confirm the base wastewater flow estimates developed under Subtask 5.1, as well as to refine diurnal wastewater profiles and non-rainfall groundwater infiltration (GWI) rates. GWI is estimated based on the difference between model-simulated base wastewater flows and observed flows at the meter sites, and expressed as a unit areal flow (gpd/acre) distributed uniformly to the meter tributary area. Wet weather parameters will be determined for each flow meter tributary area based on calibration to monitored storm events.

For portions of the sewer system where flow monitoring is not performed, wet weather and GWI parameters will not be changed from previous model values. Pump station flow data will be used for confirmation of overall system flows.

### **Subtask 5.3 – Future Base Wastewater Flows**

Through the data collection efforts under Task 2 and interviews with Planning staff, Woodard & Curran will identify the most useful source of information for developing land use projections and parcel-based future wastewater loads. Specific planning issues and potential growth or redevelopment areas in the cities, the potential timing of future development, as well as the best approach for incorporating future construction of accessory dwelling units (ADUs) in the flow projections will be discussed with the Cities' Planning staff. Based on these discussions and the information collected future land use information will be tabulated at the parcel level, drawing upon the various available sources of information described above. The parcel-based land uses and flows developed in this subtask will be compiled in a GIS database for use in developing model loads.

### **Subtask 5.4 – Technical Memorandum**

Findings from this task will be documented in a draft Technical Memorandum.

#### *Task 5 Deliverables:*

- *Draft TM on Model Development, Calibration, and Flow Projections. Comments on the draft TM will be incorporated in the final Master Plan report.*

#### *Task 5 Assumptions:*

- *Up to two phasing scenarios will be analyzed, as defined by City and District staff. Additional phasing analyses to identify project or phase triggers may be performed as part of other tasks (see Subtasks 7.3 and 12.3).*

## **Task 6 – Develop Performance Criteria**

Woodard & Curran will work with the District and Cities to review and update the criteria used to assess the capacity of the system and size capacity improvements. Woodard & Curran will review the District's and Cities' current sewer design criteria and standards, including criteria used in the previous Master Plan. Based on this review and discussions and decisions made with the District and Cities, Woodard & Curran will provide recommendations for design standard updates, as well as work with the agencies to update or refine the design storm and hydraulic criteria to be used for assessing the capacity of existing sewer facilities and sizing new facilities for this Master Plan.

In addition to the design storm, these criteria will include Manning's "n" factors; maximum d/D values or acceptable level of surcharge (or minimum freeboard); minimum and maximum velocities, slopes, and depth of cover; and pump station design and reliability considerations (e.g., firm capacity). Note that while the Cities and District will likely benefit from using the same design storm, different capacity criteria are often applied to smaller diameter sewers. Woodard & Curran will work with the Cities and District staff to identify appropriate criteria for each agency.

A brief technical memorandum will be prepared to provide background information and recommendations for the District and Cities to review and serve as basis for discussion at a workshop to review and reach agreement on the criteria.

For fee estimating purposes, this task effort has been distributed evenly between the three agencies.

#### **Subtask 6.1 – Review FSSD Capacity Deficiency Criteria**

This subtask includes reviewing and updating the existing capacity deficiency criteria for FSSD, as described above.

#### **Subtask 6.2 – Develop City of Fairfield Capacity Deficiency Criteria**

This subtask includes developing capacity deficiency criteria for City of Fairfield, as described above.

#### **Subtask 6.3 – Develop City of Suisun City Capacity Deficiency Criteria**

This subtask includes developing capacity deficiency criteria for City of Suisun City, as described above.

#### **Subtask 6.4 – Climate Change Sensitivity Analysis**

This subtask includes a sensitivity analysis and discussion of a proposed approach to design storm consideration of climate change. Detailed analyses of climate change models is not part of this scope. It is anticipated that the sensitivity analysis will be based on running the model with an alternate design storm (as developed and published by others) or an assumed increase in rainfall for the Master Plan design storm.

Findings from this subtask will be discussed at the Task 7 workshop and incorporated into the Master Plan report.

#### *Task 6 Deliverables:*

- *TM summarizing Design Flow and Hydraulic Criteria considerations. Comments on the draft TM will be incorporated in the final Master Plan report.*
- *Workshop and workshop materials*

### **Task 7 – Capacity Analysis**

#### **Subtask 7.1 – Evaluate Existing System Performance**

Using the hydraulic model and based on the criteria established in Task 6, Woodard & Curran will evaluate the performance of the existing sewers under existing and future dry and design wet weather flows. Thematic maps and hydraulic gradeline plots will be prepared to present the identified capacity problem areas. Woodard & Curran will develop preliminary solutions to capacity deficiencies and test those solutions in the model. Preliminary solutions may include upsizing deficient pipes, optimizing existing or potential new flow diversions, or potential reduction of I/I in targeted areas. Findings from this subtask will be discussed at a workshop and incorporated into the Master Plan report.

#### **Subtask 7.2 – Perform RDI/I Analysis**

Woodard & Curran will evaluate the I/I flow characteristics associated with the different areas of the system (based on model results and flow monitoring data) and their location with respect to identified capacity deficiencies, and identify areas that may be suitable for rehabilitation efforts to reduce I/I. The hydraulic model will be used to evaluate various scenarios of I/I reduction (i.e., assumed percent reductions in targeted areas) to identify the amount of reductions that would be necessary to eliminate needed capacity improvement projects. Up to five (5) I/I reduction scenarios will be modeled.

Findings from this subtask will be discussed at the workshop and incorporated into the Master Plan report.

### **Subtask 7.3 – Analysis of Potential Service Area Expansions**

Woodard & Curran will analyze up to five (5) service area expansion scenarios. Development assumptions for the scenarios will be provided by the District and Cities. As part of the analysis, Woodard & Curran will identify potentially capacity deficient pipes, and the approximate number of units that would trigger capacity deficiencies. Findings from this subtask will be summarized in a brief TM.

*Task 7 Deliverables:*

- *Workshop agenda and minutes*
- *Brief TM summarizing results of analyses of potential service area expansions. Comments on the draft TM will be incorporated in the final Master Plan report.*

## **Task 8 – Updates and Additions to Asset Management Model**

### **Subtask 8.1 – Update IAP Model and Develop Rehabilitation and Replacement Solutions for FSSD**

Carollo will implement a stepwise process for updating the InfoAsset Planner (IAP) model developed by Carollo in 2022 for the District and Cities' collection systems. These steps include:

1. Receive and review current GIS data of the District's collection system assets (pipelines and manholes), force mains, and other available features and appurtenances such as lateral connections, blow-offs and air release valves.
2. Receive and review current closed-circuit television (CCTV) inspection results consisting of National Association of Sewer Service Companies (NASSCO) Pipeline Assessment Certification Program (PACP) scores.
3. Update the IAP model with the new GIS asset inventory (for gravity sewers), PACP scores, edits to the inventory identified in the hydraulic model, and replacement recommendations from the hydraulic analysis.
4. Facilitate a 2-hour risk model updated interactive workshop with the District's and Cities' staff to present the current risk parameters (consequence and likelihood of failure scoring approach), unit costs (developed by Woodard & Curran in Task 10), and management strategies and gain consensus for updates to be incorporated into the IAP model.

5. Update the IAP model by incorporating the changes established during the risk model update workshop.
6. Prepare for and facilitate a 2-hour climate change interactive workshop with the District's and Cities' staff to present options for incorporating the impact of climate change into the risk prioritization and capital planning development processes. Level of effort for developing the proposed climate change impact analysis strategy is based on the following approach:
  - a. In collaboration with District and Cities staff, identify future scenarios for evaluation considering hazards such as sea level rise, flooding, weather-related erosion, wildfire, power disruptions, and if appropriate, earthquakes.
  - b. Using GIS, develop maps correlating hazard vulnerability to the collection system assets.
  - c. Pair hazard vulnerability with the risk analysis for the R&R recommendation results.
  - d. Identify non-R&R related projects recommended to mitigate the risk of hazard vulnerability, if appropriate.
7. Update the IAP model with recommendations from the climate change workshop, if applicable. Run the IAP model to develop R&R recommendations. Present District's IAP model results in graphical format to the District.
8. Facilitate an IAP model results review meeting with District's and Cities' staff to present and gather feedback on the IAP model results. Update unit costs, where applicable, from updates to costs developed as part of Subtask 10.1.
9. Apply feedback from the IAP model results review meeting, climate change workshop, and force main risk assessment results (Subtask 8.4) into a draft Collection System Asset Management and R&R Update Technical Memorandum (CS AM and R&R Update TM). The TM will describe the processes followed for preparing the updates developed under Task 8.
10. After submitting the draft CS AM and R&R Update TM, Carollo will facilitate a 1-hour TM review meeting with District's and Cities' staff and document comments and responses in a tracking log. After addressing review comments, the final CS AM and R&R Update TM will be submitted.

### **Subtask 8.2 – Update IAP Model and Develop R&R Solutions for City of Fairfield**

Carollo will update the IAP model and develop R&R solutions for the City of Fairfield following the approach described in Subtask 8.1 with the following modifications:

1. Receive and review current GIS data of the City's collection system assets (pipelines and manholes), and other available features such as lateral connections. Update GIS data configuration for import into the IAP model schema.
2. Receive and review current CCTV inspection results consisting of NASSCO PACP scores. The level of effort for this step is based on the expectation that only minor adjustments/review of the PACP scores may be needed and that most of the results will be linkable to the GIS data.
3. No forcemain analysis is expected for the City's sewer system.



### **Subtask 8.3 – Update IAP Model and Develop R&R Solutions for City of Suisun City**

Carollo will update the IAP model and develop R&R solutions for Suisun City following the approach described in Subtask 8.1 with the following modifications:

1. Receive and review current GIS data of the City's collection system assets (pipelines and manholes), and other available features such as lateral connections. Update GIS data configuration for import into the IAP model schema.
2. Receive and review current CCTV inspection results consisting of NASSCO PACP scores. The level of effort for this step is based on the expectation that only minor adjustments/review of the PACP scores may be needed and that most of the results will be linkable to the GIS data.
3. No forcemain analysis is expected for the City's sewer system.

### **Subtask 8.4 – Evaluate Force Main Risks and Identify Solutions**

Carollo will review the GIS data available for the District's force mains and develop a risk model building on the preliminary analysis developed by Carollo in the 2022 Collection System Asset Management Plan report. Carollo will present the proposed risk model and preliminary results in a review meeting with District staff. Carollo will apply feedback from the review meeting to update the IAP model and resulting R&R recommendations, including recommendations for condition assessment along with unit costs developed as part of Subtask 10.1. The results and recommendations will be incorporated into the draft FSSD CS AM and R&R Update TM.

#### *Task 8 Assumptions:*

- *risk model update workshop*
- *climate change workshop*
- *IAP model results meeting*
- *Force Main IAP model and preliminary results meeting*
- *draft CS AM and R&R Update TM review meeting*
- *CCTV inspection results will consist of NASSCO PACP scores, readily importable into the IAP model.*
- *The GIS data from the District is assumed to be in the same schematic format as was used for the previous IAP model. However, the GIS data to be received from the Cities is expected to require adjustments (similar to what was required previously) to adapt to the schematic format of the IAP model.*
- *A single IAP model will be configured containing the asset inventory from all three agencies.*

#### *Task 8 Deliverables:*

- *Presentation materials and summaries for workshops and meetings*
- *Draft and final CS AM and R&R Update TM and comment/response log*

## **Task 9 – Develop Capacity Solutions**

### **Subtask 9.1– Develop/Evaluate FSSD Capacity Improvement Alternatives**

Based on the preliminary solutions and results of the I/I analysis for the FSSD system, Woodard & Curran will evaluate potential project alternatives in further detail, including review of projects sites on aerial mapping or in the field. The purpose of these evaluations is to confirm the suitability of pipeline alignments, and identify any design, constructability, permitting, or environmental issues that could potentially be “fatal flaws” or that should be considered in project development. Woodard & Curran will incorporate the final proposed solutions in the model to confirm that all capacity issues have been addressed.

### **Subtask 9.2 – Develop/Evaluate Fairfield Capacity Improvement Alternatives**

Based on the preliminary solutions and results of the I/I analysis for the Fairfield system, Woodard & Curran will evaluate potential project alternatives in further detail, including review of projects sites on aerial mapping or in the field. The purpose of these evaluations is to confirm the suitability of pipeline alignments, and identify any design, constructability, permitting, or environmental issues that could potentially be “fatal flaws” or that should be considered in project development. Woodard & Curran will incorporate the final proposed solutions in the model to confirm that all capacity issues have been addressed.

### **Subtask 9.3 – Develop/Evaluate Suisun City Capacity Improvement Alternatives**

Based on the preliminary solutions and results of the I/I analysis for the Suisun City system, Woodard & Curran will evaluate potential project alternatives in further detail, including review of projects sites on aerial mapping or in the field. The purpose of these evaluations is to confirm the suitability of pipeline alignments, and identify any design, constructability, permitting, or environmental issues that could potentially be “fatal flaws” or that should be considered in project development. Woodard & Curran will incorporate the final proposed solutions in the model to confirm that all capacity issues have been addressed.

### **Subtask 9.4 – Evaluate Flow Transfers Between Basins**

Woodard & Curran will review opportunities to transfer flow between the Central, Suisun, and Inlet pump stations when necessary. The District already has pipelines connecting the Central, Suisun, and CBC Pump Stations (CBC flows to Inlet PS); as part of this evaluation, Woodard & Curran will work with the District to define the scenarios that the flow transfers should address, and use the model to identify any additional facilities that would be needed to address those scenarios. Up to five (5) scenarios will be evaluated.

Findings from this subtask will be documented in a brief TM.

This task includes preparing opinions of probable cost for the recommended sewer system improvement projects and developing a prioritized, phased Capital Improvement Plan (CIP) for each agency for implementation of the improvements.

### **Subtask 10.1 – Develop Cost Criteria and Prepare Cost Estimates**

Based on data collected for District's and Cities' historical sewer projects, as well as data from similar agencies compiled by Woodard & Curran, Woodard & Curran will develop appropriate unit cost factors for sewer construction and allowances for contingencies, design, environmental review, permitting, right of way acquisition, and construction management. Some capacity projects identified in Task 9 may require more specific cost assumptions (e.g. pump station upgrades and siphons). The cost estimating assumptions are assumed to be developed to a planning level (AACE Class 5). These cost factors will be applied to the project recommendations identified in Tasks 8 and 9.

### **Subtask 10.2 – Develop Project Prioritization Criteria and Rankings**

In collaboration with the District and Cities, the Project Team will develop a prioritization approach for the condition-based R&R needs, climate change adaptation strategies, and capacity related recommended projects. The prioritization approach is to consider project drivers, risk mitigation, and the District's and Cities' strategic objectives. The Project Team will present the prioritization approach and project cost summaries in a collaborative in-person workshop with the District and Cities and facilitate their selection of the preferred prioritization approach to be used for prioritizing the recommended capital project needs.

The Project Team will apply the prioritization approach to rank the projects recommended for the District and each City. The prioritized projects will be provided in graphical (i.e. GIS-based map) format and in tabular format along with associated project costs for the District's projects and the projects for each City for review and feedback.

The Project Team will facilitate a project prioritization results review meeting with the District and Cities and update the prioritization approach based on meeting feedback. The updated project prioritization results will be incorporated into the Capital Improvement Plans to be developed in the following subtasks.

### **Subtask 10.3 – Develop FSSD Capital Improvement Plan**

The Project Team will group the District's projects, prioritized in Subtask 10.2, into logical project packages for construction based on factors such as proximity, project type and likely construction methods, timing, and hazard vulnerability. Project packages will also consider project budget targets as provided by the District. Project-specific construction and capital cost estimates will be developed as part of Subtask 10.1.

Based on the projects developed under Task 8 and Task 9, and the cost estimates and project rankings developed under Subtasks 10.1 and 10.2, the Project Team will compile the proposed District projects into project packages appropriate for pre-design. The projects will be compiled in a separate stand-alone CIP document for the District, which will also include brief descriptions of the process used for prioritization and project packaging. This information will be incorporated into the Task 13 Master Plan report, with the District's CIP document included as an appendix.

### **Subtask 10.4 – Develop City of Fairfield Capital Improvement Plan**

The Project Team will group the City's projects, prioritized in Subtask 10.2, into logical project packages for construction based on factors such as proximity, project type and likely construction methods, timing, and hazard vulnerability. Project packages will also consider project budget targets as provided by the City. Project-specific construction and capital cost estimates will be developed as part of Subtask 10.1.

Based on the projects developed under Task 8 and Task 9, and the cost estimates and project rankings developed under Subtasks 10.1 and 10.2, the Project Team will compile the proposed City projects into project packages appropriate for pre-design. The projects will be compiled in a separate stand-alone CIP document for the City of Fairfield, which will also include brief descriptions of the process used for prioritization and project packaging. This information will be incorporated into the Task 13 Master Plan report, with the City's CIP document included as an appendix.

### **Subtask 10.5 – Develop Suisun City Capital Improvement Plan**

The Project Team will group the City's projects, prioritized in Subtask 10.2, into logical project packages for construction based on factors such as proximity, project type and likely construction methods, timing, and hazard vulnerability. Project packages will also consider project budget targets as provided by the City. Project-specific construction and capital cost estimates will be developed as part of Subtask 10.1.

Based on the projects developed under Task 8 and Task 9, and the cost estimates and project rankings developed under Subtasks 10.1 and 10.2, the Project Team will compile the proposed City projects into project packages appropriate for pre-design. The projects will be compiled in a separate stand-alone CIP document for the City of Suisun City, which will also include brief descriptions of the process used for prioritization and project packaging. This information will be incorporated into the Task 13 Master Plan report, with the City's CIP document included as an appendix.

*Task 10 Assumptions:*

- *Project prioritization (in-person) workshop*

*Task 10 Deliverables:*

- *Presentation materials and summaries for workshops and meetings*
- *Project cost estimates.*
- *FSSD CIP document, including prioritized and grouped FSSD CIP projects.*
- *City of Fairfield CIP document, including prioritized and grouped Fairfield CIP projects.*
- *City of Suisun City CIP document, including prioritized and grouped Suisun City CIP projects.*

## **Task 11 – Update Funding Model**

In this task, the District’s long-term (100-year) funding model initially developed as part of the 2022 Collection System Asset Management Plan project will be updated to incorporate the updated IAP model results (Task 8) and the prioritized capital improvement projects (Task 10). The model update process involves steps (distributed across subtasks 11.1, 11.2 and 11.3) as described in the 2022 Collection System Asset Management Plan.

### **Subtask 11.1 – Update Funding Model**

- 1) Carollo will import the results of the IAP model replacement timing and R&R and operations and maintenance (O&M) projects into the funding model to update the 100-year plan. Unit costs and resulting project cost totals developed in Task 10 will also be imported.
- 2) Calculate the calendar year assignments for R&R projects using the hybrid approach (timing is mid-way between the age-based and condition-based R&R year assignments). Then, aggregate the resulting costs per year.
- 3) Generate costs tables for each of three scenarios: age-based, condition-based, and hybrid.
- 4) Calculate the updated rolling-average and cost-redistribution results.
- 5) Import the updated calculation results into PowerBI.

### **Subtask 11.2 – Review and Update Model Scenarios**

After updating the funding model, Carollo will facilitate a virtual review meeting with District’s and Cities’ staff for review and feedback. After addressing review comments and feedback, the funding model will be updated for transfer to the District and Cities. The level of effort for this task assumes review comments and feedback do not involve substantial revisions to underlying model calculations. If significant configuration changes are desired by the District and/or Cities that are expected to involve additional effort, upon request, Carollo will prepare a scope and cost for negotiation and approval prior to proceeding.

### **Subtask 11.3 – Funding Model Dashboards**

The funding model dashboards will be updated based on review comments and feedback from the District and Cities and the files prepared for transfer to the District and Cities. The level of effort for this task assumes review comments and feedback do not involve substantial revisions to the PowerBI layout and visualization. If significant configuration changes are desired by the District and/or Cities that are expected to involve additional effort, upon request, Carollo will prepare a scope and cost for negotiation and approval prior to proceeding.

*Task 11 Assumptions:*

- *The previous MS Excel and PowerBI dashboard files will be updated with new replacement timing and unit costs developed in the previous tasks.*
- *funding model review meeting*

*Task 11 Deliverables*

- *Funding Model PowerBI file*
- *Prioritized and grouped Funding Model MS Excel file*

## **Task 12 – Additional Studies**

### **Subtask 12.1 – Design Standards Review**

Under this task, the project team will review District and Cities' design standards, focusing on the criteria used to design new sewers or replace existing sewers, including for sewerage of new development areas. The goal of this task is to provide consistency with both the capacity criteria defined in Task 6, as well as between the Cities and District.

The findings of this review will be discussed at the workshop in Task 6, and the recommendations will be incorporated into the TM prepared under Task 6. Note that this task is intended to focus on sizing standards (including flow factors for new development); more technical review of standard drawings and specifications is not included.

### **Subtask 12.2 – I/I Reduction Program**

Based on the findings of Subtask 7.2, Woodard & Curran will work with the District and Cities to prepare an I/I reduction program. As part of this task, Woodard & Curran will identify areas where I/I reduction could be most cost-effective (because I/I triggers a capacity project and/or because the sewershed has relatively high rates of I/I). The I/I reduction program would include recommended I/I investigations, potential type and amount of sewer rehabilitation, and estimated planning level costs. The recommended I/I reduction program will be described and incorporated into the Master Plan report under Task 13.

### **Subtask 12.3 – Infill Development Policies**

Under this task, Woodard & Curran will work with the District and Cities to identify policy recommendations associated with infill. This task includes:

- Review of capacity triggers downstream of potential infill development sites. For sewers with predicted deficiencies, the number of additional units before a project is needed will be identified. Project triggers for up to 6 locations are assumed.
- Identify policy recommendations for developer options to address projected deficiencies. Recommendations are expected to include:
  - Self-construct potential improvements
  - Implement I/I reduction activities upstream of projected deficiency.
  - Contribute to a planned I/I reduction project

Proposed policies will be discussed in a brief TM

#### *Task 12 Deliverables*

- *Brief TM on Infill development policies*

### **Task 13 – Prepare Master Plan**

#### **Subtask 13.1 – Draft Master Plan**

Woodard & Curran will incorporate the methodology, findings, and recommendations of the study into a comprehensive Master Plan Update report. The report appendices will contain the final TMs from previous tasks, which will include supporting data including flow monitoring data plots, model calibration graphs, model data and results tables, detailed project cost estimates and maps, and other pertinent information. The report will include an Executive Summary section that can be extracted as a stand-alone document and provided to District officials or other interested parties. A workshop will be held to discuss and review the draft report and receive District comments.

#### **Subtask 13.2 – Final Master Plan**

Woodard & Curran will prepare a final Wastewater Collection System Master Plan Update report, incorporating the District's comments on the Draft report. The final plan will serve as a basis for future master plan updates.

#### **Subtask 13.3 – Sewer Planning WebTool**

Woodard & Curran will develop enhancements and/or replacement of the "Model Viewer" application originally developed for the District's 2020 Collection System Master Plan. The enhanced WebTool will include sewer condition, R&R, and CIP project data, as well as modeling/capacity information, as well as capabilities to track developments and CIP projects. The intent is for the WebTool to be accessible to the Cities as well as the District.

The following paragraphs describe the steps that Woodard & Curran will follow to develop the enhanced Model Viewer.

#### **A. Collect User Requirements and System Configuration**

Woodard & Curran will work with FSSD to determine user requirements and database needs for storing, viewing, and validating data collected for the WebTool. Woodard & Curran will review

existing documentation and materials developed for the Model Viewer and will work with FSSD to identify requirements on general functionality such as user permissions, data visualization, and data collection and validation processes. Woodard & Curran will also present several system configuration options and work with FSSD to identify which approach best fits identified user requirements and database needs as well as IT requirements.

Woodard & Curran will hold up to two meetings with FSSD to collect requirements for user interface and navigation, data and information collection, data validation, and data collection and validation processes. Woodard & Curran will then prioritize features in the system based on available budget.

## **B. Configure System to Meet WebTool Needs**

Woodard & Curran will develop the WebTool in the system identified through the two virtual meetings. Implementation of the system will include configuration and customization of existing features and functionality. The proposed system will be configured and customized according to the results of the two meetings discussed above.

Woodard & Curran will install, configure, customize, and test the system in FSSD's environment. The following features will be installed and customized as described below:

- Geospatial Layers – Woodard & Curran will install additional geospatial layers into the WebTool which includes reference data, hydraulic model outputs, AM model outputs, and Capital Improvement Plan data. For each layer, specific variables will be made available on the WebTool with specific editable fields for data tracking. Visualization of specific layers will be set to adjust based on editable field updates.
- Data Entry Forms – Woodard & Curran will configure simple, user-friendly data entry forms for editable fields used for data tracking. These forms will be associated with tracking parcel development potential, unit development per parcel, project status, method, cost, actual vs estimate costs, dates, and review notes.
- System Modules – Woodard & Curran will modify WebTool features and user interface to best support external users and viewing and editing data along with any other requirements identified.
- External User Sign-In – Woodard & Curran will work with FSSD IT to develop access to selected external users to be able to view and edit the WebTool.

## **C. Test, Finalize, and Provide User Workshop**

Woodard & Curran will demonstrate the WebTool to users identified by FSSD. Woodard & Curran will lead user testing of the WebTool on FSSD's server with selected users to test the functionality and obtain user sign-off. Woodard & Curran will make revisions to the WebTool as necessary during user testing.

Upon receiving user sign-off, Woodard & Curran will finalize the WebTool on FSSD's server and perform final testing. At the end of deployment, Woodard & Curran will hold one 1-hour training workshop for the end users. Training will include instructions on how to edit data and demonstrate how to see data layers and updated features.

### *Subtask 13.3 Assumptions*

- *FSSD IT staff will provide secured remote access to FSSD IT server during development and testing.*
- *FSSD IT staff will provide all hardware associated with this task and will install and configure any necessary software, databases, and SSL certificates needed to operate in FSSD's environment.*
- *FSSD IT staff will develop appropriate authentication and access for external users to gain access to the WebTool*
- *Not all task needs are identified at this time. Level of effort limited to budgeted hours.*
- *FSSD will be responsible for maintaining internal APIs and databases, if applicable.*
- *FSSD IT staff will be responsible for setting up databases for the WebTool.*
- *FSSD IT staff will be responsible for developing secure connection to WebTool and backend geospatial layers and database(s) for external users.*

### *Task 13 Deliverables*

- Workshop presentation materials and summary
- Draft Master Plan Update report
- Final Master Plan Update report (MS Word and pdf files)
- Final hydraulic model files
- WebTool files

## **Task 14 – Optional Tasks**

### **Subtask 14.1 – Additional flow meters (10 meters)**

Under this task, up to ten (10) additional flow meters would be installed. It is assumed that the meters would be installed at the same time as the other meters. This task includes effort associated with calibration of the additional meters.

### **Subtask 14.2 – Survey**

Where data is not readily available with regard to invert elevations of pipes or other structures at manhole locations, up to 25 manholes can be surveyed by Woodard & Curran's surveying subcontractor, LCC Engineering.

Agreement Between FSSD and Cities Regarding Collection System Master Planning Services  
 Exhibit B: Itemized Task and Cost Breakdown Between Agencies

Task	Total Task Budget (\$)	Percentage of Task Atributable to Agency			Estimated Agency Task Budget		
		FSSD	Fairfield	Suisun City	FSSD	Fairfield	Suisun City
<b>Task 1: Project Management</b>	<b>\$69,831</b>	<b>65%</b>	<b>20%</b>	<b>15%</b>	<b>\$45,390</b>	<b>\$13,966</b>	<b>\$10,475</b>
<b>Task 2: Data Collection and Review</b>	<b>\$15,365</b>	<b>65%</b>	<b>20%</b>	<b>15%</b>	<b>\$9,987</b>	<b>\$3,073</b>	<b>\$2,305</b>
<b>Task 3: Flow Monitoring</b>	<b>\$198,735</b>	<b>50%</b>	<b>25%</b>	<b>25%</b>	<b>\$99,368</b>	<b>\$49,684</b>	<b>\$49,684</b>
<b>Task 4: Hydraulic Model Update</b>	<b>\$40,790</b>	<b>12%</b>	<b>58%</b>	<b>29%</b>	<b>\$5,000</b>	<b>\$23,770</b>	<b>\$12,020</b>
4.1 Update FSSD Model Network	\$5,000	100%	0%	0%	\$5,000	\$0	\$0
4.2 Develop City of Fairfield Network	\$23,770	0%	100%	0%	\$0	\$23,770	\$0
4.3 Develop City of Suisun City Network	\$12,020	0%	0%	100%	\$0	\$0	\$12,020
<b>Task 5: Update Flows and Growth Projections</b>	<b>\$113,270</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>	<b>\$113,270</b>	<b>\$0</b>	<b>\$0</b>
5.1 Develop Existing Base Wastewater Flows	\$23,990	100%	0%	0%	\$23,990	\$0	\$0
5.2 Model Calibration	\$34,490	100%	0%	0%	\$34,490	\$0	\$0
5.3 Develop Future Planning Scenarios	\$28,130	100%	0%	0%	\$28,130	\$0	\$0
5.4 Draft Technical Memorandum	\$26,660	100%	0%	0%	\$26,660	\$0	\$0
<b>Task 6: Develop Performance Criteria</b>	<b>\$23,925</b>	<b>48%</b>	<b>26%</b>	<b>26%</b>	<b>\$11,415</b>	<b>\$6,255</b>	<b>\$6,255</b>
6.1 Review FSSD Capacity Deficiency Criteria	\$6,255	100%	0%	0%	\$6,255	\$0	\$0
6.2 Develop Fairfield Capacity Deficiency Criteria	\$6,255	0%	100%	0%	\$0	\$6,255	\$0
6.3 Develop Suisun City Capacity Deficiency Criteria	\$6,255	0%	0%	100%	\$0	\$0	\$6,255
6.4 Climate Change Sensitivity Analysis	\$5,160	100%	0%	0%	\$5,160	\$0	\$0
<b>Task 7: Capacity Analysis</b>	<b>\$54,780</b>	<b>65%</b>	<b>20%</b>	<b>15%</b>	<b>\$35,607</b>	<b>\$10,956</b>	<b>\$8,217</b>
7.1 Evaluate Existing System Performance	\$20,420	65%	20%	15%	\$13,273	\$4,084	\$3,063
7.2 Perform RDI/I Analysis	\$18,030	65%	20%	15%	\$11,720	\$3,606	\$2,705
7.3 Analysis of Potential Service Area Expansions	\$16,330	65%	20%	15%	\$10,615	\$3,266	\$2,450
<b>Task 8: Updates and Additions to Asset Management Model</b>	<b>\$124,443</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>	<b>\$124,443</b>	<b>\$0</b>	<b>\$0</b>
8.1 FSSD AM Model Updates	\$89,550	100%	0%	0%	\$89,550	\$0	\$0
8.2 Fairfield AM Model Updates	\$18,567	100%	0%	0%	\$18,567	\$0	\$0
8.3 Suisun City AM Model Updates	\$5,463	100%	0%	0%	\$5,463	\$0	\$0
8.4 Force main risk model and R&R results	\$10,863	100%	0%	0%	\$10,863	\$0	\$0
<b>Task 9: Develop Capacity Solutions</b>	<b>\$47,330</b>	<b>38%</b>	<b>43%</b>	<b>19%</b>	<b>\$17,995</b>	<b>\$20,185</b>	<b>\$9,150</b>
9.1 Develop/Evaluate FSSD Capacity Improvement Alternatives	\$10,255	100%	0%	0%	\$10,255	\$0	\$0
9.2 Develop/Evaluate Fairfield Capacity Improvement Alternatives	\$20,185	0%	100%	0%	\$0	\$20,185	\$0
9.3 Develop/Evaluate Suisun Capacity Improvement Alternatives	\$9,150	0%	0%	100%	\$0	\$0	\$9,150
9.4 Evaluate Flow Transfers Between Basins	\$7,740	100%	0%	0%	\$7,740	\$0	\$0
<b>Task 10: Develop Capital Improvement Plan</b>	<b>\$122,607</b>	<b>53%</b>	<b>30%</b>	<b>17%</b>	<b>\$64,402</b>	<b>\$37,040</b>	<b>\$21,165</b>
10.1 Develop Cost Criteria and Prepare Cost Estimates	\$11,650	100%	0%	0%	\$11,650	\$0	\$0
10.2 Develop Project Prioritization Criteria and Rankings	\$30,347	100%	0%	0%	\$30,347	\$0	\$0
10.3 Develop FSSD Capital Improvement Plan	\$22,405	100%	0%	0%	\$22,405	\$0	\$0
10.4 Develop Fairfield Capital Improvement Plan	\$37,040	0%	100%	0%	\$0	\$37,040	\$0
10.5 Develop Suisun City Capital Improvement Plan	\$21,165	0%	0%	100%	\$0	\$0	\$21,165
<b>Task 11: Update Funding Model</b>	<b>\$23,428</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>	<b>\$23,428</b>	<b>\$0</b>	<b>\$0</b>
11.1 Update Funding Model	\$11,886	100%	0%	0%	\$11,886	\$0	\$0
11.2 Review and Update Model Scenarios	\$5,961	100%	0%	0%	\$5,961	\$0	\$0
11.3 Funding Model Dashboards	\$5,581	100%	0%	0%	\$5,581	\$0	\$0
<b>Task 12: Additional Studies</b>	<b>\$45,770</b>	<b>58%</b>	<b>21%</b>	<b>21%</b>	<b>\$26,517</b>	<b>\$9,627</b>	<b>\$9,627</b>
12.1 Design Standards Review	\$9,970	33%	33%	33%	\$3,323	\$3,323	\$3,323
12.2 I/I Reduction Program	\$16,890	100%	0%	0%	\$16,890	\$0	\$0
12.3 Infill Development Policies	\$18,910	33%	33%	33%	\$6,303	\$6,303	\$6,303
<b>Task 13: Prepare Master Plan</b>	<b>\$152,101</b>	<b>65%</b>	<b>20%</b>	<b>15%</b>	<b>\$98,866</b>	<b>\$30,420</b>	<b>\$22,815</b>
13.1 Draft Master Plan	\$52,774	65%	20%	15%	\$34,303	\$10,555	\$7,916
13.2 Final Master Plan	\$18,147	65%	20%	15%	\$11,796	\$3,629	\$2,722
13.3 Sewer Planning WebTool	\$81,180	65%	20%	15%	\$52,767	\$16,236	\$12,177
<b>Total</b>	<b>\$1,032,375</b>	--	--	--	<b>\$675,687</b>	<b>\$204,976</b>	<b>\$151,712</b>



## FAIRFIELD-SUISUN SEWER DISTRICT

January 26, 2026

### AGENDA REPORT

TO: Board of Directors

FROM: James Russell-Field, Director of Administrative Services

SUBJECT: Receive Annual Report in Accordance with Policy 1055, Legislative and Regulatory Advocacy Policy

**Recommendation:** Receive Annual Report in Accordance with Policy 1055, Legislative and Regulatory Advocacy Policy

**Background:** The District Board of Directors adopted Policy 1055, Legislative and Regulatory Advocacy Policy on January 27, 2025. In accordance with Section 4.2, District staff will provide an annual report to the Board of Directors, detailing key legislative and regulatory issues that impact the District. The report will include the District's position on each issue and the actions taken to advocate on its behalf.

**Discussion:** The District maintains membership with several professional organizations that may request support from the District and actively take positions, draft comment letters, and diligently follow current legislative and regulatory proposals that may impact the District.

The District has taken the following advocacy actions since January 27, 2025:

Date	Description of Issue	Position/ Action Taken	Outcome
<b>State Legislation</b>			
3/21/2025	SB 682 (Allen): proposed bill to prohibit distribution or sale of cleaning products, dental floss, juvenile products, food packaging, ski wax, and cookware.	Support / signed on to CASA support letter	Vetoed by Governor
5/14/2025	SB 496 (Hurtado): revises CARB's Advanced Clean Fleets regulations to exempt local government vehicles that respond to and support critical operations related to emergencies and disasters.	Support / signed on to CSDA support letter	Not passed

Date	Description of Issue	Position/ Action Taken	Outcome
1/05/2026	AB 643 (Wilson): Lystek-sponsored bill to make organic products produced using an approved technology and licensed by the Dept. of Food and Agriculture as an agricultural fertilizer qualify as "procurement products" under SB 1383 requirements.	Support / submitted support letter to Asm. Wilson	Two-year bill – in progress
<b>Federal Regulations</b>			
8/14/2025	U.S. Environmental Protection Agency: Draft EPA Sewage Sludge Risk Assessment presented an extremely conservative representation of a farm family's exposure to PFAS from biosolids-derived fertilizers.	Oppose / submitted comment letter to USEPA	Pending

Looking ahead, the District is monitoring the following key legislative and regulatory issues in the upcoming year:

- **PFAS Limitations:** The District will continue to evaluate proposed legislative and regulatory actions on PFAS. The District will seek to support bills and regulations that hold producers of PFAS chemicals liable for cleanup costs rather than local communities. The District will advocate for controlling PFAS at the source rather than at wastewater treatment plant discharges.
- **Passive Receiver Protection:** The District will continue to support Federal efforts to protect local governments, including cities and special districts, and contractors that support those cities and special districts (collectively, "passive receivers" of PFAS), from liability for PFAS contamination under the Federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). As above, the District will support legislation that ensures that the chemical producers and users are held liable for cleanup costs rather than local governments who neither produce nor utilize such chemicals.
- **Biosolids Disposal Options and Renewable Reuse:** The District is supporting AB 643, authored by Asm. Lori Wilson and sponsored by Lystek International, to include biosolids-derived, certified fertilizer products as eligible "procurement products" under SB 1383. This means that cities can get credit for use of these fertilizer products and are not limited to only composting as a means of compliance. Similarly, the District will advocate for flexibility in biosolids disposal and treatment options.

Receive Annual Report in Accordance with Policy 1055, Legislative and Regulatory

Advocacy Policy

January 26, 2026

Page 3 of 3

- **Infrastructure Funding:** With a significant capital improvement program on the horizon, the District will continue to advocate at the State and Federal level for investment in the Clean Water State Revolving Fund loan program, and in other grants and bonds aimed at improving aging wastewater infrastructure.

**Fiscal Impact:** There is no fiscal impact related to the report out for Policy 1055, Legislative and Advocacy.

Attachment: Legislative and Regulatory Advocacy Annual Report Presentation



# Legislative and Regulatory Advocacy Annual Report

# Legislative and Regulatory Advocacy Policy

- Allows the District to promote and protect its interests by supporting or opposing proposed legislation or regulations
- Permits timely staff action when advocacy decisions require prompt responses
- Authorizes engagement in advocacy when an issue is identified as significant by an organization of which FSSD is a member, or when the issue aligns with designated priority topics



# Memberships

- Bay Area Clean Water Agencies (BACWA)
- California Association of Sanitation Agencies (CASA)
- California Society of Municipal Finance Officers (CSMFO)
- California Special Districts Association (CSDA)
- California Water Environment Association (CWEA)
- Government Finance Officers Association (GFOA)
- National Association of Clean Water Agencies (NACWA)
- Water Environment Federation (WEF)

# Advocacy Issues with District Action

Date	Description of Issue	Position/ Action Taken	Outcome
<b>State Legislation</b>			
3/21/2025	SB 682 (Allen): proposed bill to prohibit distribution or sale of cleaning products, dental floss, juvenile products, food packaging, ski wax, and cookware.	Support / signed on to CASA support letter	Vetoed by Governor
5/14/2025	SB 496 (Hurtado): revises CARB's Advanced Clean Fleets regulations to exempt local government vehicles that respond to and support critical operations related to emergencies and disasters.	Support / signed on to CSDA support letter	Not passed
1/5/2026	AB 643 (Wilson): Lystek-sponsored bill to make organic products produced using an approved technology and licensed by the Dept. of Food and Agriculture as an agricultural fertilizer qualify as "procurement products" under SB 1383 requirements.	Support / submitted support letter to Asm. Wilson	Two-year bill – in progress
<b>Federal Regulations</b>			
8/14/2025	U.S. Environmental Protection Agency: Draft EPA Sewage Sludge Risk Assessment presented an extremely conservative representation of a farm family's exposure to PFAS from biosolids-derived fertilizers.	Oppose / submitted comment letter to USEPA	Pending

# FAIRFIELD-SUISUN SEWER DISTRICT

MINUTES

1010 Chadbourne Road • Fairfield, California 94534 • (707) 429-8930 • [www.FairfieldSuisunSewer.ca.gov](http://www.FairfieldSuisunSewer.ca.gov)

## Board of Directors Meeting Minutes

Date: Monday, November 24, 2025

Meeting Place: 1010 Chadbourne Road, Fairfield, California

Meeting Time: 6:00 pm

1. The meeting was called to order at 6:00 p.m. by President Jenalee Dawson, who presided over the meeting.

Roll Call – The following Board members were present: Directors Carr, Dawson, Hernandez, Pal, Shepherd, Tonnesen, Washington and Williams. Directors Moy and Panduro were absent. No Board Alternates were present.

2. Pledge of Allegiance was led by Director Doug Carr.
3. Public Comments: No comments.
4. Director Comments: Director Alma Hernandez thanked Meg Herston and staff on presentation to the City County Coordinating Council regarding Solano Bayshore Resiliency Project. It was well received by the Board of Supervisors and Mayors.
5. General Manager Report – General Manager Jordan Damerel reported that the District submitted a Letter of Interest to the EPA Water Infrastructure Finance and Innovation Act (WIFIA) Loan Program for the Suisun Force Main Project. California Forever met with staff and Planning Department regarding Suisun Expansion Project, wastewater infrastructure, and a potential reimbursement agreement. Comment letter on Suisun Expansion Project application has been sent to Suisun City. CASA Conferences are coming up in January 2026 (Winter Conference) and February 2026 (DC Policy Forum).
6. Consent Calendar:
  - (a) Adopt Resolution no. 2025-34, Establishing the 2026 Board of Directors Meeting Schedule
  - (b) Approve Board Minutes of October 27, 2025

No comments.

Upon motion by Director Tonnessen, seconded by Director Hernandez, the Consent Calendar was passed by the following vote:

AYES: Carr, Dawson, Hernandez, Pal, Shepherd, Tonnesen, Washington, Williams

NOES: None

ABSTAIN: None

ABSENT: Moy, Panduro

7. Action Item:

(a) Discuss and Receive the Results of the 2025 Cost of Service and Rate Study, Adopt Resolution No. 2025-35, Approving and Authorizing Mailing of Proposition 218 Notices, and Adopt Resolution No. 2025-36 Adopting Procedures to Implement AB 2257

After introduction by General Manager Damerel, Mark Hildebrand of Hildebrand Consulting went over the results of the 2025 Cost of Service and Rate Study and Board recommendation, going over the general utility rate setting, financial plan, proposed rates and survey, AB 2257, capacity charges and project schedule.

After discussion with the Board of Directors and upon motion by Director Tonnesen, seconded by Director Carr, item 7a was passed by the following vote:

AYES: Carr, Dawson, Hernandez, Pal, Shepherd, Tonnesen, Williams  
NOES: Washington  
ABSTAIN: None  
ABSENT: Moy, Panduro

(b) Adopt Resolution No. 2025-37, Adopting the 2026-2028 Strategic Plan

General Manager Damerel and Human Resources Manager Kim Kraft presented the 2026-2028 Strategic Plan to the Board discussing key components of the plan that include updated mission and vision statements, refreshed core values, benchmarks and goals to implement the Strategic Plan phased over two years, with annual updates provided to the Board.

Upon motion by Director Pal, seconded by Director Hernandez, Action Item No. 7b was passed by the following vote:

AYES: Carr, Dawson, Hernandez, Pal, Shepherd, Tonnesen, Washington, Williams  
NOES: None  
ABSTAIN: None  
ABSENT: Moy, Panduro

8. Information Item:

(a) Board Calendar

No comments.

Board of Directors Meeting Minutes  
Monday, November 24, 2025  
Page 3 of 3

The meeting adjourned at 7:27 pm.

Respectfully submitted,

---

President

ATTEST:

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District Clerk



## FAIRFIELD-SUISUN SEWER DISTRICT

January 26, 2026

### AGENDA REPORT

TO: Board of Directors

FROM: James Russell-Field, Director of Administrative Services

SUBJECT: Receive the Annual Comprehensive Financial Report and Popular Annual Financial Report for Fiscal Year Ended June 30, 2025

**Recommendation:** Receive the Annual Comprehensive Financial Report and Popular Annual Financial Report for Fiscal Year Ended June 30, 2025.

**Background:** The District engaged the services of Davis Farr, LLP (Davis Farr) to perform an independent audit of the District's basic financial statements for the fiscal year ended June 30, 2025. The publication of the Annual Comprehensive Financial Report (ACFR) includes the results of the independent audit as well as the basic financial statements and supporting information.

**Discussion:** On November 25, 2025, Davis Farr completed the independent audit of the District's basic financial statements for the fiscal year ended June 30, 2025 and issued an "unmodified opinion." An "unmodified opinion" is the most favorable type of opinion available and means that the District's financial statements were fairly presented in all material respect in accordance with the generally accepted accounting principles (GAAP), as established by the Governmental Accounting Standards Board (GASB).

Pages 1-3 of the ACFR contain Davis Farr's report on the basic financial statements. Pages 76-77 contain Davis Farr's report on the District's internal controls over financial reporting, compliance, and other matters based on the audit of the financial statements.

The District's financial statements are presented on pages 14-17 of the ACFR. Financial statement users frequently refer to Management's Discussion and Analysis on pages 4-12, and the Statistical Section on pages 56-74, to enhance their understanding and interpretation of the financial statements.

This is also the first year the District has prepared a Popular Annual Financial Report (PAFR), which is included as the second attachment. The information from the PAFR is derived from the ACFR. The PAFR is promoted by the Government Finance Officer

Receive the Annual Comprehensive Financial Report and Popular Annual Financial Report for Fiscal Year Ended June 30, 2025

January 26, 2026

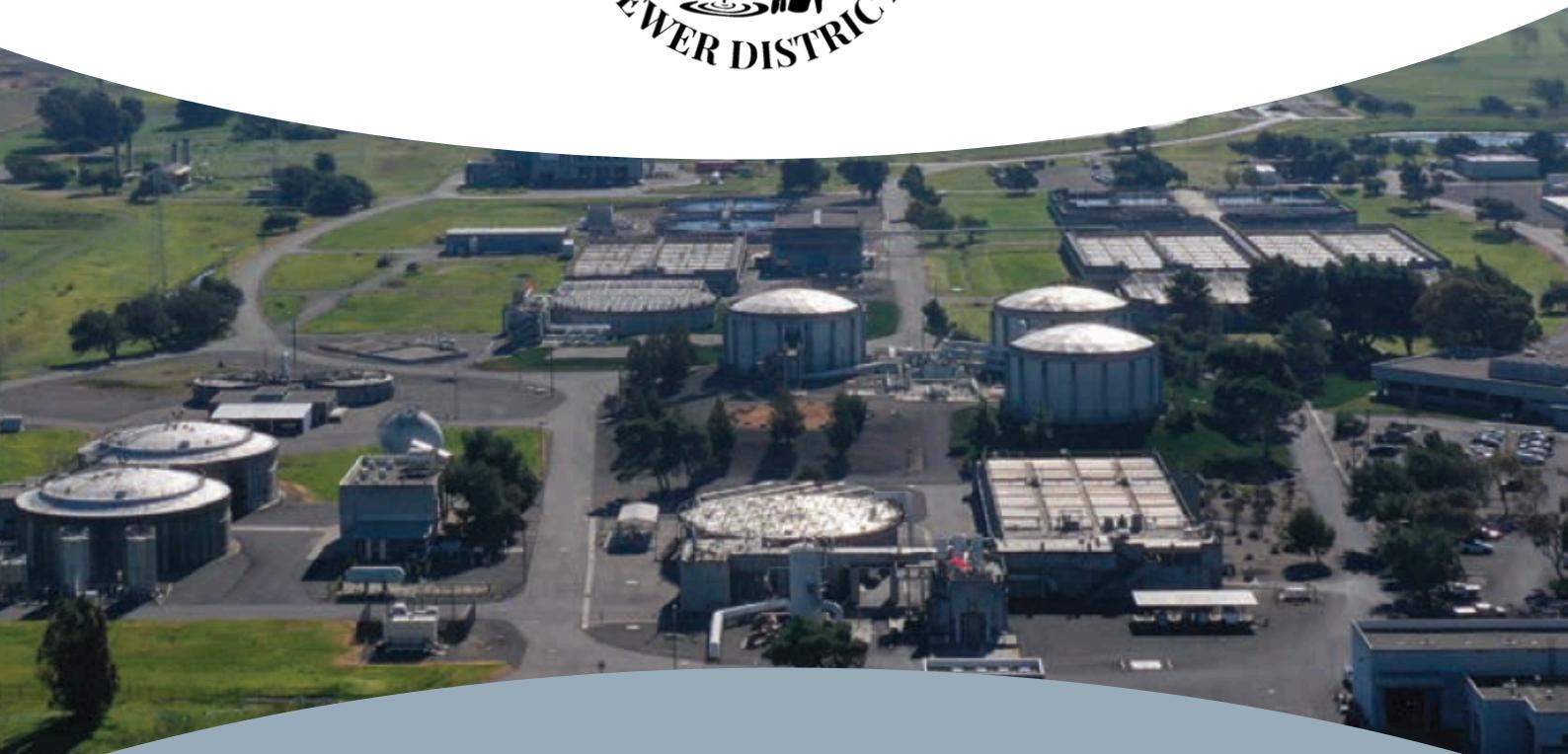
Page 2 of 2

Association to encourage agencies to extract information from their ACFRs and produce a user-friendly version specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.

**Fiscal Impact:** None.

Attachments: 1 – Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025

2 – Popular Annual Financial Report for the Fiscal Year Ended June 30, 2025



# ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended June 30, 2025

Fairfield-Suisun Sewer District  
1010 Chadbourne Road  
Fairfield, CA 94534  
[www.FairfieldSuisunSewer.ca.gov](http://www.FairfieldSuisunSewer.ca.gov)

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# **Annual Comprehensive Financial Report**

## **For the Year Ended June 30, 2025**

Fairfield-Suisun Sewer District protects public health and the environment for the communities we serve in an efficient, responsible and sustainable manner.



**Administrative Services Department**  
Fairfield-Suisun Sewer District  
1010 Chadbourn Rd, Fairfield, CA 94534  
[www.fairfieldsuisunsewer.ca.gov](http://www.fairfieldsuisunsewer.ca.gov)

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**Fairfield-Suisun Sewer District**  
**Annual Comprehensive Financial Report**  
**For the Year Ended June 30, 2025**

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**Table of Contents**

**Introductory Section**

Letter of Transmittal.....	i
Principal Officers .....	ix
Organization .....	x
Certificate of Achievement for Excellence in Financial Reporting.....	xi
Location Map.....	xii

**Financial Section**

Independent Auditor's Report .....	1
Management's Discussion and Analysis .....	4
Statement of Net Position .....	13
Statement of Revenues, Expenses, and Changes in Net Position .....	15
Statement of Cash Flows.....	16
Notes to Financial Statements .....	18

**Required Supplementary Information**

Schedule of Changes in the Net OPEB Liability and Related Ratios.....	52
Schedule of Employer OPEB Contributions .....	53
Schedule of Proportionate Share of Net Pension Liability .....	54
Schedule of Proportionate Share of Employer Pension Contributions .....	55

**Statistical Section**

Schedule 1 – Condensed Statements of Net Position.....	58
Schedule 2 – Condensed Stmts of Revenues, Expenses, and Changes in Net Position .....	59
Schedule 3 – Changes in Net Position.....	60
Schedule 4 – Net Position by Component .....	61
Schedule 5 – Expenses by Classification .....	62
Schedule 6 – Revenues by Sources.....	63
Schedule 7 – Monthly Sewer Service Changes .....	64
Schedule 8 – Service Area of Principle Customers and % of Total Sewer Service Charges.....	65
Schedule 9 – Pledged-Revenue Coverage .....	66
Schedule 10 – Summary of Debt Service Payments.....	66
Schedule 11 – Ratios of Outstanding Debt by Type .....	67

**Fairfield-Suisun Sewer District**  
**Annual Comprehensive Financial Report**  
**For the Year Ended June 30, 2025**

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Schedule 12 – Average Annual Influent Flow.....	69
Schedule 13 – Biosolids Disposal.....	70
Schedule 14 – Population Served.....	71
Schedule 15 – Major Employers.....	72
Schedule 16 – Full-Time District Employees by Department.....	73
Schedule 17 – Other Information .....	73
<b>Other Independent Auditor's Report</b>	
Independent Auditor's Report on Internal Controls .....	76

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# Introductory Section

**The Fairfield-Suisun Sewer District** owns and operates a system of sanitary sewers and pumping stations, used to oversee wastewater collection and treatment. The photo on the right shows two Intermediate Clarifiers, which slows down the flow to settle out any dead or sloughed off zoogelal mass from the Oxidation Towers. After the solids are gathered and removed, they are pumped into the Gravity Belt Thickener.



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# FAIRFIELD-SUISUN SEWER DISTRICT

November 25, 2025

Board of Directors and Residents  
Fairfield-Suisun Sewer District  
Fairfield, California

**Subject: Letter of Transmittal**

Annual Comprehensive Financial Report  
For the Year Ended June 30, 2025

It is a pleasure to submit the Fairfield-Suisun Sewer District's (District) Annual Comprehensive Financial Report (ACFR) for the fiscal year ending June 30, 2025. Responsibility for the accuracy, completeness and fairness of the data presented, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of the District. Included are all disclosures necessary to enable the reader to gain a full understanding of the District's financial activities.

The ACFR is presented in accordance with Generally Accepted Accounting Principles (GAAP) established by the Governmental Accounting Standards Board (GASB). GAAP requires management to provide a narrative introduction, overview, and analysis, in the form of a Management's Discussion and Analysis (MDA), to accompany the basic financial statements. This letter of transmittal is designed to complement the MDA and should be read in conjunction with it. The District's MDA can be found immediately following the independent auditor's report in the financial section.

## The Reporting Entity

The Fairfield-Suisun Sewer District (District) is a special district which serves all territory within the cities of Fairfield and Suisun City and portions of unincorporated Solano County. It was formed by an act of the California State Legislature on May 5, 1951 (the "enabling act"). The enabling act defined the District's boundaries as the boundaries of the cities. Any territory annexed to either city is also annexed to the District, and in general, no property can be served by the District if it is not in either city.

In September of 2002, the District's enabling act language was amended, under AB776, to authorize the acceptance of sewage emanating from buildings that lie outside the District's boundaries for developed parcels that were connected to the District's sewage treatment system before March 1, 2002. The District's change in enabling act language also allows for a contract with Solano County, or other public entities, for the disposal of sewage emanating from buildings outside the District's service area, if the District determines that the contract furthers the protection of public health and safety and is in the best interest of the District.

In April 2019, the District's enabling act language was amended, under AB530, to authorize the acceptance and disposal of sewage emanating from any building within the Middle Green Valley Specific Plan area, upon request of the landowner. Middle Green Valley is an unincorporated area in Solano County north of the City of Fairfield and outside the city's sphere of influence. Solano County has adopted a Specific Plan for Middle Green Valley, which calls for development of about 400 homes and associated commercial and public facilities.

The District has broad powers to finance, construct, and operate systems for the treatment, collection and disposal of sewage, stormwater, and recycled water systems within the District's jurisdiction. Its ten-member Board of Directors consists of members of the two cities' city councils. The Board president is elected by the Board from among its members. The District's day-to-day operations are managed by the General Manager, who reports directly to the Board of Directors.

## Factors Affecting Financial Condition

### Local Economic Condition and Outlook

The District is headquartered in Fairfield, a city in Solano County, California. Fairfield and Suisun City are located along Interstate 80, midway between San Francisco and Sacramento, the state capital. The cities lie in a large valley surrounded by rolling hills and adjacent to the Suisun Marsh, the largest contiguous brackish water wetland in California. Fairfield is the Solano County seat and houses most county government activities while Suisun City is one of California's oldest cities. Suisun City sits approximately 15 feet above sea level, and a network of sloughs, navigable by small boats, extends from the city to San Francisco Bay.

The area is noted for its moderate climate. It is protected from ocean fog by a low range of hills and is cooled by prevailing sea breezes during the summer. Good visibility and a climate free from extremes were among the factors that influenced the location of Travis Air Force Base in Fairfield. Favorable climate, short drive to major cities, ocean, mountains, and affordable housing have been some of the factors in the area's past residential growth.

Major employers located within the District's boundaries include Travis Air Force Base, County of Solano, Anheuser-Busch Brewery, Jelly Belly, Producers Dairy Foods, North Bay Medical Center, Kaiser Permanente, other large manufacturers and industries, and shopping districts. The District's Sewer Service Charges are stable with approximately 80 percent coming from residential customers who are billed a flat fee on a monthly or bi-monthly basis. Revenues received from commercial and industrial customers comprise the remaining 20 percent of the total Sewer Service Charges.

The combined population served in the City of Fairfield and City of Suisun City is 149,756 as of January 1, 2025. The unemployment rate for Fairfield and Suisun City is 5.7 percent

as of June 2025. The cities of Fairfield and Suisun City remain an attractive option for housing, as prices tend to be lower than other San Francisco Bay Area locations.

Sewer Service Charges for residential, commercial and industrial customers increased by 4.0 percent in Fiscal Year (FY) 2024-25 under the five-year schedule adopted by the Board in March 2022 following a Cost of Service and Rate Study. Fairfield and Suisun City project continued residential growth over the next several years, estimating the addition of 1,811 single and multi-family homes through FY 2028-29.

Through disciplined long-term financial planning and reserve policies, the District remains fiscally stable and continues to invest proactively in maintaining and upgrading its treatment and collection systems to continue to provide essential services to the Fairfield and Suisun City communities.

### **Budget and Long-Term Financial Planning**

The District is not legally required to adopt a budget or to present budgetary comparison information. In its commitment to fiscal responsibility, the District prepares a budget, along with a ten-year financial plan, which is approved and adopted by the Board of Directors. On May 14, 2025 the Board of Directors adopted the FY 2025-26 Budget and Long-Term Financial Plan.

### **Major Initiatives**

The District is proactive in planning for major maintenance, replacements, and upgrades, as well as researching innovative infrastructure solutions. During FY 2024-25, the District progressed work on several significant projects and planning activities, detailed below:

#### ***Suisun Force Main Reliability Project***

The Suisun Force Main Reliability Project is the largest project in the District's Long-Term Financial Plan adopted in May 2025, totaling \$53.5 million between FY 2025-26 and FY 2027-28. The Board of Directors awarded the design contract for the Suisun Force Main Reliability Project in September 2023.

This project involves the design, construction, and inter-agency and community coordination of a new major pressurized wastewater pipeline between the Suisun Pump Station, in Central Suisun City, and Central Pump Station, in southern Fairfield. This critical pipeline will convey raw wastewater away from Suisun City, Travis Air Force Base, and parts of the City of Fairfield towards the District's Treatment Plant. Currently, there is a single pipeline that conveys wastewater flows to the Treatment Plant from Suisun Pump Station. This pipeline is nearing its expected useful life, and the Suisun Pump Station is nearing its hydraulic capacity.

The project reached 60% design in May 2025. Design of the project is expected to be completed in the winter of 2025-2026, with the construction contract expected to be let

for bids in the spring of 2026. Construction will likely take two summer seasons to complete.

### ***Aeration Basin Improvements Project (Phase 1)***

In 2023, the District hired a consultant to help plan wastewater treatment plant upgrades to allow the District to comply with a new Nutrient Watershed Permit from the San Francisco Bay Regional Water Quality Control Board, which requires a 40 percent reduction in nitrogen discharged in the District's effluent by 2035. That planning work resulted in the Aeration Basin Improvement Project, a multi-phase project which will modify the District's secondary treatment process to optimize for nitrogen removal. The District issued a design contract for Phase 1 in May 2024, which was completed in April 2025.

The Board of Directors awarded the construction contract in June 2025. Construction is anticipated to begin in fall 2025 and be complete in winter 2027-2028.

### ***Kellogg Resiliency Project***

In 2022 and 2023, the District and Suisun City jointly conducted a community co-design process for improvements at the Kellogg Stormwater Pump Station site. The goals of the project included improving firefighting access at the City/Marsh interface, reducing flood risk to property within Suisun City, and creating stormwater treatment facilities to comply with a municipal regional stormwater permit.

In March 2023, the Board of Directors authorized the General Manager to apply to the State Water Resources Control Board to receive a Directed Assistance Grant for the Kellogg Resiliency Project. Funds were appropriated in the State of California's Budget Act of 2022. In October 2023, the agreement was issued and executed (Agreement #D2201012) in the amount of \$8.6 million. The grant is to fund the planning, design, and construction of the Kellogg Resiliency Project.

In January 2025, the Board of Directors concurred with the recommended mitigations and the California Environmental Quality Act determination and authorized the General Manager to award a construction contract for completion of the project, which was awarded in April 2025.

Due to the State requirements to complete the project by March 2026 and ongoing delays due to environmental permitting restrictions and mitigations, the District is working with the State on a time extension for the project. All work to be conducted in the stormwater channel will be constructed during a regulated window in fall 2025, with remaining work outside of the channel to be completed in winter 2025-2026.

### ***Beneficial Baylands***

The District received a \$4.1 million grant directly from Environmental Protection Agency (EPA) Water Quality Improvement Funds (WQIF) for the Beneficial Baylands project, which will be used to further improve nitrogen treatment at the District's wastewater treatment plant for regulatory compliance, and a portion will be subawarded to the San Francisco Estuary Institute (SFEI) to further support the development of nature-based resilience and treatment solutions across the Bay Area. The District anticipates that approximately \$1.7 million of the funding will be used to offset costs of the Aeration Basin Improvements Project.

### ***Biogas Utilization Master Plan and Bioenergy Generation Project***

In March 2021, District staff presented the results of a Biogas Utilization Master Plan to the Board of Directors. The Master Plan resulted from a study investigating the potential production and uses of biogas that could be built into the District's future capital investments. The Master Plan concluded that the most economically beneficial path forward for the District was to produce electricity using a new cogeneration engine and establish an interconnection with PG&E that allows the District to export excess power to the grid or offset electricity purchases at other times.

The Board of Directors awarded the Bioenergy Generation Project in May 2022. The recommended project includes installing a 1,100 kilowatt cogeneration engine and associated systems, auxiliary heat recovery and wasting equipment, biogas conditioning systems to protect the engine and meet air quality requirements, and related work, including demolishing existing equipment. The new cogeneration engine will be capable of producing up to 65 percent of the wastewater treatment plant's electrical power, offsetting electrical power otherwise purchased from PG&E.

The Bioenergy Generation Project is one of the District's largest Capital Improvement Program projects. The District anticipates completion in spring 2026, with some uncertainty relating to the timing of final inspection and approval by PG&E.

### ***Electrical Replacement Project Phase 2***

The District's collection system and treatment plant rely on a complex network of electrical power distribution gear to provide utility and standby electrical power to essential conveyance and treatment equipment. Much of this electrical gear is original, installed during the 1970s and 1980s. Through routine inspection and maintenance activities, District staff identified several Motor Control Centers (MCCs) and associated electrical components at District facilities that showed signs of physical damage (corrosion, heat damage, spliced cables, etc.) or for which spare parts are no longer commercially available.

District staff are currently working on Phase 2 of the Electrical Replacement project, which includes the replacement of a critical electrical substation at the treatment plant and

adding a standby electrical generator at the District's largest wastewater pump station. In October 2022, the Board authorized District staff to proceed with the pre-purchase of a prefabricated electrical equipment building and related electrical equipment for the wastewater treatment plant and the pre-purchase of a new standby power system and related electrical equipment for the Suisun Pump Station to proactively address long equipment lead times and prevent supply chain delays. The pre-purchased equipment was manufactured and delivered to the District in March and April 2025. Meanwhile, the District continues to develop a design to install, connect, and commission all of the new electrical gear. The construction contract for the Electrical Replacement Project Phase 2 is anticipated to be let for bids in the spring of 2026.

### ***Collection System Master Plan and Collection System Asset Management Plan***

The District last updated its Collection System Master Plan (CSMP) in 2020. The City of Fairfield adopted its "Fairfield Forward 2050" General Plan in late 2024 and the City of Suisun City adopted updates to its General Plan Housing Element in 2023. These updated planning documents indicate increased growth projections compared to the assumptions used in the 2020 CSMP, and additional collection system capacity upgrades may be required to support the increased growth.

In 2022, the District, in partnership with the Cities of Fairfield and Suisun City, completed a Collection System Asset Management Plan (CSAMP). This plan utilized condition assessment data to evaluate long-term rehabilitation and replacement (R&R) needs for collection system assets owned by all three agencies, and resulted in updates to the 1965 Agreement between the District and Cities to fund recommended R&R. The District is responsible for updating the CSAMP to recalculate collection system R&R funding needs based on updated collection system inspection data and to adjust Sewer Service Charges as needed to support proper maintenance, rehabilitation, replacement and reserve fund balance by September 30, 2026.

As a result of the timing for updating the CSAMP, and changes in growth projections that would affect the original CSMP from 2020, the District issued a Request for Proposals for a combined CSMP/CSAMP study in May 2025. The combined study will merge elements of both studies into a single planning effort for the District and Cities to develop a coordinated collection system Capital Improvement Plan.

The Board of Directors awarded the contract for the CSMP/CSAMP study in July 2025.

### **Internal Control Structure**

The District's management is responsible for establishing and maintaining a system of internal accounting controls. The objectives of internal controls are to provide management with reasonable, but not absolute, assurance regarding 1) the safeguarding of assets against loss from unauthorized use or disposition, and 2) the reliability of financial records for preparing financial statements and maintaining accountability for

assets. The concept of reasonable assurance recognizes that: 1) the cost of a control should not exceed the benefits likely to be derived, and 2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. Management believes that the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

## **Independent Audit**

California state statutes and bond covenants require an annual independent audit of the books of accounts and financial records of the District. Davis Farr LLP was contracted to conduct this year's audit. Their unmodified opinion is included in the Financial Section of this report.

## **Awards and Recognition**

The District is the recipient of numerous awards of excellence at the local, state, and national level for maintaining an efficient, well-run treatment plant. These awards are received from the California Association of Sanitation Agencies (CASA), the California Water Environment Association (CWEA) and its local chapter, the national Water Environment Federation, and the National Association of Clean Water Agencies (NACWA). Awards regularly received are Plant of the Year, Collection System of the Year, awards for safety, Excellence in Management Recognition, and awards for individual project and personnel achievements. The District recently received the NACWA Platinum Award for eleven continuous years of zero discharge permit violations, the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the FY 2025-26 Budget and Long-Term Financial Plan, and the CASA Excellence in Public Outreach/Education award which highlighted the Fairfield-Suisun Water Resilience Program which impacted five local schools and over 300 students.

GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the District its ACFR for the fiscal year ended June 30, 2024. This was the District's 27<sup>th</sup> consecutive year receiving the prestigious national award, receiving the first award for the fiscal year ended June 30, 1998. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. Staff believes the current ACFR continues to meet the Certificate of Achievement Program's requirements and will submit the current year report to GFOA.

## Acknowledgments

Sincere appreciation is extended to the entire Finance and Administrative team and District staff members who provided information and participated in the preparation of this report. Special recognition is given to the District's Accountant, Melanie Wildeman, and Accounting Intern, Ben Mendiola, for their dedicated work in preparing this report. Recognition is also given to District management and to the Board of Directors for its continued support in maintaining the highest standards of professionalism in the management of the District's finances.

Respectfully submitted,



Jordan Damerel, P.E.  
General Manager/District Engineer



James Russell-Field, CPA  
Director of Administrative Services

# **Fairfield-Suisun Sewer District**

## Principal Officials as of June 30, 2025

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### **Board of Directors**

Jenalee Dawson, President

Cat Moy, Vice President

Douglas Carr

Alma Hernandez

Amit Pal

Doriss Panduro

Parise Shepherd

Scott Tonnesen

Princess Washington

K. Patrice Williams

Pam Bertani, First Alternate

Manveer Sandhu, Second Alternate

### **Management Team**

Jordan Damerel, General Manager

Meg Herston, Director of Environmental Services

Doug Hollowell, Director of Operations & Maintenance

James Russell-Field, Director of Administrative Services

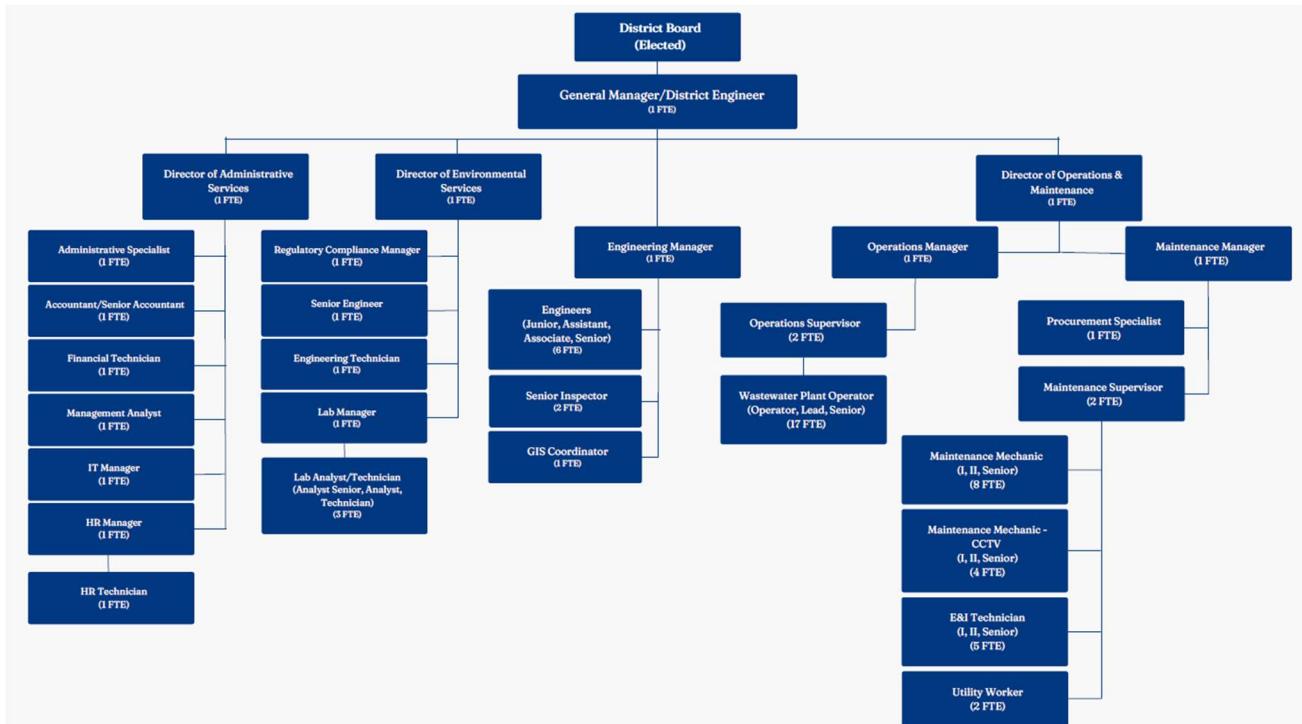
Kimberly Kraft, Human Resources Manager

### **District Counsel**

Carrie Blacklock

# Fairfield-Suisun Sewer District

## Organization



**Fairfield-Suisun Sewer District**  
Certificate of Achievement for Excellence in Financial Reporting

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Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

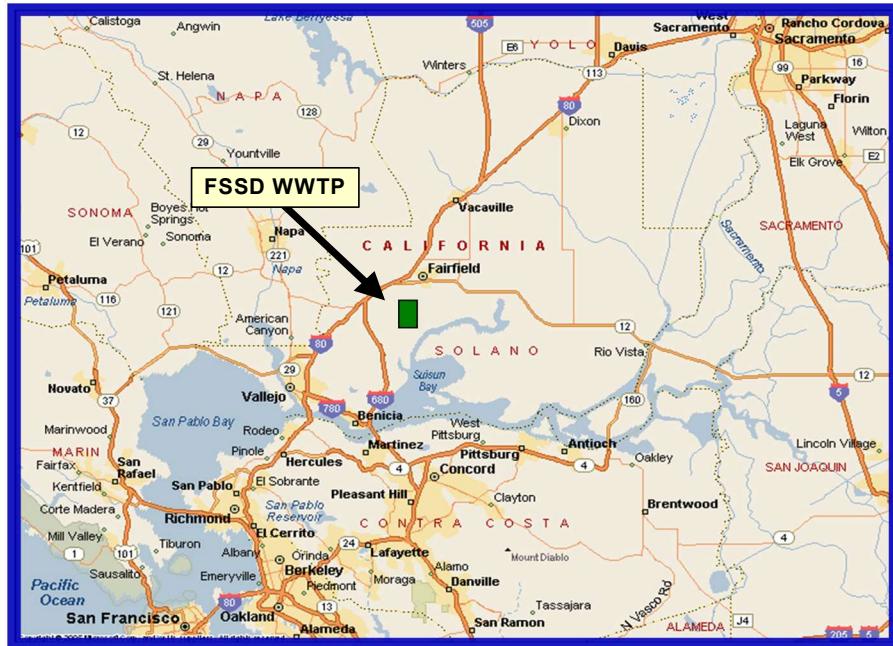
Presented to

**Fairfield-Suisun Sewer District  
California**

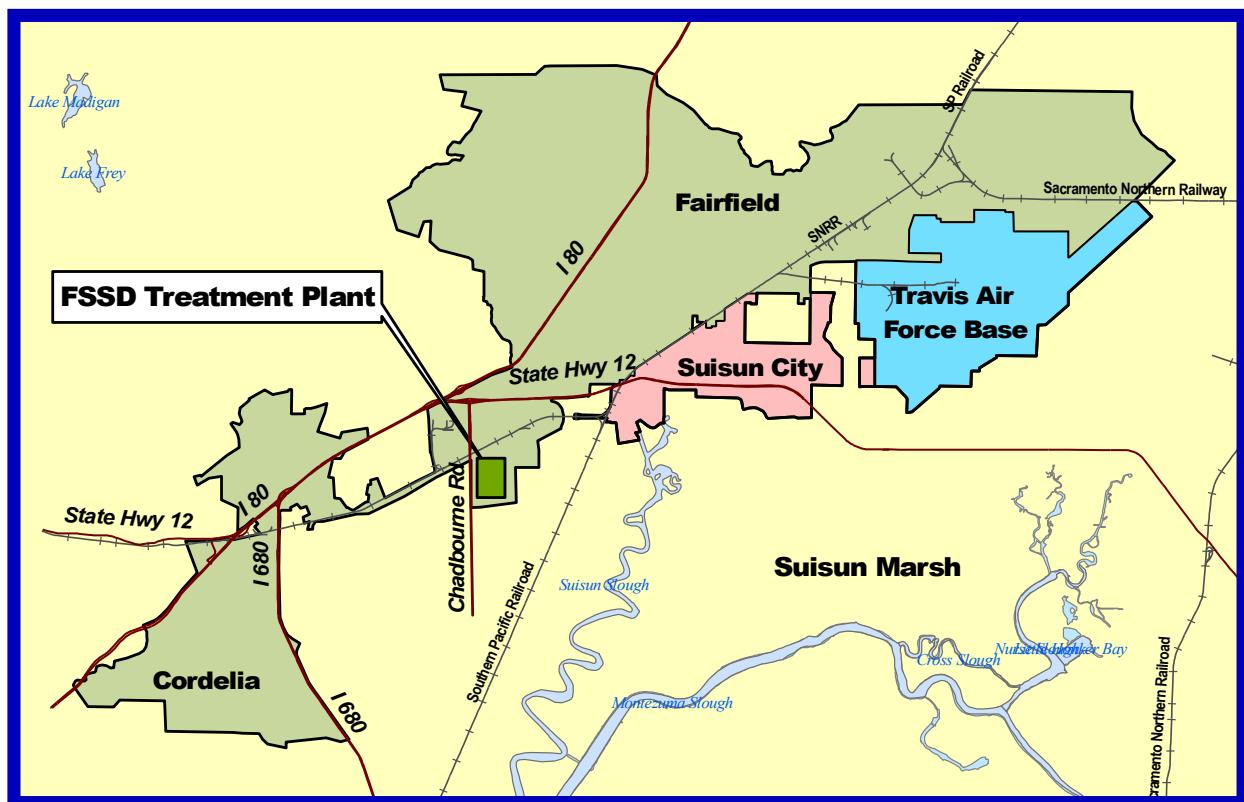
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

# Fairfield-Suisun Sewer District Location Map



↑  
north



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# Financial Section

## **Receiving Waters Suisun Marsh and Duck Clubs**

As part of the District's mission to safeguard public health, we take action to protect the environmentally sensitive Suisun Marsh. The Marsh is the nation's largest brackish water marsh and the largest wetland on the Pacific Coast. The District's advanced treatment technology ensures our final effluent water, which is discharged into the marsh, meets stringent water quality standards set by Federal, State, and Regional agencies.



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**Independent Auditor's Report**

To the Board of Directors  
Fairfield-Suisun Sewer District  
Fairfield, California

**Report on the Audit of the Financial Statements*****Opinion***

We have audited the financial statements of Fairfield-Suisun Sewer District (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the District, as of June 30, 2025, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Fairfield-Suisun Sewer District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Emphasis of Matter***

As described further in Note 8 to the financial statements, during the year ended June 30, 2025, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101. As a result, the financial statements for the year ended June 30, 2025 reflect a prior period restatement as described further in Note 15 to the financial statements. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

Fairfield-Suisun Sewer District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about District's ability to continue as a going concern for one year after the date that the financial statements are issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, pension and other post-employment benefit schedules* be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with

management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Other Information***

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the *introductory section* and *statistical section* but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued our report dated November 25, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

The logo for Davis Farr LLP, featuring the firm's name in a stylized, multi-colored font (blue, green, yellow) with a yellow outline.

Irvine, California  
November 25, 2025

# Fairfield-Suisun Sewer District

## Management's Discussion and Analysis

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This section of the District's Annual Comprehensive Financial Report presents management's discussion and analysis (MDA) of the District's financial performance during the fiscal year ended June 30, 2025. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements and accompanying notes, which follow this section.

The information in this MDA is presented under the following headings:

- Overview of the Basic Financial Statements
- Financial Highlights and Analysis
- Capital Assets
- Debt Administration
- General Enterprise Function
- Using This Annual Report
- Request for Information

### **Overview of the Basic Financial Statements**

The District's basic financial statements are comprised of two components: 1) Basic financial statements, 2) Notes to basic financial statements. In addition to the basic financial statements, the report also contains supplementary required information.

The financial statements consist of the following: Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows, and Notes to Financial Statements.

The Statement of Net Position includes all the District's assets, deferred outflows, liabilities, and deferred inflows and provides information about the nature and amount of investment in resources (assets) and obligations (liabilities). Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

All the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the success of the District's operations over the past year and can be used to determine its profitability, creditworthiness, and whether the District has successfully recovered all its costs through its sewer fees and other charges.

The final required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the District's cash receipts and cash payments made during the reporting period. The statement reports cash receipts,

# Fairfield-Suisun Sewer District

## Management's Discussion and Analysis

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cash payments, and net changes in cash resulting from operations, investing, and capital and non-capital investing activities.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

### Financial Highlights and Analysis

#### Financial Highlights

This discussion is intended to serve as an introduction to the District's basic financial statements. As noted earlier, net position may serve over time as a useful indicator of the District's financial position.

- Total assets increased by 2.0%
- Deferred outflows of resources decreased by 14.1%
- Total liabilities decreased by 2.8%
- Deferred inflows of resources decreased by 6.0%
- Total net position increased by 2.1%
- Total revenues increased by 9.5%, Sewer Capacity Charges decreased by 49.3%, and Capital-related grants increased by 71.3%.
- Total expenses increased by 12.9%.

# Fairfield-Suisun Sewer District

## Management's Discussion and Analysis

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### Financial Analysis

The following is the District's Condensed Statement of Net Position for fiscal year ended June 30, 2025 as compared to the fiscal year ended June 30, 2024:

(\$000)	Fiscal Year Ended June 30,		Dollar Increase	Percent Increase
	2025	2024	(Decrease)	(Decrease)
Current and other assets	\$ 72,802	\$ 71,234	\$ 1,568	2.2%
Capital assets	91,103	89,381	1,722	1.9%
Total assets	163,905	160,615	3,290	2.0%
Deferred outflow of resources	7,492	8,717	(1,225)	-14.1%
Current and other liabilities	8,256	8,923	(667)	-7.5%
Long-term liabilities	15,496	15,524	(28)	-0.2%
Total liabilities	23,752	24,447	(695)	-2.8%
Deferred inflow of resources	3,268	3,478	(210)	-6.0%
Net position				
Net investment in capital assets	82,085	79,357	2,728	3.4%
Restricted				
Restricted for capital projects	19,882	18,144	1,738	9.6%
Restricted for debt service	1,070	1,070	-	0.0%
Restricted for major maintenance	22,850	21,591	1,259	5.8%
Restricted for City collection system reserves	2,591	4,623	(2,032)	-44.0%
Unrestricted	15,899	16,622	(723)	-4.3%
Total net position	\$ 144,377	\$ 141,407	\$ 2,970	2.1%

- *Current and other assets* increased by \$1.6 million, or 2.2 percent. This increase was primarily due to a \$1.7 million increase in accrued receivables as the result of the City of Fairfield's utility billing schedule, which included a billing as of June 30, 2025, offset by a decrease in Cash and Investments, primarily related to the City of Fairfield's drawdown of their Collection System Repair and Rehabilitation Reserve held by the District.
- *Capital assets* increased by \$1.7 million, or 1.9 percent, primarily due to a \$5.7 million increase in Construction in Progress from the Electrical Replacement Phase II, Suisun Force Main Reliability, and Kellogg Resiliency projects, offset by a \$4.3 million increase in accumulated depreciation and amortization.
- *Deferred outflows of resources* represent transactions related to GASB No. 68 (pension) and No. 75 (OPEB) and are adjusted each year based on actuarial assumptions. The decrease in deferred outflows of resources of 14.1 percent consisted of an increase of \$1.1 million related to the OPEB plan and a decrease of \$2.3 million related to the pension plan.

# Fairfield-Suisun Sewer District

## Management's Discussion and Analysis

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- *Current and other liabilities* decreased by \$0.7 million, or 7.5 percent, primarily due to a \$0.5 million decrease in accrued expenses related to year-end accounts payable.
- *Deferred inflows of resources* represent transactions related to GASB No. 68 (pension), GASB No. 75 (OPEB) and GASB No. 87 (leases). The 6.0 percent decrease in deferred inflows of resources consisted of decreases of \$0.1 million related to pension and a combined \$0.1 million related to OPEB and leases.
- *Restricted net position* represents resources that are subject to external restrictions on how they may be used.
  - *Restricted for capital projects*, which represent a cumulative unspent portion of Sewer Capacity Charges, increased by \$1.7 million, or 9.6 percent, due to continued one-time connections to the sewer resulting from growth in each City. The District's Long-Term Financial Plan has identified several projects that will utilize these funds.
  - *Restricted for debt service* represents SRF debt covenant requirements, which the District is required to maintain through the life of the debt.
  - *Restricted for major maintenance* is reserved for future plant upgrades and replacement as a condition of the original grant received from the Environmental Protection Agency. The amount set aside as Major Maintenance and Capital Improvement Project Reserve each year is based on the total major maintenance and Capital Improvement Program projects identified in the District's asset management program, updated annually as part of its budget and long-range planning process.
  - *Restricted for City collection system reserves* are funds reserved in accordance with the Seventh Amendment to the 1965 Agreement with the Cities of Fairfield and Suisun City and represent funds available to the cities for collection system repair and rehabilitation.
- *Unrestricted net position* may be used to meet the District's ongoing obligations to ratepayers and creditors. The unrestricted net position includes an amount designated as an operating reserve equivalent to three months of operating expenses as identified in the District's Budget and Long-Term Financial Plan.

# Fairfield-Suisun Sewer District

## Management's Discussion and Analysis

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The following is the District's Condensed Statement of Revenues, Expenses, and Changes in Net Position for the fiscal year ended June 30, 2025 as compared to the fiscal year ended June 30, 2024:

(\$000)	Fiscal Year Ended June 30,		Dollar Increase	Percent Increase
	2025	2024	(Decrease)	(Decrease)
<b>Revenues:</b>				
Sewer service charges	\$ 37,170	\$ 33,873	\$ 3,297	9.7%
Drainage fees	1,640	1,631	9	0.6%
Interest income	2,647	1,914	733	38.3%
Other	2,486	2,699	(213)	-7.9%
<b>Total revenues</b>	<b>43,943</b>	<b>40,117</b>	<b>3,826</b>	<b>9.5%</b>
<b>Expenses:</b>				
Personnel <sup>1</sup>	16,888	17,269	(381)	-2.2%
Utilities and chemicals	3,940	4,382	(442)	-10.1%
Services, operations and maintenance	8,473	6,711	1,762	26.3%
Sewer line maintenance	8,892	4,625	4,267	92.3%
Billing and collection	801	775	26	3.4%
Interest expense	208	230	(22)	-9.6%
Depreciation and amortization	4,370	4,611	(241)	-5.2%
<b>Total expenses</b>	<b>43,572</b>	<b>38,603</b>	<b>4,969</b>	<b>12.9%</b>
Income (loss) before capital contributions	371	1,514	(1,143)	-75.5%
Add: Sewer capacity charges	2,442	4,818	(2,376)	-49.3%
Add: Capital related grants	1,281	748	533	71.3%
Change in net position	4,094	7,080	(2,986)	-42.2%
<b>Net position - beginning of period (as restated)</b>	<b>140,283</b>	<b>134,327</b>	<b>5,956</b>	<b>4.4%</b>
<b>Net position - end of period</b>	<b>\$ 144,377</b>	<b>\$ 141,407</b>	<b>\$ 2,970</b>	<b>2.1%</b>

(1) Personnel expenses include actuarially determined pension and other post employment benefit expenses in accordance with GASB No. 68 and No. 75.

Analysis of the Condensed Statement of Revenues, Expenses, and Changes in Net position for fiscal year ended June 30, 2025 compared to the fiscal year ended June 30, 2024 is shown on the following page:

# Fairfield-Suisun Sewer District

## Management's Discussion and Analysis

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- *Total revenues* for fiscal year ended June 30, 2025 increased by \$3.8 million, or 9.5 percent primarily due to higher Sewer Service Charges. Of the \$3.3 million increase in Sewer Service Charges, approximately \$1.7 million resulted from the City of Fairfield's billing cycle. The last billing cycle in June 2025 ended on a Monday, while the prior year's billing cycle ended on a Sunday, resulting in a timing difference in Sewer Service Charge revenue. The remaining increase is primarily due a 5.0 percent rate increase to Sewer Service Charges for all customer classes effective July 1, 2024 in accordance with the District's Proposition 218 Notice.
- *Capital related grants* increased by \$0.5 million due an increase in reimbursement activity from the State Water Resources Control Board Grant for the Kellogg Resiliency Project.
- *Sewer Capacity Charges* decreased by \$2.4 million, or 49.3 percent, primarily due to non-recurring Sewer Capacity Charge receipts received from the City of Fairfield for the One Lake neighborhood and the Parkside Flats and Fair Haven Common Apartment projects, and from the City of Suisun City for the Blossoms Apartment project.
- *Total expenses* increased by \$5.0 million, or 12.9 percent, due to changes in the following expense categories:
  - *Personnel expenses* decreased \$0.4 million, or 2.2 percent. Increases to personnel expenses included \$0.4 million from a cost of living adjustment and the addition of two employees hired during FY 2024-25, an increase in \$0.3 million in accrued benefits due to the implementation of GASB No. 101, *Compensated Absences*, a \$0.3 million increase in GASB No. 68 (pension) and GASB No. 75 (OPEB) adjustments, offset by a net decrease of \$1.5 million due to non-recurring discretionary payments to reduce pension and OPEB liabilities in the prior fiscal year.
  - *Services, operations, and maintenance* increased by \$1.8 million, or 26.3 percent, primarily due to increases of \$0.7 million in non-capitalized Capital Improvement Program projects for the Pavement Rehabilitation, Cordelia/Lopes Capacity Expansion Feasibility, Solano Bayshore Resiliency, and Beneficial Baylands Projects, \$0.6 million in Major Maintenance work for pump replacements, rebuilds, and overhauls, \$0.1 million in insurance premiums, and \$0.1 million in Other Contract Services for Low Impact Development Monitoring for the Solano Stormwater Alliance.

# Fairfield-Suisun Sewer District

## Management's Discussion and Analysis

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- *Sewer line maintenance* includes funds passed through the District to the Cities of Fairfield and Suisun City for operation and maintenance of sewer lines smaller than 12" in diameter (local sewer) as well as collection system repair and rehabilitation. The funding mechanisms and responsibilities of each City and the District are specified by an agreement. The increase of \$4.3 million, or 92.3 percent, is due to a \$4.2 million increase in the City of Fairfield's appropriation from their District-held Collection System Repair and Rehabilitation Reserves, which was requested during the FY 2024-25 budget process.
- *Utilities and chemicals expenses* decreased \$0.4 million, or 10.1 percent, due to higher FY 2023-24 year-end accruals related to electricity compared to FY 2024-25.
- *Billing and collection* expenses increased \$26,000, or 3.4 percent, which is consistent with an annual Consumer Price Index increase as required by agreement, and customer growth in the cities of Fairfield and Suisun City.
- *Interest* expense decreased \$22,000 or 9.6 percent, due to continued debt service payments for SRF loans related to the Ultraviolet and Blower projects.
- *Depreciation and amortization* expense decreased \$0.2 million, or 5.2 percent, primarily due several significant plant assets from the early to mid-2000s becoming fully depreciated.

# Fairfield-Suisun Sewer District

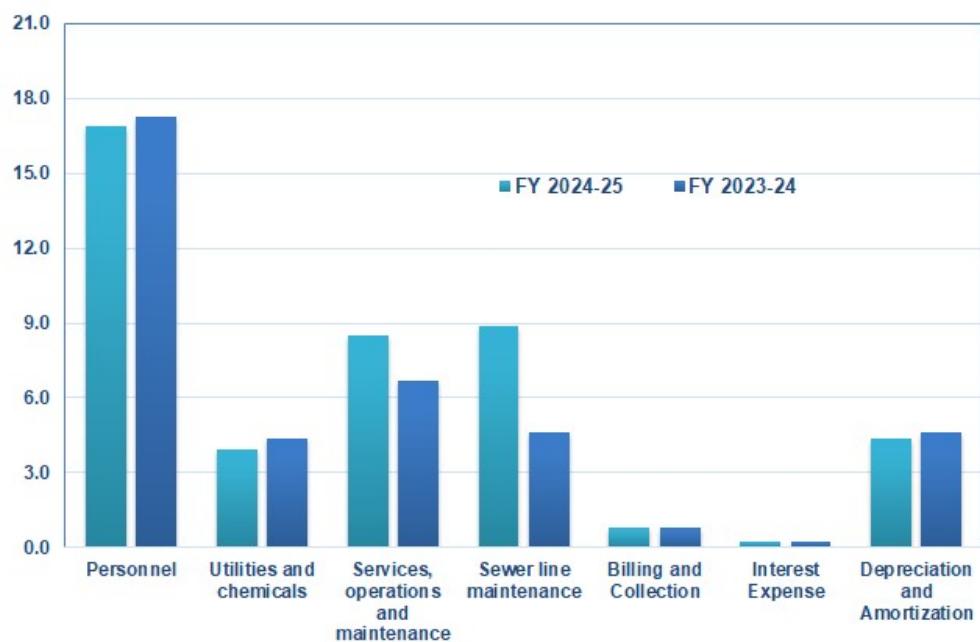
## Management's Discussion and Analysis

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### SOURCES OF ALL REVENUES FOR FISCAL YEARS 2024-25 AND 2023-24 (\$ million)



### CLASSIFICATION OF ALL EXPENSES FOR FISCAL YEARS 2024-25 AND 2023-24 (\$ million)



# Fairfield-Suisun Sewer District

## Management's Discussion and Analysis

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### Capital Assets

The District's investment in capital assets, net of accumulated depreciation and amortization, was \$82.1 million as of June 30, 2025. This investment in capital assets includes land and improvements, construction in progress, buildings and improvements, vehicles and equipment, trunk lines, pump stations, and treatment plant facilities, and intangible right-to-use assets. Additional information on the District's capital assets can be found in Note 7, page 34.

### Debt Administration

The District continues to upgrade and improve the quality of its sewage collection and treatment systems to keep current with environmental regulations and the needs of its service area. To the extent possible, the District attempts to fund capital projects through "pay-as-you-go" financing but pursues low-interest loans or bonds as needed for significant projects. Community growth pays for itself so that, upon built out, major debt service burdens will not be shifted to ratepayers. Reserves are earmarked for future major maintenance and capital projects.

Additional information on the District's long-term debt can be found in Note 8, pages 35-36.

### General Enterprise Functions

The District maintains a proactive, entrepreneurial style of organization that encourages efficiencies. District ratepayers have for many years enjoyed the lowest Sewer Service Charges among surrounding communities, even though the District receives no property tax revenues.

### Using This Annual Report

This section of the annual report consists of two parts: Management's Discussion and Analysis, and Basic Financial Statements. The Basic Financial Statements also include notes that explain in more detail some of the information in the financial statements.

### Requests for Information

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to James Russell-Field, Director of Administrative Services, at 1010 Chadbourne Road, Fairfield, CA 94534-9700 or visit the District's website at <https://www.fairfieldsuisunsewer.ca.gov/contact/>

# Fairfield-Suisun Sewer District

## Statement of Net Position For the Year Ended June 30, 2025

### Assets:

#### Current assets:

##### Unrestricted assets:

Cash and investments (Note 3)	\$ 61,769,042
Accounts receivable, net	8,157,244
Interest receivable	264,988
Prepaid items	91,496
Lease receivable (Note 5)	<u>12,972</u>

##### Total Unrestricted assets

70,295,742

##### Restricted assets:

State Revolving Fund reserves (Note 3)	<u>1,070,057</u>
Total Restricted assets	<u>1,070,057</u>
Total Current assets	<u>71,365,799</u>

#### Noncurrent assets:

Lease receivable (Note 5)	1,436,399
Capital assets: (Note 7)	
Non-depreciable assets	20,793,904
Depreciable assets, net of depreciation	70,284,373
Right of use assets, net of amortization	<u>24,449</u>
Total Capital assets	<u>91,102,726</u>
Total Noncurrent assets	<u>92,539,125</u>

Total Assets 163,904,924

### Deferred Outflows of Resources:

Deferred outflows of resources related to Pension Plan (Note 12)	3,237,128
Deferred outflows of resources related to OPEB (Note 13)	<u>4,255,160</u>
Total Deferred Outflows of Resources	<u>7,492,288</u>

*The accompanying notes are an integral part of these financial statements. (Continued)*

# Fairfield-Suisun Sewer District

## Statement of Net Position For the Year Ended June 30, 2025

### Liabilities:

#### Current liabilities:

Accounts payable and accrued expenses	\$ 5,986,396
Current portion of SRF loan (Note 8)	879,432
Current portion of compensated absences payable (Note 8)	1,250,924
Accrued interest payable	71,614
Current portion of lease liabilities (Note 5)	8,089
Deposits	<u>59,762</u>

Total Current liabilities

8,256,217

#### Long-term liabilities:

State Revolving Fund loan (Note 8)	7,496,508
Compensated absences payable (Note 8)	1,876,388
Lease liabilities (Note 5)	-
Net pension liability (Note 12)	3,178,399
Net OPEB liability (Note 13)	<u>2,945,127</u>

Total Long-term liabilities

15,496,422

Total Liabilities

23,752,639

### Deferred Inflows of Resources:

Deferred inflow related to Pension Plan (Note 12)	600,168
Deferred inflow related to OPEB (Note 13)	1,438,627
Deferred inflow related to leases	<u>1,228,931</u>
Total Deferred Inflows of Resources	<u>3,267,726</u>

### Net Position:

Net investment in capital assets	82,084,830
Restricted:(Note 4)	
Restricted for capital projects	19,882,203
Restricted for debt service	1,070,057
Restricted for major maintenance	22,849,764
Restricted for City collection system reserves	<u>2,591,346</u>
Total Restricted	46,393,370
Unrestricted:	
Total Net Position	<u>\$144,376,847</u>

*The accompanying notes are an integral part of these financial statements.*

# Fairfield-Suisun Sewer District

## Statement of Revenues, Expenses, and Changes in Net Position

### For the Year Ended June 30, 2025

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Operating revenues:	
Sewer service charges	\$ 37,169,808
Drainage maintenance	1,639,636
Other sewer service charges	869,694
Total Operating revenues:	<u>39,679,138</u>
Operating expenses:	
Personnel	16,888,271
Utilities and chemicals	3,939,923
Services, operations, and maintenance	8,472,599
City sewer line maintenance	8,892,386
Billing and collection	801,342
Depreciation and amortization	4,370,208
Total Operating expenses:	<u>43,364,729</u>
Operating income	(3,685,591)
Nonoperating revenues (expenses):	
Interest income	2,600,097
Interest income - leases	47,294
Net increase in fair value of investments	719,948
Interest expense	(207,690)
Interest expense - leases/SBITA	(448)
Grants	442,561
Other	453,771
Total Nonoperating revenues (expenses)	<u>4,055,533</u>
Net income before capital contributions	<u>369,942</u>
Capital contributions:	
Sewer capacity charges	2,442,283
Capital related grants	<u>1,281,303</u>
Total Capital contributions	<u>3,723,586</u>
Change in Net Position	<u>4,093,529</u>
Net position, beginning of year (as previously reported)	141,407,296
Restatement - See Note 15	<u>(1,123,978)</u>
Restated net position beginning of year	<u>140,283,318</u>
Net position, end of period	<u><u>\$ 144,376,847</u></u>

*The accompanying notes are an integral part of these financial statements*

# Fairfield-Suisun Sewer District

## Statement of Cash Flows For the Year Ended June 30, 2025

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Cash flows from operating activities	
Receipts from customers	\$36,951,350
Payments to suppliers & vendors	(22,672,329)
Payments for employees salaries & benefits	(16,182,172)
Other receipts	1,767,882
Net cash used by operating activities	<u>(135,269)</u>
 Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(6,078,222)
Sewer capacity charges	2,442,283
Interest paid	(213,627)
Principal payment on the SRF loan	(857,199)
Lease and SBITA payments	(15,274)
Capital grant proceeds	1,203,843
Net cash used for capital and related financing activities	<u>(3,518,196)</u>
 Cash flows from investing activities:	
Interest received on cash and cash equivalents	989,491
Net cash provided by investing activities	<u>989,491</u>
 Net increase (decrease) in cash and cash equivalents	(2,663,974)
Cash and cash equivalents, beginning of period	<u>24,773,919</u>
Cash and cash equivalents, end of period	<u>\$22,109,945</u>
 Reconciliation of cash and cash equivalents:	
Cash and investments	\$61,769,042
Less: investments	(39,659,097)
Total cash and cash equivalents	<u>\$22,109,945</u>

*The accompanying notes are an integral part of these financial statements. (Continued)*

# Fairfield-Suisun Sewer District

## Statement of Cash Flows For the Year Ended June 30, 2025

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Reconciliation of operating income to net cash provided by operating activities:

Operating income	\$ (3,685,591)
Adjustments to reconcile operating income to cash flows from operating activities:	
Depreciation and amortization	4,370,208
Miscellaneous non operating income	853,209
Changes in deferred outflows / deferred inflows:	
(Increase) Decrease in deferred outflows - pension	2,310,301
(Increase) Decrease in deferred outflows - OPEB	(1,085,376)
Increase (Decrease) in deferred inflows - pension	(119,382)
Increase (Decrease) in deferred inflows - OPEB	(39,943)
Increase (Decrease) in deferred inflows - leases	(51,206)
Changes in assets and liabilities:	
(Increase) Decrease in receivables, net	(1,727,652)
(Increase) Decrease in prepaid expense	(15,639)
Increase (Decrease) in payables	(680,214)
Increase (Decrease) in deposits	8,504
Increase (Decrease) in compensated absences	428,604
Increase (Decrease) in net pension liability	(1,868,202)
Increase (Decrease) in net OPEB liability	<u>1,167,110</u>
Net cash provided by operating activities	<u>\$ (135,269)</u>
Noncash investing, capital, and financing activities:	
Increase (decrease) in fair value of investments	719,948
Interest expense net accruals	206,921
Retainage payable	633,867

*The accompanying notes are an integral part of these financial statements.*

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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## 1. Organization

The Fairfield-Suisun Sewer District (District) is a special district consisting of all territory within the cities of Fairfield and Suisun City (the Cities). The District has broad powers to finance, construct, operate sewage collection and disposal and reclaimed water systems, and maintain storm drainage infrastructure within District jurisdiction. The District's governing board consists entirely of members from the City Councils of both cities.

### A. Wastewater

The District operates a single sewage treatment plant, which was completed in 1976. It also owns and operates 71 miles of trunk sewers over 10" in diameter and 14 wastewater pump stations. The day-to-day operations and maintenance of the treatment plant and collection systems are performed by District staff. All construction management of capital expansion and most major maintenance projects are also performed by District staff.

### B. Drainage Maintenance

Pursuant to an agreement entered into on March 1988 with the Cities, the District collects drainage fees to be used as supplemental funding to maintain the regional and local drainage facilities within the District's jurisdiction, including those constructed by the U.S. Army Corps of Engineers as part of the Fairfield Vicinity Streams Project.

Drainage fees, as established by the governing board, are collected on the Solano County tax roll pursuant to an agreement with Solano County. Total fees collected in fiscal year ended June 30, 2025 were \$1.6 million.

## 2. Summary of Significant Accounting Policies

**The Financial Reporting Entity**—The District's reporting entity includes only financial accounts of the District. In accordance with GASB No. 14, *The Financial Reporting Entity*, the District considered all potential component units in determining what organizations should be included in the financial statements. Based on these criteria, there are no component units to include in the District's financial statements.

**Basis of Accounting**—The District is accounted for as a single enterprise fund. An enterprise fund is a proprietary fund type used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's intent is that the costs of providing services to customers on a continuing basis be financed or recovered primarily through Sewer Service Charges.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Government Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The District uses the accrual basis of accounting. Under this basis of accounting, revenues are recognized when they are earned, and expenses are recognized when incurred. Operating revenues and expenses result from the ongoing principal operation of the District. Operating revenues consist primarily of charges for services. Non-operating revenues and expenses are related to financing and investing type activities and result from nonexchange transactions or ancillary services. Unbilled utility service receivables are recorded at year-end. As required for enterprise funds, the District uses a flow of economic resources measurement focus.

When an expense is incurred for purposes in which both restricted and unrestricted net positions are available, it is the District's policy to first apply unrestricted resources.

**Budget**—Although not legally required of enterprise funds, District management takes pride in the preparation and Board adoption of an annual Budget and Long-Term Financial Plan which includes a ten-year forecast. The information in the Long-Term Financial Plan is based on with the District's Master Plan and the Cities' growth projections. This process has been instrumental in the District's ability to build reserves for future needs and has allowed the District to fund most major expansion projects from reserves, and consequently keep debt low.

Budgetary control is maintained at the department level for administrative and operating expenses and at the project level for capital improvements. Significant construction projects are individually reviewed by the Board as part of the Budget and Long-Term Financial Plan adoption.

**Cash Management**—The Director of Administrative Services serves as District Treasurer. The Treasurer may issue and administer detailed investment instructions that conform to the provisions of the Investment Policy, as reviewed, and adopted annually by the Board of Directors. The District's Investment Policy conforms to the California Government Code Section 53601. As of June 30, 2025, all surplus cash was invested in the following:

- *State of California Local Agency Investment Fund (LAIF)* is a voluntary program created by statute; began in 1977 as an investment alternative for California's local governments and special districts.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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- *California Asset Management Program (CAMP)* is a California Joint Powers Authority ("JPA") established in 1989 to provide California public agencies with professional investment services. Investments offered through the Cash Reserve Portfolio (the "Pool" or the "CAMP Pool") and CAMP Term are permitted for all local agencies under California Government Code Section 53601(p). CAMP Pool consists of a short-term money market fund rated AAA and separately managed portfolios of specific authorized securities (as specified in this policy). Camp TERM consists of fixed-rate, fixed-term investment options, rated AAA, with maturities ranging from 60 days to one year.
- *Savings accounts, checking and money market investment securities.*

In order of priority, the primary objectives of the District's investment activities are safety of principal, liquidity, and return on investment.

**Cash and Investments**—Funds are invested in accordance with Section 53601 of the Government Code of the State of California and the District's established investment policy. All monies not required for immediate expenses are invested to earn maximum yield consistent with safety and liquidity. All investments are kept in the custody of the District or a qualified safekeeping institution. A quarterly report is made to the Board of Directors showing a description of the investments, maturity date, par value, carrying value, fair value, current yield, and estimated annual income. Investments are adjusted to fair value when material as required by GASB No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

Under the provisions of the District's investment policy and in accordance with the Government Code of the State of California, the District may invest in the following types of investments and may contract for the use of investment services, subject to all other provisions of the Investment Policy.:

- Obligations of the U.S. Treasury.
- Federal agency or U.S. government-sponsored enterprise obligations, participations, or other instruments.
- Warrants, treasury notes, or bonds issued by the State of California, or local agencies within the State.
- Bankers acceptances with maturities not to exceed 180 days.
- Commercial paper of prime quality issued by U.S. corporations.
- Negotiable certificates of deposit issued by federally or state-chartered banks, savings associations, or credit unions.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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- Repurchase and reverse repurchase agreements collateralized by securities authorized under California Government Code Section 53601, in accordance with the requirements of that section.
- Medium-term notes issued by U.S. corporations or depository institutions.
- Mortgage pass-through and asset-backed securities meeting the requirements of California Government Code Section 53601 and rated AA or higher.
- Shares of beneficial interest in diversified management companies (mutual funds) investing in securities authorized by California Government Code Section 53601.
- Shares of beneficial interest in money market mutual funds registered under the Investment Company Act of 1940.
- Local Agency Investment Fund (LAIF) operated by the Treasurer's Office of the State of California.
- Any other investment security authorized under the provisions of California Government Code Section 53601.

**Statement of Cash Flows**—For purposes of the Statement of Cash Flows, the District considers all cash and investments and all cash with fiscal agents with an original maturity of three months or less as cash and cash equivalents.

**Statement of Revenues, Expenses, and Changes in Net Position**—The Statement of Revenues, Expenses, and Changes in Net Position is the operating statement for proprietary funds. This statement distinguishes between operating and non-operating revenues and expenses and presents a separate subtotal for operating revenues, operating expenses, and operating income. Operating revenues and expenses generally result from providing services in connection with the District's principal ongoing operations. The principal operating revenues of the District are the charges to customers for services. Operating expenses include the cost of providing and delivering services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Statement of Net Position**—The Statement of Net Position is designed to display the financial position of the District. The District's net position is classified into three categories as follows:

- *Net Investment in Capital Assets* – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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improvement of those assets or related debt are also included in this component of net position, as applicable.

- *Restricted* – This component of net position consists of constraints placed on an asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments, and reduced by liabilities and deferred inflows of resources related to those assets. It also pertains to constraints imposed by law or constitutional provisions or enabling legislation.
- *Unrestricted* – This component of net position consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

**Leases**—The District is involved in lease-related transactions as both a lessee and lessor.

- *Lessee* – As a lessee, at the commencement of a lease term, the District recognizes a lease liability and a corresponding lease asset for all non-short-term leases that do not transfer ownership of the underlying asset. The lease liability represents the present value of payments expected to be made during the lease term, reduced by any lease incentives. The lease asset equals the initial lease liability adjusted for payments made to the lessor at or before commencement and certain direct costs.
- *Lessor* – As a lessor, the District recognizes a lease receivable and a corresponding deferred inflow of resources at the commencement of the lease term, except for short-term leases, leases that transfer ownership of the underlying asset, leases held as investments, and certain regulated leases. The underlying leased asset is not derecognized. The lease receivable represents the present value of lease payments expected to be received, and the deferred inflow of resources includes value of the lease receivable plus any lease payments received at or before the commencement of the lease term that apply to future periods.

**Subscription-Based Information Technology Arrangements (SBITAs)** —The District is involved in SBITA-related transactions as the end user of various software systems. At the commencement of the subscription term, when the subscription asset is placed into service, the District recognizes a subscription liability and a corresponding subscription asset.

The subscription liability is measured at the present value of payments expected to be made during the subscription term, discounted using the interest rate charged by the

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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SBITA vendor or, if not readily determinable, the District's incremental borrowing rate. The subscription asset equals the initial liability amount adjusted for payments made to the SBITA vendor before commencement, and capitalizable implementation costs less any incentives received by the SBITA vendor at or before the commencement of the subscription term.

The subscription liability is reduced as payments are made and increased for amortization of the discount (interest expense). The subscription asset is amortized as an outflow of resources over the subscription term.

**Capital Assets**—Property, plant and equipment are stated at cost less accumulated depreciation. The District capitalizes all assets with a historical cost of at least \$10,000 and a useful life of at least 5 years. Donated capital assets are recorded at estimated acquisition value at the date of acquisition. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are expensed as incurred. The cost of assets retired or sold, together with the related accumulated depreciation, is removed from the accounts and any gain or loss from disposition, is credited or charged to revenues.

Depreciation is recorded on the straight-line basis over the estimated useful life of the assets as follows:

Category:	Years:
Trunk lines	20 – 40
Pump stations	20 – 40
Treatment plant and facilities	20 – 40
Buildings and improvements	20 – 40
Vehicles, furnishings and equipment	5 – 10

Depreciation is calculated based on a half-year convention. Regardless of the actual acquisition or disposal date, half a year of depreciation will be expensed the year an asset is placed in service and half a year of depreciation will be expensed the year the asset is disposed of, if not already fully depreciated at disposition.

The District records the value of intangible right-to-use assets based on the underlying leased asset in accordance with GASB No. 87, *Leases*. The District also records the value of intangible right-to-use assets based on the underlying SBITA asset in accordance with GASB No. 96, *SBITAs*. The right-to-use intangible asset for both leases and SBITA arrangements is amortized on a straight-line basis for each year for the term of the contract.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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**Construction in Progress**—The District constructs assets for its own use in plant operations. The costs associated with these projects are accumulated in a Construction-in-Progress account while the project is being developed. Once the project is complete or substantially complete, the entire cost of the constructed asset is transferred to a capital assets account and depreciated over the estimated life of the asset.

**Deferred Outflows/Inflows of Resources**—The deferred outflows of resources are a separate financial position element that represent a consumption of net assets that applies to future periods. This fiscal year's deferred outflows represent the pension and Other Postemployment Benefit (OPEB) expenses and changes to net pension and net OPEB liabilities.

The deferred inflows of resources are a separate financial position element that represents an acquisition of net assets that applies to future periods. This fiscal year's deferred inflows of resources are related to changes in net pension and OPEB liabilities, as well as changes in leases. Information related to these changes is found in Note 12 for pension liabilities, Note 13 for OPEB liabilities, and Note 5 for leases.

**Pension**—For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's pension plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by California Public Employees Retirement System (CalPERS). For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For the report the following timeframes are used:

For the fiscal year ended June 30, 2025

Valuation date: June 30, 2023

Measurement date: June 30, 2024

Measurement period: July 1, 2023 - June 30, 2024

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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resources related to pensions and are to be recognized in the future pension expense. The amortization period differs depending on the source of the gain or loss.

- Difference between projected and actual earnings: Five-year straight-line amortization
- All other amounts: Straight-line amortization over the expected average remaining service lifetime of all members provided with pensions (active, inactive, and retired), as of the beginning of the measurement period.

**Other Post-Employment Benefits (OPEB)**—For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For the report the following timeframes are used:

For the fiscal year ended June 30, 2025

Valuation date:	June 30, 2024
Measurement date:	June 30, 2024
Measurement period:	July 1, 2023 - June 30, 2024

Gains and losses related to changes in total OPEB liability are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the source of the gain or loss.

- Difference between projected and actual earnings: Five-year straight-line amortization
- All other amounts: Straight-line amortization over the expected average remaining service lifetime of all members provided with benefits (active, inactive, and retired), as of the beginning of the measurement period.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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**Bond Discounts and Issuance Costs**— Long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bonds payable are reported net of any applicable bond premiums or discounts, which are amortized over the term of the related debt using a method that approximates the effective interest method. Bond issuance costs, such as underwriter's fees, legal, and financial advisory costs, are recognized as expenses in the period incurred, in accordance with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Prepaid bond insurance, when applicable, is reported as a noncurrent asset and amortized over the life of the related debt.

**Compensated Absences**— District employees earn vacation, floating holiday, personal leave, and sick leave in accordance with District policy and employee classification. Vacation, floating holiday, and personal leave may be accrued up to established limits and are eligible for payment upon separation. Sick leave may be accumulated without limit but is not generally payable at separation except under specific conditions, such as retirement, when eligible balances may be converted to CalPERS service credit or partially cashed up to a maximum of 60 percent out as provided by policy.

The District accrues a liability for compensated absences which is recognized when (a) the benefits are attributable to services already rendered; (b) the benefits accumulate; and (c) it is more likely than not that the benefits will be used for time off or otherwise paid or settled. The liability is based off of the pay rate at the end of the fiscal year and includes salary-related payments that are associated with the leave such as the employer's share of Social Security, Medicare and deferred compensation contributions.

The liability is classified as current and long-term based on estimates of future usage and settlement. The District revised its estimate of the proportion of compensated absences expected to be used within one year due to the implementation of GASB No. 101, *Compensated Absences* for the fiscal year ended June 30, 2025.

**Sewer Capacity Charges**—Sewer Capacity Charges are one-time fees charged to new or expanded connections to the District's sewer system designed to help recover the costs of infrastructure and assets benefiting new development. Sewer Capacity Charges collected through June 30, 2025 are restricted for growth-related or repair and rehabilitation projects.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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**Use of Estimates**—Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**Subsequent Events**—Management has reviewed subsequent events and transactions that occurred after the date of the financial statements through the date the financial statements were issued. The financial statements include all events or transactions, including estimates, required to be recognized in accordance with generally accepted accounting principles.

### 3. Cash and Investments

#### A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a fair value of 110% of the District's cash on deposit, or first trust deed mortgage notes with a fair value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the District's name and places the District ahead of general creditors of the institution.

The District invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable securities instruments, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. In order to increase security, the District employs the Trust Department of a bank as the custodian of certain District-managed investments, regardless of their form.

Investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as amended by GASB Statement No. 72, *Fair Value Measurement and Application*. The District adjusts the carrying value of its investments to reflect fair value at fiscal year-end, and the net increase or decrease in fair value is included in income for the fiscal year.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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### B. Classification

Cash and investments are classified in the financial statements based on whether their use is restricted under the terms of District debt instruments, as shown below:

Cash and investments	
Cash and equivalents	\$ 22,108,945
Investments	39,659,097
Petty cash	1,000
Restricted investments	
Held by district	<u>1,070,057</u>
<b>Total cash and investments</b>	<b><u>\$ 62,839,099</u></b>

### C. Authorized Investments

Investments authorized by the California Government Code and the District's Investment Policy for all District investments including debt service reserve are seen on the following table:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum of Percentage Portfolio	Maximum Investment In One Issuer
U.S. Treasury Instruments	5 years	N/A	None	N/A
Federal Agency Issues	5 years	N/A	None	N/A
State of California Obligations	5 years	N/A	None	N/A
Bankers Acceptances	180 days	N/A	40%	30%
Commercial Paper	270 days	A	25%	N/A
Medium Term Corporate Notes	5 years	A	30%	N/A
Mortgage Pass-Through & Asset-Backed Securities	5 years	AA	20%	N/A
Repurchase Agreements	1 year	N/A	20%	N/A
Reverse Repurchase Agreements	92 days	N/A	20%	N/A
Negotiable Certificates of Deposit	5 years	A	30%	N/A
California Local Agency Investment Fund	Upon Demand	N/A	None	N/A
		Top Ranking of 2 NRSRO		
Mutual Funds	N/A	(A)	20%	10%
		Top Ranking of 2 NRSRO		
Money Market Mutual Funds	N/A	(A)	20%	N/A

(A) Nationally Recognized Statistical Rating Organization

The District does not enter into range notes, inverse floaters, or mortgage-derived interest-only strips. As of June 30, 2025, the District's investments were in compliance with the above provisions.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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### D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater its sensitivity to such changes. The District manages exposure to interest rate risk in accordance with its Investment Policy and the California Government Code, which limit investment maturities to five years or less, unless a longer term is specifically authorized by the District's Board of Directors for a designated purpose.

The District measures and categorizes the fair value of its investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the inputs used to measure fair value:

- Level 1 - Quoted prices in active markets for identical assets.
- Level 2 - Significant other observable inputs.
- Level 3 - Significant unobservable inputs.

Information regarding the sensitivity of the fair values of the District's investments (including those held by trustees) to market interest rate fluctuations is presented in the table below.

Investment Type	Fair Value	Remaining Maturity Distribution				% of Portfolio
		0-12 months	1-2 years	2-5 years		
U.S. Treasury Instruments	\$21,646,089	\$ -	\$ 6,703,943	\$ 14,942,146	36.07%	
Federal Agency Issues	382,335	-	-	382,335	0.64%	
Federal Agency Mortgage-Backed Securities	4,256,614	-	934,645	3,321,969	7.09%	
Negotiable Certificates of Deposit	482,261	-	482,261	-	0.80%	
Medium-Term Corporate Notes	7,571,118	-	2,262,670	5,308,448	12.61%	
Asset-Backed Securities	4,617,364	-	74,398	4,542,966	7.69%	
Municipal Obligations	117,779	59,303	58,476	-	0.20%	
Bank Note	508,360	-	253,167	255,193	0.85%	
CAMP-Money Market	77,177	77,177	-	-	0.13%	
CAMP Pool	19,984,428	19,984,428	-	-	33.30%	
Local Agency Investment Funds	375,715	375,715	-	-	0.62%	
Total Investments	\$60,019,240	\$ 20,496,623	\$ 10,769,560	\$ 28,753,057	100.00%	

U.S. Treasury Notes classified in Level 1 of the fair value hierarchy are valued using quoted prices in active markets. Federal Agency Issues, Federal Agency Mortgage-Backed Securities, Supranationals, Negotiable Certificates of Deposit, Medium-Term Corporate Notes, Asset-Backed Securities, and Municipal Obligations classified in Level 2 of the fair value hierarchy, are valued using pricing techniques of matrix pricing or market corroborated pricing, with inputs such as

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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yield curves or indices. These prices are obtained from various pricing sources by the custodian bank. The District does not have any Level 3 investments.

### **Investment in California Asset Management Program**

The District is a voluntary participant in the California Asset Management Program (CAMP), which is a California, Joint Powers Authority established in 1989 to provide California public agencies with professional investment services. The CAMP Pool is a permitted investment for all local agencies under California Government Code Section 53601(p) and is overseen by a seven-member Board of Trustees.

Investments are stated at fair value. The fair value of the District's position in the pool is the same as the value of the pool shares. The District maintains a separate balance and investment income is allocated on a pro rata basis. Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual income, gains, and losses net of administration fees, are allocated based upon the participant's average daily balance. Participants share proportionally in any realized gains or losses on investments. Deposits in CAMP are not insured or otherwise guaranteed by the State of California. The fair value of the CAMP investment pools are approximately equal to the value of the pooled shares. The income, gains, and losses net of administration fees, are allocated based upon the participant's average daily balance.

### **Investment in Local Agency Investment Fund**

The District is a participant in the Local Agency Investment Fund (LAIF). LAIF is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The District reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations.

## **E. Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. It is the District's policy to limit its investments in these investment types to the top rating issued by the nationally

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

recognized statistical rating organization. The table below shows the District's investments and their related credit rating.

Investment Type	Fair Value	Rating as of June 30, 2025					
		AAA	AA	A	BBB <sup>1</sup>	AAAm	Not Rated
U.S. Treasury Instruments	\$21,646,089	\$ -	\$21,646,089	\$ -	\$ -	\$ -	\$ -
Federal Agency Issues	382,335	-	382,335	-	-	-	-
Federal Agency Mortgage-Backed Securities	4,256,614	-	4,256,614	-	-	-	-
Negotiable Certificates of Deposit	482,261	-	-	482,261	-	-	-
Medium-Term Corporate Notes	7,571,118	55,923	1,438,488	5,627,202	449,505	-	-
Asset-Backed Securities	4,617,364	3,523,375	-	-	-	-	1,093,989
Municipal Obligations	117,779	-	59,303	-	-	-	58,476
Bank Note	508,360	-	-	508,360	-	-	-
CAMP-Money Market	77,177	-	-	-	-	77,177	-
CAMP Pool	19,984,428	-	-	-	-	19,984,428	-
Local Agency Investment Funds	375,715	-	-	-	-	-	375,715
<b>Total Investments</b>	<b>\$60,019,240</b>	<b>\$ 3,579,298</b>	<b>\$27,782,829</b>	<b>\$ 6,617,823</b>	<b>\$ 449,505</b>	<b>\$ 20,061,605</b>	<b>\$ 1,528,180</b>

<sup>1</sup> Ratings by S&P. American Express, Citigroup Inc., and Goldman Sachs Group Inc. are rated BBB+ by S&P and are A-rated or better by Moody's and/or Fitch.

## F. Concentration of Credit Risk

Concentration of credit risk can arise in the wake of a failure to adequately diversify investments. GASB No. 40, *Deposit and Investment Risk Disclosures*, requires disclosure of concentrations of investments greater than 5 percent in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pool). The District investments requiring disclosure for the fiscal year ended June 30, 2025 are as follows:

Issuer	Investment Type	Fair Value	Percent
Federal Home Loan Mortgage Corp	Note	\$3,970,067	7%

## 4. Restricted Net Position

Restricted net position at June 30, 2025 consists of the following:

Restricted for capital projects	\$ 19,882,203
Restricted for debt service	1,070,057
Restricted for major maintenance	22,849,764
Restricted for City Collection System Reserves	2,591,346
	<b>\$ 46,393,370</b>

The restriction for capital projects is the unspent portion of Sewer Capacity Charges. Sewer Capacity Charges collected through June 30, 2025 are restricted for growth-related or repair and rehabilitation projects.

The debt service restriction is the maximum annual debt service on the State Revolving Fund loans, as required by the bond indenture.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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As a condition of the original grant to finance the construction of the sewage treatment plant, the Environmental Protection Agency requires that wastewater funds be set aside for major maintenance. Target levels for District reserves and restricted assets are governed by the District's Financial Reserve policy adopted by the Board of Directors on May 23, 2022.

The restriction for City collection system reserves are funds reserved in accordance with the Seventh Amendment to the 1965 Agreement with the Cities of Fairfield and Suisun City and represent funds available to the cities for collection system repair and rehabilitation.

## 5. Leases

The District has several leasing arrangements, summarized below:

### Lessee

The District entered an agreement to lease printer and copier machines for 60 months beginning April 2021. The lease terminates April 2026. Under the terms of the lease the District pays \$911 per month over the life of the agreement. At June 30, 2025, the District recognized a right to use asset of \$7,564, net of accumulated amortization, and a lease liability of \$8,089. During the fiscal year, the District recorded \$10,078 in amortization expense and \$448 in interest expense for the right- to-use the copiers.

Lessee activities	Balance at			Reductions	Balance at	Due Within	
	June 30, 2024	Additions	June 30, 2025			One Year	
Lease liability - copiers	\$ 18,573	\$ -	\$ (10,484)	\$ 8,089	\$ 8,089	\$ 8,089	

Remaining obligations associated with these leases are as follows:

	Fiscal Year		
	Ended June 30	Principal	Interest
2026	\$ 8,089	\$ 110	
	\$ 8,089	\$ 110	

### Lessor

The District is a lessor for a cell tower lease which is adjusted annually by a flat percentage.

During the fiscal year, the District recognized \$10,568 in lease revenue and \$47,294 in interest income related to this lease agreement. At June 30, 2025, the District recorded \$1.4 million in lease receivables and deferred inflows related to leases of \$1.2 million.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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Leases receivable	Balance at			Balance at	Due Within
	June 30, 2024	Additions	Reductions		
Land leases	\$ 1,459,939	\$ -	\$ (10,568)	\$ 1,449,371	\$ 12,972

Remaining amounts to be received associated with these leases are as follows:

Fiscal Year Ended			
	June 30	Principal	Interest
2026	\$ 12,972	\$ 46,915	
2027	15,527	46,456	
2028	18,241	45,911	
2029	21,122	45,276	
2030	24,178	44,544	
2031-2035	173,459	207,955	
2036-2040	281,462	171,538	
2041-2045	423,028	114,995	
2046-2050	479,382	33,922	
	<hr/> <u>\$ 1,449,371</u>	<hr/> <u>\$ 757,512</u>	

## 6. SBITA Arrangements

In March 2023, the District entered into a SBITA arrangement for subscriptions related to the District's firewalls, including Threat prevention, URL filtering, WildFire, and Global Protect VPN. The arrangement included 3-year (36 month) subscriptions, which were paid in advance.

In April 2024, the District entered into a SBITA arrangement for subscriptions related to the District's SCADA system, including server virtualization software and licenses. The arrangement included 3-year (36 month) subscriptions, which were paid in advance, resulting in additions to right-of-use assets totaling \$13,421, net of accumulated amortization.

At June 30, 2025, the District has recognized a right-to-use asset of \$16,885, net of accumulated amortization. Because both SBITA arrangement(s) were paid in full in advance, no interest expense was incurred for the right to use this software and there is no outstanding SBITA liability.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

### 7. Capital Assets

Changes in capital assets consisted of the following:

Asset Category	Balance at June 30, 2024	Additions	Adjustments/ Disposals/ Reductions	Transfers	Balance at June 30, 2025
Non-depreciable assets:					
Construction in progress	\$ 12,314,856	\$ 5,891,266	\$ -	\$ (205,121)	\$ 18,001,001
Land and improvements	2,792,903	-	-	-	2,792,903
Total non-depreciable assets	<u>15,107,759</u>	<u>5,891,266</u>	<u>-</u>	<u>(205,121)</u>	<u>20,793,904</u>
Depreciable assets:					
Buildings and improvements	14,272,888	-	-	-	14,272,888
Vehicles and equipment	3,539,808	179,246	(97,140)	205,121	3,827,035
Trunk lines/ pump station	59,771,852	-	-	-	59,771,852
Treatment plant	115,125,562	21,015	-	-	115,146,577
Right-of-use assets - leases	50,389	-	-	-	50,389
Right-of-use assets - SBITA	52,507	-	-	-	52,507
Total depreciable assets	<u>192,813,006</u>	<u>200,261</u>	<u>(97,140)</u>	<u>205,121</u>	<u>193,121,248</u>
Less: Accumulated depreciation					
Buildings and improvements	(11,096,453)	(205,778)	-	-	(11,302,231)
Vehicles and equipment	(2,400,355)	(207,269)	97,140	-	(2,510,484)
Trunk lines/pump station	(46,997,207)	(1,066,408)	-	-	(48,063,615)
Treatment plant	(57,994,475)	(2,863,173)	-	-	(60,857,648)
Right-of-use assets - leases	(32,747)	(10,078)	-	-	(42,825)
Right-of-use assets - SBITA	(18,120)	(17,502)	-	-	(35,622)
Total accumulated depreciation	<u>(118,539,357)</u>	<u>(4,370,208)</u>	<u>97,140</u>	<u>-</u>	<u>(122,812,425)</u>
Net capital assets	<u>74,273,649</u>	<u>(4,169,947)</u>	<u>-</u>	<u>205,121</u>	<u>70,308,823</u>
Total capital assets	<u>\$ 89,381,408</u>	<u>\$ 1,721,319</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 91,102,727</u>

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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### 8. Long-Term Liabilities

The following table summarizes changes in long-term liabilities during the year:

Description	June 30, 2024	Additions	Maturities/Reduction		June 30, 2025	Current Portion	Long-Term Portion
State Revolving Fund Loans (SRF)							
Ultraviolet Project	\$ 4,639,045	\$ -	\$ 606,873	\$ 4,032,172	\$ 624,601	\$ 3,407,571	
Blower Project	4,594,093	-	250,325	4,343,768	254,831	4,088,937	
Total SRF Loans	9,233,138	-	857,198	8,375,940	879,432	7,496,508	
Compensated Absences (as restated)	1,574,729	2,919,969	1,367,386	3,127,312	1,250,924	1,876,388	
Total Long-term liabilities	<u>\$ 10,807,867</u>	<u>\$ 2,919,969</u>	<u>\$ 2,224,584</u>	<u>\$ 11,503,252</u>	<u>\$ 2,130,356</u>	<u>\$ 9,372,896</u>	

#### A. State Revolving Fund Loan Ultraviolet Disinfection Project

On January 20, 2010, the District entered into a loan agreement with the California State Water Resources Control Board (SWRCB) under the Clean Water State Revolving Fund (SRF) loan program for the financing of the Ultraviolet Disinfection Project. The District was approved for a loan amount of up to \$11,100,000, with an interest rate at 2.9%, payable over 20 years. Principal and interest payments are due semi-annually on May 1 and November 1. Payment on this loan started on May 2012.

Future debt service payments on the SRF loan related to the Ultraviolet Disinfection Project as of June 30, 2025 are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 624,601	\$ 112,437	\$ 737,038
2027	642,846	94,192	737,038
2028	661,623	75,415	737,038
2029	680,949	56,089	737,038
2030	700,840	36,198	737,038
2031	721,312	15,726	737,038
	<u>\$ 4,032,171</u>	<u>\$ 390,057</u>	<u>\$ 4,422,228</u>

#### Blower Replacement Project

On February 12, 2018, the District entered into a loan agreement with the California State Water Resources Control Board (SWRCB) under the Clean Water State Revolving Fund (SRF) loan program for the financing of the Blower Replacement Project. The District was approved for the total project cost of \$11,608,547; however, only utilized \$9,541,456. Out of the total loan amount, \$4,000,000 was declared a grant under the Environmental Protection Agency's

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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program and was eligible for loan forgiveness. The principal amount due for repayment to the SWRCB under this agreement is \$4,594,094, with an interest rate of 1.8 percent payable over 20 years. Payment on this loan started October 2020.

Future debt service payments on the SRF loan related to the Blower Project as of June 30, 2025 are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 254,831	\$ 78,188	\$ 333,019
2027	259,418	73,601	333,019
2028	264,087	68,932	333,019
2029	268,841	64,178	333,019
2030	273,680	59,339	333,019
2031 - 35	1,444,090	221,002	1,665,092
2036 - 40	1,578,821	86,271	1,665,092
	<u>\$ 4,343,768</u>	<u>\$ 651,511</u>	<u>\$4,995,279</u>

Both SRF loans are secured by all District operating revenues. As a requirement of the SRF loan, a restricted amount equivalent to one year of loan payments is held in a restricted account held by the District. The SRF restricted amount is currently \$1,070,057.

## 9. Related Party Transactions

The District had existing financial transactions with the cities of Fairfield and Suisun City during FY 2024-25. *Sewer line maintenance* includes funds passed through the District to the Cities of Fairfield and Suisun City for operation and maintenance of sewer lines smaller than 12" in diameter (local sewer) as well as collection system repair and rehabilitation. Sewer Service Charges and Sewer Capacity Charges are collected by the Cities and are remitted to the District, net of billing and collection fees. Outstanding receivables include Sewer Capacity Charges collected by the Cities not yet remitted to the District and Sewer Service Charges billed by the Cities on the District's behalf as of June 30, 2025. These transactions are shown below:

	FY 2024-25
City sewer line maintenance	\$ 8,892,386
Billing and collection	801,342
Outstanding accounts receivable	6,128,640

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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### 10. Insurance

The District is exposed to various risks of loss related to torts, theft, damage, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To mitigate these risks the District joined, together with other entities to form the California Sanitation Risk Management Authority (CSRMA), a public-entity risk pool currently operating as a common risk management and insurance program for member entities. The purpose of CSRMA is to spread the adverse effects of losses among the member entities and to purchase excess insurance as a group, thereby reducing its cost. The District pays an annual premium to CSRMA for its legal liability, property damage, workers compensation insurance, and automobile coverage.

CSRMA is governed by a Board composed of one representative from each member agency. The Board also controls the operations of CSRMA, including the selection of management and approval of operating budgets. Each member shares surpluses and deficiencies proportionate to its participation in CSRMA. The District has not incurred a claim that exceeded its insurance coverage limits in any of the last three years.

Audited condensed financial information for CSRMA is presented below for the year ended June 30, 2024, the most recent information available.

Total assets	\$ 39,433,497
Total liabilities	\$ 27,415,066
Net Position	\$ 12,018,431
Total revenues	\$ 24,879,936
Total expenses	\$ 22,895,588

A copy of CSRMA's annual financial report may be obtained from their website at <http://www.csrma.org/docs/CSRMA-Annual-Report.pdf>.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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## 11. Deferred Compensation

The District offers its employees two deferred compensation plans created in accordance with the Internal Revenue Code Section 457 and 401(a). These plans permit a pre-tax deferral of a portion of salary until future years. The deferred compensation is generally not available to employees until separation, retirement, death, or an unforeseeable emergency. The District contributes a specified amount to the 401(a) plan for non-exempt employees, and a specified percentage to the 401(a) plan for exempt employees. The District's contributions to the deferred compensation plan was \$520,883 for fiscal year ended June 30, 2025.

The assets and related income of the plans are assets of a trust to which the District has no obligation other than to make payments on behalf of its employees.

## 12. Pension Plan

### A. General Information about the Pension Plan

#### Plan Description

All qualified full-time and part-time District employees are eligible to participate in a pension plan offered by California Public Employees Retirement System (CalPERS) a cost-sharing multiple employer defined benefit pension plan. CalPERS provides retirement, disability, and death benefits to eligible plan members and beneficiaries. Benefit provisions under the Plan are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

#### Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one full year of full-time employment. Members with 5 years of service credit are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for the non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The annual cost of living adjustment is applied as specified by the Public Employees Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2025 are summarized on the following page:

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

Miscellaneous	Hired prior to January 1, 2013 Classic	Hired on or after January 1, 2013 PEPRA
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	60	62
Monthly benefits, as a % of annual salary	3%	2%
Required employee contribution rates	8.000%	8.000%
Required employer contribution rates	17.550%	7.750%

On September 12, 2012, the California Governor signed the California Public Employees' Pension Reform Act of 2013 (PEPRA) into law. PEPRA took effect on January 1, 2013.

Key components of the legislation are as follows:

- Establishes PEPRA which will apply to all public employers and public pension plans on and after January 1, 2013 (Except specific exemptions);
- Establishes new retirement tiers/benefits for new public employees;
- Prohibits certain cash payments from being counted as compensation; and
- Increases retirement age for all new public employees.

Employees hired on or after January 1, 2013, without prior CalPERS credited service will fall under the PEPRA as noted in the above table.

CalPERS determines contribution requirements using a modification of the Entry Age Normal Method. Under this method, the District's total normal benefit cost for each employee from date of hire to date of retirement is expressed as a level percentage of the related total payroll cost. Normal benefit cost under this method is the level amount the employer must pay annually to fund an employee's projected retirement benefit. This level percentage of payroll method is used to amortize any unfunded actuarial liabilities. The actuarial assumptions used to compute contribution requirements are also used to compute the actuarial accrued liability.

### Employees Covered

As of the June 30, 2024 measurement date, the following employees were covered by the benefit terms for each Plan as shown on the following page:

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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Measurement date as of June 30,	2024
Inactive employees or beneficiaries currently receiving benefits	47
Inactive employees entitled to but not yet receiving benefits	0
Active employees	63
Total	110

### Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contributions were as follows:

Miscellaneous	Fiscal Year 2024-25
Employer Contributions	\$1,659,236

### B. Pension Assets, Liabilities, Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

The District's proportionate share of the net pension liability is \$3,178,399 for fiscal year ended June 30, 2025.

The District's net pension liability (asset) is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability (asset) of the Plan is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023, with update procedures used to roll forward the total pension liability to June 30, 2024.

The District's proportion of the net pension liability (asset) was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The District's proportionate share of the net pension liability for the plan as of June 30, 2024 and 2023 measurement dates is shown on the following page:

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

Fiscal Year	Percentage Share of Risk Pool		Change: Increase/ (Decrease)
	6/30/2024	6/30/2023	
Measurement Date	6/30/2024	6/30/2023	
Percentage of Plan (PERF C) NPL	0.02621%	0.04045%	-0.01424%

### Plan's Proportionate Share of the Risk Pool Collective Net Pension Liability

Increases (Decreases)			
	Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Plan Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at 6/30/23 (MD)	\$ 53,134,121	\$ 48,087,520	\$ 5,046,601
Balance at 6/30/24 (MD)	\$ 57,481,133	\$ 54,302,734	\$ 3,178,399
Net changes	\$ 4,347,012	\$ 6,215,214	\$ (1,868,202)

### Deferred Outflows/Inflows Balances

The District recognized pension expense of \$2,028,832 for the fiscal year ended June 30, 2025.

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources, as shown below:

Deferred Outflows/Inflows Balances at June 30, 2025	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 81,692	\$ -
Differences between the expected and actual experience	274,802	(10,723)
Net differences between projected and actual earnings on plan investments	182,977	-
Differences between the employer's contributions and the employer's proportionate share of contributions	635,471	(341,559)
Change in employer proportion	402,951	(247,886)
Pension contributions subsequent to measurement date	1,659,236	-
Total	\$ 3,237,129	\$ (600,168)

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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The District reported \$1,659,236 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2026.

### Recognition of Deferrals in Future Pension Expense

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ending June 30:	Fiscal Year Ending June 30:	Net Total Deferred Outflows/(Inflows) of Resources
2025	2026	563,088
2026	2027	413,748
2027	2028	63,593
2028	2029	(62,704)
2029	2030	-
Thereafter	Thereafter	-

### Actuarial Methods and Assumptions

The total pension liability (asset) for the June 30, 2024 measurement period was determined by an actuarial valuation as of June 30, 2023, with update procedures used to roll forward the total pension liability (asset) to June 30, 2024. The collective total pension liability (asset) was based on the assumptions listed as shown on the following page:

	Miscellaneous
Valuation Date:	June 30, 2024
Actuarial Cost Method	Entry age normal
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by entry age and service
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds. The post-retirement mortality rates include 15 years of projected on-going mortality improvement using 80 percent of Scale MP published by the Society of Actuaries

*All other actuarial assumptions used in the June 30, 2024 valuation use the results of the 2021 CalPERS Experience Study and Review of Actuarial Assumptions, including updates to salary increases, mortality, and retirement rates, as a basis.*

### Long-term Expected Rate of Return

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated and, combined with risk

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10 (1,2)
Global equity - cap-weighted	30.00%	4.54%
Global equity - non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	100.00%	

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021-22 Asset Liability Management study.

### Discount Rate

The discount rate used to measure the total pension liability for PERF C was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB No. 68, gains and losses related to changes in total pension liability (asset) and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss:

- Difference between projected and actual earnings: Five-year straight-line amortization

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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- All other amounts: Straight-line amortization over the expected average remaining service lifetime of all members provided with pensions (active, inactive, and retired), as of the beginning of the measurement period.

### Sensitivity of the Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability (asset), calculated using the discount rate, as well as what the District's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate		
	5.90% (1% Decrease)	6.90% (Current Rate)	7.90% (1% Increase)
Measurement Date		6/30/2024	
Fiscal Year End		6/30/2025	
Net Pension Liability (asset)	\$ 10,934,925	\$ 3,178,399	\$ (3,206,365)

### Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

### C. Payable to the Pension Plan

The District has paid the plan required contributions for the FY 2024-25 and has no outstanding pension payable.

## 13. Other Postemployment Benefits (OPEB)

### A. General Information about the OPEB Plan

#### Plan Description

The District provides postemployment healthcare benefit for all its retired employees and their covered dependents as approved by District Resolution No. 2003-36. The California Public Employee Retirement System (CalPERS) administers this benefit through an agent multiple-employer, defined benefit plan. All District retirees who attain age 50 with at least 5 years' service are eligible for this benefit. Coverage discontinues either at the request of the retiree or at the death of those covered. CalPERS requires that retirees enroll in Medicare at age 65. Plan benefits were established in accordance with Board policy, and authority to amend this benefit rests with the District Board.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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### Benefits Provided

#### *Section 22892 - Unequal Method*

The District's contribution for each retired employee plus dependent is equal to 100% of their selected plan premium, up to \$2,213 per month for 2025. The District contribution will continue to increase by the lesser of 5% or \$100 each year until it equals that of active employees' premium.

Eligibility: Employees must retire directly (within 120 days of separation from service) from the District with a service or disability annuity and must have been eligible for health benefits immediately before retirement. Benefits are provided to surviving spouses only if the retiree elected a pension annuity with a survivor benefit. Eligible retirees who previously waived PEMHCA benefits can elect coverage during open enrollment.

#### *Section 22893 – State 100/90 Vesting*

A second-tier retiree health benefit was established in November 2012, when District Board adopted Resolution No. 2012-19 electing to establish a health benefit vesting requirement for future employees pursuant to Government Code Section (GCS) 22893 of the Public Employees' Medical and Hospital Care Act. The effective date of this participation is March 1, 2013, and the vesting requirement will be applied to employees hired on or after this date.

Eligibility: To be eligible for the vesting health benefits, an employee must be at least 50 years old; must complete a minimum of 5 years' CalPERS-credited service or disability annuity with the District; must complete a total of 10 years' CalPERS-credited service to be eligible for 50% benefits, increasing by 5% each year as follows:

Years of CalPERS Service	Percentage
< 10	0%
10	50%
11	55%
↓	↓
≥ 20 or Disability Retirement	100%

Employees hired prior to the election of GCS 22893 were given a one-time opportunity to individually elect to be covered under the provisions of GCS 22893. Twenty-seven employees opted in.

Employees with 20 or more years of service with the District are classified as inactive and are entitled to future retiree benefits and can elect retiree health coverage from the District at or after retirement, even if they have intervening employment elsewhere.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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### Employees Covered

At the June 30, 2024 measurement date, the following current and retirees were covered by the benefit terms under the District's retiree health plan:

Covered Participants as of June 30,	2024
Active employees	62
Inactive employee or beneficiaries currently receiving benefits	37
Inactive employees entitled to, but not yet receiving benefits	6
Total	105

### Contributions

The annual contribution is based on the actuarially determined contribution plus other discretionary funding contributions. For the fiscal year ended June 30, 2025, District contributions totaled \$953,710 compared to the actuarially determined contribution of \$787,065.

### B. Net OPEB Liability

The District's net OPEB liability was measured as of June 30, 2024, and the total liability used to calculate the net OPEB liability was determined by an actuarial valuation date as of June 30, 2024.

### Actuarial Methods and Assumptions

The total OPEB liability as of June 30, 2025 was measured as of June 30, 2024, based on June 30, 2024 actuarial valuation and was determined using the actuarial methods and assumptions listed on the following page:

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

Actuarial Assumptions	June 30, 2024 Measurement Date
Actuarial Valuation Date:	June 30, 2024
Contribution Policy	District contributes full ADC
Discount Rate and Long-Term Expected Rate of Return on Assets	6.40% at June 30, 2024 6.25% at June 30, 2023 Expected District contributions projected to keep sufficient plan assets to pay all benefits from trust
General Inflation	2.30% annually
Mortality, Retirement, Disability, Termination	CalPERS 2000-2019 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2020
Salary Increases	Aggregate - 2.80% annually 2021 CalPERS Merit Salary Increases
Medical Trend	Non-Medicare - 6.80% for 2024, decreasing to an ultimate rate of 4.04% over 51 years Medicare (Kaiser) - 4.90% for 2024, decreasing to an ultimate rate of 4.04% over 51 years Medicare (Non-Kaiser) - 4.90% for 2024, decreasing to an ultimate rate of 4.04% over 51 years
Cap Increases	100/90 Formula Rates - Non-Medicare medical trend
Healthcare Participation for Future Retirees	90%
Family Coverage	30% of actives have family coverage to age 65

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The following is the assumed asset and assumed rate of return for each based on CERBT - Strategy 1:

Asset Class Component	Target Allocation	Expected Real Rate of Return
Global Equity	49%	6.90%
Fixed Income	23%	4.10%
REITS	20%	6.30%
TIPS	5%	3.90%
Commodities	3%	4.60%
Assumed Long-Term Rate of Inflation		2.30%
Expected Long-Term Net Rate of Return, Rounded		6.40%

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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### Discount Rate

The discount rate to measure the total OPEB liability was 6.40%. The projection of cash flows used to determine the discount rate assumed that District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plans fiduciary net position was projected to be sufficient to fully fund the obligation over a period not to exceed 18 years. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

### Changes in Net OPEB Liability

The changes in the net OPEB liability for fiscal year ended June 30, 2025 are listed below:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2024 (MD 6/30/24)	\$ 10,746,374	\$ 8,968,357	\$ 1,778,017
Service cost	477,654	-	477,654
Interest	683,050	-	683,050
Changes of benefit terms	-	-	-
Actual vs. expected experience	2,608,303	-	2,608,303
Changes of Assumptions	(332,733)	-	(332,733)
Employer - District's contributions	-	1,191,486	(1,191,486)
Employee contributions	-	-	-
Employer - Implicit Subsidy		95,000	(95,000)
Net Investment Income	-	987,310	(987,310)
Benefit payments	(495,411)	(495,411)	-
Implicit Subsidy	(95,000)	(95,000)	-
Administrative Expenses	-	(4,632)	4,632
Other Miscellaneous Income/(Expense)			
Net changes	2,845,863	1,678,753	1,167,110
Balance at June 30, 2025 (MD 6/30/24)	\$ 13,592,237	\$ 10,647,110	\$ 2,945,127

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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### Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the District's net OPEB liability if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2025:

	Discount Rate		
	5.40% (1% Decrease )	6.40% Current Rate	7.40% (1% Increase )
Net OPEB Liability	\$ 4,675,186	\$ 2,945,127	\$ 1,515,137

### Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the District's net OPEB liability if it were calculated using a health care cost trend rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2025:

	Healthcare Trend Rate		
	1% Decrease	Current Trend	1% Increase
Net OPEB Liability	\$ 1,537,405	\$ 2,945,127	\$ 4,516,677

### OPEB Plan Fiduciary Net Position

Detailed information about the net OPEB plan's fiduciary net position is available in the separately issued CalPERS financial reports at: [www.calpers.ca.gov](http://www.calpers.ca.gov).

### Recognition of Deferred Outflows/Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

### OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2025, the District recognized OPEB expense of \$995,501.

At June 30, 2025, the District reported deferred outflows and deferred inflows of resources from the following sources as listed below:

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$2,269,562	\$ (890,139)
Changes of Assumptions	971,016	(548,488)
Net Difference Between Projected and Actual Earnings on Plan Investments	60,872	-
Change in employer's proportion		-
Contributions Subsequent to the Measurement Date	953,710	-
<b>Total</b>	<b>\$4,255,160</b>	<b>\$(1,438,627)</b>

### Recognition of Deferrals in Future OPEB Expense

The \$953,710 reported as deferred outflow of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net OPEB liability in the year ended in June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as listed on the following page:

Fiscal Year Ending June 30	Deferred Outflows/(Inflows) of Resources
2026	\$ 376,809
2027	484,208
2028	33,290
2029	205,491
2030	260,623
Thereafter	502,402

No separate postemployment benefit plan report is available.

# Fairfield-Suisun Sewer District

## Notes to Financial Statements

June 30, 2025

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### 14. Commitments and Contingencies

As of June 30, 2025, the District has construction commitments from contractual agreements as listed below:

Project Name	Contract Agreements	Remaining Commitment
Bioenergy Generation	\$12,131,556	\$3,304,515
Electrical Replacement Project Phase II	1,671,603	527,958
Suisun Force Main Reliability	2,178,400	623,522
SCADA System Upgrade	319,032	140,304
A/B Train Aeration Basin Anoxic Zones	14,033,640	13,075,686
Lopes Lift Station/Force Main Capacity Improvements	297,700	283,563
Travis/Pennsylvania Sewer Replacement	207,153	49,046
Roof Rehabilitation	1,050,900	1,083,672
Kellogg Resiliency Project	4,628,552	3,467,402
<b>Total of Construction in Progress:</b>	<b>\$36,518,536</b>	<b>\$22,555,668</b>

### 15. Restatement

Related to the implementation of GASB No. 101, *Compensated Absences*, the District restated beginning net position by \$1,123,979 as shown below:

Net position - beginning, as previously reported	\$ 141,407,297
Less: Restatement for GASB No. 101, <i>Compensated Absences</i>	<u>(1,123,979)</u>
Net position - beginning, as restated	<u>\$ 140,283,318</u>

# FAIRFIELD-SUISUN SEWER DISTRICT

## Required Supplementary Information June 30, 2025

### Schedule of Changes in the Net OPEB Liability and Related Ratios

#### Schedule of Changes in the Net OPEB Liability and Related Ratios for the Measurement Period Ended June 30, Last Ten Fiscal Years\*

For June 30, Changes in Total OPEB Liability	2025 (MD 6/30/24)	2024 (MD 6/30/23)	2023 (MD 6/30/22)	2022 (MD 6/30/21)	2021 (MD 6/30/20)	2020 (MD 6/30/19)	2019 (MD 6/30/18)	2018 (MD 6/30/17)
Service cost	\$ 477,654	\$ 464,870	\$ 419,266	\$ 388,905	\$ 516,052	\$ 504,802	\$ 246,354	\$ 239,761
Interest in TOL	683,050	648,351	655,018	621,020	677,952	624,067	431,326	392,225
Actual vs. expected experience	2,608,303	-	(898,809)	592,416	(807,314)	-	(205,681)	-
Assumption changes	(332,733)	-	290,376	(705,468)	-	2,618,593	-	-
Benefit payments	(495,411)	(551,220)	(482,922)	(424,584)	(370,411)	(313,249)	(217,557)	(188,779)
Implicit Subsidy	(95,000)							
Net change in total OPEB liability	2,845,863	562,001	284,969	875,717	(689,189)	815,620	2,873,035	443,207
Total OPEB liability - beginning	10,746,374	10,184,373	9,899,404	9,023,687	9,712,876	8,897,256	6,024,221	5,581,014
Total OPEB liability - ending	13,592,237	10,746,374	10,184,373	9,899,404	9,023,687	9,712,876	8,897,256	6,024,221
Changes in Fiduciary Net Position								
Employer contributions	\$ 1,286,486	\$ 1,729,668	\$ 684,560	\$ 1,261,261	\$ 371,240	\$ 586,189	\$ 367,557	\$ 338,779
Benefit payments	(495,411)	(551,220)	(482,922)	(424,584)	(370,411)	(313,249)	(217,557)	(188,779)
Implicit Subsidy Credit	(95,000)							
Net investment income	987,310	501,079	(1,106,408)	1,655,257	195,043	322,833	351,673	413,243
Administrative expenses	(4,632)	(3,719)	(3,113)	(3,187)	(3,526)	(1,735)	(8,232)	(2,091)
Net change in plan fiduciary net position	1,678,753	1,675,808	(907,883)	2,488,747	192,346	594,038	493,441	561,152
Plan fiduciary net position - beginning	8,968,357	7,292,549	8,200,432	5,711,685	5,519,339	4,925,301	4,431,860	3,870,708
Plan fiduciary net position - ending	10,647,110	8,968,357	7,292,549	8,200,432	5,711,685	5,519,339	4,925,301	4,431,860
Net OPEB Liability/(Asset) - ending	\$ 2,945,127	\$ 1,778,017	\$ 2,891,824	\$ 1,698,972	\$ 3,312,002	\$ 4,193,537	\$ 3,971,955	\$ 1,592,361
Plan fiduciary net position as a percentage of the total OPEB liability	78.33%	83.45%	71.61%	82.84%	63.30%	56.82%	55.36%	73.57%
Covered payroll	\$ 9,790,573	\$ 8,776,395	\$ 7,806,893	\$ 9,237,126	\$ 6,855,796	\$ 6,525,667	\$ 6,092,493	\$ 6,092,493
Net OPEB liability as a percentage of covered payroll	30.08%	20.26%	37.04%	18.39%	48.31%	64.26%	65.19%	26.14%

\*GASB No. 75 was implemented in fiscal year ended June 30, 2018. Additional years will be added up to 10 years when information becomes available.

# FAIRFIELD-SUISUN SEWER DISTRICT

Required Supplementary Information  
June 30, 2025

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## Schedule of Employer OPEB Contributions

### OPEB Schedule of Contributions, Last Ten Fiscal Years\*

Fiscal Year Ended June 30,	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution (ADC)	\$ 787,065	\$ 766,384	\$ 690,620	\$ 673,233	\$ 656,504	\$ 855,033	\$ 833,721	\$ 225,228
Actual contribution in relation to ADC	953,710	1,286,486	1,729,668	684,560	1,261,261	371,240	586,189	367,557
Contribution deficiency (Excess)	\$ (166,645)	\$ (520,102)	\$ (1,039,048)	\$ (11,327)	\$ (604,757)	\$ 483,793	\$ 247,532	\$ (142,329)

\*GASB No. 75 was implemented in fiscal year ended June 30, 2018. Additional years will be added up to 10 years when information becomes available.

### Methods and Assumptions for Actuarially Determined Contributions

Miscellaneous	
Valuation Date:	June 30, 2024
Actuarial Cost Method:	Entry-Age Normal, Level % of pay
Amortization Method:	Level % of pay
Amortization Period:	15-year fixed period for 2023/24
Asset Valuation Method:	Market value of assets
Actuarial Assumptions:	
Discount Rate	6.40%
General Inflation	2.30%
Medical Trend	Non-Medicare - 6.80% for 2024, decreasing to an ultimate rate of 4.04% in 2075  Medicare (Kaiser) - 4.90% for 2024, decreasing to an ultimate rate of 4.04% in 2075  Medicare (Non-Kaiser) - 4.90% for 2024, decreasing to an ultimate rate of 4.04% in 2075
Mortality	CalPERS 2000-2019 experience study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021

# FAIRFIELD-SUISUN SEWER DISTRICT

## Required Supplementary Information

June 30, 2025

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### Schedule of Proportionate Share of Net Pension Liability Last Ten Fiscal Years

	Fiscal Year End									
	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Measurement Date	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
District's proportion of the net pension liability	0.02621%	0.04045%	0.03480%	-0.02882%	0.05656%	0.07198%	0.06821%	0.06835%	0.06556%	0.06157%
District's proportionate share of the net pension liability	\$ 3,178,399	\$ 5,046,601	\$ 4,019,592	\$(1,558,572)	\$ 6,153,622	\$ 7,376,274	\$ 6,572,464	\$ 6,778,010	\$ 5,673,350	\$ 4,225,956
District's covered payroll <sup>1</sup>	\$ 9,057,484	\$ 8,400,651	\$ 7,514,120	\$ 6,392,656	\$ 6,436,028	\$ 6,123,141	\$ 6,051,649	\$ 6,038,180	\$ 5,170,000	\$ 5,638,769
District's proportionate share of the net pension liability as a percentage of covered-employee payroll	35.09%	60.07%	53.49%	-24.38%	95.61%	120.47%	108.61%	112.25%	109.74%	74.94%
Plan's fiduciary net position as a percentage of the plan's total pension liability	94.47%	90.50%	91.86%	103.52%	85.13%	80.40%	80.87%	78.21%	79.33%	82.91%

**Notes:**

1. For the year ending on the measurement date.

Miscellaneous	
Valuation Date:	The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2024-25 were from the June 30, 2022 public agency valuations.
<b>Methods and assumptions used to determine contribution rates:</b>	
Actuarial cost method	Entry age actuarial cost method
Amortization method/period	Level percentage of payroll
Asset valuation method	Fair value of assets
Inflation	2.30%
Salary Increases	Varies by entry age and service
Payroll growth	2.80%
Investment rate of return	6.80% net of pension plan investment and administrative expenses; includes inflation.
Retirement age	The probabilities of retirement are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.
Mortality	The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

# FAIRFIELD-SUISUN SEWER DISTRICT

## Required Supplementary Information

June 30, 2025

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### Schedule of Proportionate Share of Employer Pension Contributions Last Ten Fiscal Years

Contributions for the fiscal year ending:	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
Actuarially determined contribution	\$ 1,400,616	\$ 1,191,722	\$ 1,278,013	\$ 1,299,678	\$ 1,288,185	\$ 1,253,996	\$ 1,099,426	\$ 1,004,247	\$ 958,408	\$ 822,449
Contributions in relation to the actuarially determined contribution	(1,659,236)	(2,691,722)	(1,278,013)	(3,299,678)	(3,288,185)	(3,253,996)	(1,099,426)	(1,004,247)	(958,408)	(822,449)
Contribution deficiency (Excess)	\$ (258,620)	\$(1,500,000)	\$ -	\$(2,000,000)	\$(2,000,000)	\$(2,000,000)	\$ -	\$ -	\$ -	\$ -
District's covered payroll <sup>1</sup>	\$ 9,513,344	\$ 9,057,484	\$ 8,400,651	\$ 7,514,120	\$ 6,392,656	\$ 6,436,028	\$ 6,123,141	\$ 6,051,649	\$ 6,038,180	\$ 5,170,000
Contributions as a percentage of covered payroll	17.44%	29.72%	15.21%	43.91%	51.44%	50.56%	17.96%	16.59%	15.87%	15.91%

**Notes:**

1. For the fiscal year ending on the date shown.

<b>Miscellaneous</b>	
Valuation Date:	The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2024-25 were from the June 30, 2022 public agency valuations.
<b>Methods and assumptions used to determine contribution rates:</b>	
Actuarial cost method	Entry age actuarial cost method
Amortization method/period	Level percentage of payroll
Asset valuation method	Fair value of assets
Inflation	2.30%
Salary Increases	Varies by entry age and service
Payroll growth	2.80%
Investment rate of return	6.80% net of pension plan investment and administrative expenses; includes inflation.
Retirement age	The probabilities of retirement are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.
Mortality	The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

# FAIRFIELD-SUISUN SEWER DISTRICT

## Table of Contents

	Page
<b>Financial Trends</b>	58-63
These schedules contain trend information to help the reader understand how the District's financial operation and performance have changed over time.	
<b>Revenue Capacity</b>	64-65
These schedules contain information to help the reader assess the District's most significant revenue sources.	
<b>Debt Capacity</b>	66-68
These schedules contain information to help the reader assess the District's current level of outstanding debt obligation and its ability to issue additional debt in the future. The District has no overlapping bonded debt.	
<b>Operating Information</b>	69-70
These schedules contain data to help the reader understand how the information in the District's financial report relates to the services it provides.	
<b>Economic and Demographic Information</b>	71-74
These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place.	

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# FAIRFIELD-SUISUN SEWER DISTRICT

## Financial Trends

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### Schedule 1

#### Condensed Statements of Net Position

#### Last Ten Fiscal Years (\$000)

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Current and other assets	\$ 72,802	\$ 71,234	\$ 70,761	\$ 73,059	\$ 66,817	\$ 64,879	\$ 55,214	\$ 44,222	\$ 34,947	\$ 27,964
Capital assets	91,103	89,381	81,532	77,002	74,754	71,612	73,713	68,860	72,638	76,831
<b>Total assets</b>	<b>163,905</b>	<b>160,615</b>	<b>152,293</b>	<b>150,061</b>	<b>141,571</b>	<b>136,491</b>	<b>128,927</b>	<b>113,082</b>	<b>107,585</b>	<b>104,795</b>
Deferred outflow - Pension <sup>1</sup>	3,237	5,547	5,028	6,609	5,260	4,653	2,671	3,288	3,134	1,946
Deferred outflow - OPEB <sup>2</sup>	4,255	3,170	4,180	2,324	3,091	2,374	2,897	367	-	-
<b>Total deferred outflows of resources</b>	<b>7,492</b>	<b>8,717</b>	<b>9,208</b>	<b>8,933</b>	<b>8,351</b>	<b>7,027</b>	<b>5,568</b>	<b>3,655</b>	<b>3,134</b>	<b>1,946</b>
Long-term liabilities	15,496	15,524	16,449	12,035	20,587	23,439	25,185	16,620	13,786	14,040
Other liabilities	8,256	8,923	6,829	6,148	4,317	6,454	3,760	2,692	2,494	2,252
<b>Total liabilities</b>	<b>23,752</b>	<b>24,447</b>	<b>23,278</b>	<b>18,183</b>	<b>24,904</b>	<b>29,893</b>	<b>28,945</b>	<b>19,312</b>	<b>16,280</b>	<b>16,292</b>
Deferred inflow - Pension	600	719	713	1,452	1,175	432	340	324	438	886
Deferred inflow - OPEB	1,439	1,479	1,808	2,131	1,454	168	214	-	-	-
Deferred inflow - Leases <sup>3</sup>	1,229	1,280	1,375	781	-	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>3,268</b>	<b>3,478</b>	<b>3,896</b>	<b>4,364</b>	<b>2,629</b>	<b>600</b>	<b>554</b>	<b>324</b>	<b>438</b>	<b>886</b>
<b>Net position:</b>										
Net investment in capital assets	82,085	79,357	71,435	66,119	63,077	58,331	59,386	60,275	64,207	66,632
Restricted										
Restricted for capital projects	19,882	18,144	14,571	15,076	12,431	8,568	5,374	5,250	3,876	785
Restricted for debt service	1,070	1,070	1,070	1,069	1,069	1,069	737	737	737	737
Restricted for major maintenance	22,850	21,591	31,288	36,945	40,577	40,567	33,755	14,951	15,390	9,730
Restricted for City collection system reserves	2,591	4,623	2,446	-	-	-	-	-	-	-
Unrestricted	15,899	16,622	13,517	17,238	5,235	4,490	5,744	15,888	9,791	11,679
<b>Total net position</b>	<b>\$ 144,377</b>	<b>\$ 141,407</b>	<b>\$ 134,327</b>	<b>\$ 136,447</b>	<b>\$ 122,389</b>	<b>\$ 113,025</b>	<b>\$ 104,996</b>	<b>\$ 97,101</b>	<b>\$ 94,001</b>	<b>\$ 89,563</b>

(1) GASB No. 68 Accounting and Financial Reporting for Pensions Implemented June 30, 2015

(2) GASB No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB) Implemented June 30, 2018

(3) GASB No. 87 Accounting and Financial Reporting for Leases Implemented June 30, 2022

Source: District Audited Financial Statements

# FAIRFIELD-SUISUN SEWER DISTRICT

## Financial Trends

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### Schedule 2

### Condensed Stmt's of Revenues, Expenses, and Changes in Net Position

#### Last Ten Fiscal Years (\$000)

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues:										
Service charges	\$ 37,170	\$ 33,873	\$ 33,386	\$ 30,965	\$ 29,227	\$ 29,028	\$ 27,549	\$ 26,046	\$ 25,904	\$ 23,351
Drainage fees	1,640	1,631	1,662	1,684	1,647	1,706	1,619	1,598	1,580	1,552
Interest income	2,647	1,914	1,195	451	576	1,164	923	519	260	96
Other <sup>1</sup>	2,486	2,699	544	(683)	78	1,240	956	194	222	212
Sewer capacity charges	2,442	4,818	2,723	4,011	5,497	2,023	3,000	2,079	2,478	2,835
Capital related grants	1,281	748	-	-	-	4,000	-	-	-	-
Total revenues	47,666	45,683	39,510	36,428	37,025	39,161	34,047	30,436	30,444	28,046
Expenses:										
Personnel <sup>3</sup>	16,888	17,269	20,042	5,525	12,289	14,885	10,354	10,188	9,119	7,482
Utilities and chemicals	3,940	4,382	4,045	2,933	2,524	1,969	1,785	1,705	1,836	1,606
Services, operations and maintenance	8,473	6,711	8,100	6,271	5,505	6,757	6,637	6,163	7,307	4,744
Sewer line maintenance	8,892	4,625	4,077	2,506	2,367	2,256	2,190	2,216	2,142	2,072
Billing & collection	801	775	741	700	667	647	621	594	572	549
Interest expense	208	230	252	272	335	260	224	238	311	404
Depreciation and amortization	4,370	4,611	4,371	4,168	3,974	4,358	4,341	4,449	4,719	4,911
Total expenses	43,572	38,603	41,628	22,375	27,661	31,132	26,152	25,553	26,006	21,768
Change in net position	4,094	7,080	(2,118)	14,053	9,364	8,029	7,895	4,883	4,438	6,278
Net position, beginning of period (as restated)	141,407	134,327	136,447	122,389	113,025	104,996	97,101	94,001	89,563	83,801
Prior period restatement, GASB 68 (Pension)	-	-	-	-	-	-	-	-	-	(516)
Prior period restatement, GASB 75 (OPEB)	-	-	-	-	-	-	-	(1,783)	-	-
Prior period restatement, GASB 87 (Leases)	-	-	-	5	-	-	-	-	-	-
Prior period restatement, AP Variance	-	-	(2)	-	-	-	-	-	-	-
Prior period restatement, GASB 101 (Comp. Abs)	(1,124)	-	-	-	-	-	-	-	-	-
Net position, as restated	140,283	134,327	136,445	122,394	113,025	104,996	97,101	92,218	89,563	83,285
Net position, end of period	\$ 144,377	\$ 141,407	\$ 134,327	\$ 136,447	\$ 122,389	\$ 113,025	\$ 104,996	\$ 97,101	\$ 94,001	\$ 89,563
Statement of Net Position										
Net investment in capital assets	\$ 82,085	\$ 79,357	\$ 71,435	\$ 66,119	\$ 63,077	\$ 58,331	\$ 59,386	\$ 60,275	\$ 64,207	\$ 66,632
Restricted										
Restricted for capital projects	19,882	18,144	14,571	15,076	12,431	8,568	5,374	5,250	3,876	785
Restricted for debt service	1,070	1,070	1,070	1,069	1,069	1,069	737	737	737	737
Restricted for major maintenance	22,850	21,591	31,288	36,945	40,577	40,567	33,755	14,951	15,390	9,730
Restricted for City collection system reserves	2,591	4,623	2,446	-	-	-	-	-	-	-
Unrestricted	15,899	16,622	13,517	17,238	5,235	4,490	5,744	15,888	9,791	11,679
Total net position	\$ 144,377	\$ 141,407	\$ 134,327	\$ 136,447	\$ 122,389	\$ 113,025	\$ 104,996	\$ 97,101	\$ 94,001	\$ 89,563

(1) Includes net increase (decrease) in fair value of investments.

(2) In FY 2022-23, operating expense categories were updated to pull reports directly from the financial system. Operating expense categories were changed to provide a direct comparison. Prior year categories in previously audited financial statements (total) will tie to the total operating expense amount.

(3) Personnel expenses include actuarially determined pension and other post employment benefit expenses in accordance with GASB No. 68 and No. 75.  
Source: District Audited Financial Statements

# FAIRFIELD-SUISUN SEWER DISTRICT

## Financial Trends

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### Schedule 3

#### Changes in Net Position

#### Last Ten Fiscal Years (\$000)

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Revenues:</b>										
Service charges	\$ 37,170	\$ 33,873	\$ 33,386	\$ 30,965	\$ 29,227	\$ 29,028	\$ 27,549	\$ 26,046	\$ 25,904	\$ 23,351
Drainage fees	1,640	1,631	1,662	1,684	1,647	1,706	1,619	1,598	1,580	1,552
Interest income	2,647	1,914	1,195	451	576	1,164	923	519	260	96
Other <sup>1</sup>	2,486	2,699	544	(683)	78	1,240	956	194	222	212
Sewer capacity charges	2,442	4,818	2,723	4,011	5,497	2,023	3,000	2,079	2,478	2,835
Capital related grants	1,281	748	-	-	-	4,000	-	-	-	-
<b>Total revenues</b>	<b>47,666</b>	<b>45,683</b>	<b>39,510</b>	<b>36,428</b>	<b>37,025</b>	<b>39,161</b>	<b>34,047</b>	<b>30,436</b>	<b>30,444</b>	<b>28,046</b>
<b>Expenses:</b> <sup>2</sup>										
Personnel <sup>3</sup>	16,888	17,269	20,042	5,525	12,289	14,885	10,354	10,188	9,119	7,482
Utilities and chemicals	3,940	4,382	4,045	2,933	2,524	1,969	1,785	1,705	1,836	1,606
Services, operations and maintenance	8,473	6,711	8,100	6,271	5,505	6,757	6,637	6,163	7,307	4,744
Sewer line maintenance	8,892	4,625	4,077	2,506	2,367	2,256	2,190	2,216	2,142	2,072
Billing and collection	801	775	741	700	667	647	621	594	572	549
Interest expense	208	230	252	272	335	260	224	238	311	404
Depreciation and amortization	4,370	4,611	4,371	4,168	3,974	4,358	4,341	4,449	4,719	4,911
<b>Total expenses</b>	<b>43,572</b>	<b>38,603</b>	<b>41,628</b>	<b>22,375</b>	<b>27,661</b>	<b>31,132</b>	<b>26,152</b>	<b>25,553</b>	<b>26,006</b>	<b>21,768</b>
<b>Change in net position</b>	<b>\$ 4,094</b>	<b>\$ 7,080</b>	<b>\$ (2,118)</b>	<b>\$ 14,053</b>	<b>\$ 9,364</b>	<b>\$ 8,029</b>	<b>\$ 7,895</b>	<b>\$ 4,883</b>	<b>\$ 4,438</b>	<b>\$ 6,278</b>

(1) Includes net increase (decrease) in fair value of investments

(2) In FY 2022-23, operating expense categories were updated to pull reports directly from the financial system. Operating expense categories were changed to provide a direct comparison. Prior year categories in previously audited financial statements (total) will tie to the total operating expense amount

(3) Personnel expenses include actuarially determined pension and other post employment benefit expenses in accordance with GASB No. 68 and No. 75.  
Source: District Audited Financial Statements

**FAIRFIELD-SUISUN SEWER DISTRICT**  
 Financial Trends

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**Schedule 4**  
**Net Position by Component**  
**Last Ten Fiscal Years (\$000)**

	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<b>Net position:</b>										
Net investment in capital assets	\$ 82,085	\$ 79,357	\$ 71,435	\$ 66,119	\$ 63,077	\$ 58,331	\$ 59,386	\$ 60,275	\$ 64,207	\$ 66,632
Restricted	46,393	45,428	49,375	53,090	54,077	50,204	39,866	20,938	20,003	11,252
Unrestricted	15,899	16,622	13,517	17,238	5,235	4,490	5,744	15,888	9,791	11,679
	<b>\$ 144,377</b>	<b>\$ 141,407</b>	<b>\$ 134,327</b>	<b>\$ 136,447</b>	<b>\$ 122,389</b>	<b>\$ 113,025</b>	<b>\$ 104,996</b>	<b>\$ 97,101</b>	<b>\$ 94,001</b>	<b>\$ 89,563</b>

*Source: District Audited Financial Statements*

**FAIRFIELD-SUISUN SEWER DISTRICT**  
 Financial Trends

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**Schedule 5**  
**Expenses by Classification**  
**Last Ten Fiscal Years**  
**(Excludes capital expenditures)**

Year Ended June 30,	Total	Operating Expenses <sup>1</sup>					Nonoperating Expenses	
		Utilities and Personnel <sup>2</sup>	Chemicals	Services, Operations and Maintenance	Sewer Line Maintenance	Billing & Collection	Depreciation & Amortization	Interest Expense
2016	\$ 17,023,952	\$ 7,481,985	\$ 1,606,001	\$ 4,744,024	\$ 2,072,264	\$ 548,613	\$ 4,911,240	\$ 403,849
2017	26,004,419	9,118,711	1,835,900	7,307,210	2,141,449	572,075	4,718,543	310,531
2018	25,553,526	10,187,892	1,704,896	6,162,336	2,216,177	594,247	4,449,438	238,540
2019	26,152,009	10,353,677	1,785,119	6,637,297	2,190,335	620,929	4,340,674	223,978
2020	31,133,094	14,885,540	1,969,026	6,756,749	2,256,155	647,226	4,357,994	260,404
2021	27,660,682	12,288,911	2,524,238	5,504,137	2,367,118	667,098	3,974,168	335,012
2022	22,374,757	5,525,051	2,932,508	6,271,122	2,505,748	700,164	4,168,237	271,927
2023	41,627,636	20,041,562	4,044,923	8,100,137	4,077,244	741,063	4,371,177	251,530
2024	38,602,639	17,268,408	4,381,502	6,711,088	4,625,349	775,155	4,610,890	230,247
2025	43,572,867	16,888,271	3,939,923	8,472,599	8,892,386	801,342	4,370,208	208,138

(1) In FY 2022-23, operating expense categories were updated to pull reports directly from the financial system. Operating expense categories were changed to provide a direct comparison. Prior year categories in previously audited financial statements (total) will tie to the total operating expense amount.

(2) Personnel expenses include actuarially determined pension and other post employment benefit expenses in accordance with GASB No. 68 and No. 75.

Source: District Audited Financial Statements

**FAIRFIELD-SUISUN SEWER DISTRICT**  
**Financial Trends**

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**Schedule 6**  
**Revenues by Sources**  
**Last Ten Fiscal Years**  
**(Including interest)**

Year Ended June 30,	Total	Operating Revenues			Nonoperating Revenues		Contributed Capital	
		Sewer Service Charges	Drainage Fees	Other	Interest Income	Other (1)	Sewer Capacity Charges	Capital Related Grants
2016	28,028,751	23,351,121	1,551,786	3,654	95,688	191,437	2,835,065	-
2017	30,442,600	25,904,084	1,580,378	28,981	259,750	191,084	2,478,323	-
2018	30,618,728	26,046,503	1,598,012	1,775	519,249	374,541	2,078,648	-
2019	34,046,479	27,548,719	1,618,819	284,679	922,968	671,302	2,999,992	-
2020	35,162,093	29,028,821	1,706,076	286,695	1,164,907	952,984	2,022,610	4,000,000 (2)
2021	37,025,452	29,227,168	1,646,905	392,040	575,666	(313,795)	5,497,468	-
2022	36,426,937	30,964,630	1,684,123	712,728	450,517	(1,395,896)	4,010,835	-
2023	39,510,237	33,386,414	1,662,135	567,169	1,194,804	(23,691)	2,723,406	-
2024	45,682,451	33,873,175	1,630,683	656,257	1,913,617	2,042,487	4,817,832	748,400
2025	47,666,395	37,169,808	1,639,636	869,694	2,647,391	1,616,280	2,442,283	1,281,303

(1) Includes net increase (decrease) in fair value of investments.

(2) Federal loan forgiveness related to the Blower Project

Source: District Audited Financial Statements

# FAIRFIELD-SUISUN SEWER DISTRICT

## Revenue Capacity

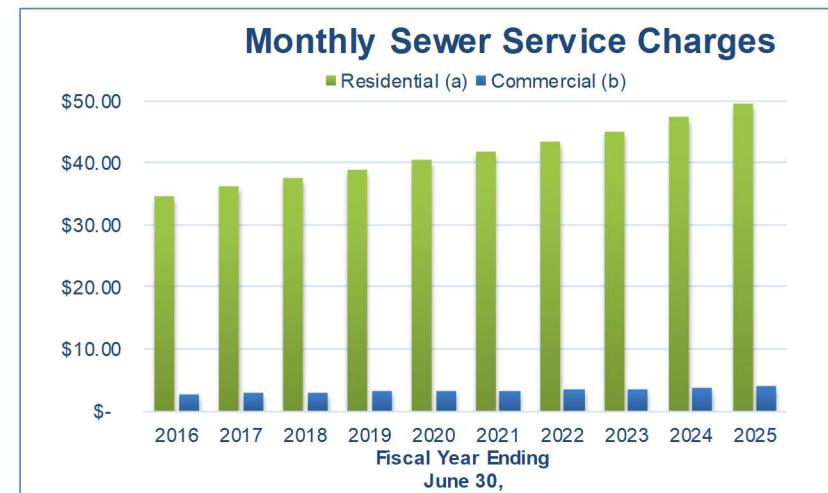
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### Schedule 7

#### Monthly Sewer Service Charges

##### Last Ten Fiscal Years

Fiscal Year	Residential (a)	Commercial (b)
2013-14	\$30.46	\$2.35
2015-16	34.56	2.73
2016-17	36.35	2.90
2017-18	37.65	3.00
2018-19	39.00	3.11
2019-20	40.40	3.22
2020-21	41.85	3.34
2021-22	43.35	3.46
2022-23	45.02	3.60
2023-24	47.27	3.78
2024-25	49.63	3.97



(a) Residential customers are billed a flat rate per month, per dwelling unit.

(b) Commercial customers are billed based on water usage, per hundred cubic feet.

The District completes a Cost of Service and Rate Study and adopts rates every five years. The most recent rates were adopted on March 28, 2022 and are effective through FY 2026-27.

Source: District rate resolution

# FAIRFIELD-SUISUN SEWER DISTRICT

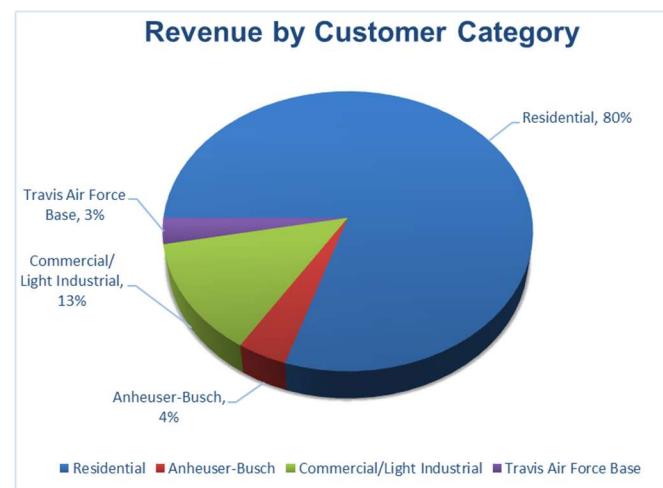
## Revenue Capacity

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### Schedule 8

#### Service Area of Top 10 Principal Customers and % of Total Sewer Service Charges

		Fiscal Years Ended June 30,									
		2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total sewer service charges \$000		\$ 37,170	\$ 33,873	\$ 33,386	\$ 30,965	\$ 29,227	\$ 29,028	\$ 27,549	\$ 26,047	\$ 25,904	\$ 23,351
User	Type	3.95%	4.77%	4.83%	3.51%	3.03%	3.31%	4.49%	3.87%	4.76%	3.73%
Travis Air Force Base	Military Base	3.01%	3.16%	5.08%	4.40%	4.21%	3.93%	4.00%	3.65%	5.86%	4.21%
Anheuser-Busch	Brewery	1.88%	2.03%	3.02%	2.08%	1.39%	1.82%	1.00%	0.77%	0.95%	1.06%
Producers Dairy Foods	Dairy	0.56%	0.55%	0.53%	0.55%	0.56%	0.54%	0.55%	0.56%	0.46%	0.58%
Paradise Valley Estates	Housing	0.46%	0.49%	0.48%	0.49%	0.50%	0.49%	0.50%	0.49%	0.49%	0.52%
Pointe Fairfield Venture, LLC	Housing	0.32%	0.32%	0.24%	0.28%	0.50%	0.35%	0.29%	0.42%	0.66%	0.79%
Ball Metal Corporation	Manufacturing	0.35%	0.35%	0.34%	0.35%	0.36%	0.34%	0.36%	0.33%	0.35%	0.37%
United Mobile Homeowners	Housing	0.78%	0.52%	0.57%	0.59%	0.60%	0.54%	0.56%	0.31%	0.74%	0.70%
Amcor Pet Packing	Manufacturing	0.50%	0.54%	0.40%	0.45%	0.49%	0.42%	0.29%	0.29%	0.25%	0.23%
Ardagh	Manufacturing	0.26%	0.63%	0.61%	-	-	-	-	-	-	-
CSCDA Community Improvement Auth.	Housing										
		12.07%	13.36%	16.30%	12.91%	11.64%	11.85%	12.23%	10.73%	13.87%	11.40%



Source: City of Fairfield and District billing records, District rate study

**FAIRFIELD-SUISUN SEWER DISTRICT**  
 Debt Capacity

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**Schedule 9**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**

Year Ended June 30,	Gross Revenues (1)	Operating Expenses (2)	Available for Debt Service	Debt Service Requirements (3)	Coverage % (4)
2016	\$ 28,028,751	\$ 11,708,863	\$ 16,319,888	\$ 2,080,299	784%
2017	30,442,600	20,975,345	9,467,255	737,038	1285%
2018	30,618,728	20,865,548	9,753,180	737,038	1323%
2019	34,046,479	21,587,357	12,459,122	737,038	1690%
2020	35,162,093	26,514,696	8,647,397	1,068,895	809%
2021	37,025,452	23,351,502	13,673,950	1,068,895	1279%
2022	36,426,937	17,934,593	18,492,344	1,068,895	1730%
2023	39,510,237	37,004,929	2,505,308	1,070,057	234%
2024	45,682,451	33,761,502	11,920,949	1,070,057	1114%
2025	47,666,395	38,994,521	8,671,874	1,070,057	810%

(1) Includes Sewer Capacity Charges.

(2) Does not include depreciation and amortization.

(3) Highest annual debt service payment due on the remaining life of the bonds.

(4) Bond covenant requires that net revenue be at least 115% of debt service requirement.

Source: District's Audited Financial Statements and Accounting Records

**FAIRFIELD-SUISUN SEWER DISTRICT**  
**Debt Capacity**

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**Schedule 10**  
**Summary of Debt Service Payments**  
**Last Ten Fiscal Years**

Year Ended June 30,	City of Fairfield Reimbursement Agreement	State Revolving Fund Loan	2010 Sewer Refunding Bonds	Total Debt Service
2016	\$ 81,651	\$ 737,038	\$ 2,424,078	\$ 3,242,767
2017	1,343,261	737,038	-	2,080,299
2018	-	737,038	-	737,038
2019	-	737,038	-	737,038
2020	-	737,038	-	737,038
2021	-	1,070,057	-	1,070,057
2022	-	1,070,057	-	1,070,057
2023	-	1,070,057	-	1,070,057
2024	-	1,070,057	-	1,070,057
2025	-	1,070,057	-	1,070,057
<b>Total</b>	<b>\$ 1,424,912</b>	<b>\$ 9,035,475</b>	<b>\$ 2,424,078</b>	<b>\$ 12,884,465</b>

*Debt Capacity: The District may issue or incur new debt on a parity basis if the sum of audited net sewer enterprise revenues for the prior fiscal year, plus 75% of estimated increases in net revenues due to rate increases in effect before the District issues or incurs the new parity obligations (but not in effect during the prior fiscal year), equals at least 115% of the combined maximum annual payment.*

*Source: District's Audited Financial Statements and Accounting Records*

**FAIRFIELD-SUISUN SEWER DISTRICT**  
 Debt Capacity

---

**Schedule 11**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Year Ended June 30,	City of Fairfield Reimbursement Agreement (3)	State Revolving Fund Loan	2010 Sewer Refunding Bonds (1)	Leases (4)	Total Outstanding Debt	Population Served (2)	Debt per Capita
2016	\$ 1,285,417	\$ 8,913,340	\$ -	-	\$ 10,198,757	\$ 141,728	72
2017	-	8,431,319	-	-	8,431,319	143,452	59
2018	-	8,585,219	-	-	8,585,219	145,348	59
2019	-	14,976,452	-	-	14,976,452	146,596	102
2020	-	12,440,576	-	-	12,440,576	146,100	85
2021	-	11,677,087	-	-	11,677,087	146,887	79
2022	-	10,883,153	-	36,121	10,919,274	148,793	73
2023	-	10,068,687	-	28,722	10,097,409	147,997	68
2024	-	9,233,138	-	18,573	9,251,711	149,179	62
2025	-	8,375,940	-	8,089	8,384,029	149,756	56

(1) *Refunded in fiscal year 2009/10*

(2) *Refer to Schedule 14*

(3) *Paid in full in July 2017*

(4) *The District implemented GASB No.87 Leases during Fiscal Year Ended June 20, 2022*

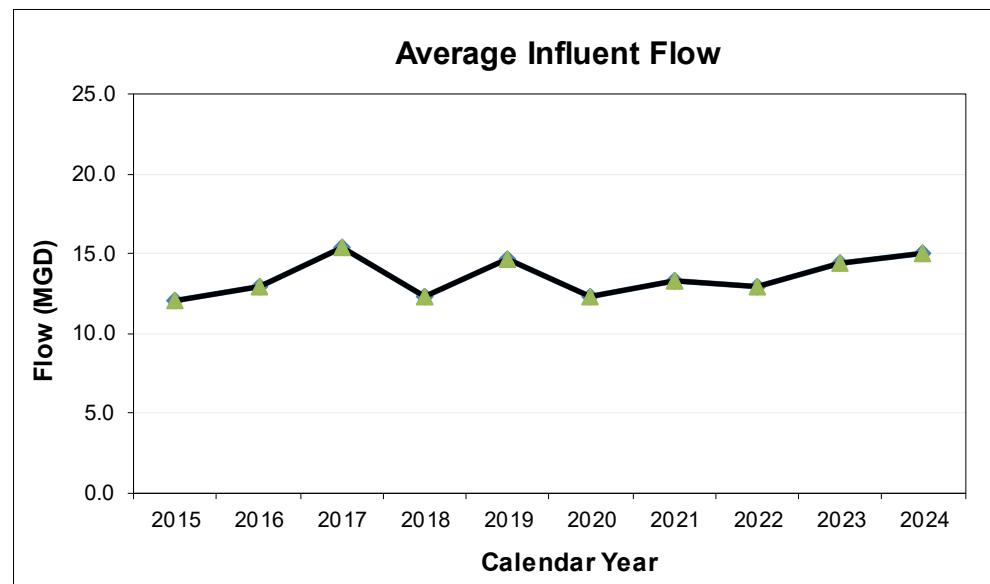
Source: *District's Audited Financial Statements and Accounting Records*

**FAIRFIELD-SUISUN SEWER DISTRICT**  
Operating Information

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**Schedule 12**  
**Average Annual Influent Flow**

<u>Year (Calendar)</u>	<u>Flow (MGD)*</u>
2015	12.0
2016	12.9
2017	15.4
2018	12.3
2019	14.6
2020	12.3
2021	13.3
2022	12.9
2023	14.4
2024	15.0



\*Million gallons per day

Source: District's Regulatory Department

Data for calendar year 2025 is not available as of fiscal year-end date.

# FAIRFIELD-SUISUN SEWER DISTRICT

## Operating Information

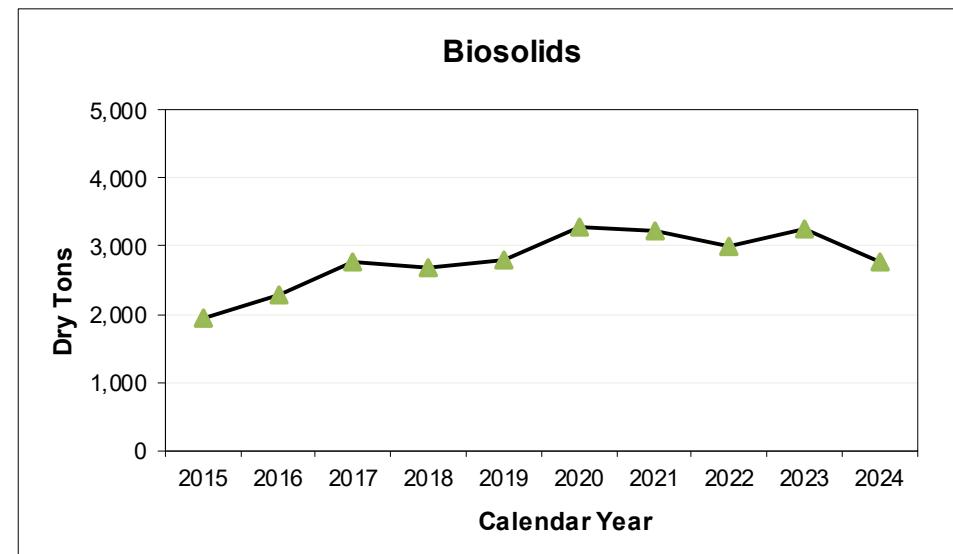
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### Schedule 13

#### Biosolids Disposal

##### Biosolids (Sludge) Hauled/Produced

Year (Calendar)	Dry Metric Tons
2015	1,939
2016	2,284
2017	2,777
2018	2,691
2019	2,802
2020	3,296
2021	3,221
2022	2,996
2023	3,241
2024	2,757



*Annual biosolids disposal is derived by totaling the tons of biosolids removed from the treatment plant each year. Inter-annual variability results when on-plant storage is used to a greater or lesser extent year to year.*

*Source: District's Regulatory Department*

*Data for calendar year 2025 is not available as of fiscal year-end date.*

# FAIRFIELD-SUISUN SEWER DISTRICT

## Economic and Demographic Information

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### Schedule 14 Population Served Last Ten Fiscal Years

Year	City of Fairfield	City of Suisun City	Total Served	% Change
2016	112,637	29,091	141,728	2.3%
2017	114,157	29,295	143,452	1.2%
2018	116,156	29,192	145,348	1.3%
2019	117,149	29,447	146,596	0.9%
2020	116,981	29,119	146,100	-0.3%
2021	118,005	28,882	146,887	0.5%
2022	119,897	28,896	148,793	1.3%
2023	119,526	28,471	147,997	-0.5%
2024	120,339	28,840	149,179	0.8%
2025	120,720	29,036	149,756	0.4%

Source: State of California Department of Finance

# FAIRFIELD-SUISUN SEWER DISTRICT

## Economic and Demographic Information

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### Schedule 15

### Major Employers

(Previous year compared to nine years ago)

Firm Name	Type of Business	2024		% of Total Employment		2015		% of Total Employment	
		Employees	Ranking	City of Fairfield	Employees	Ranking	City of Fairfield	Employees	Ranking
Travis Air Force Base	Military Base	13,414	1	24%	13,414	1	27%		
County of Solano	Government	2,633	2	5%	2,707	2	6%		
Fairfield-Suisun Unified School District	Education	2,213	3	4%	2,518	3	5%		
NorthBay Medical Center	Hospital	1,969	4	4%	1,982	4	4%		
Solano Community College	Education	750	5	1%	867	5	2%		
Partnership HealthPlan	Insurance	561	6	1%	435	9	1%		
City of Fairfield	Government	553	7	1%	527	6	1%		
Jelly Belly Candy Co.	Candy & Confections	489	8	1%	461	8	1%		
Sutter Regional Medical Foundation	Medical	475	9	1%	475	7	1%		
Westamerica Bank	Corporate Headquarters	418	10	1%	418	10	1%		

*Note: City of Fairfield Annual Comprehensive Financial Report for the year ended June 30, 2025 not yet available. Data presented is from the prior year.*

*Source: City of Fairfield Annual Comprehensive Financial Report and California Employment Development Department*

**FAIRFIELD-SUISUN SEWER DISTRICT**  
Economic and Demographic Information

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**Schedule 16**  
**Full-Time District Employees by Department**  
**Last Ten Fiscal Years**

Department	Fiscal Year Ended June 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Administrative Services <sup>1</sup>	9	9	8	8	8	6	6	6	6	7.5
Engineering	10	11	11	10	8.5	6	6	6	6	6
Environmental Services <sup>2</sup>	8	7	6	6	5	5	5	5	5.5	5.5
Operations & Maintenance	44	44	41	42	40	40	40	40	40	39
	71.0	71.0	66.0	66.0	61.5	57.0	57.0	57.0	57.5	58.0

(1) Includes the General Manager, Finance, Human Resources, and Information Technology.

(2) Includes Laboratory, Safety, and Regulatory Programs.

Source: Fairfield-Suisun Sewer District

# FAIRFIELD-SUISUN SEWER DISTRICT

## Economic and Demographic Information

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### Schedule 17 Other Information

#### General

Service area	City of Fairfield City of Suisun City
Governing body	Council members of both cities
Chief executive officer	General Manager
Date of formation	May 5, 1951
Type of service	Sewage collection, treatment and disposal and drainage maintenance
Number of full-time employees	71.0
District population	149,756

#### Wastewater Facilities

Area served (square miles)	45
Number of treatment plant(s)	1
Number of pump stations	14
Permitted dry weather capacity	23.70 MGD
Average dry weather flow (lowest 3 consecutive months 2025)	11.384
Miles of sewer (12-inch and larger)	86

#### Stormwater Facilities

Area served (square miles)	45
Number of pump stations	7

Source: *Fairfield-Suisun Sewer District*

## **OTHER INDEPENDENT AUDITORS' REPORTS**

**Report on Internal Control Over Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed in Accordance with  
Government Auditing Standards**

Board of Directors  
Fairfield-Suisun Sewer District  
Fairfield, California

**Independent Auditor's Report**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of Fairfield-Suisun Sewer District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated November 25, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Fairfield-Suisun Sewer District internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Fairfield-Suisun Sewer District's internal control. Accordingly, we do not express an opinion on the effectiveness of Fairfield-Suisun Sewer District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

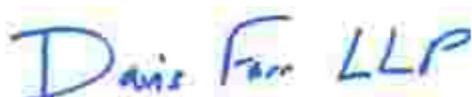
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Fairfield-Suisun Sewer District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The logo for Davis Farr LLP, featuring the firm's name in a stylized, handwritten font with blue and green ink, set against a background of overlapping yellow and green rectangles.

Irvine, California  
November 25, 2025



# FAIRFIELD-SUISUN SEWER DISTRICT

EST. 1951



# POPULAR ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2025

Fairfield-Suisun Sewer District  
1010 Chadbourne Road  
Fairfield, CA 94534  
[www.fairfieldsuisunsewer.ca.gov](http://www.fairfieldsuisunsewer.ca.gov)

# Table of Contents

<b>About the PAFR</b>	<b>3</b>
<b>A Word from our General Manager</b>	<b>4</b>
<b>Mission, Vision, and Values</b>	<b>5</b>
<b>Board of Directors</b>	<b>6</b>
<b>System and Services</b>	<b>7</b>
<b>FY 2024-25 By the Numbers</b>	<b>8</b>
<b>Capital Improvement Projects</b>	<b>9</b>
<b>Financial Information</b>	<b>10</b>



# About the PAFR

The Popular Annual Financial Report (PAFR) is a simplified, easy-to-understand summary of the District's financial information. It's designed to give the public a clear view of how the District manages funds, delivers services, and maintains transparency in operations.

## Annual Comprehensive Financial Report (ACFR)

The financial data in this PAFR is drawn from the District's FY 2024-25 Annual Comprehensive Financial Report (ACFR). The District's ACFR provides detailed and audited financial statements using Generally Accepted Accounting Principles, and includes all of the District's financial information, providing a complete picture of operations rather than limiting the scope to just general government activities. The PAFR highlights the most relevant financial information in a format that's accessible to all. This report reflects the District's commitment to accountability as it continues to protect public health and the environment through effective wastewater treatment.

An online version of the District's FY 2024-25 ACFR is available at <https://www.fairfieldsuisunsewer.ca.gov/financial-information/>.

The Government Finance Officers Association awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its ACFR for the fiscal year ended June 30, 2024. This was the District's 27th consecutive year receiving the prestigious national award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR. This report must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.



# A Word From Our General Manager

I am pleased to share the Fairfield-Suisun Sewer District's Popular Annual Financial Report for Fiscal Year 2024–25. This report highlights key financial information and major projects we advanced to ensure reliable, safe, and environmentally responsible service for the communities of Fairfield and Suisun City. This year, we made significant progress on several long-term infrastructure investments, including the Suisun Force Main Reliability Project, Nitrogen Removal Phase 1 Improvements, the Kellogg Resiliency Project, and major upgrades to our electrical and energy systems. These efforts strengthen the District's system reliability, support regional growth, and enhance our ability to protect local waterways. We also initiated a Collection System Master Plan that allows us to track the planned growth of our communities and prepare for new facilities, rehabilitation, and replacement in a thoughtful and well-planned manner, keeping costs controlled and minimizing community disruption.

The District's financial position remains strong due to disciplined long-range planning, stable revenue sources, and prudent reserve policies. We are proud to once again receive national recognition from multiple agencies for operational excellence, environmental stewardship, and transparent financial reporting. Thank you for your trust in the District and for taking the time to learn more about our work. We look forward to continuing to serve our community with integrity, reliability, and a commitment to long-term sustainability. We invite you to follow our progress in 2026 by visiting [www.fairfieldsuisunsewer.ca.gov](http://www.fairfieldsuisunsewer.ca.gov).



**JORDAN DAMEREL**

General Manager  
Fairfield-Suisun Sewer District

# Mission, Vision, and Values

## Our Core Values

- **SUSTAINABILITY**

We commit to environmental, social, and fiscal responsibility, managing our resources with a focus on long-term sustainability and balancing costs with outcomes.

- **TRANSPARENCY**

We uphold the highest standards of integrity and ethical behavior in all our actions, fostering a culture of honesty and trust within our workplace and our community.

- **EXCELLENCE**

We strive for the highest quality in our work, embracing creativity and global thinking to achieve outstanding results and set standards in our industry, while ensuring a safe workplace and infrastructure.

- **POSITIVE WORKING RELATIONSHIPS**

We foster strong, respectful relationships while emphasizing responsibility, proactivity, and ownership in our collaborations both within our team and with our external partners, promoting a cooperative and supportive work environment.

- **SOLUTION DRIVEN**

We are driven by innovation and dedicated to solving problems by finding and implementing effective solutions.

## Our Mission and Vision

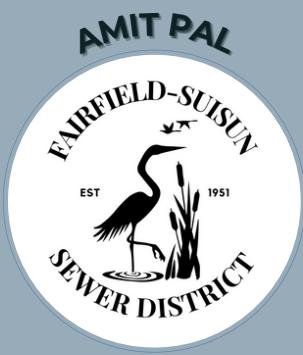


Fairfield-Suisun Sewer District protects public health and the environment for the communities we serve in an effective, responsible, and sustainable manner.

Our vision is to be a recognized leader in our industry and community.

# Board of Directors

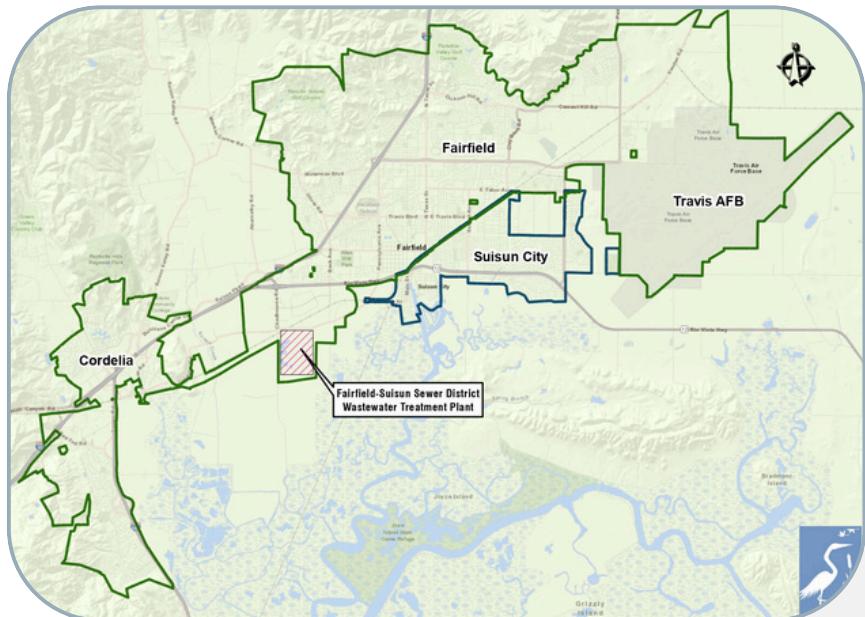
The District's Board of Directors is composed of the City Council members of Fairfield and Suisun City. The Board President is elected by the Board from among its members. The District's General Manager, who directly oversees the District's operations, reports to the Board of Directors.



# System and Services

## SERVICE AREA

The District owns and operates the wastewater treatment plant that serves Fairfield, Suisun City and Travis Air Force Base. Wastewater that drains from inside local homes and businesses flows to the wastewater treatment plant, where it is cleansed through various biological and chemical steps. The District treats an average of 16 million gallons of water per day!



## WASTEWATER TREATMENT



## SEWER MAINTENANCE



## STORMWATER



# FY 2024-25 BY THE NUMBERS

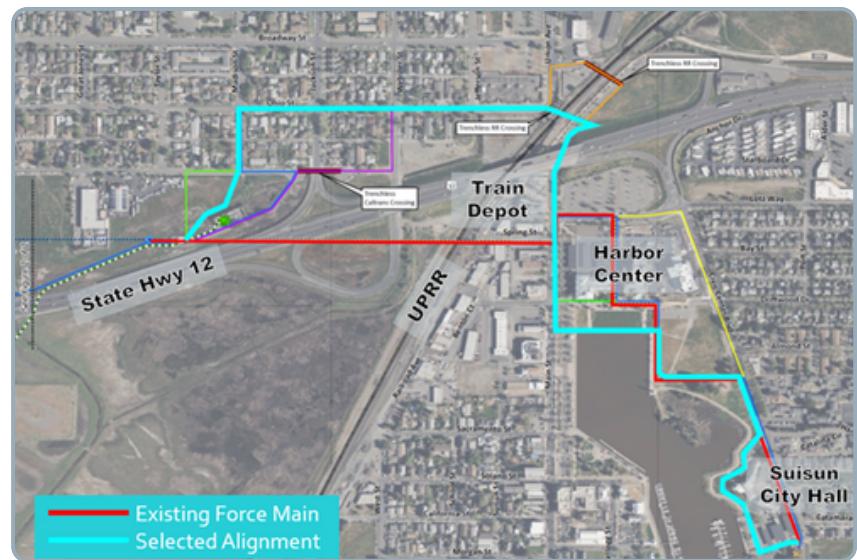


\*MILLION GALLONS PER DAY

# CAPITAL IMPROVEMENT PROJECTS

## SUISUN FORCE MAIN RELIABILITY PROJECT

The Suisun Force Main (SFM) is an approximately three-mile-long pipeline built in 1974 that transports raw sewage from Suisun Pump Station to the District's wastewater treatment plant. The force main is approaching the end of its design life, and in 2017, a condition assessment of the pipe revealed that it is potentially at risk of internal corrosion, which could result in critical system failures.



In 2023, the District analyzed potential alternatives to improve the reliability of the SFM. Based on the analysis, it was determined that the preferred solution is to construct a new dual force main between the Suisun Pump Station and Central Pump Station. This construction path minimizes disruption in our cities while providing cost effective, sustainable operation and maintainability for decades to come.

## KELLOGG RESILIENCY PROJECT

The Kellogg stormwater basin and pump station are located next to the Suisun Slough and are vulnerable to fires and flooding related to sea level rise. This project rehabilitates or replaces mechanical equipment at Kellogg pump station, installs green stormwater infrastructure at locations throughout the Project site, and constructs a fire vehicle access road along the southern side of the stormwater detention basin. It also replaces damaged fencing along the north side of the basin and removes invasive species while revegetating the area with native, fire-resistant species.



# STATEMENT OF NET POSITION

	Fiscal Year Ended June 30,	
	2025	2024
<b>ASSETS</b>		
Current and other assets	\$ 72,802	\$ 71,234
Capital assets	91,103	89,381
<b>TOTAL ASSETS</b>	<b>163,905</b>	<b>160,615</b>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>7,492</b>	<b>8,717</b>
<b>LIABILITIES</b>		
Long-term liabilities	15,496	15,524
Other liabilities	8,256	8,923
<b>TOTAL LIABILITIES</b>	<b>23,752</b>	<b>24,447</b>
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>3,268</b>	<b>3,478</b>
<b>NET POSITION</b>		
Net investment in capital assets	82,085	79,357
Restricted	46,393	45,428
Unrestricted	15,899	16,622
<b>TOTAL NET POSITION</b>	<b>\$ 144,377</b>	<b>\$ 141,407</b>

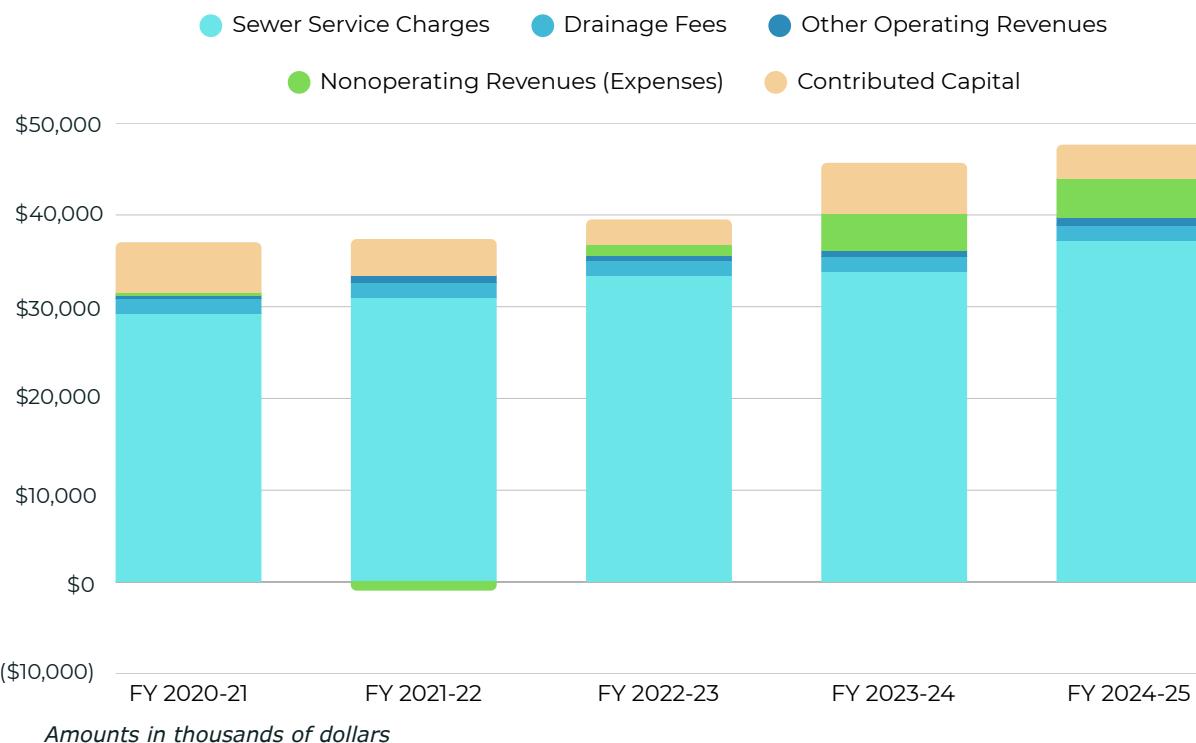
*All figures in thousands of dollars*

# STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

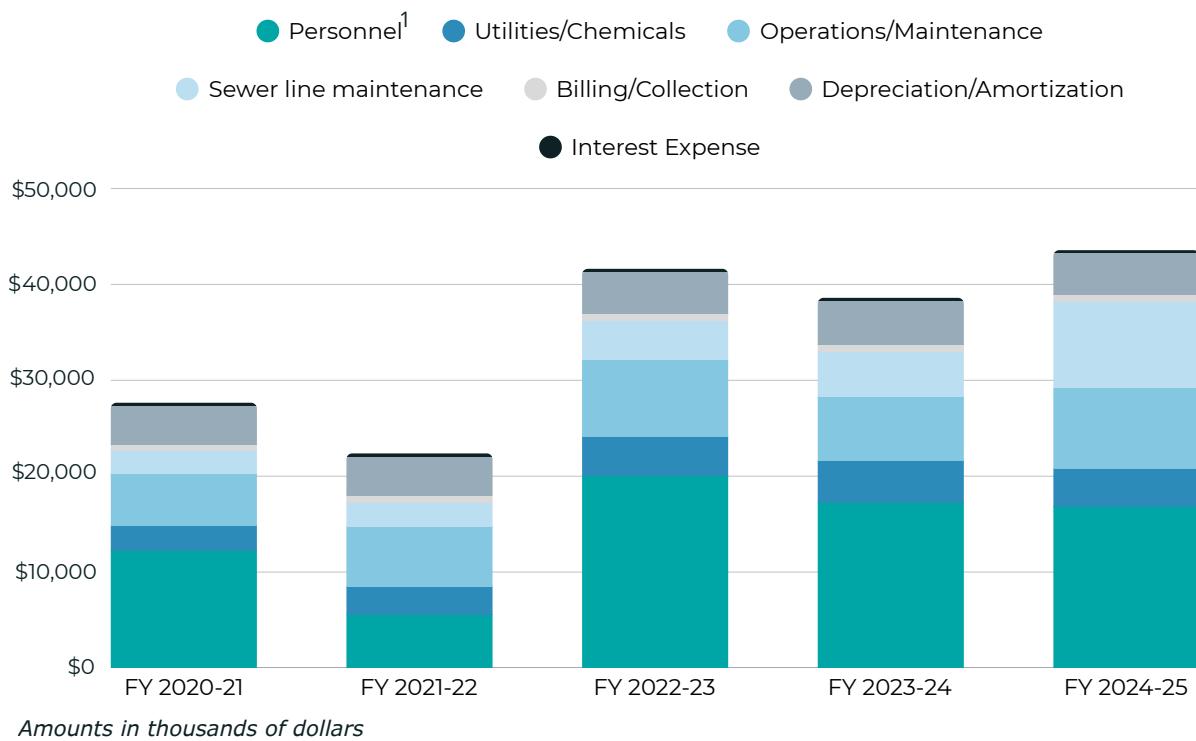
	Fiscal Year Ended June 30,	
	2025	2024
Revenues:		
Operating Revenues	\$ 42,122	\$ 40,979
Nonoperating Revenues	4,263	3,956
Capital related grants	1,281	748
<b>TOTAL REVENUES</b>	<b>47,666</b>	<b>45,683</b>
Expenses:		
Operating Expenses	43,364	38,373
Interest expense	208	230
<b>TOTAL EXPENSES</b>	<b>43,572</b>	<b>38,603</b>
Change in net position	4,094	7,080
Net position, beginning of period (as restated)	141,407	134,327
Prior period adjustment, GASB 101 (Comp. Abs)	(1,124)	-
Net position, as restated	140,283	134,327
Net position, end of period	<b>\$ 144,377</b>	<b>\$ 141,407</b>

*All figures in thousands of dollars*

# REVENUES BY SOURCE



# EXPENSES BY CLASSIFICATION

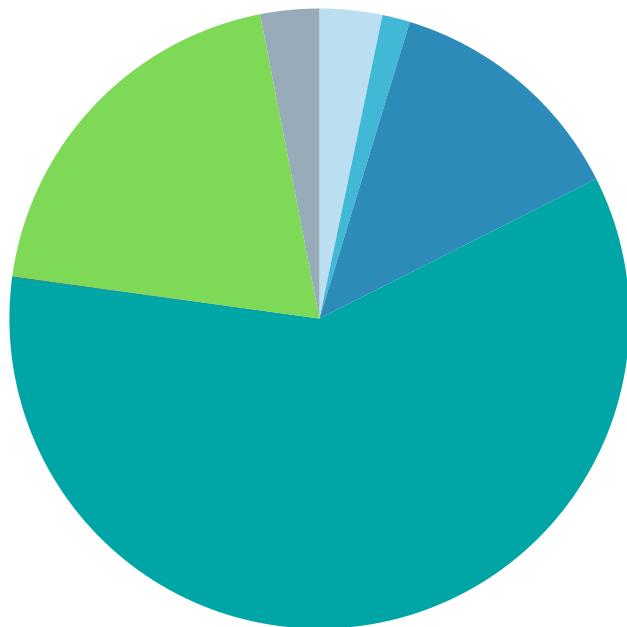


(1) Personnel expenses include actuarially determined pension and other post employment benefit expenses in accordance with GASB No. 68 and No. 75, which can cause significant year-to-year variations.

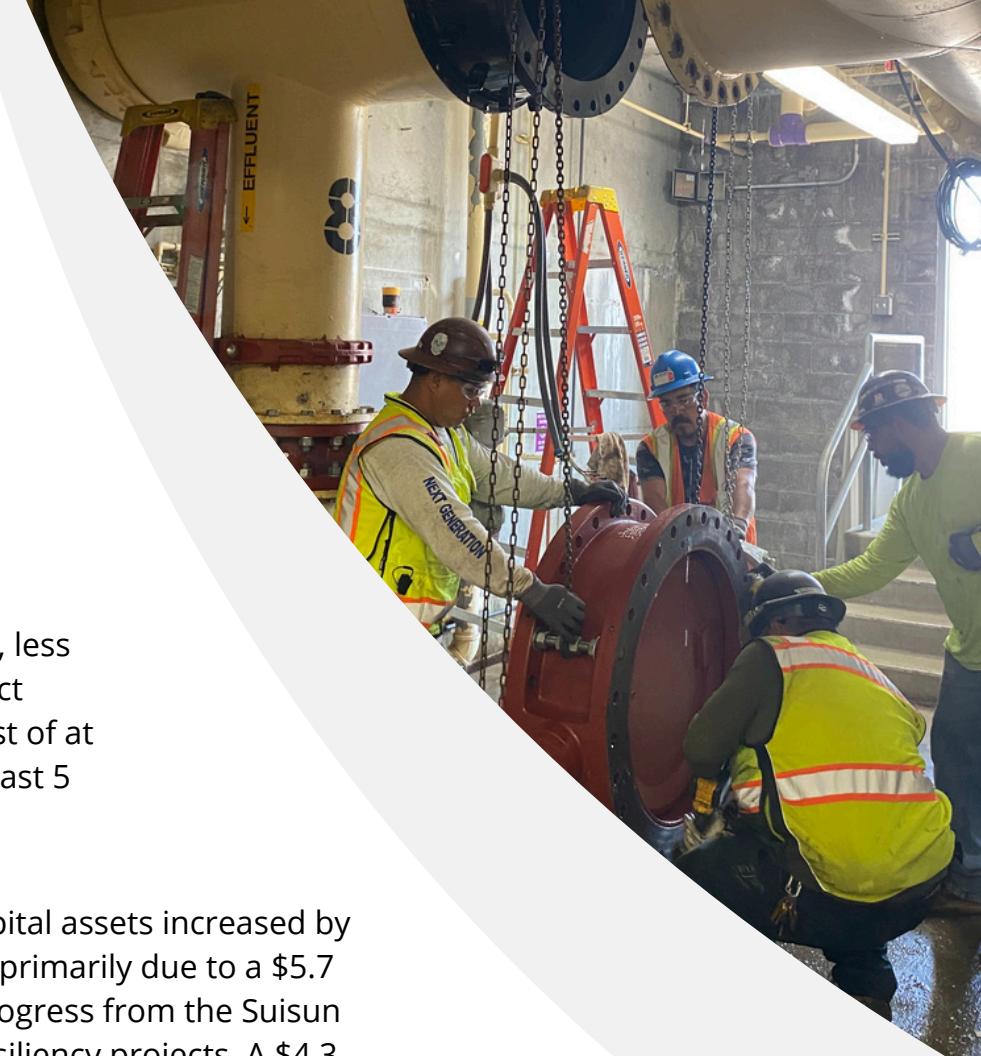
# CAPITAL ASSETS

The District's property, plant and equipment are stated at original cost, less accumulated depreciation. The District records all assets with a historical cost of at least \$10,000 and a useful life of at least 5 years.

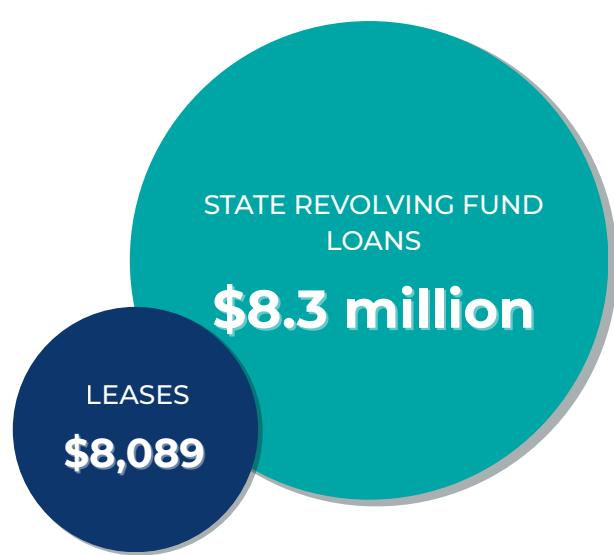
For FY 2024-25, the District's total capital assets increased by \$1.7 million, or 1.9 percent. This was primarily due to a \$5.7 million increase in Construction in Progress from the Suisun Force Main Reliability and Kellogg Resiliency projects. A \$4.3 million increase in accumulated depreciation and amortization offset this increase.



- Treatment Plant (59.6%)
- Trunk Lines/Pump Station (12.9%)
- Buildings and Improvements (3.2%)
- Vehicles and Equipment (1.4%)
- Other Assets (0.01%)
- Construction in Progress (19.8%)
- Land and Improvements (3.0%)



# OUTSTANDING DEBT



## Debt Sources

The District's total outstanding debt sources for Fiscal Year 2024-25 comes from (1) lease payments and (2) loan agreements with State Water Resources Control Board (SWRCB) under the Clean Water State Revolving Fund (SRF) loan program.

The District upgrades and improves its collection and treatment systems to keep current with environmental regulations and the needs of its service area. To the extent possible, the District funds capital projects through "pay-as-you-go" financing but pursues low-interest loans or bonds as needed for significant projects. Community growth pays for itself so that, upon build out, major debt service burdens will not be shifted to ratepayers.

## Debt per Capita



*"Debt per capita" is the District's amount of debt divided by the total population served by the District, shown in dollars.*

## Total Outstanding Debt



*Amounts in thousands of dollars*



## MORE INFORMATION

**Phone :**

(707) 429-8930

**Website :**

[www.fairfieldsuisunsewer.ca.gov](http://www.fairfieldsuisunsewer.ca.gov)

**Address :**

1010 Chadbourne Rd., Fairfield, CA 94534

**Email :**

[contactus@fairfieldsuisunsewer.ca.gov](mailto:contactus@fairfieldsuisunsewer.ca.gov)





## FAIRFIELD-SUISUN SEWER DISTRICT

January 26, 2026

### AGENDA REPORT

TO: Board of Directors  
FROM: Kimberly Kraft, HR Manager  
SUBJECT: Presentation on FSSD Internship Program

**Recommendation:** Receive the District's report on the FSSD Internship Program, including progress, outcomes, and alignment with strategic objectives.

**Background:** The District adopted a formal Internship Policy in 2022 and revised it in 2023. Since then, the program has achieved notable successes, which will be presented to the Board.

**Discussion:** Since launching the formal internship program in 2022, the District has hired 10 interns across Operations, Outreach, Engineering, and Administrative Services. Two interns have transitioned into full-time roles. Several interns have earned awards and scholarships and contributed to high-impact projects.

Intern feedback is collected regularly to identify improvement opportunities, which will be reviewed during the presentation.

The program supports three objectives in the 2026–2028 FSSD Strategic Plan: (1) Create externship opportunities for college and high school students; (2) Develop internship programs and partnerships for career paths in wastewater maintenance; and (3) Enhance and expand the Operator-in-Training program to support licensed operator development. These initiatives aim to strengthen workforce pipelines in the wastewater industry.

**Fiscal Impact:** There is no immediate fiscal impact associated with the goals of the program. However, implementation of these initiatives may require future budget allocations, which will be presented to the Board as part of the annual budget process.



## FAIRFIELD-SUISUN SEWER DISTRICT

January 26, 2026

### AGENDA REPORT

TO: Board of Directors

FROM: James Russell-Field, Director of Administrative Services

SUBJECT: Quarterly Investment Report

Attached is the District's Quarterly Investment Report (Attachment 1) for the quarter ended December 31, 2025. The investment portfolio conforms to the District's Investment Policy as re-adopted by the Board of Directors at its meeting on May 19, 2025.

The District's cash balances, representing operating and reserve funds, are held in short-term and medium-term instruments to meet the District's anticipated cash flow requirements.

Attachment: 1 – Quarterly Investment Report  
2 – Investment Performance Report by PFM

**FAIRFIELD-SUISUN SEWER DISTRICT**  
**INVESTMENT REPORT**  
**FOR THE QUARTER ENDED DECEMBER 31, 2025**

Attachment 1

<b>Asset Detail</b>					
<b>Instrument</b>	<b>Date of Maturity</b>	<b>Par Value</b>	<b>Market Value</b>	<b>Market Yield</b>	<b>Estimated Annual Income</b>
California Asset Mgt Program (CAMP)					
CAMP Managed Account	Various	\$ 40,790,654	\$ 40,875,430	3.720%	\$ 1,517,412
CAMP Liquidity Account	N/A	17,778,506	17,778,506	3.950%	702,251
State Local Agency Investment Fund	N/A	383,521	384,358	4.090%	15,687
<b>Totals</b>		<b>\$ 58,952,681</b>	<b>\$ 59,038,294</b>		<b>\$ 2,235,351</b>

<b>Summary of Portfolio Securities</b>	
	<b>Market Value</b>
CAMP Managed Account	\$ 40,875,430
CAMP Liquidity Account	17,778,506
State Local Agency Investment Fund	384,358
	<b>\$ 59,038,294</b>

<b>Maturity Distribution</b>	
	<b>Market Value</b>
0 - 12 months	\$ 19,503,578
1 - 2 years	7,373,927
2 - 3 years	10,603,086
3 - 4 years	10,329,221
4 - 5 years	11,228,480
	<b>\$ 59,038,294</b>

**NOTES:**

*Par Value* is the nominal or face value of a bond, or coupon as indicated on a bond certificate. It is a static value determined at the time of issuance.

*Market Yield* is an approximation of the gross income an asset is projected to earn annually, expressed as a percentage of the asset's market value.

*Market Value* an estimate of the value at which the principal would be sold from a willing seller to a willing buyer.

Market Values, Current Yields and Estimated Annual Income are from the following sources:

Local Agency Investment Fund monthly statement

California Asset Management Program statement

All investments are in compliance with the District's current investment policy. The District has sufficient funds to meet its expense requirements for the next three months.

Prepared by

*James Russell-Field*

1/15/2026

Date



# Fairfield-Suisun Sewer District

## Investment Performance Review For the Quarter Ended December 31, 2025

---

### Client Management Team

Monique Spyke, Managing Director  
Michael Kronbetter, Relationship Manager  
Rachael Miller, Client Consultant

**PFM Asset Management**  
A division of U.S. Bancorp Asset Management, Inc

1 California Street Ste. 1000  
San Francisco, CA 94111-5411  
415-393-7270

213 Market Street  
Harrisburg, PA 17101-2141  
717-232-2723

**NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE**

*For Institutional Investor or Investment Professional Use Only - This material is not for inspection by, distribution to, or quotation to the general public*

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# Agenda

- Market Update
- Account Summary
- Portfolio Review

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# Market Update

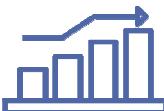
## Current Market Themes



- ▶ U.S. economy remains resilient but government shutdown obscures data
  - ▶ Inflation print likely biased lower due to data collection gaps and technical adjustments
  - ▶ Unemployment rate trends higher with net new job creation near zero
  - ▶ Strong consumer and business spending, along with steadier trade dynamics, support growth



- ▶ The Fed lowered the target rate by 50 basis points in the fourth quarter to 3.50-3.75%
  - ▶ Fed Chair Powell acknowledged ongoing challenges in achieving the Fed's dual mandate of maximum employment and price stability
  - ▶ The Fed's December "dot plot" indicates 25 bps of cuts in both 2026 and 2027, but the wide dispersion in underlying projections highlights differing views on path forward
  - ▶ Markets view policy is skewed towards additional easing assuming a more dovish Chair takes office in mid-2026



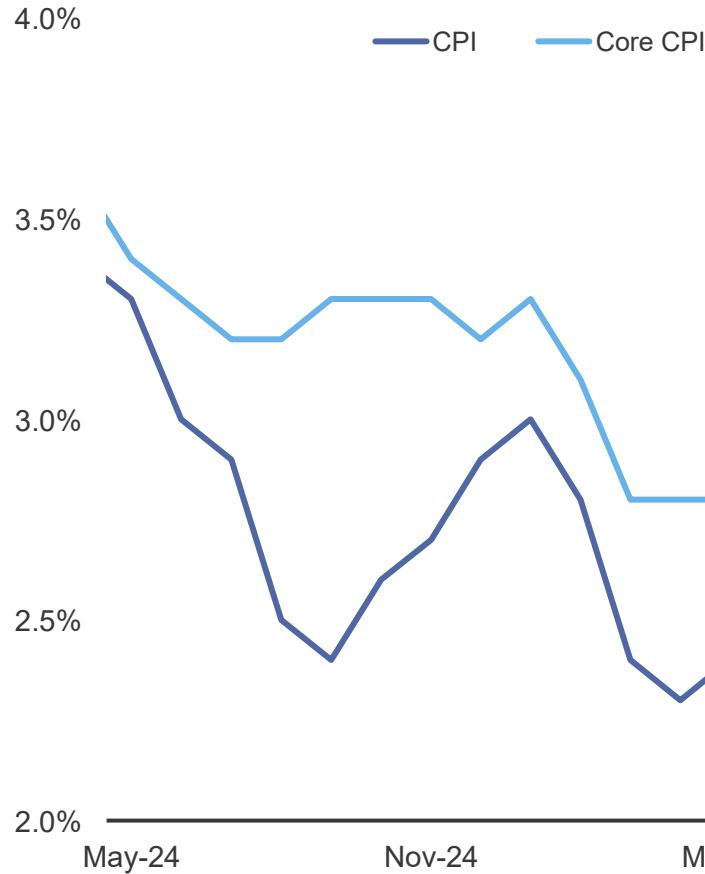
- ▶ Treasury yield curve continues to steepen but remains inverted inside 2 years
  - ▶ Front end Treasury yields moved lower during the fourth quarter on Fed rate cut expectations
  - ▶ Yields were range bound as volatility waned into year end
  - ▶ Credit spreads widened marginally but remain near historically narrow levels

Source: Details on market themes and economic indicators provided throughout the body of the presentation. Bloomberg Finance L.P., as of December 31, 2025.

## Data Distortions Bias Inflation Lower

*Fed Chair Powell: "The data may be distorted ... because [it] was not collected in October and half of November."*

**Consumer Price Index**  
Year-over-year Change



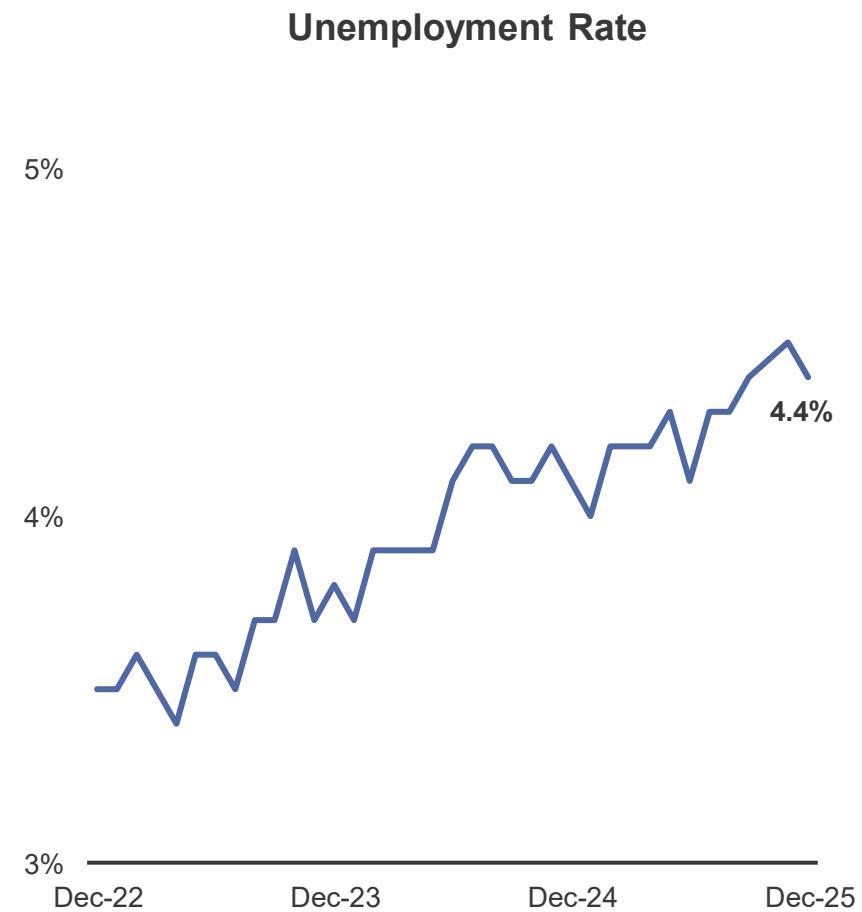
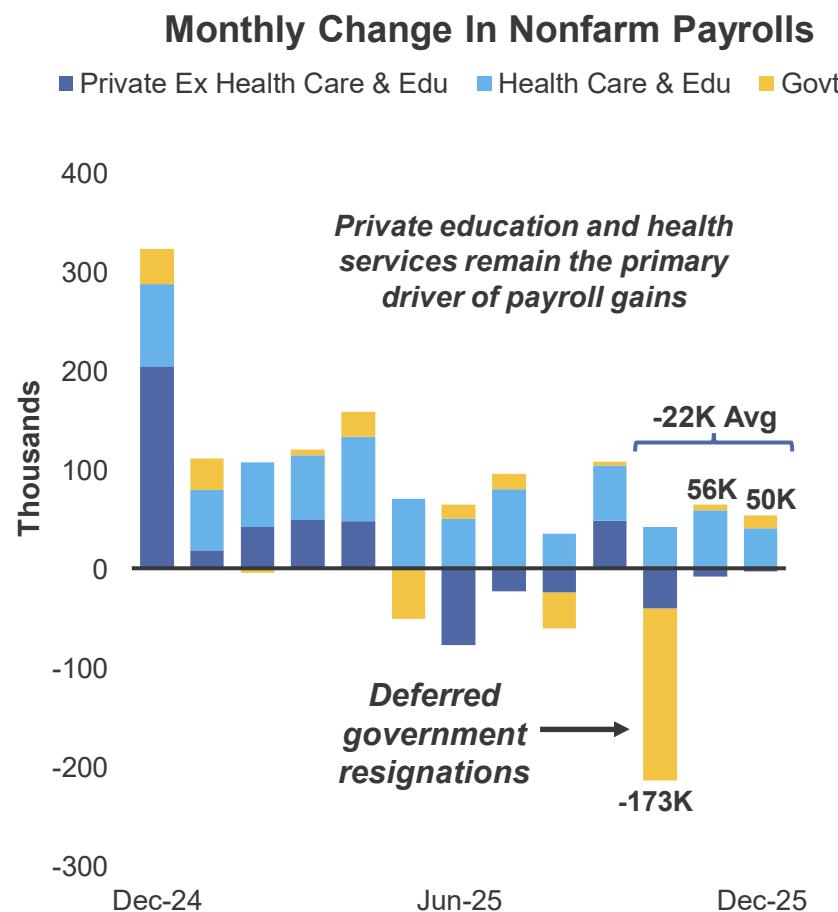
**Price Increases For Key Goods**

	3-Month Average	2024
Home Furnishings	+4.1%	-0.9%
Apparel	+5.3%	+1.2%
Transportation	+3.1%	-1.2%
Food at Home	+3.2%	+1.8%
Energy	+4.6%	-0.5%

Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Bureau of Labor Statistics and Bloomberg Finance L.P. as of November 2025.

## Labor Market Continues to Cool

Fed Chair Powell: “[S]upply of workers has also gone way down, so the unemployment rate hasn’t moved that much. It is a labor market that seems to have significant downside risks...”

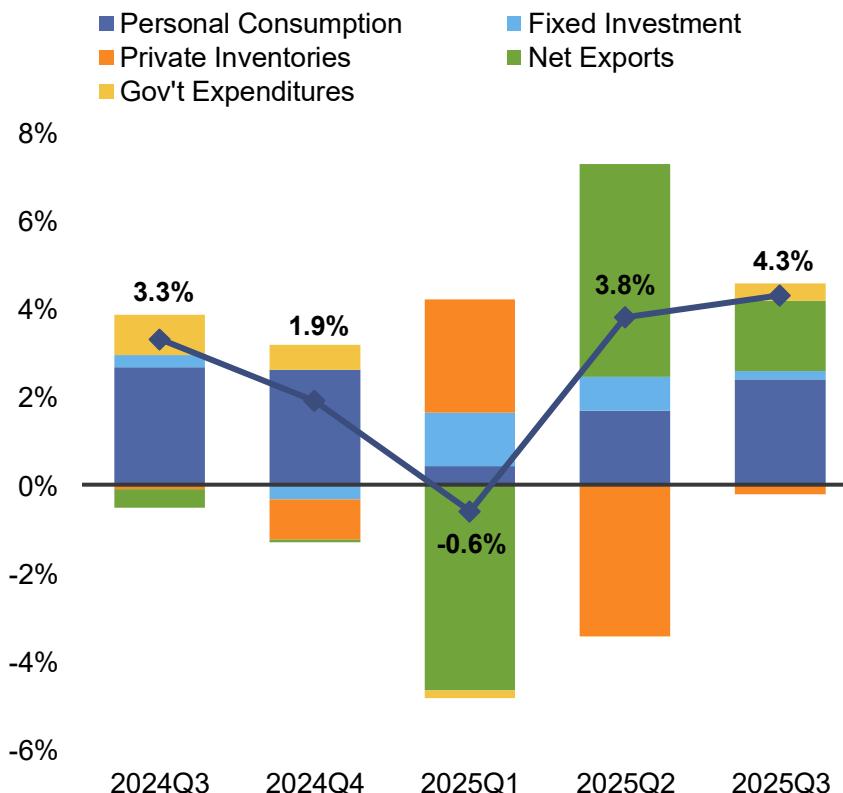


Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Bureau of Labor Statistics and Bloomberg Finance L.P. as of December 2025.

## K-Shaped Economy

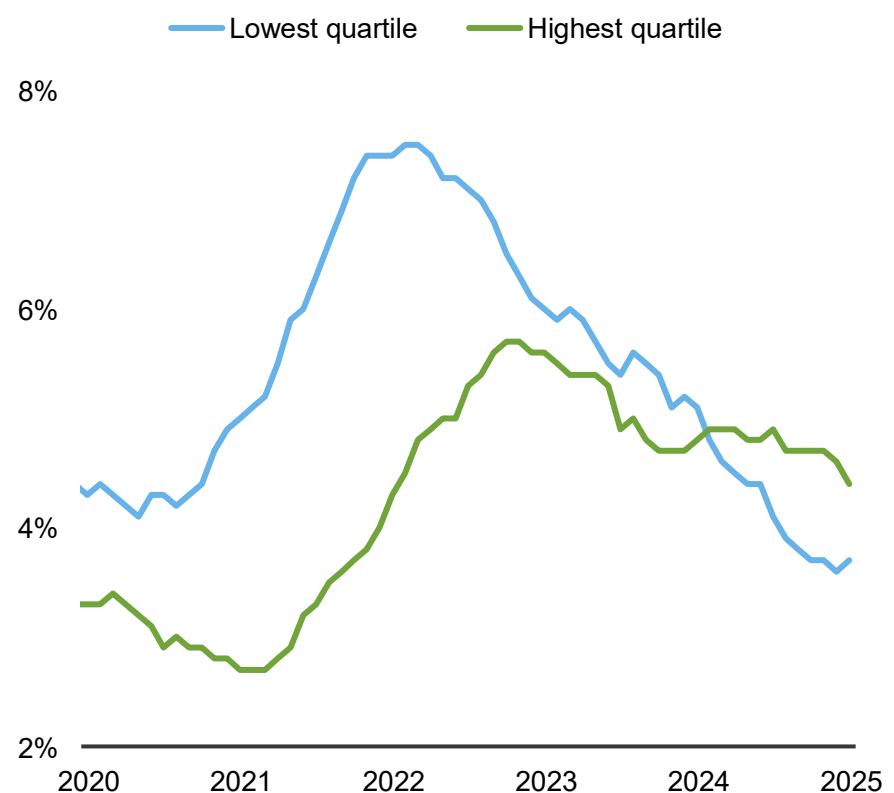
Fed Chair Powell: "[T]he top third [of earners] accounts for way more than a third of the consumption ... So it's a good question how sustainable that is."

### U.S. Real GDP Contributors and Detractors



### Wage Growth by Income Quartiles

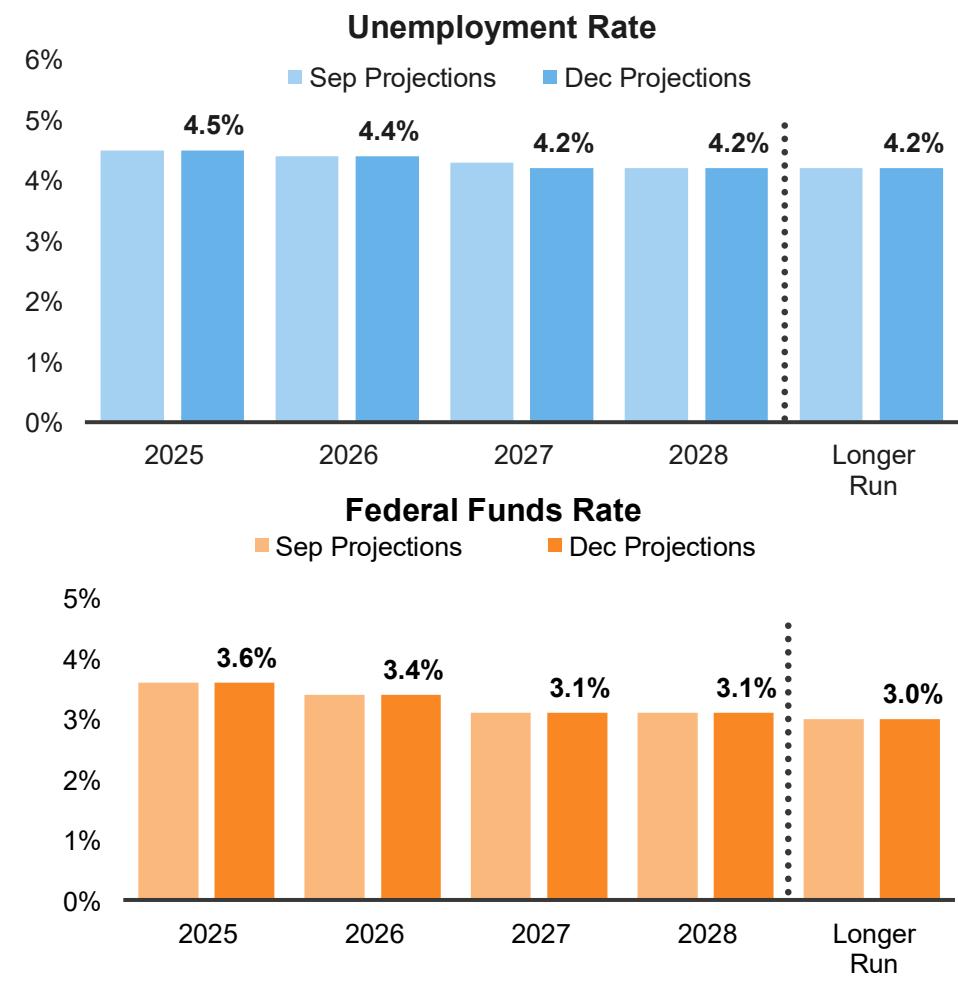
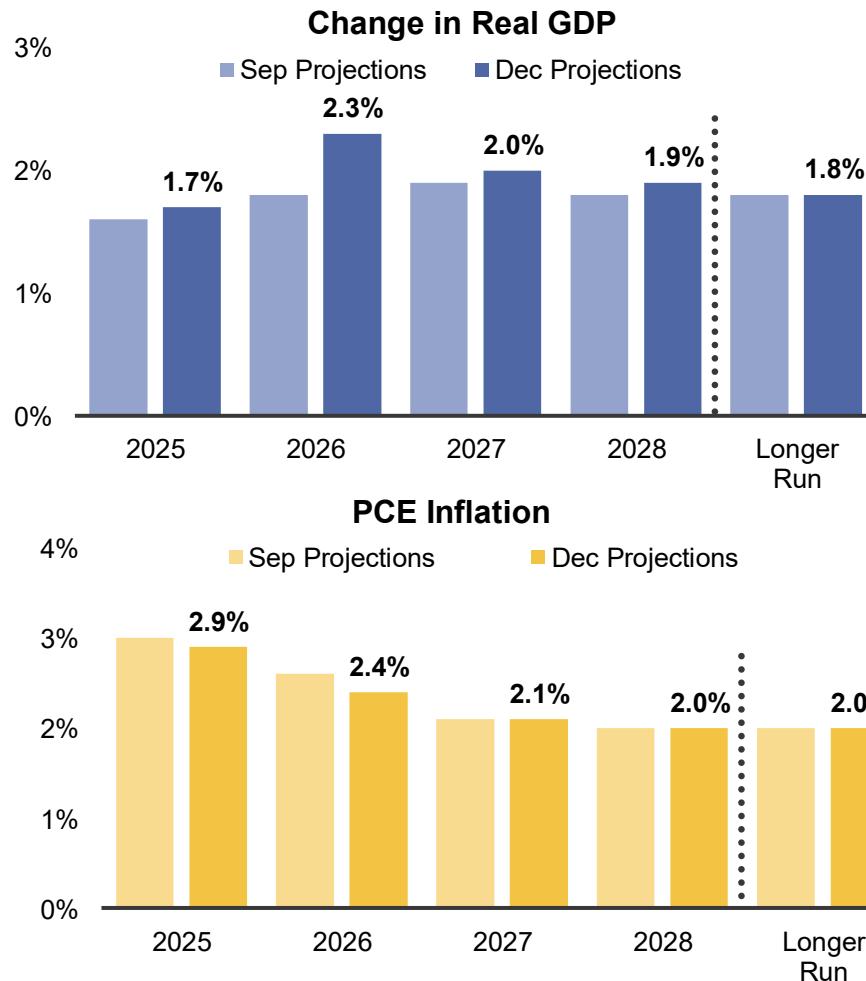
Atlanta Fed Wage Growth Tracker



Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Bloomberg Finance L.P. and Bureau of Economic Analysis, as of September 2025 (left). Federal Reserve Bank of Atlanta, as of September 2025 (right).

## Fed's Updated Summary of Economic Projections

Fed Chair Powell: "[T]he baseline [expectation] would be solid growth next year" ... "[We] feel like we have made progress this year in nontariff-related inflation."

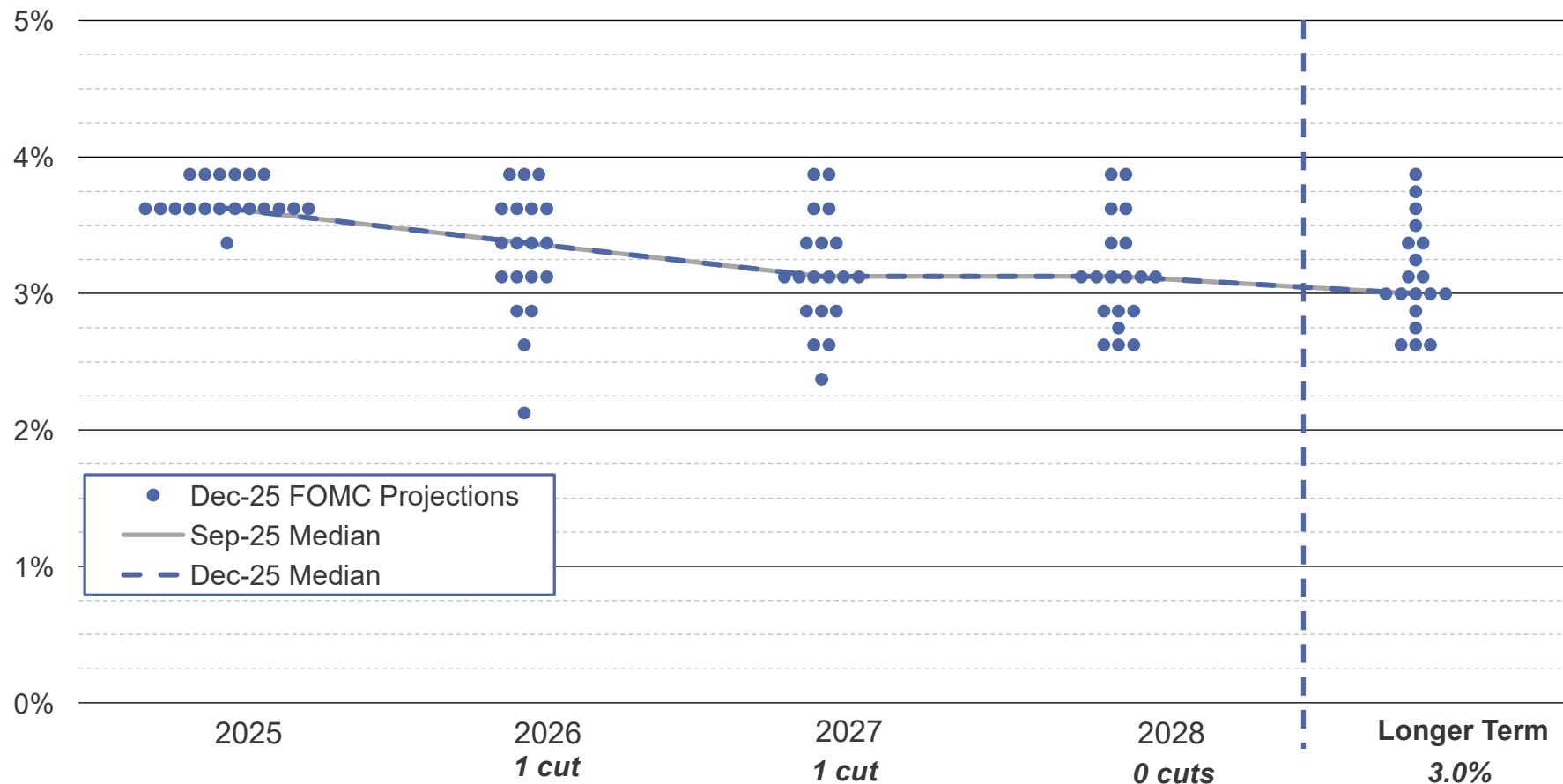


Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Federal Reserve, latest median economic projections, as of December 2025.

## The December Fed “Dot Plot”

Fed Chair Powell: “[I]t is very unusual to have persistent tension between the two parts of the mandate... But it is not like the normal situation where everyone agrees on the direction and what to do. It is more spread out.”

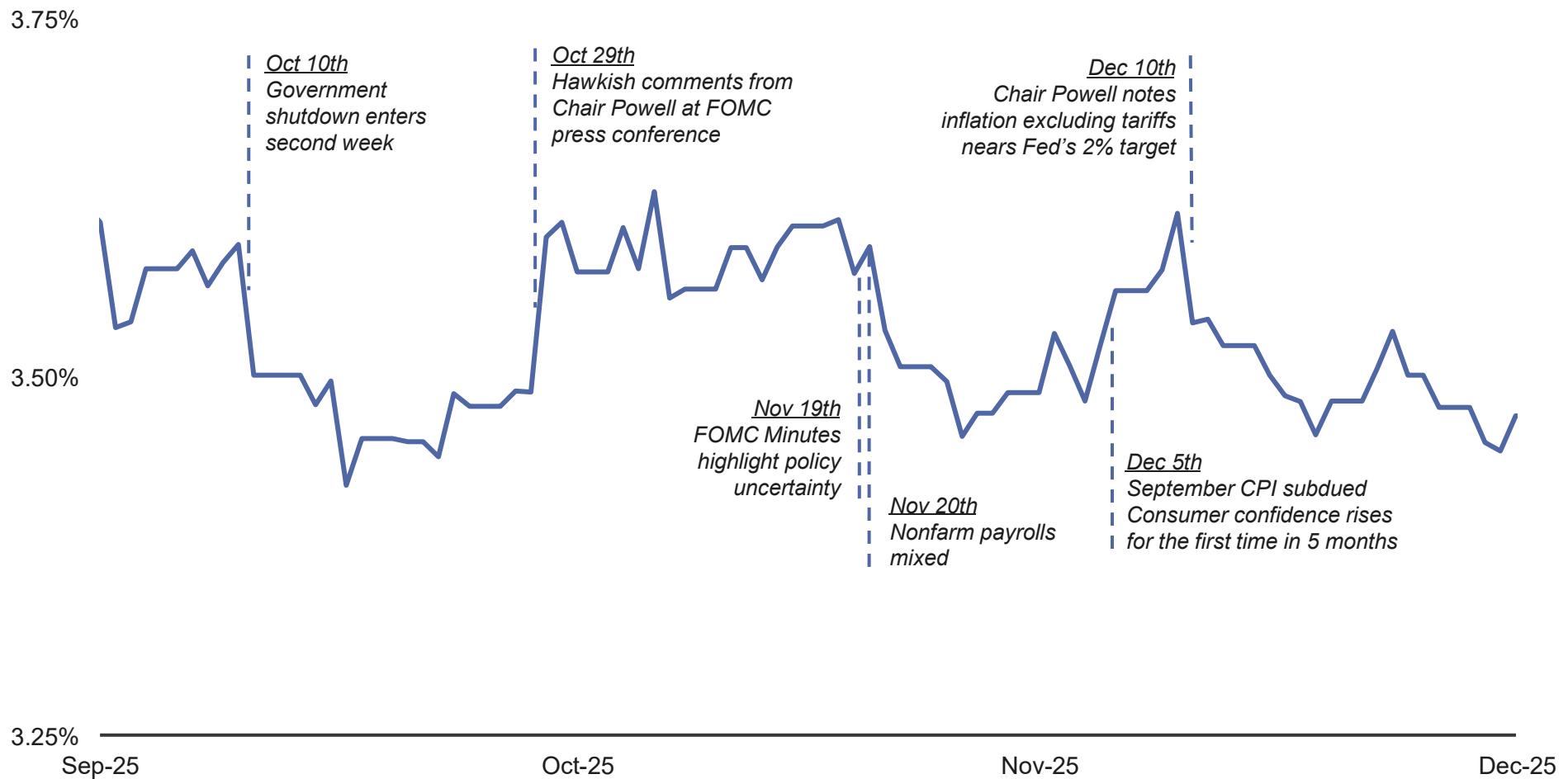
### Fed Participants’ Assessments of ‘Appropriate’ Monetary Policy



Source: FOMC Chair Jerome Powell Press Conference, December 10, 2025. Federal Reserve; Bloomberg Finance L.P.. Individual dots represent each Fed members’ judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. As of December 2025.

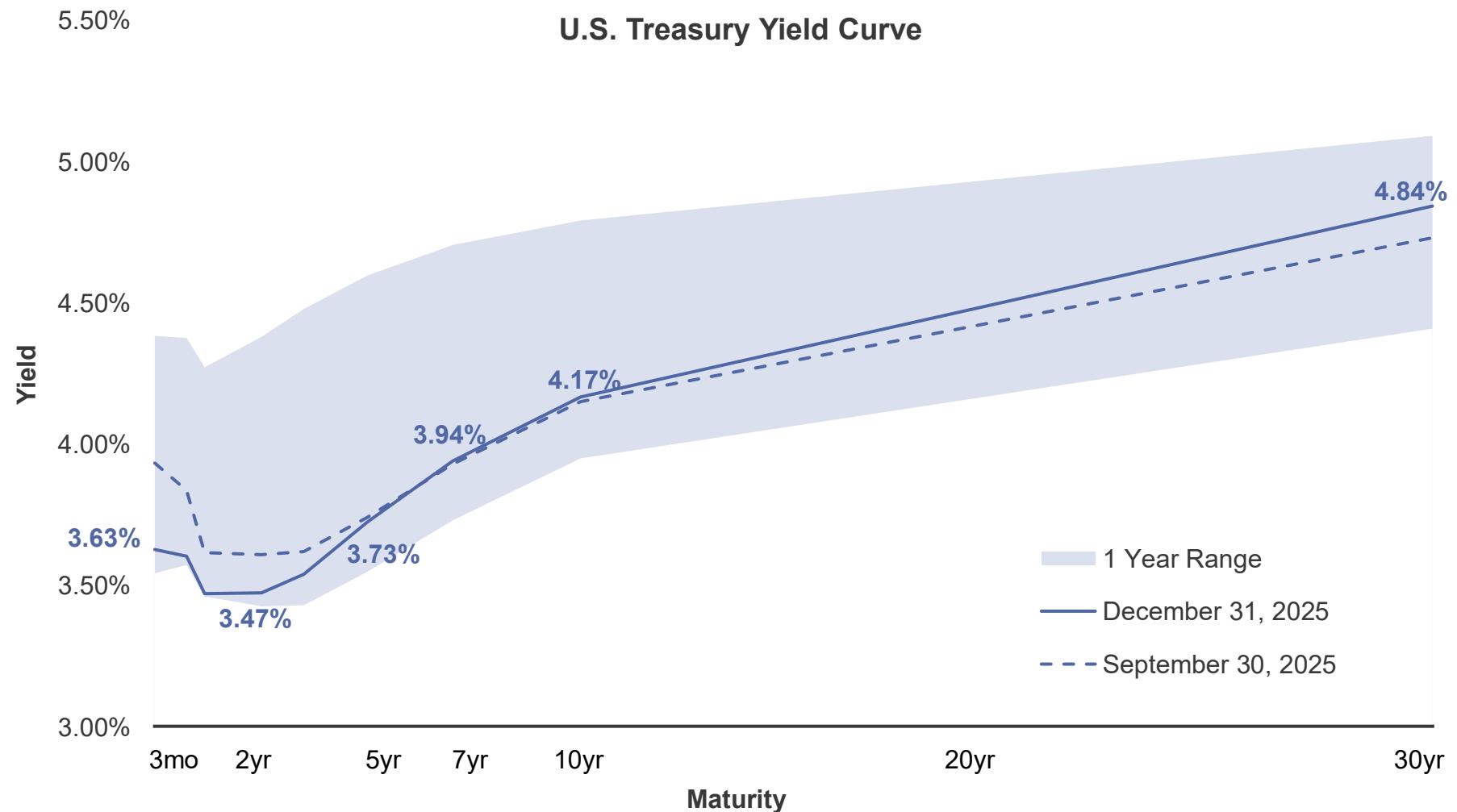
## Treasury Yields Range Bound As Volatility Wanes

### 2-Year U.S. Treasury Yield September 30, 2025 – December 31, 2025



Source: Bloomberg Finance L.P., as of December 31, 2025.

## Treasury Yield Curve Nears Dis-inversion



Source: Bloomberg Finance L.P., as of December 31, 2025.



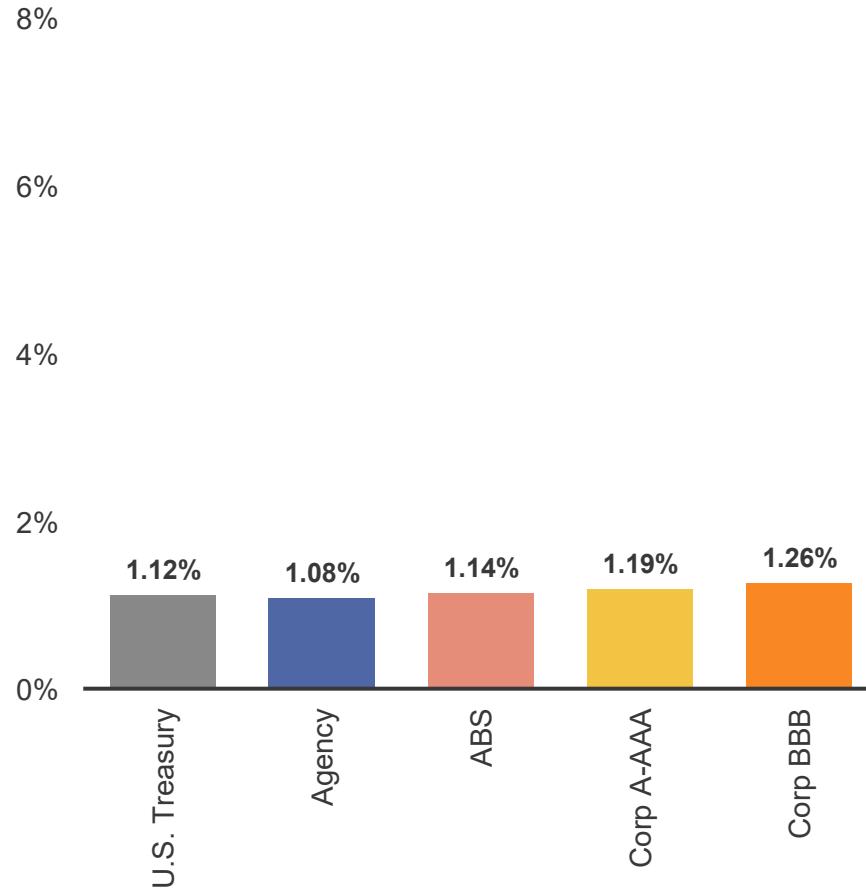
Source: ICE BofA 1-5 year Indices via Bloomberg Finance L.P. as of December 31, 2025. Spreads on ABS and MBS are option-adjusted spreads based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries.

CMBS is Commercial Mortgage-Backed Securities and represented by the ICE BofA Agency CMBS Index.

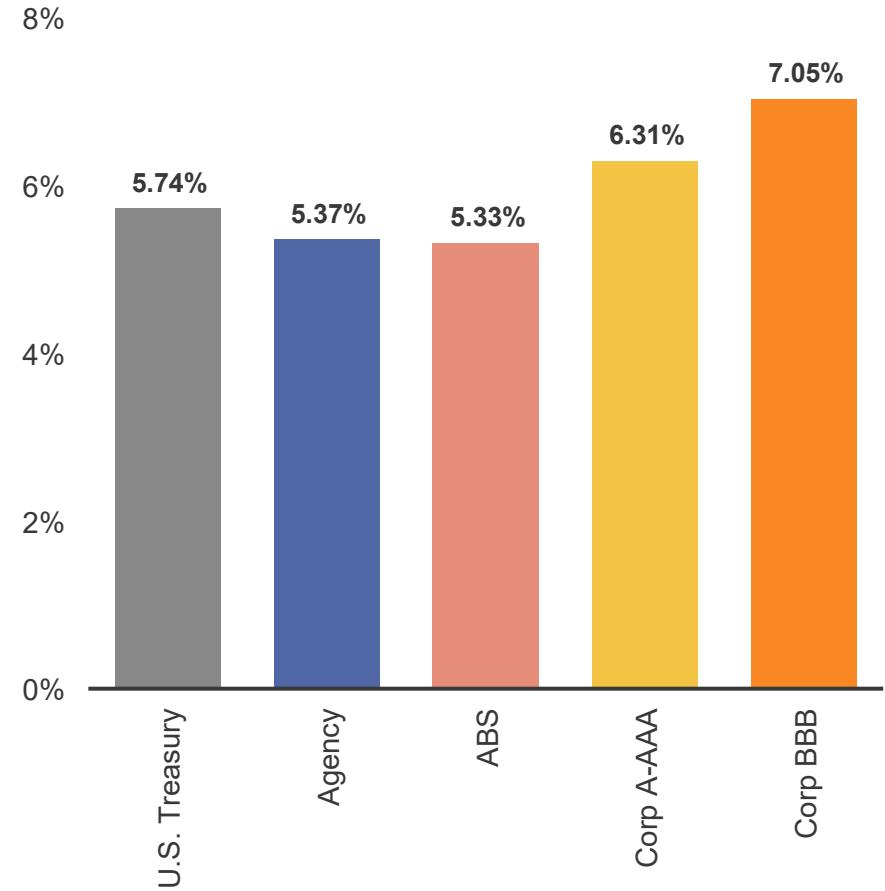
## Fixed-Income Index Total Returns in 4Q 2025

### 1-5 Year Indices

#### Fourth Quarter 2025 Returns



#### 1-Year Return



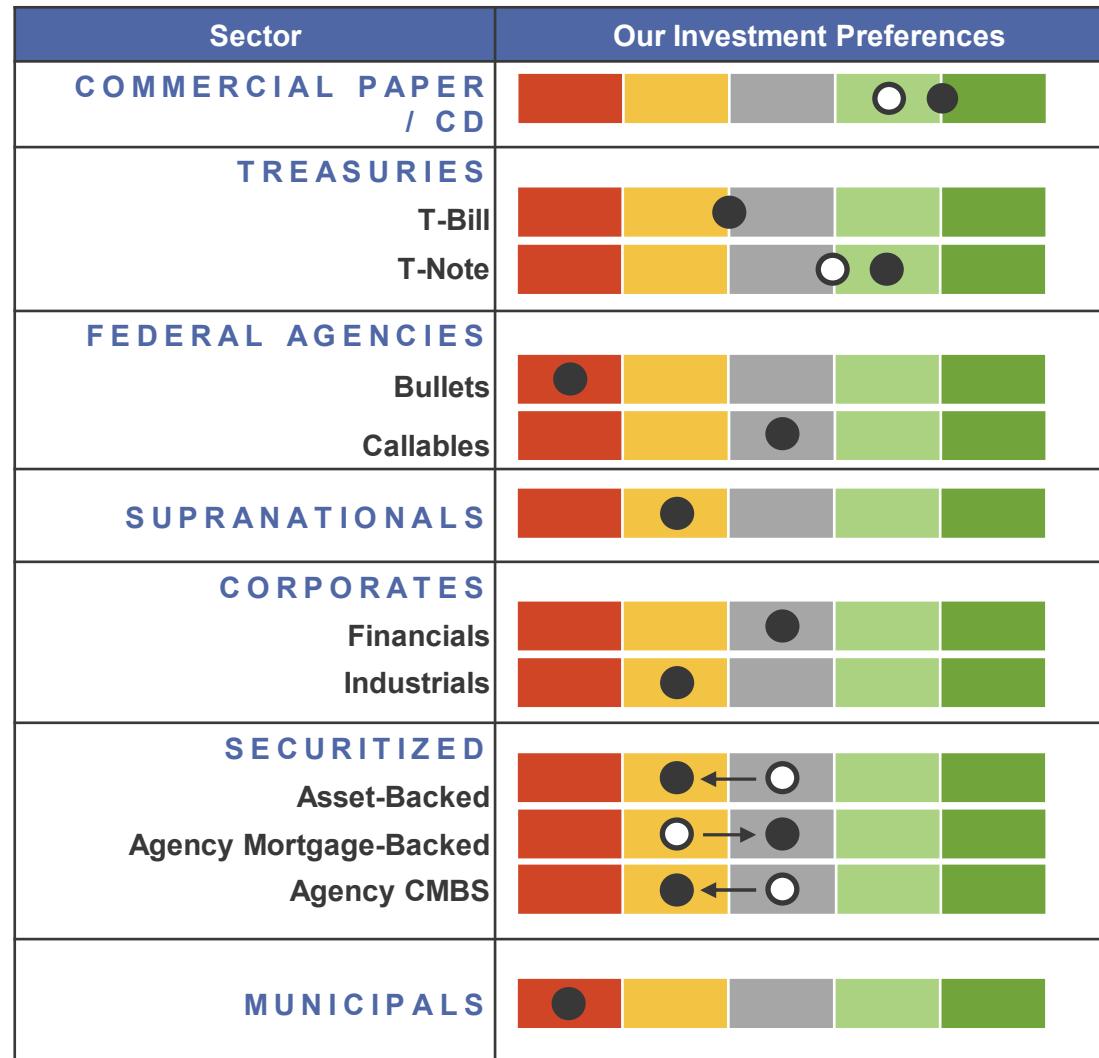
Source: ICE BofA Indices. ABS Indices are 0-5 year, based on weighted average life. As of December 31, 2025.

## Treasury Yields Remain Above Historical Averages



Source: Bloomberg Finance L.P., as of December 31, 2025.

## Fixed-Income Sector Commentary – 1Q 2026



Current outlook

Outlook one quarter ago

Negative Slightly Negative Neutral Slightly Positive Positive

## Fixed-Income Sector Commentary – 4Q 2025

- ▶ The **Federal Open Market Committee (FOMC)** lowered the target range for the federal funds rate by 50 bps in Q4 but noted continuing challenges to achieving its dual mandate of maximum employment and stable prices.
- ▶ The **U.S. Treasury** yield curve steepened in response to the Fed as yields on the short end fell more than intermediate (2- to 5-year) maturities. Returns across 1-3, 1-5, and 1-10 Treasury benchmarks were similar over the quarter. Yields on longer-maturity securities increased, hurting performance for longer indices lower.
- ▶ **Federal Agency & supranational** issuance remained limited, keeping spreads narrow and excess returns muted. The ongoing privatization efforts of Fannie Mae and Freddie Mac remain a focus, though no substantial progress has been shared publicly
- ▶ **Investment-Grade (IG) corporate** bonds generated modest excess returns as spreads were relatively stable over the quarter. Lower-quality led performance, supported by strong investor demand. Positive carry remained the primary driver of returns.
- ▶ Spreads on **Asset-Backed Securities** widened marginally, keeping excess returns modest. Auto loan collateral marginally outperformed credit receivables.
- ▶ **Agency-backed mortgage-backed securities (MBS)** generated solid excess returns in Q4 and were a consistent top performer during the second half of the year. Longer-duration mortgages (30-year) outperformed shorter-duration (15-year) collateral. Lower bond volatility over the past few months continues to serve as a tailwind to the sector. **Agency-backed commercial MBS (CMBS)** also generated positive excess returns for the quarter but continue to lag residential MBS.
- ▶ **Short-term credit** (commercial paper and negotiable bank CDs) yield spreads remained attractive over the quarter. Month-end funding pressures pushed repo rates above the upper bound of the federal funds rate, which created opportunities to add overnight repo and floating rate securities tied to SOFR.

*The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (12/31/2025) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.*

## Fixed-Income Sector Outlook – 1Q 2026

- ▶ **U.S. Treasury** yields remain reasonably attractive and near fair value. For shorter duration strategies, we prefer a modestly longer duration stance as we expect Fed policy to have a more direct impact on front-end yields. For longer duration strategies, we will maintain a curve steepening bias by modestly underweighting the long end of the curve.
- ▶ **Federal Agency & Supranational** spreads are likely to remain at tight levels. Government-only accounts may find occasional value on an issue-by-issue basis.
- ▶ **Taxable Municipals** continue to present limited opportunity due to an ongoing lack of supply and strong demand which is keeping yields low. We do not expect this to change in the near term.
- ▶ **Investment-Grade (IG) Corporate** bond fundamentals remain stable with technicals supportive of the sector. All-in yields remain reasonably attractive, though stretched valuations continue to argue for discipline and caution. We will continue to look for opportunities across new issue and secondary markets.
- ▶ **Asset-Backed Securities** fundamentals remain within expectations while credit enhancements remain robust. We expect supply to be well-digested, limiting new issue attractiveness. Household balance sheets for prime borrowers remain healthy, though further cooling in the labor market remains a risk. We expect spreads to remain stable with carry the driver of excess returns into 2026.
- ▶ **Mortgage-Backed Securities** is expected to increase modestly in 2026 and could present opportunity should spreads widen from current narrow levels. We may look to add to the sector on any increases in volatility.
- ▶ **Short-term credit** (commercial paper and negotiable bank CDs) spreads in Q1 are expected to be primarily driven by the FOMC's monetary policy decisions. We have a bias for longer weighted average maturities due to the flatness of the yield curve. Longer-maturity fixed rate securities are also an opportunity entering 2026 given positive carry and the potential for further Fed rate cuts.

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## Factors to Consider for 6-12 Months

Monetary Policy (Global):	Economic Growth (Global):	Inflation (U.S.):
<ul style="list-style-type: none"> <li>The Fed cut rates by 50 bps in Q4 but noted continuing challenges to achieving its dual mandate of maximum employment and stable prices.</li> <li>The “dot plot” indicates 25 bps of projected cuts in both 2026 and 2027, but the wide dispersion underscores growing differences of opinion.</li> <li>Markets view policy risks as skewed towards additional easing assuming a more dovish Chair takes office in mid-2026 as expected.</li> <li>Most major central banks have continued easing with the BOJ being the notable exception.</li> </ul>	<ul style="list-style-type: none"> <li>Strong consumer and business spending and steadier trade dynamics continue to fuel economic growth.</li> <li>The effects of U.S. government shutdown are expected to be temporary and fully recouped in 1Q26.</li> <li>Benefits from the tax and reconciliation bill and increases in anticipated AI capex are expected to support growth in 2026.</li> </ul>	<ul style="list-style-type: none"> <li>While headline inflation moved lower in Q4, significant gaps in data collection due to the U.S. government shutdown likely biased the data lower.</li> <li>Lower shelter inflation continues to support disinflation going forward although goods prices continue to experience tariff passthroughs.</li> <li>Fed Chair Powell noted inflation excluding tariffs is near 2%, suggesting the Fed is looking through these effects.</li> </ul>
Financial Conditions (U.S.):	Consumer Spending (U.S.):	Labor Markets (U.S.):
<ul style="list-style-type: none"> <li>Financial conditions eased further as corporate earnings exceeded expectations and tariff concerns abated.</li> <li>Equities reached new all-time highs, credit spreads remain tight, and volatility remains low.</li> <li>Fiscal uncertainty and geopolitical risks could reintroduce tighter financial conditions over the next 6-12 months.</li> </ul>	<ul style="list-style-type: none"> <li>Consumer confidence sank given a more pessimistic views of the labor market, particularly among lower-income cohorts.</li> <li>Consumer activity remained resilient through the holiday shopping season, highlighting the disconnect between sentiment and actual activity.</li> <li>Consumer spending is dominated by higher-income cohorts who benefit from elevated wage growth, strong equity markets, and home price appreciation.</li> <li>A significant correction in the equity market or a material slowdown in the labor market are the largest threats to consumer spending.</li> </ul>	<ul style="list-style-type: none"> <li>Labor market conditions continued to cool with net new job creation close to zero with gains concentrated in the healthcare sector.</li> <li>The breakeven employment level to keep pace with labor force growth has fallen. Initial jobless claims and layoff rates remains low, easing some concerns over labor weakness.</li> <li>The unemployment rate continued to tick higher, while job openings declined and the quits rate remain subdued, signaling reduced worker leverage.</li> <li>Wage growth continues to exceed inflation, supporting consumer spending.</li> </ul>

Current outlook

Outlook one quarter ago

Stance Unfavorable  
to Risk Assets

Negative

Slightly  
Negative

Neutral

Slightly  
Positive

Positive

Stance Favorable  
to Risk Assets

Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg Finance L.P. and FactSet. The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (12/31/2025) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

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## Account Summary

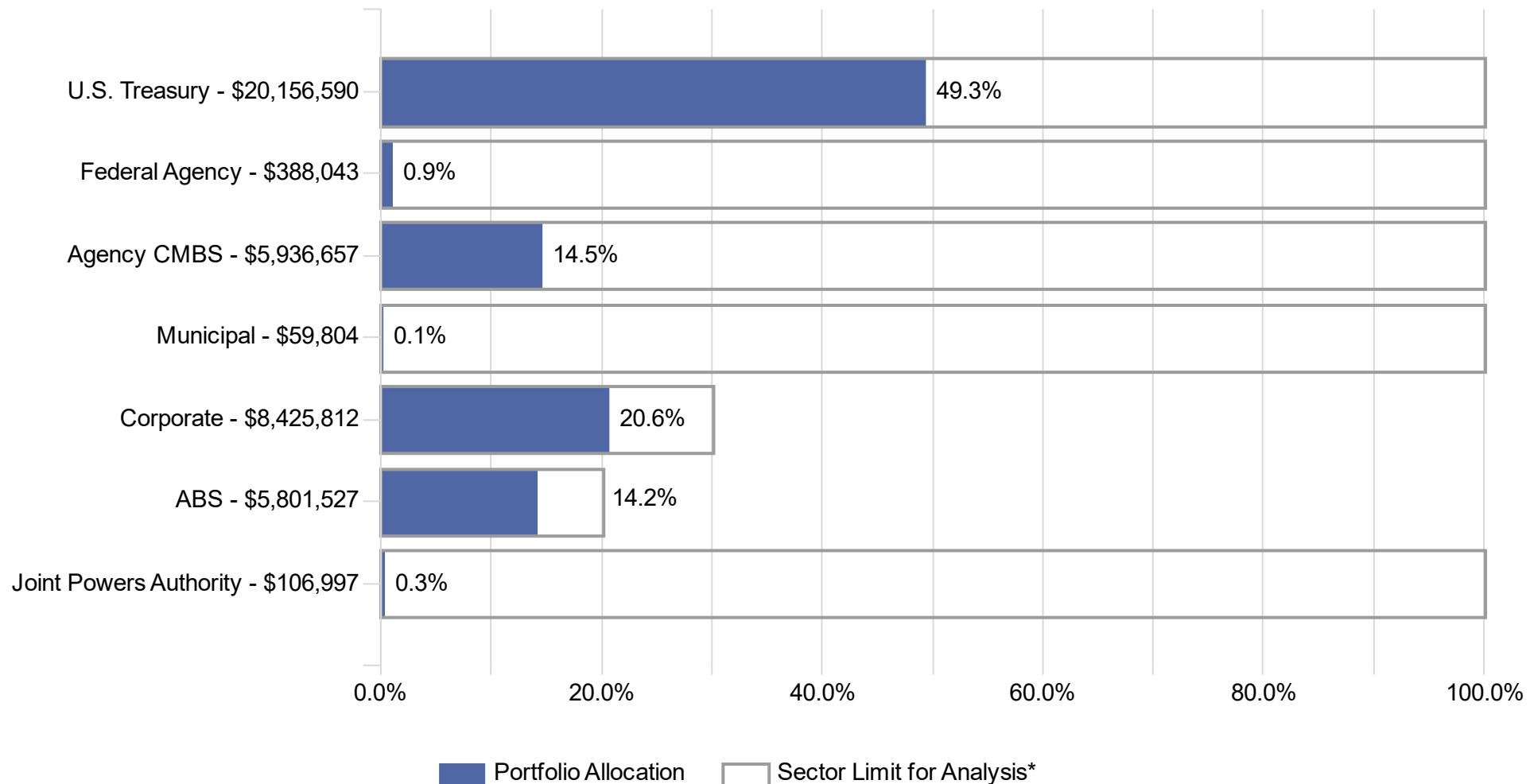
## Account Summary

Fairfield-Suisun Sewer District - Fairfield-Suisun Sewer District - 6043-001			
Portfolio Values	December 31, 2025	Analytics <sup>1</sup>	December 31, 2025
CAMP Managed Account	\$40,526,251	Yield at Market	3.72%
CAMP Pool	\$106,997	Yield on Cost	4.21%
Amortized Cost	\$40,097,939	Portfolio Duration	2.51
Market Value	\$40,526,251	CAMP Pool7-Day Yield	3.90%
Accrued Interest	\$242,182		
Cash	\$0		

1. Yield at market, yield on cost, and portfolio duration only include investments held within the separately managed account(s), excludes balances invested in overnight funds.

2. The current 7-day yield is the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical fund account with a balance of one share over the seven-day base period including the statement date, expressed as a percentage of the value of one share (normally \$1.00 per share) at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365 and dividing the result by 7. The yields quoted should not be considered a representation of the yield of the fund in the future, since the yield is not fixed.

## Sector Allocation Analytics



For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest.

\*Sector Limit for Analysis is as derived from our interpretation of your most recent Investment Policy as provided.

## Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
<b>U.S. Treasury</b>	<b>49.4%</b>	
United States Treasury	49.4%	AA / Aa / AA
<b>Federal Agency</b>	<b>1.0%</b>	
Federal Home Loan Banks	1.0%	AA / Aa / NR
<b>Agency CMBS</b>	<b>14.6%</b>	
Federal Home Loan Mortgage Corp	13.9%	AA / Aa / AA
Federal National Mortgage Association	0.7%	AA / Aa / AA
<b>Municipal</b>	<b>0.1%</b>	
Los Angeles Unified School District/CA	0.1%	NR / Aa / AAA
<b>Corporate</b>	<b>20.7%</b>	
Adobe Inc	0.7%	A / A / NR
Air Products and Chemicals Inc	0.4%	A / A / NR
Alphabet Inc	1.0%	AA / Aa / NR
Amazon.com Inc	0.4%	AA / A / AA
American Express Co	0.4%	A / A / A
Analog Devices Inc	0.7%	A / A / A
Bank of New York Mellon Corp	0.2%	A / Aa / AA
BlackRock Inc	1.0%	AA / Aa / NR
BP PLC	0.5%	A / A / A
Caterpillar Inc	0.5%	A / A / A
Cintas Corp	0.3%	A / A / NR
Cisco Systems Inc	0.3%	AA / A / NR
Citigroup Inc	1.2%	A / A / A
Colgate-Palmolive Co	0.3%	A / Aa / NR
Cummins Inc	0.0%	A / A / NR
Deere & Co	0.2%	A / A / A

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
<b>Corporate</b>	<b>20.7%</b>	
General Electric Co	0.1%	A / A / NR
Goldman Sachs Group Inc	1.2%	A / A / A
Hershey Co	0.4%	A / A / NR
Home Depot Inc	0.2%	A / A / A
Honda Motor Co Ltd	0.3%	A / A / A
JPMorgan Chase & Co	0.5%	A / A / AA
Lockheed Martin Corp	0.3%	A / A / A
Merck & Co Inc	0.2%	A / Aa / NR
Meta Platforms Inc	0.4%	AA / Aa / NR
Morgan Stanley	0.7%	A / Aa / AA
National Australia Bank Ltd	0.6%	AA / Aa / NR
National Rural Utilities Cooperative Fi	0.6%	A / A / A
Northern Trust Corp	1.2%	A / A / A
Novartis AG	1.0%	AA / Aa / NR
PACCAR Inc	0.3%	A / A / NR
PepsiCo Inc	0.7%	A / A / NR
PNC Financial Services Group Inc	0.9%	A / A / A
Shell PLC	0.2%	A / Aa / AA
State Street Corp	0.4%	A / Aa / AA
Texas Instruments Inc	0.4%	A / Aa / NR
Toyota Motor Corp	0.3%	A / A / A
Truist Financial Corp	1.0%	A / A / A
Walmart Inc	0.3%	AA / Aa / AA
Wells Fargo & Co	0.6%	BBB / A / A

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

## Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
<b>ABS</b>	<b>14.2%</b>	
Ally Auto Receivables Trust	0.2%	AAA / NR / AAA
American Express Co	1.9%	AAA / NR / AAA
BA Credit Card Trust	0.7%	AAA / Aaa / NR
BMW Vehicle Lease Trust	0.8%	AAA / Aaa / AAA
Capital One Financial Corp	0.9%	AAA / NR / AAA
CarMax Inc	0.0%	AAA / NR / AAA
Citigroup Inc	0.9%	AAA / Aaa / NR
Ford Credit Auto Owner Trust	1.1%	AAA / Aaa / AAA
GM Financial Consumer Automobile Receiv	0.6%	AAA / Aaa / AAA
Honda Auto Receivables Owner Trust	0.5%	AAA / Aaa / AAA
Hyundai Auto Receivables Trust	1.1%	AAA / NR / AAA
JPMorgan Chase & Co	0.5%	AAA / NR / AAA
Mercedes-Benz Auto Receivables Trust	1.1%	AAA / Aaa / AAA
Toyota Auto Receivables Owner Trust	0.9%	AAA / NR / AAA
Verizon Master Trust	0.7%	NR / Aaa / AAA
Volkswagen Auto Loan Enhanced Trust	0.9%	NR / Aaa / AAA
WF Card Issuance Trust	1.4%	AAA / Aaa / AAA
<b>Total</b>	<b>100.0%</b>	

Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

## Certificate of Compliance

During the reporting period for the quarter ended December 31, 2025, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc.*

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*Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Financial LP Asset and Investment Management ("AIM").*

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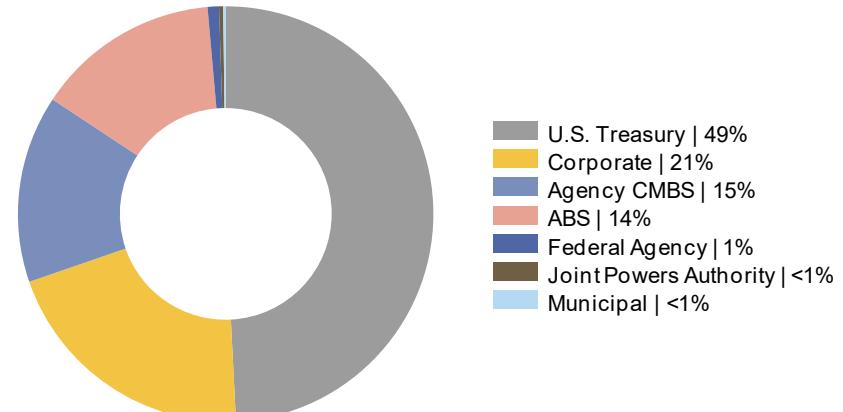
# Portfolio Review: CAMP-FAIRFIELD-SUISUN SEWER DISTRICT

## Portfolio Snapshot - CAMP-FAIRFIELD-SUISUN SEWER DISTRICT<sup>1</sup>

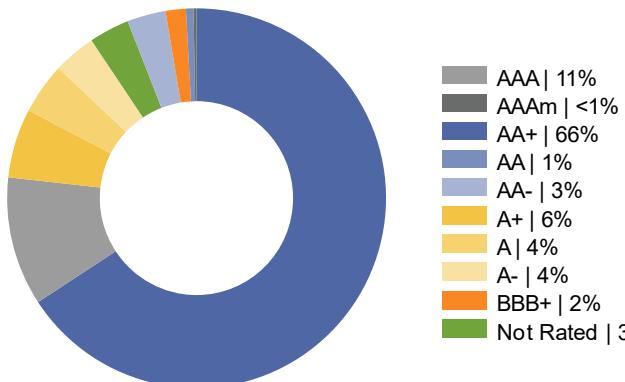
### Portfolio Statistics

<b>Total Market Value</b>	\$40,875,429.50
<i>Managed Account Sub-Total</i>	\$40,526,250.56
<i>Accrued Interest</i>	\$242,181.73
<i>Pool</i>	\$106,997.21
<b>Portfolio Effective Duration</b>	2.51 years
<b>Benchmark Effective Duration</b>	2.47 years
<b>Yield At Cost</b>	4.21%
<b>Yield At Market</b>	3.72%
<b>Portfolio Credit Quality</b>	AA

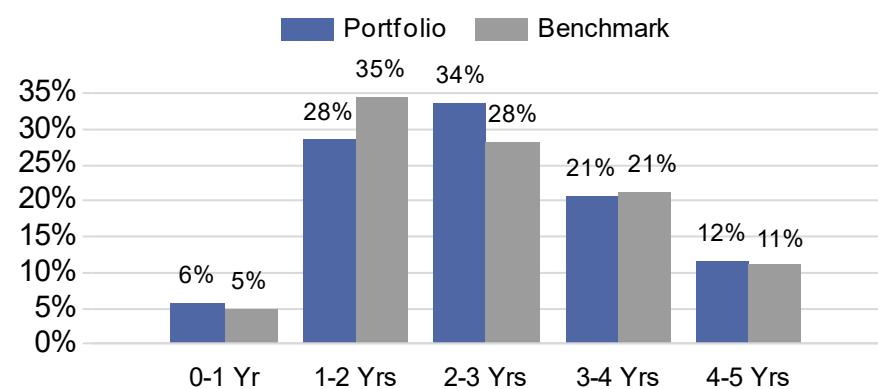
### Sector Allocation



### Credit Quality - S&P



### Duration Distribution



1. Total market value includes accrued interest and balances invested in CAMP, as of December 31, 2025.

Yield and duration calculations exclude balances invested in CAMP.

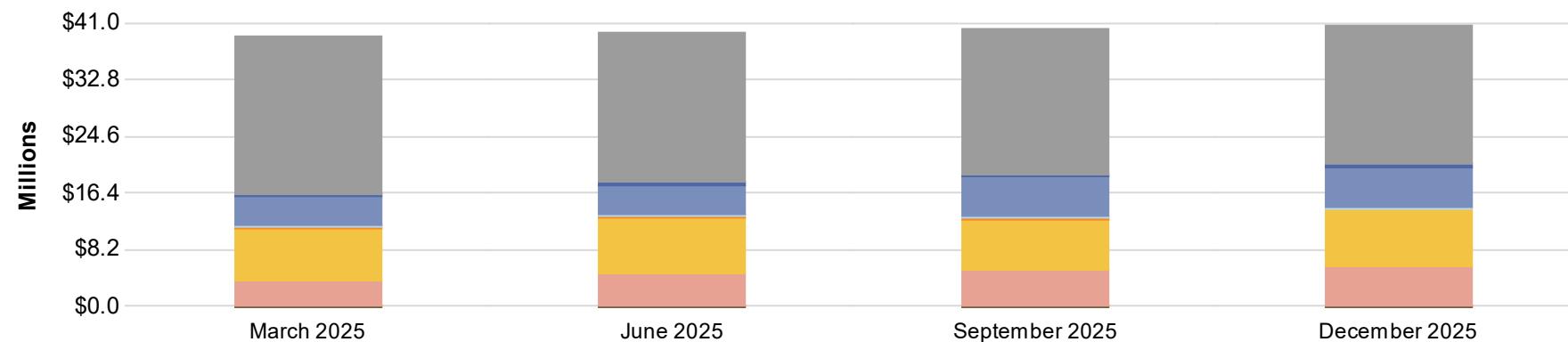
The portfolio's benchmark is currently the 1-5 Year U.S. Treasury Index. Source: Bloomberg Financial LP.

An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

## Sector Allocation Review - CAMP-FAIRFIELD-SUISUN SEWER DISTRICT

Security Type	Mar-25	% of Total	Jun-25	% of Total	Sep-25	% of Total	Dec-25	% of Total
U.S. Treasury	\$22.8	58.2%	\$21.6	54.6%	\$21.0	52.3%	\$20.0	49.2%
Federal Agency	\$0.4	1.0%	\$0.4	1.0%	\$0.4	1.0%	\$0.4	0.9%
Agency CMBS	\$4.1	10.5%	\$4.3	10.7%	\$5.7	14.2%	\$5.9	14.6%
Municipal	\$0.1	0.3%	\$0.1	0.3%	\$0.1	0.3%	\$0.1	0.2%
Negotiable CD	\$0.5	1.2%	\$0.5	1.2%	\$0.2	0.4%	\$0.0	0.0%
Corporate	\$7.5	19.1%	\$8.1	20.4%	\$7.4	18.4%	\$8.3	20.5%
ABS	\$3.8	9.6%	\$4.6	11.6%	\$5.3	13.3%	\$5.8	14.3%
Joint Powers Authority	\$0.0	0.1%	\$0.1	0.2%	\$0.0	0.1%	\$0.1	0.3%
<b>Total</b>	<b>\$39.1</b>	<b>100.0%</b>	<b>\$39.7</b>	<b>100.0%</b>	<b>\$40.2</b>	<b>100.0%</b>	<b>\$40.6</b>	<b>100.0%</b>

U.S. Treasury    Federal Agency    Agency CMBS    Municipal    Negotiable CD    Corporate    ABS    Joint Powers Authority

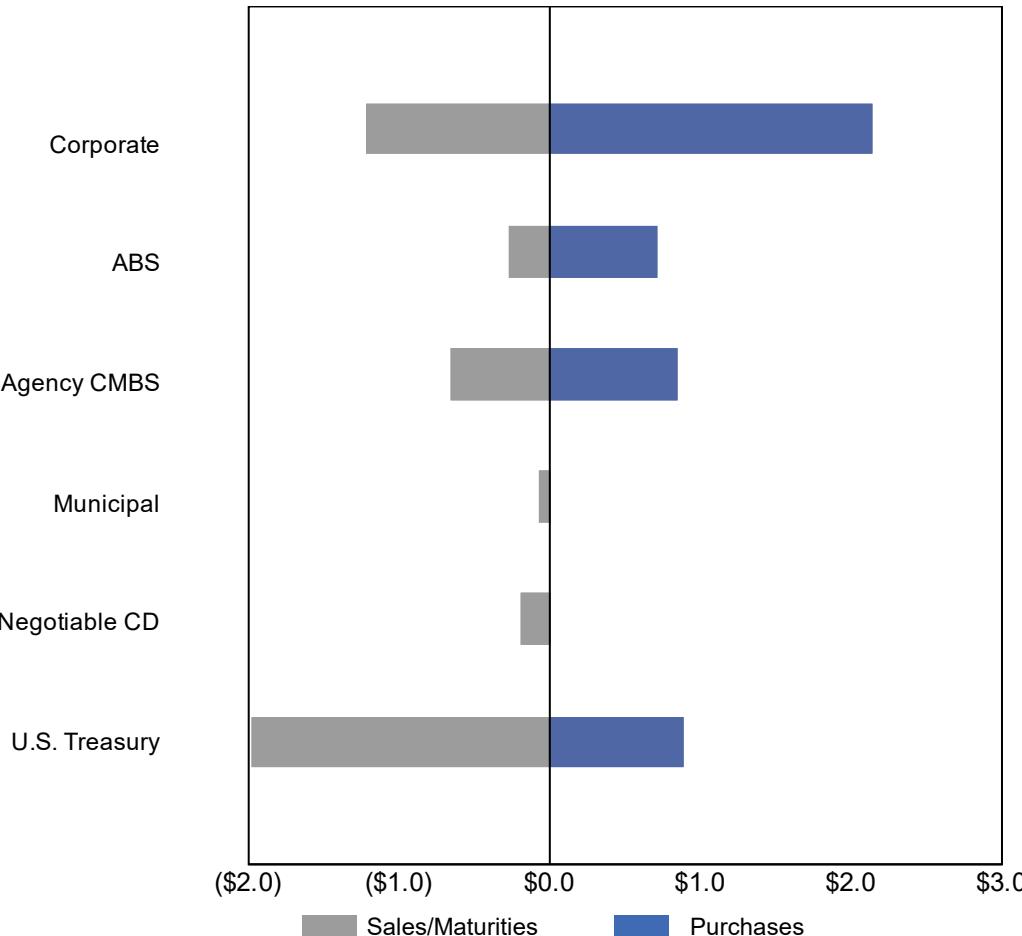


Market values, excluding accrued interest. Only includes fixed-income securities held within the separately managed account(s) and LGIPs managed by PFMAM. Detail may not add to total due to rounding.

## Portfolio Activity - CAMP-FAIRFIELD-SUISUN SEWER DISTRICT

### Net Activity by Sector

(\$ millions)



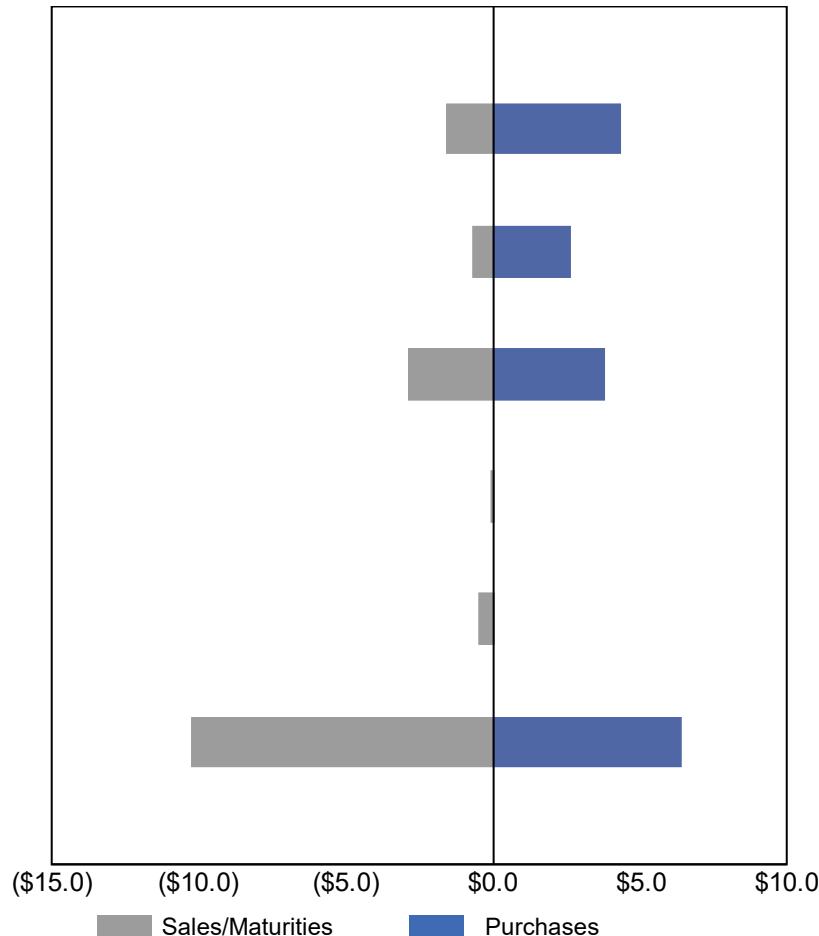
Sector	Net Activity
Corporate	\$932,852
ABS	\$444,346
Agency CMBS	\$205,214
Municipal	(\$60,000)
Negotiable CD	(\$178,412)
U.S. Treasury	(\$1,075,092)
<b>Total Net Activity</b>	<b>\$268,907</b>

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

## Portfolio Activity (12 Months) - CAMP-FAIRFIELD-SUISUN SEWER DISTRICT

### Net Activity by Sector

(\$ millions)

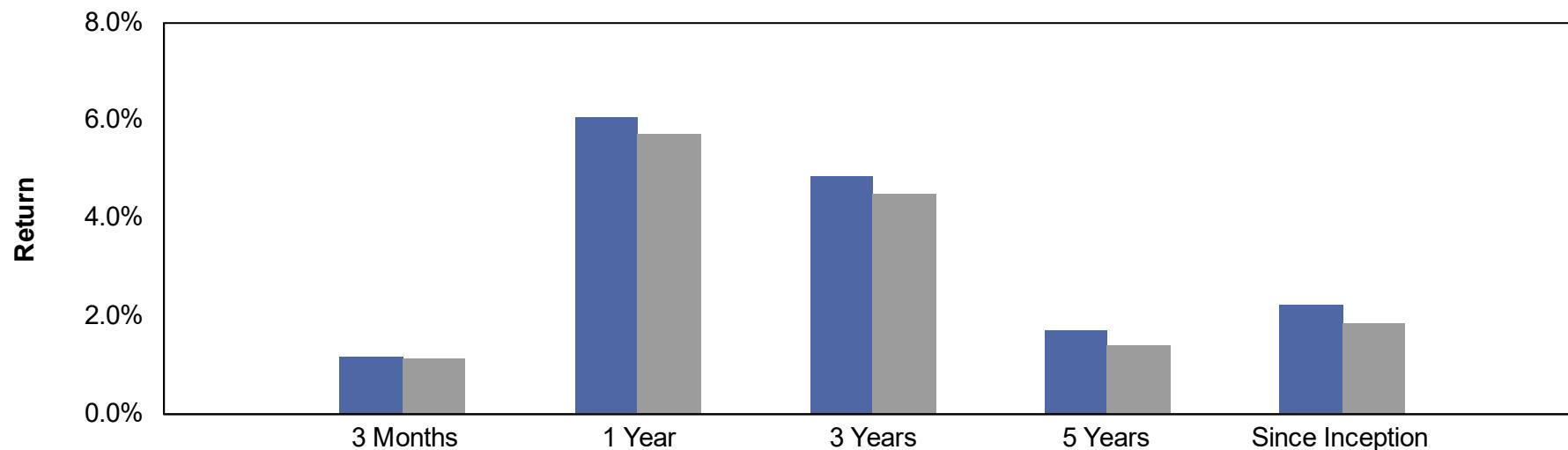


Sector	Net Activity
ABS	\$2,739,542
Agency CMBS	\$1,976,793
Corporate	\$953,321
Municipal	(\$60,000)
Negotiable CD	(\$487,964)
U.S. Treasury	(\$3,833,227)
<b>Total Net Activity</b>	<b>\$1,288,464</b>

Based on total proceeds (principal and accrued interest) of buys, sells, maturities, and principal paydowns. Detail may not add to total due to rounding.

## Portfolio Performance

Portfolio      Benchmark



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception <sup>1</sup>
Interest Earned <sup>2</sup>	\$354,799	\$1,340,126	\$3,157,942	\$3,816,457	\$5,348,527
Change in Market Value	\$115,692	\$984,017	\$1,939,079	(\$109,760)	\$626,357
<b>Total Dollar Return</b>	<b>\$470,491</b>	<b>\$2,324,143</b>	<b>\$5,097,021</b>	<b>\$3,706,697</b>	<b>\$5,974,884</b>
<b>Total Return<sup>3</sup></b>					
Portfolio	1.16%	6.04%	4.85%	1.69%	2.21%
Benchmark <sup>4</sup>	1.12%	5.74%	4.48%	1.36%	1.85%

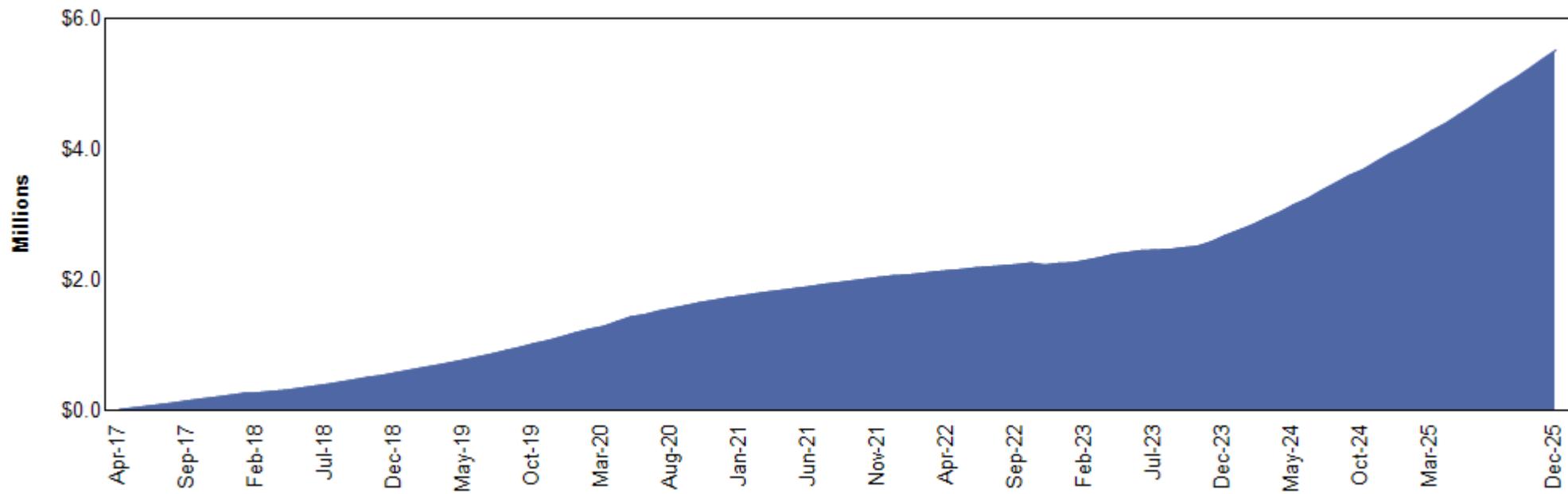
1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is March 31, 2017.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is currently the 1-5 Year U.S. Treasury Index. Source: Bloomberg Financial LP.

## Accrual Basis Earnings - CAMP-FAIRFIELD-SUISUN SEWER DISTRICT



Accrual Basis Earnings	3 Months	1 Year	3 Years	5 Year	Since Inception <sup>1</sup>
Interest Earned <sup>2</sup>	\$354,799	\$1,340,126	\$3,157,942	\$3,816,457	\$5,348,527
Realized Gains / (Losses) <sup>3</sup>	\$14,880	(\$60,865)	(\$639,452)	(\$736,182)	(\$602,161)
Change in Amortized Cost	\$66,178	\$299,972	\$741,901	\$708,529	\$772,417
<b>Total Earnings</b>	<b>\$435,857</b>	<b>\$1,579,233</b>	<b>\$3,260,390</b>	<b>\$3,788,803</b>	<b>\$5,518,783</b>

1. The lesser of 10 years or since inception is shown. Performance inception date is March 31, 2017.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Realized gains / (losses) are shown on an amortized cost basis.

**Issuer Distribution**  
**As of December 31, 2025**

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	20,032,535	49.31 %
FEDERAL HOME LOAN MORTGAGE CORP	5,628,012	13.86 %
AMERICAN EXPRESS CO	948,128	2.34 %
CITIGROUP INC	863,895	2.13 %
WF CARD ISSUANCE TRUST	572,492	1.41 %
NORTHERN TRUST CORP	475,732	1.17 %
GOLDMAN SACHS GROUP INC	471,097	1.16 %
HYUNDAI AUTO RECEIVABLES TRUST	466,956	1.15 %
MERCEDES-BENZ AUTO RECEIVABLES TRUST	453,288	1.12 %
FORD CREDIT AUTO OWNER TRUST	438,327	1.08 %
TRUIST FINANCIAL CORP	409,004	1.01 %
BLACKROCK INC	408,889	1.01 %
JPMORGAN CHASE & CO	404,761	1.00 %
ALPHABET INC	401,282	0.99 %
NOVARTIS AG	399,574	0.98 %
FEDERAL HOME LOAN BANKS	382,840	0.94 %
PNC FINANCIAL SERVICES GROUP INC	377,508	0.93 %
VOLKSWAGEN AUTO LOAN ENHANCED TRUST	367,721	0.90 %
TOYOTA AUTO RECEIVABLES OWNER TRUST	351,323	0.86 %
CAPITAL ONE FINANCIAL CORP	350,187	0.86 %
BMW VEHICLE LEASE TRUST	330,106	0.81 %
MORGAN STANLEY	295,775	0.73 %
ANALOG DEVICES INC	291,879	0.72 %
FEDERAL NATIONAL MORTGAGE ASSOCIATION	288,150	0.71 %

Issuer	Market Value (\$)	% of Portfolio
BA CREDIT CARD TRUST	284,386	0.70 %
VERIZON MASTER TRUST	282,225	0.69 %
ADOBE INC	278,088	0.68 %
PEPSICO INC	269,260	0.66 %
NATIONAL AUSTRALIA BANK LTD	256,102	0.63 %
NATIONAL RURAL UTILITIES COOPERATIVE FI	238,971	0.59 %
GM FINANCIAL CONSUMER AUTOMOBILE RECEIV	233,026	0.57 %
WELLS FARGO & CO	228,318	0.56 %
CATERPILLAR INC	212,880	0.52 %
BP PLC	203,954	0.50 %
HONDA AUTO RECEIVABLES OWNER TRUST	200,705	0.49 %
AIR PRODUCTS AND CHEMICALS INC	167,896	0.41 %
HERSHEY CO	163,360	0.40 %
AMAZON.COM INC	152,478	0.38 %
TEXAS INSTRUMENTS INC	143,020	0.35 %
STATE STREET CORP	142,682	0.35 %
META PLATFORMS INC	142,581	0.35 %
CISCO SYSTEMS INC	128,302	0.32 %
LOCKHEED MARTIN CORP	126,294	0.31 %
PACCAR INC	123,393	0.30 %
HONDA MOTOR CO LTD	112,869	0.28 %
COLGATE-PALMOLIVE CO	110,750	0.27 %
CINTAS CORP	110,546	0.27 %
CAMP POOL	106,997	0.26 %
TOYOTA MOTOR CORP	103,510	0.25 %
WALMART INC	101,578	0.25 %
BANK OF NEW YORK MELLON CORP	98,148	0.24 %

Issuer	Market Value (\$)	% of Portfolio
SHELL PLC	84,989	0.21 %
ALLY AUTO RECEIVABLES TRUST	75,230	0.19 %
DEERE & CO	71,885	0.18 %
MERCK & CO INC	70,504	0.17 %
HOME DEPOT INC	65,952	0.16 %
LOS ANGELES UNIFIED SCHOOL DISTRICT/CA	59,368	0.15 %
GENERAL ELECTRIC CO	40,340	0.10 %
CUMMINS INC	20,156	0.05 %
CARMAX INC	13,042	0.03 %
<b>Grand Total</b>	<b>40,633,248</b>	<b>100.00 %</b>

## Managed Account Detail of Securities Held

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>U.S. Treasury</b>											
US TREASURY N/B DTD 12/31/2021 1.250% 12/31/2026	91282CDQ1	150,000.00	AA+	Aa1	1/3/2022	1/5/2022	149,296.87	1.35	5.18	149,859.45	146,677.65
US TREASURY N/B DTD 12/31/2024 4.250% 12/31/2026	91282CME8	625,000.00	AA+	Aa1	1/2/2025	1/7/2025	625,292.97	4.22	73.38	625,151.02	629,360.00
US TREASURY N/B DTD 02/15/2017 2.250% 02/15/2027	912828V98	320,000.00	AA+	Aa1	7/1/2022	7/6/2022	310,575.00	2.94	2,719.57	317,706.68	315,575.04
US TREASURY N/B DTD 02/15/2017 2.250% 02/15/2027	912828V98	200,000.00	AA+	Aa1	8/1/2022	8/5/2022	195,914.06	2.73	1,699.73	198,987.77	197,234.40
US TREASURY N/B DTD 02/15/2017 2.250% 02/15/2027	912828V98	250,000.00	AA+	Aa1	6/2/2022	6/6/2022	242,470.70	2.94	2,124.66	248,199.99	246,543.00
US TREASURY N/B DTD 03/02/2020 1.125% 02/28/2027	912828ZB9	250,000.00	AA+	Aa1	9/6/2023	9/8/2023	222,246.09	4.62	955.63	240,748.70	243,261.75
US TREASURY N/B DTD 03/31/2022 2.500% 03/31/2027	91282CEF4	275,000.00	AA+	Aa1	5/18/2023	5/24/2023	262,603.52	3.77	1,756.52	271,000.00	271,594.68
US TREASURY N/B DTD 03/31/2022 2.500% 03/31/2027	91282CEF4	250,000.00	AA+	Aa1	3/3/2025	3/5/2025	242,519.53	4.02	1,596.84	245,435.41	246,904.25
US TREASURY N/B DTD 05/02/2022 2.750% 04/30/2027	91282CEN7	200,000.00	AA+	Aa1	12/19/2023	12/20/2023	191,679.69	4.09	941.99	196,717.99	198,062.60
US TREASURY N/B DTD 05/15/2017 2.375% 05/15/2027	912828X88	300,000.00	AA+	Aa1	8/10/2022	8/12/2022	293,367.19	2.88	925.07	298,094.55	295,476.60
US TREASURY N/B DTD 05/15/2017 2.375% 05/15/2027	912828X88	530,000.00	AA+	Aa1	11/1/2022	11/4/2022	488,904.30	4.28	1,634.29	517,594.22	522,008.66
US TREASURY N/B DTD 08/01/2022 2.750% 07/31/2027	91282CFB2	220,000.00	AA+	Aa1	1/2/2024	1/5/2024	210,778.91	4.02	2,531.79	215,923.75	217,516.42
US TREASURY N/B DTD 08/15/2017 2.250% 08/15/2027	9128282R0	400,000.00	AA+	Aa1	12/6/2023	12/7/2023	373,031.25	4.24	3,399.46	388,167.39	392,218.80
US TREASURY N/B DTD 08/15/2017 2.250% 08/15/2027	9128282R0	200,000.00	AA+	Aa1	11/1/2022	11/4/2022	182,875.00	4.25	1,699.73	194,200.07	196,109.40
US TREASURY N/B DTD 08/31/2020 0.500% 08/31/2027	91282CAH4	5,000.00	AA+	Aa1	12/5/2022	12/7/2022	4,298.24	3.77	8.49	4,753.49	4,760.94

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>U.S. Treasury</b>											
US TREASURY N/B DTD 08/31/2020 0.500% 08/31/2027	91282CAH4	300,000.00	AA+	Aa1	10/1/2024	10/3/2024	275,238.28	3.51	509.67	285,565.95	285,656.40
US TREASURY N/B DTD 09/30/2020 0.375% 09/30/2027	91282CAL5	135,000.00	AA+	Aa1	10/28/2024	10/31/2024	121,336.52	4.09	129.34	126,633.41	127,960.02
US TREASURY N/B DTD 09/30/2020 0.375% 09/30/2027	91282CAL5	250,000.00	AA+	Aa1	11/1/2024	11/5/2024	224,375.00	4.16	239.53	234,232.56	236,963.00
US TREASURY N/B DTD 11/15/2017 2.250% 11/15/2027	9128283F5	600,000.00	AA+	Aa1	1/30/2023	1/31/2023	562,101.56	3.70	1,752.76	585,200.32	586,687.80
US TREASURY N/B DTD 01/03/2023 3.875% 12/31/2027	91282CGC9	250,000.00	AA+	Aa1	12/22/2025	12/26/2025	251,816.41	3.50	26.76	251,802.47	251,865.25
US TREASURY N/B DTD 01/03/2023 3.875% 12/31/2027	91282CGC9	200,000.00	AA+	Aa1	11/1/2024	11/5/2024	198,351.56	4.16	21.41	198,930.83	201,492.20
US TREASURY N/B DTD 01/03/2023 3.875% 12/31/2027	91282CGC9	225,000.00	AA+	Aa1	4/13/2023	4/14/2023	228,752.93	3.49	24.08	226,588.78	226,678.73
US TREASURY N/B DTD 01/31/2023 3.500% 01/31/2028	91282CGH8	700,000.00	AA+	Aa1	12/19/2023	12/20/2023	686,574.22	4.01	10,252.72	693,211.18	700,136.50
US TREASURY N/B DTD 03/31/2023 3.625% 03/31/2028	91282CGT2	115,000.00	AA+	Aa1	3/4/2025	3/5/2025	114,164.45	3.88	1,065.09	114,380.14	115,305.44
US TREASURY N/B DTD 03/31/2021 1.250% 03/31/2028	91282CBS9	55,000.00	AA+	Aa1	10/8/2025	10/9/2025	52,000.78	3.57	175.65	52,270.54	52,346.69
US TREASURY N/B DTD 04/30/2021 1.250% 04/30/2028	91282CBZ3	170,000.00	AA+	Aa1	3/26/2024	3/28/2024	150,589.45	4.33	363.95	158,956.51	161,500.00
US TREASURY N/B DTD 04/30/2021 1.250% 04/30/2028	91282CBZ3	75,000.00	AA+	Aa1	6/1/2023	6/5/2023	66,632.81	3.76	160.57	71,028.97	71,250.00
US TREASURY N/B DTD 05/15/2018 2.875% 05/15/2028	9128284N7	490,000.00	AA+	Aa1	12/19/2023	12/20/2023	467,969.14	4.00	1,829.04	478,148.82	483,013.58
US TREASURY N/B DTD 06/30/2021 1.250% 06/30/2028	91282CCH2	735,000.00	AA+	Aa1	10/31/2023	11/1/2023	625,869.73	4.85	25.38	676,622.03	695,637.07
US TREASURY N/B DTD 07/31/2023 4.125% 07/31/2028	91282CHQ7	175,000.00	AA+	Aa1	9/2/2025	9/4/2025	177,276.37	3.65	3,020.89	177,034.98	177,611.35
US TREASURY N/B DTD 08/02/2021 1.000% 07/31/2028	91282CCR0	630,000.00	AA+	Aa1	11/29/2023	11/30/2023	543,473.44	4.28	2,636.41	582,194.71	591,117.03
US TREASURY N/B DTD 08/15/2018 2.875% 08/15/2028	9128284V9	190,000.00	AA+	Aa1	1/4/2024	1/5/2024	180,937.89	4.02	2,063.28	184,850.10	186,949.55

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>U.S. Treasury</b>											
US TREASURY N/B DTD 08/15/2018 2.875% 08/15/2028	9128284V9	625,000.00	AA+	Aa1	4/9/2024	4/11/2024	587,036.13	4.43	6,787.11	602,106.85	614,965.62
US TREASURY N/B DTD 08/31/2021 1.125% 08/31/2028	91282CCV1	125,000.00	AA+	Aa1	9/6/2023	9/8/2023	106,455.08	4.48	477.81	115,080.15	117,426.75
US TREASURY N/B DTD 08/31/2021 1.125% 08/31/2028	91282CCV1	500,000.00	AA+	Aa1	12/6/2023	12/7/2023	435,117.19	4.18	1,911.26	463,487.00	469,707.00
US TREASURY N/B DTD 11/01/2021 1.375% 10/31/2028	91282CDF5	230,000.00	AA+	Aa1	3/1/2024	3/5/2024	202,849.22	4.19	541.64	213,495.65	216,685.07
US TREASURY N/B DTD 11/01/2021 1.375% 10/31/2028	91282CDF5	140,000.00	AA+	Aa1	2/29/2024	3/5/2024	123,046.88	4.27	329.70	129,694.58	131,895.26
US TREASURY N/B DTD 11/01/2021 1.375% 10/31/2028	91282CDF5	225,000.00	AA+	Aa1	1/2/2024	1/5/2024	199,836.91	3.95	529.87	210,225.08	211,974.53
US TREASURY N/B DTD 11/15/2018 3.125% 11/15/2028	9128285M8	500,000.00	AA+	Aa1	12/6/2023	12/7/2023	476,855.47	4.17	2,028.66	486,549.25	494,414.00
US TREASURY N/B DTD 11/15/2018 3.125% 11/15/2028	9128285M8	125,000.00	AA+	Aa1	12/4/2023	12/7/2023	118,769.53	4.25	507.17	121,379.08	123,603.50
US TREASURY N/B DTD 01/31/2022 1.750% 01/31/2029	91282CDW8	205,000.00	AA+	Aa1	2/1/2024	2/5/2024	186,181.64	3.79	1,501.29	193,370.21	194,237.50
US TREASURY N/B DTD 01/31/2022 1.750% 01/31/2029	91282CDW8	400,000.00	AA+	Aa1	8/28/2024	8/29/2024	368,531.25	3.69	2,929.35	377,536.54	379,000.00
US TREASURY N/B DTD 02/15/2019 2.625% 02/15/2029	9128286B1	615,000.00	AA+	Aa1	6/3/2024	6/5/2024	566,328.52	4.51	6,097.78	581,512.89	597,991.56
US TREASURY N/B DTD 05/02/2022 2.875% 04/30/2029	91282CEM9	510,000.00	AA+	Aa1	8/1/2024	8/2/2024	487,946.48	3.88	2,511.26	494,113.54	498,724.41
US TREASURY N/B DTD 05/02/2022 2.875% 04/30/2029	91282CEM9	145,000.00	AA+	Aa1	7/1/2024	7/2/2024	135,059.57	4.47	713.98	137,924.57	141,794.20
US TREASURY N/B DTD 06/30/2022 3.250% 06/30/2029	91282CEV9	650,000.00	AA+	Aa1	8/28/2024	8/29/2024	637,507.81	3.69	58.36	640,749.03	642,586.10
US TREASURY N/B DTD 08/01/2022 2.625% 07/31/2029	91282CFC0	375,000.00	AA+	Aa1	5/30/2025	6/4/2025	356,469.73	3.92	4,119.40	358,861.56	362,665.88
US TREASURY N/B DTD 08/01/2022 2.625% 07/31/2029	91282CFC0	500,000.00	AA+	Aa1	10/1/2024	10/3/2024	480,488.28	3.51	5,492.53	485,211.36	483,554.50
US TREASURY N/B DTD 09/30/2022 3.875% 09/30/2029	91282CFL0	185,000.00	AA+	Aa1	10/28/2024	10/31/2024	182,962.11	4.12	1,831.58	183,411.53	186,597.11

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>U.S. Treasury</b>											
US TREASURY N/B DTD 09/30/2022 3.875% 09/30/2029	91282CFL0	85,000.00	AA+	Aa1	11/1/2024	11/5/2024	83,748.24	4.21	841.54	84,021.30	85,733.81
US TREASURY N/B DTD 09/30/2022 3.875% 09/30/2029	91282CFL0	300,000.00	AA+	Aa1	11/1/2024	11/5/2024	295,851.56	4.19	2,970.12	296,757.38	302,589.90
US TREASURY N/B DTD 10/31/2022 4.000% 10/31/2029	91282CFT3	200,000.00	AA+	Aa1	12/2/2024	12/5/2024	198,750.00	4.14	1,370.17	199,003.54	202,617.20
US TREASURY N/B DTD 10/31/2022 4.000% 10/31/2029	91282CFT3	250,000.00	AA+	Aa1	7/1/2025	7/3/2025	252,167.97	3.78	1,712.71	251,936.79	253,271.50
US TREASURY N/B DTD 10/31/2022 4.000% 10/31/2029	91282CFT3	150,000.00	AA+	Aa1	11/20/2024	11/22/2024	147,990.23	4.30	1,027.62	148,406.55	151,962.90
US TREASURY N/B DTD 10/31/2024 4.125% 10/31/2029	91282CLR0	160,000.00	AA+	Aa1	12/8/2025	12/9/2025	162,437.50	3.70	1,130.39	162,400.55	162,737.44
US TREASURY N/B DTD 11/30/2022 3.875% 11/30/2029	91282CFY2	345,000.00	AA+	Aa1	9/2/2025	9/4/2025	347,102.34	3.72	1,175.27	346,952.44	347,883.86
US TREASURY N/B DTD 12/31/2024 4.375% 12/31/2029	91282CMD0	400,000.00	AA+	Aa1	1/2/2025	1/7/2025	400,281.25	4.36	48.34	400,231.01	410,687.60
US TREASURY N/B DTD 12/31/2024 4.375% 12/31/2029	91282CMD0	425,000.00	AA+	Aa1	2/3/2025	2/6/2025	425,962.89	4.32	51.36	425,801.80	436,355.57
US TREASURY N/B DTD 01/31/2023 3.500% 01/31/2030	91282CGJ4	400,000.00	AA+	Aa1	3/3/2025	3/5/2025	389,937.50	4.07	5,858.70	391,497.66	397,703.20
US TREASURY N/B DTD 01/31/2023 3.500% 01/31/2030	91282CGJ4	230,000.00	AA+	Aa1	4/9/2025	4/9/2025	224,627.34	4.04	3,368.75	225,377.85	228,679.34
US TREASURY N/B DTD 01/31/2023 3.500% 01/31/2030	91282CGJ4	275,000.00	AA+	Aa1	3/4/2025	3/5/2025	269,736.33	3.93	4,027.85	270,554.89	273,420.95
US TREASURY N/B DTD 05/31/2023 3.750% 05/31/2030	91282CHF1	380,000.00	AA+	Aa1	7/1/2025	7/3/2025	378,886.72	3.82	1,252.75	378,990.55	380,935.18
US TREASURY N/B DTD 05/31/2023 3.750% 05/31/2030	91282CHF1	300,000.00	AA+	Aa1	6/12/2025	6/13/2025	296,835.94	3.99	989.01	297,159.32	300,738.30
US TREASURY N/B DTD 07/31/2025 3.875% 07/31/2030	91282CNN7	140,000.00	AA+	Aa1	10/1/2025	10/2/2025	141,214.06	3.68	2,270.24	141,157.13	141,033.62
US TREASURY N/B DTD 07/31/2025 3.875% 07/31/2030	91282CNN7	300,000.00	AA+	Aa1	9/2/2025	9/4/2025	301,523.44	3.76	4,864.81	301,431.90	302,214.90
US TREASURY N/B DTD 07/31/2025 3.875% 07/31/2030	91282CNN7	235,000.00	AA+	Aa1	9/10/2025	9/11/2025	238,121.09	3.58	3,810.77	237,942.83	236,735.01

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>U.S. Treasury</b>											
US TREASURY N/B DTD 09/30/2025 3.625% 09/30/2030	91282CPA3	275,000.00	AA+	Aa1	10/10/2025	10/14/2025	274,462.89	3.67	2,546.96	274,484.71	273,936.58
<b>Security Type Sub-Total</b>		<b>20,375,000.00</b>					<b>19,404,392.95</b>	<b>3.97</b>	<b>124,054.97</b>	<b>19,839,009.85</b>	<b>20,032,534.65</b>
<b>Municipal</b>											
LOS ANGELES UN SD-B DTD 11/10/2021 1.455% 07/01/2026	544647FC9	60,000.00	NR	Aa2	10/28/2021	11/10/2021	60,000.00	1.46	436.50	60,000.00	59,367.96
<b>Security Type Sub-Total</b>		<b>60,000.00</b>					<b>60,000.00</b>	<b>1.46</b>	<b>436.50</b>	<b>60,000.00</b>	<b>59,367.96</b>
<b>Joint Powers Authority</b>											
CAMP Pool		106,997.21	AAAm	NR			106,997.21		0.00	106,997.21	106,997.21
<b>Security Type Sub-Total</b>		<b>106,997.21</b>					<b>106,997.21</b>		<b>0.00</b>	<b>106,997.21</b>	<b>106,997.21</b>
<b>Federal Agency</b>											
FEDERAL HOME LOAN BANK DTD 10/25/2022 4.500% 03/10/2028	3130ATS57	375,000.00	AA+	Aa1	4/13/2023	4/14/2023	389,437.50	3.64	5,203.13	381,450.28	382,839.75
<b>Security Type Sub-Total</b>		<b>375,000.00</b>					<b>389,437.50</b>	<b>3.64</b>	<b>5,203.13</b>	<b>381,450.28</b>	<b>382,839.75</b>
<b>Corporate</b>											
WELLS FARGO & COMPANY DTD 10/25/2016 3.000% 10/23/2026	949746SH5	230,000.00	BBB+	A1	7/14/2023	7/18/2023	215,029.30	5.19	1,303.33	226,279.62	228,318.01
AMERICAN EXPRESS CO (CALLABLE) DTD 11/04/2021 1.650% 11/04/2026	025816CM9	165,000.00	A-	A2	11/23/2021	11/26/2021	163,826.85	1.80	431.06	164,800.08	162,002.94
BANK OF NY MELLON CORP (CALLABLE) DTD 01/26/2022 2.050% 01/26/2027	06406RBA4	100,000.00	A	Aa3	1/26/2022	1/28/2022	100,121.00	2.02	882.64	100,024.19	98,147.50
TRUIST FINANCIAL CORP (CALLABLE) DTD 03/02/2021 1.267% 03/02/2027	89788MAD4	160,000.00	A-	Baa1	3/10/2022	3/14/2022	150,336.00	2.57	670.10	157,724.53	159,194.40

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Corporate</b>											
STATE STREET CORP (CALLABLE) DTD 03/18/2024 4.993% 03/18/2027	857477CL5	90,000.00	A	Aa3	3/13/2024	3/18/2024	90,000.00	4.99	1,285.70	90,000.00	91,205.10
NATIONAL RURAL UTIL COOP (CALLABLE) DTD 05/10/2024 5.100% 05/06/2027	63743HFR8	95,000.00	A-	A2	5/7/2024	5/10/2024	94,941.10	5.12	740.21	94,972.42	96,419.40
NORTHERN TRUST CORP (CALLABLE) DTD 05/10/2022 4.000% 05/10/2027	665859AW4	100,000.00	A+	A2	5/10/2022	5/12/2022	100,966.00	3.79	566.67	100,250.79	100,326.20
GOLDMAN SACHS BANK USA (CALLABLE) DTD 05/21/2024 5.414% 05/21/2027	38151LAG5	220,000.00	A+	A1	5/15/2024	5/21/2024	220,000.00	5.41	1,323.42	220,000.00	221,153.02
CITIGROUP INC (CALLABLE) DTD 06/09/2021 1.462% 06/09/2027	172967NA5	230,000.00	BBB+	A3	7/1/2022	7/6/2022	204,325.10	3.98	205.49	222,498.82	227,362.82
BP CAP MARKETS AMERICA (CALLABLE) DTD 05/17/2024 5.017% 11/17/2027	10373QBY5	200,000.00	A-	A1	5/15/2024	5/17/2024	200,000.00	5.02	1,226.38	200,000.00	203,954.00
AMAZON.COM INC (CALLABLE) DTD 12/01/2022 4.550% 12/01/2027	023135CP9	150,000.00	AA	A1	12/6/2022	12/7/2022	150,585.00	4.46	568.75	150,218.88	152,477.85
JPMORGAN CHASE & CO (CALLABLE) DTD 01/23/2024 5.040% 01/23/2028	46647PEA0	85,000.00	A	A1	1/16/2024	1/23/2024	85,000.00	5.04	1,880.20	85,000.00	85,879.66
NATIONAL RURAL UTIL COOP (CALLABLE) DTD 12/16/2022 4.800% 03/15/2028	63743HFG2	140,000.00	A-	A2	6/9/2023	6/13/2023	139,589.80	4.87	1,978.67	139,809.76	142,551.92
MORGAN STANLEY (CALLABLE) DTD 04/19/2024 5.652% 04/13/2028	61747YFP5	40,000.00	A-	A1	4/17/2024	4/19/2024	40,000.00	5.65	489.84	40,000.00	40,787.60
CINTAS CORPORATION NO. 2 (CALLABLE) DTD 05/02/2025 4.200% 05/01/2028	17252MAR1	110,000.00	A-	A3	4/28/2025	5/2/2025	109,859.20	4.25	770.00	109,889.01	110,546.04
HERSHEY COMPANY (CALLABLE) DTD 05/04/2023 4.250% 05/04/2028	427866BH0	55,000.00	A	A1	5/1/2023	5/4/2023	54,921.35	4.28	370.10	54,963.17	55,515.90
CUMMINS INC (CALLABLE) DTD 05/09/2025 4.250% 05/09/2028	231021AY2	20,000.00	A	A2	5/6/2025	5/9/2025	19,986.00	4.28	122.78	19,988.87	20,155.88
META PLATFORMS INC (CALLABLE) DTD 05/03/2023 4.600% 05/15/2028	30303M8L9	140,000.00	AA-	Aa3	6/1/2023	6/5/2023	140,210.00	4.56	822.89	140,100.75	142,581.18

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<b>Corporate</b>											
LOCKHEED MARTIN CORP (CALLABLE) DTD 05/25/2023 4.450% 05/15/2028	539830BZ1	20,000.00	A-	A2	5/23/2023	5/25/2023	19,964.00	4.49	113.72	19,982.82	20,244.64
LOCKHEED MARTIN CORP (CALLABLE) DTD 05/25/2023 4.450% 05/15/2028	539830BZ1	65,000.00	A-	A2	6/2/2023	6/6/2023	64,766.00	4.53	369.60	64,887.67	65,795.08
MERCK & CO INC (CALLABLE) DTD 05/17/2023 4.050% 05/17/2028	58933YBH7	70,000.00	A+	Aa3	5/8/2023	5/17/2023	69,943.30	4.07	346.50	69,973.04	70,504.35
MORGAN STANLEY BANK NA (CALLABLE) DTD 05/30/2024 5.504% 05/26/2028	61690U8B9	250,000.00	A+	Aa3	5/29/2024	5/30/2024	250,310.00	5.47	1,337.78	250,151.85	254,987.75
NATIONAL AUSTRALIA BK/NY DTD 06/13/2023 4.900% 06/13/2028	63253QAE4	250,000.00	AA-	Aa2	6/6/2023	6/13/2023	249,572.50	4.94	612.50	249,790.53	256,101.50
AMERICAN HONDA FINANCE DTD 07/07/2023 5.125% 07/07/2028	02665WEM9	110,000.00	A-	A3	7/5/2023	7/7/2023	109,951.60	5.14	2,724.79	109,975.64	112,869.13
JOHN DEERE CAPITAL CORP DTD 07/14/2023 4.950% 07/14/2028	24422EXB0	70,000.00	A	A1	7/11/2023	7/14/2023	69,895.70	4.98	1,607.38	69,947.10	71,884.96
PNC BANK NA (CALLABLE) DTD 07/21/2025 4.429% 07/21/2028	69353RFZ6	375,000.00	A	A2	10/7/2025	10/8/2025	377,276.25	4.19	7,381.67	376,992.61	377,508.37
PACCAR FINANCIAL CORP DTD 08/10/2023 4.950% 08/10/2028	69371RS64	120,000.00	A+	A1	8/9/2023	8/11/2023	121,040.40	4.75	2,326.50	120,543.04	123,392.64
LOCKHEED MARTIN CORP (CALLABLE) DTD 07/28/2025 4.150% 08/15/2028	539830CK3	40,000.00	A-	A2	7/23/2025	7/28/2025	39,949.20	4.19	705.50	39,955.96	40,254.72
TOYOTA MOTOR CREDIT CORP DTD 09/11/2023 5.250% 09/11/2028	89236TLB9	100,000.00	A+	A1	9/6/2023	9/11/2023	99,826.00	5.29	1,604.17	99,900.82	103,510.00
ANALOG DEVICES INC (CALLABLE) DTD 10/05/2021 1.700% 10/01/2028	032654AU9	175,000.00	A-	A2	10/30/2023	11/1/2023	146,814.50	5.48	743.75	159,235.23	165,183.38
ALPHABET INC (CALLABLE) DTD 11/06/2025 3.875% 11/15/2028	02079KAV9	30,000.00	AA+	Aa2	11/3/2025	11/6/2025	29,974.20	3.91	177.60	29,975.46	30,146.34
JPMORGAN CHASE & CO (CALLABLE) DTD 01/24/2025 4.915% 01/24/2029	46647PEU6	110,000.00	A	A1	1/16/2025	1/24/2025	110,000.00	4.92	2,357.83	110,000.00	112,044.90
TEXAS INSTRUMENTS INC (CALLABLE) DTD 02/08/2024 4.600% 02/08/2029	882508CG7	140,000.00	A+	Aa3	2/5/2024	2/8/2024	139,851.60	4.62	2,558.11	139,904.34	143,020.36

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<b>Corporate</b>											
AIR PRODUCTS & CHEMICALS (CALLABLE) DTD 02/08/2024 4.600% 02/08/2029	009158BH8	165,000.00	A	A2	2/6/2024	2/8/2024	164,780.55	4.63	3,014.92	164,858.02	167,896.25
CISCO SYSTEMS INC (CALLABLE) DTD 02/26/2024 4.850% 02/26/2029	17275RBR2	125,000.00	AA-	A1	2/21/2024	2/26/2024	124,956.25	4.86	2,105.03	124,971.46	128,301.50
BLACKROCK FUNDING INC (CALLABLE) DTD 03/14/2024 4.700% 03/14/2029	09290DAA9	25,000.00	AA-	Aa3	3/5/2024	3/14/2024	24,954.75	4.74	349.24	24,969.88	25,555.55
BLACKROCK FUNDING INC (CALLABLE) DTD 03/14/2024 4.700% 03/14/2029	09290DAA9	375,000.00	AA-	Aa3	3/7/2024	3/14/2024	375,926.25	4.64	5,238.54	375,618.07	383,333.25
ADOBÉ INC (CALLABLE) DTD 04/04/2024 4.800% 04/04/2029	00724PAF6	150,000.00	A+	A1	4/1/2024	4/4/2024	149,776.50	4.83	1,740.00	149,848.45	153,825.00
HOME DEPOT INC (CALLABLE) DTD 06/25/2024 4.750% 06/25/2029	437076DC3	40,000.00	A	A2	6/17/2024	6/25/2024	39,742.00	4.90	31.67	39,813.79	41,009.76
PEPSICO INC (CALLABLE) DTD 07/17/2024 4.500% 07/17/2029	713448FX1	165,000.00	A+	A1	7/15/2024	7/17/2024	164,744.25	4.53	3,382.50	164,813.42	168,230.04
CATERPILLAR FINL SERVICE DTD 08/16/2024 4.375% 08/16/2029	14913UAQ3	150,000.00	A	A2	8/28/2024	8/29/2024	151,317.00	4.18	2,460.94	150,987.79	152,057.40
CATERPILLAR FINL SERVICE DTD 08/16/2024 4.375% 08/16/2029	14913UAQ3	60,000.00	A	A2	8/12/2024	8/16/2024	59,837.40	4.44	984.38	59,878.71	60,822.96
GOLDMAN SACHS GROUP INC (CALLABLE) DTD 10/21/2025 4.153% 10/21/2029	38141GD27	250,000.00	BBB+	A2	10/14/2025	10/21/2025	250,000.00	4.15	2,018.82	250,000.00	249,944.00
TRUIST BANK (CALLABLE) DTD 10/23/2025 4.136% 10/23/2029	89788JAH2	250,000.00	A	A3	10/20/2025	10/23/2025	250,000.00	4.14	1,953.11	250,000.00	249,809.25
ADOBÉ INC (CALLABLE) DTD 01/17/2025 4.950% 01/17/2030	00724PAJ8	120,000.00	A+	A1	1/14/2025	1/17/2025	119,816.40	4.98	2,706.00	119,848.32	124,263.12
HERSHEY COMPANY (CALLABLE) DTD 02/24/2025 4.750% 02/24/2030	427866BL1	105,000.00	A	A1	2/19/2025	2/24/2025	104,815.20	4.79	1,759.48	104,843.75	107,844.24
STATE STREET CORP (CALLABLE) DTD 04/24/2025 4.834% 04/24/2030	857477DB6	50,000.00	A	Aa3	4/22/2025	4/24/2025	50,000.00	4.83	449.83	50,000.00	51,476.55
WALMART INC (CALLABLE) DTD 04/28/2025 4.350% 04/28/2030	931142FN8	100,000.00	AA	Aa2	4/23/2025	4/28/2025	99,827.00	4.39	761.25	99,848.31	101,577.70

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<b>Corporate</b>											
COLGATE-PALMOLIVE CO (CALLABLE) DTD 05/02/2025 4.200% 05/01/2030	194162AT0	110,000.00	A+	Aa3	4/28/2025	5/2/2025	109,941.70	4.21	770.00	109,949.09	110,750.09
CITIBANK NA (CALLABLE) DTD 05/29/2025 4.914% 05/29/2030	17325FBP2	250,000.00	A+	Aa3	5/21/2025	5/29/2025	250,000.00	4.91	1,092.00	250,000.00	257,177.25
ANALOG DEVICES INC (CALLABLE) DTD 06/16/2025 4.500% 06/15/2030	032654BE4	125,000.00	A-	A2	6/12/2025	6/16/2025	124,890.00	4.52	250.00	124,901.13	126,695.88
PEPSICO INC (CALLABLE) DTD 07/23/2025 4.300% 07/23/2030	713448GH5	100,000.00	A+	A1	7/21/2025	7/23/2025	99,822.00	4.34	1,887.22	99,836.51	101,030.20
GENERAL ELECTRIC CO (CALLABLE) DTD 07/29/2025 4.300% 07/29/2030	369604BZ5	40,000.00	A-	A3	7/22/2025	7/29/2025	39,920.00	4.34	726.22	39,926.18	40,339.92
HOME DEPOT INC (CALLABLE) DTD 09/15/2025 3.950% 09/15/2030	437076DJ8	25,000.00	A	A2	9/8/2025	9/15/2025	24,910.25	4.03	290.76	24,915.17	24,942.35
NOVARTIS CAPITAL CORP (CALLABLE) DTD 11/05/2025 4.100% 11/05/2030	66989HAY4	400,000.00	AA-	Aa3	11/3/2025	11/5/2025	398,800.00	4.17	2,551.11	398,835.50	399,573.60
SHELL FINANCE US INC (CALLABLE) DTD 11/06/2025 4.125% 11/06/2030	822905AN5	85,000.00	A+	Aa2	11/3/2025	11/6/2025	84,673.60	4.21	535.68	84,682.93	84,988.87
ALPHABET INC (CALLABLE) DTD 11/06/2025 4.100% 11/15/2030	02079KAW7	370,000.00	AA+	Aa2	11/7/2025	11/17/2025	371,128.50	4.03	2,317.64	371,103.27	371,135.53
NORTHERN TRUST CORP DTD 11/19/2025 4.150% 11/19/2030	665859AY0	300,000.00	A+	A2	11/13/2025	11/19/2025	299,625.00	4.18	1,452.50	299,633.76	300,324.90
NORTHERN TRUST CORP DTD 11/19/2025 4.150% 11/19/2030	665859AY0	75,000.00	A+	A2	11/12/2025	11/19/2025	74,963.25	4.16	363.13	74,964.21	75,081.23
<b>Security Type Sub-Total</b>		<b>8,265,000.00</b>					<b>8,187,999.80</b>	<b>4.47</b>	<b>81,797.60</b>	<b>8,236,784.72</b>	<b>8,344,013.93</b>
<b>Agency CMBS</b>											
FHMS K065 A2 DTD 07/01/2017 3.243% 04/01/2027	3137F1G44	300,000.00	AA+	Aa1	6/8/2023	6/13/2023	287,472.66	4.42	810.75	295,734.22	297,785.10
FHMS K067 A2 DTD 09/01/2017 3.194% 07/01/2027	3137FAWS3	375,000.00	AA+	Aa1	6/24/2024	6/27/2024	357,773.44	4.84	998.13	365,630.43	371,655.37
FHMS K743 A2 DTD 06/01/2021 1.770% 05/01/2028	3137H14B9	325,000.00	AA+	Aa1	8/10/2023	8/15/2023	284,451.17	4.68	479.38	304,631.29	310,230.38

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Agency CMBS</b>											
FHMS K505 A2 DTD 07/01/2023 4.819% 06/01/2028	3137HACX2	285,000.00	AA+	Aa1	7/13/2023	7/20/2023	287,846.58	4.59	1,144.51	286,433.71	290,746.46
FHMS KJ46 A1 DTD 07/01/2023 4.777% 06/01/2028	3137HAD45	229,707.74	AA+	Aa1	7/19/2023	7/27/2023	229,701.97	4.78	914.43	229,704.82	231,723.19
FNA 2023-M6 A2 DTD 07/01/2023 4.181% 07/01/2028	3136BQDE6	286,364.00	AA+	Aa1	7/18/2023	7/31/2023	281,509.23	4.58	997.74	283,863.55	288,150.34
FHMS K508 A2 DTD 10/01/2023 4.740% 08/01/2028	3137HAQ74	225,000.00	AA+	Aa1	10/11/2023	10/19/2023	220,064.40	5.25	888.75	222,140.91	229,678.43
FHMS K509 A2 DTD 10/01/2023 4.850% 09/01/2028	3137HAST4	190,000.00	AA+	Aa1	10/25/2023	10/31/2023	183,942.23	5.60	767.92	186,354.38	194,692.24
FHMS K510 A2 DTD 11/01/2023 5.069% 10/01/2028	3137HB3D4	90,000.00	AA+	Aa1	11/14/2023	11/21/2023	89,739.81	5.14	380.18	89,842.97	92,537.55
FHMS K513 A2 DTD 01/01/2024 4.724% 12/01/2028	3137HBFY5	135,000.00	AA+	Aa1	1/10/2024	1/18/2024	136,348.52	4.50	531.45	135,852.46	137,837.83
FHMS K514 A2 DTD 02/01/2024 4.572% 12/01/2028	3137HBLV4	145,000.00	AA+	Aa1	2/1/2024	2/8/2024	146,449.86	4.34	552.45	145,924.64	147,459.63
FHMS K520 A2 DTD 04/01/2024 5.180% 03/01/2029	3137HCKV3	170,000.00	AA+	Aa1	4/23/2024	4/30/2024	170,690.03	5.09	733.83	170,482.35	176,079.20
FHMS K524 A2 DTD 07/01/2024 4.720% 05/01/2029	3137HDV56	280,000.00	AA+	Aa1	7/16/2024	7/25/2024	281,719.48	4.58	1,101.33	281,270.41	286,339.76
FHMS K529 A2 DTD 10/01/2024 4.791% 09/01/2029	3137HH6C0	220,000.00	AA+	Aa1	10/8/2024	10/16/2024	224,397.14	4.34	878.35	223,411.19	225,707.68
FHMS K539 A2 DTD 04/01/2025 4.410% 01/01/2030	3137HKXJ8	140,000.00	AA+	Aa1	4/15/2025	4/24/2025	139,995.10	4.41	514.50	139,995.82	142,140.74
FHMS K537 A2 DTD 03/01/2025 4.430% 02/01/2030	3137HKPF5	210,000.00	AA+	Aa1	3/11/2025	3/20/2025	209,997.69	4.43	775.25	209,998.40	213,089.10
FHMS K547 A2 DTD 09/01/2025 4.421% 05/01/2030	3137HN6B9	235,000.00	AA+	Aa1	9/23/2025	9/29/2025	238,517.72	4.06	865.78	238,398.09	238,263.68
FHMS K543 A2 DTD 07/01/2025 4.329% 06/01/2030	3137HMC65	395,000.00	AA+	Aa1	7/9/2025	7/17/2025	394,992.49	4.33	1,424.96	394,993.55	399,148.68
FHMS K545 A2 DTD 08/01/2025 4.290% 07/01/2030	3137HMCK4	390,000.00	AA+	Aa1	7/29/2025	8/7/2025	389,441.91	4.32	1,394.25	389,483.55	393,329.04
FHMS K544 A2 DTD 07/01/2025 4.266% 07/01/2030	3137HMCE8	400,000.00	AA+	Aa1	7/22/2025	7/31/2025	399,578.40	4.29	1,422.00	399,604.52	403,032.00

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>Agency CMBS</b>											
FHMS K550 A2 DTD 11/01/2025 4.163% 10/01/2030	3137HNWH7	400,000.00	AA+	Aa1	11/13/2025	11/20/2025	401,434.40	4.08	1,387.67	401,404.97	401,060.80
FHMS K552 A2 DTD 12/01/2025 4.092% 11/01/2030	3137HPEX7	210,000.00	AA+	Aa1	12/16/2025	12/23/2025	209,992.44	4.09	716.10	209,992.53	209,879.25
FHMS K551 A2 DTD 12/01/2025 4.165% 11/01/2030	3137HNWV6	235,000.00	AA+	Aa1	11/25/2025	12/5/2025	237,073.87	3.97	815.65	237,046.91	235,595.49
<b>Security Type Sub-Total</b>		<b>5,871,071.73</b>					<b>5,803,130.54</b>	<b>4.51</b>	<b>20,495.36</b>	<b>5,842,195.67</b>	<b>5,916,161.94</b>
<b>ABS</b>											
CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027	14318MAD1	13,042.25	AAA	NR	7/12/2022	7/20/2022	13,041.94	3.97	23.01	13,042.16	13,041.83
MBART 2022-1 A3 DTD 11/22/2022 5.210% 08/16/2027	58768PAC8	32,187.04	AAA	Aaa	11/15/2022	11/22/2022	32,180.67	5.21	74.53	32,184.85	32,281.89
BMWWT 2023-A A3 DTD 07/18/2023 5.470% 02/25/2028	05592XAD2	31,832.26	AAA	NR	7/11/2023	7/18/2023	31,826.61	5.47	29.02	31,829.62	32,024.27
GMCAR 2023-3 A3 DTD 07/19/2023 5.450% 06/16/2028	36267KAD9	50,606.27	AAA	Aaa	7/11/2023	7/19/2023	50,604.31	5.45	114.92	50,605.29	50,970.23
HAROT 2024-1 A3 DTD 02/21/2024 5.210% 08/15/2028	437918AC9	114,192.67	AAA	Aaa	2/13/2024	2/21/2024	114,187.70	5.21	264.42	114,189.87	115,185.23
BMWLT 2025-1 A4 DTD 06/10/2025 4.490% 10/25/2028	096912AE0	110,000.00	AAA	NR	6/3/2025	6/10/2025	109,990.00	4.49	82.32	109,991.57	111,221.55
GMCAR 2024-1 A3 DTD 01/17/2024 4.850% 12/18/2028	36268GAD7	20,724.42	NR	Aaa	1/9/2024	1/17/2024	20,720.25	4.85	41.88	20,721.80	20,850.88
CHAIT 2024-A1 A DTD 01/31/2024 4.600% 01/15/2029	161571HV9	205,000.00	AAA	NR	1/24/2024	1/31/2024	204,968.78	4.60	419.11	204,980.27	206,836.60
WFCIT 2024-A1 A DTD 03/01/2024 4.940% 02/15/2029	92970QAA3	235,000.00	AAA	Aaa	2/21/2024	3/1/2024	234,936.22	4.95	515.96	234,958.61	238,111.16
AMXCA 2024-1 A DTD 04/23/2024 5.230% 04/16/2029	02582JKH2	245,000.00	AAA	NR	4/16/2024	4/23/2024	244,949.78	5.23	569.49	244,949.78	249,631.24
BACCT 2024-A1 A DTD 06/13/2024 4.930% 05/15/2029	05522RDJ4	280,000.00	AAA	Aaa	6/6/2024	6/13/2024	279,984.29	4.93	613.51	279,989.58	284,386.48
HART 2024-C A3 DTD 10/16/2024 4.410% 05/15/2029	448976AD2	120,000.00	AAA	NR	10/8/2024	10/16/2024	119,991.22	4.41	235.20	119,993.62	120,945.96

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>ABS</b>											
GMCAR 2024-4 A3 DTD 10/16/2024 4.400% 08/16/2029	38014AAD3	100,000.00	AAA	Aaa	10/8/2024	10/16/2024	99,980.74	4.40	183.33	99,985.28	100,749.80
VALET 2025-1 A3 DTD 03/25/2025 4.500% 08/20/2029	92868MAD1	230,000.00	NR	Aaa	3/18/2025	3/25/2025	229,992.18	4.50	316.25	229,993.84	232,388.32
BMWOT 2025-A A3 DTD 02/12/2025 4.560% 09/25/2029	096924AD7	185,000.00	AAA	Aaa	2/4/2025	2/12/2025	184,981.78	4.56	140.60	184,985.42	186,860.55
HAROT 2025-2 A3 DTD 05/08/2025 4.150% 10/15/2029	437921AD1	85,000.00	NR	Aaa	4/29/2025	5/8/2025	84,990.51	4.15	156.78	84,991.97	85,519.95
FORDO 2025-A A3 DTD 03/25/2025 4.450% 10/15/2029	34535KAD0	280,000.00	AAA	Aaa	3/18/2025	3/25/2025	279,972.78	4.45	553.78	279,977.58	282,779.00
TAOT 2025-B A3 DTD 04/30/2025 4.340% 11/15/2029	89231HAD8	140,000.00	AAA	NR	4/24/2025	4/30/2025	139,991.98	4.34	270.04	139,993.52	141,098.58
MBART 2025-1 A3 DTD 01/23/2025 4.780% 12/17/2029	58773DAD6	260,000.00	NR	Aaa	4/8/2025	4/9/2025	261,736.72	4.62	552.36	261,491.87	263,762.98
MBART 2025-1 A3 DTD 01/23/2025 4.780% 12/17/2029	58773DAD6	155,000.00	NR	Aaa	1/14/2025	1/23/2025	154,967.03	4.78	329.29	154,973.20	157,243.32
ALLYA 2025-1 A3 DTD 10/16/2025 3.960% 03/15/2030	02008KAC7	75,000.00	AAA	NR	10/7/2025	10/16/2025	74,989.29	3.96	132.00	74,989.85	75,230.25
VZMT 2025-3 A1A DTD 03/31/2025 4.510% 03/20/2030	92348KDY6	280,000.00	NR	Aaa	3/25/2025	3/31/2025	279,987.96	4.51	385.86	279,990.33	282,225.44
VALET 2025-2 A3 DTD 11/25/2025 3.920% 03/20/2030	92869QAD1	135,000.00	NR	Aaa	11/18/2025	11/25/2025	134,977.35	3.92	161.70	134,977.98	135,333.05
FORDO 2025-B A3 DTD 09/26/2025 3.910% 04/15/2030	34532BAG6	155,000.00	NR	Aaa	9/23/2025	9/26/2025	154,983.28	3.91	269.36	154,984.72	155,547.93
HART 2025-C A3 DTD 09/17/2025 3.880% 04/15/2030	44935JAD8	180,000.00	AAA	NR	9/9/2025	9/17/2025	179,970.62	3.88	310.40	179,973.02	180,376.38
AMXCA 2025-2 A DTD 05/13/2025 4.280% 04/15/2030	02582JKP4	245,000.00	AAA	NR	5/6/2025	5/13/2025	244,995.57	4.28	466.04	244,996.17	247,796.43
GMCAR 2025-2 A3 DTD 05/14/2025 4.280% 04/16/2030	362549AD9	60,000.00	AAA	Aaa	5/6/2025	5/14/2025	59,991.17	4.28	107.00	59,992.25	60,454.74
WFCIT 2025-A1 A DTD 06/10/2025 4.340% 05/15/2030	92970QAJ4	330,000.00	AAA	NR	6/3/2025	6/10/2025	329,994.52	4.34	636.53	329,996.06	334,380.75
TAOT 2025-D A3 DTD 10/23/2025 3.840% 06/17/2030	89231GAD0	210,000.00	AAA	NR	10/15/2025	10/23/2025	209,975.85	3.84	358.40	209,976.79	210,224.91

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
<b>ABS</b>											
CCCIT 2025-A1 A DTD 06/26/2025 4.300% 06/21/2030	17305EHA6	375,000.00	AAA	Aaa	6/18/2025	6/26/2025	374,898.26	4.31	447.92	374,907.84	379,354.50
COPAR 2025-1 A3 DTD 11/05/2025 3.850% 07/15/2030	14043YAD7	125,000.00	AAA	NR	10/28/2025	11/5/2025	124,973.53	3.85	213.89	124,974.53	125,058.12
AMXCA 2025-4 A DTD 07/22/2025 4.300% 07/15/2030	02582JKV1	285,000.00	AAA	NR	7/15/2025	7/22/2025	284,958.93	4.30	544.67	284,962.46	288,697.31
COMET 2025-A1 A DTD 09/16/2025 3.820% 09/15/2030	14041NGF2	225,000.00	AAA	NR	9/9/2025	9/16/2025	224,957.34	3.82	382.00	224,960.33	225,128.93
HART 2025-D A3 DTD 11/12/2025 3.990% 09/16/2030	44891XAD9	165,000.00	AAA	NR	11/5/2025	11/12/2025	164,986.04	3.99	292.60	164,986.56	165,633.77
<b>Security Type Sub-Total</b>		<b>5,737,584.90</b>					<b>5,738,635.20</b>	<b>4.43</b>	<b>10,194.17</b>	<b>5,738,498.59</b>	<b>5,791,332.33</b>
<b>Managed Account Sub Total</b>		<b>40,683,656.63</b>					<b>39,583,595.99</b>	<b>4.21</b>	<b>242,181.73</b>	<b>40,097,939.11</b>	<b>40,526,250.56</b>
<b>Securities Sub Total</b>		<b>\$40,790,653.84</b>					<b>\$39,690,593.20</b>	<b>4.21%</b>	<b>\$242,181.73</b>	<b>\$40,204,936.32</b>	<b>\$40,633,247.77</b>
<b>Accrued Interest</b>											<b>\$242,181.73</b>
<b>Total Investments</b>											<b>\$40,875,429.50</b>

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>BUY</b>									
10/1/2025	10/2/2025	140,000.00	91282CNN7	US TREASURY N/B	3.87%	7/31/2030	142,142.80	3.68%	
10/7/2025	10/8/2025	375,000.00	69353RFZ6	PNC BANK NA (CALLABLE)	4.42%	7/21/2028	380,828.68	4.19%	
10/7/2025	10/16/2025	75,000.00	02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	74,989.29	3.96%	
10/8/2025	10/9/2025	55,000.00	91282CBS9	US TREASURY N/B	1.25%	3/31/2028	52,017.78	3.57%	
10/10/2025	10/14/2025	275,000.00	91282CPA3	US TREASURY N/B	3.62%	9/30/2030	274,846.30	3.67%	
10/14/2025	10/21/2025	250,000.00	38141GD27	GOLDMAN SACHS GROUP INC (CALLABLE)	4.15%	10/21/2029	250,000.00	4.15%	
10/15/2025	10/23/2025	210,000.00	89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	209,975.85	3.84%	
10/20/2025	10/23/2025	250,000.00	89788JAH2	TRUIST BANK (CALLABLE)	4.13%	10/23/2029	250,000.00	4.14%	
10/28/2025	11/5/2025	125,000.00	14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	124,973.53	3.85%	
11/3/2025	11/5/2025	400,000.00	66989HAY4	NOVARTIS CAPITAL CORP (CALLABLE)	4.10%	11/5/2030	398,800.00	4.17%	
11/3/2025	11/6/2025	85,000.00	822905AN5	SHELL FINANCE US INC (CALLABLE)	4.12%	11/6/2030	84,673.60	4.21%	
11/3/2025	11/6/2025	30,000.00	02079KAV9	ALPHABET INC (CALLABLE)	3.87%	11/15/2028	29,974.20	3.91%	
11/5/2025	11/12/2025	165,000.00	44891XAD9	HART 2025-D A3	3.99%	9/16/2030	164,986.04	3.99%	
11/7/2025	11/17/2025	370,000.00	02079KAW7	ALPHABET INC (CALLABLE)	4.10%	11/15/2030	371,592.03	4.03%	
11/12/2025	11/19/2025	75,000.00	665859AY0	NORTHERN TRUST CORP	4.15%	11/19/2030	74,963.25	4.16%	
11/13/2025	11/19/2025	300,000.00	665859AY0	NORTHERN TRUST CORP	4.15%	11/19/2030	299,625.00	4.18%	
11/13/2025	11/20/2025	400,000.00	3137HNWH7	FHMS K550 A2	4.16%	10/1/2030	402,313.26	4.08%	

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>BUY</b>									
11/18/2025	11/25/2025	135,000.00	92869QAD1	VALET 2025-2 A3	3.92%	3/20/2030	134,977.35	3.92%	
11/25/2025	12/5/2025	235,000.00	3137HNWV6	FHMS K551 A2	4.16%	11/1/2030	237,182.62	3.97%	
12/8/2025	12/9/2025	160,000.00	91282CLR0	US TREASURY N/B	4.12%	10/31/2029	163,148.55	3.70%	
12/16/2025	12/23/2025	210,000.00	3137HPEX7	FHMS K552 A2	4.09%	11/1/2030	210,517.58	4.09%	
12/22/2025	12/26/2025	250,000.00	91282CGC9	US TREASURY N/B	3.87%	12/31/2027	256,528.54	3.50%	
<b>Total BUY</b>		<b>4,570,000.00</b>					<b>4,589,056.25</b>		<b>0.00</b>
<b>INTEREST</b>									
10/1/2025	10/1/2025		032654AU9	ANALOG DEVICES INC (CALLABLE)	1.70%	10/1/2028	1,487.50		
10/1/2025	10/25/2025		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	917.94		
10/1/2025	10/25/2025		3137BVZ82	FHMS K063 A2	3.43%	1/1/2027	714.58		
10/1/2025	10/25/2025		3137HMC65	FHMS K543 A2	4.32%	6/1/2030	1,424.96		
10/1/2025	10/25/2025		3137HMCE8	FHMS K544 A2	4.26%	7/1/2030	1,422.00		
10/1/2025	10/25/2025		3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	454.21		
10/1/2025	10/25/2025		3137HMCK4	FHMS K545 A2	4.29%	7/1/2030	1,394.25		
10/1/2025	10/25/2025		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	767.92		
10/1/2025	10/25/2025		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	552.45		
10/1/2025	10/25/2025		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	888.75		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
10/1/2025	10/25/2025		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	878.35		
10/1/2025	10/25/2025		3137BSP72	FHMS K058 A2	2.65%	8/1/2026	519.55		
10/1/2025	10/25/2025		3137F1G44	FHMS K065 A2	3.24%	4/1/2027	810.75		
10/1/2025	10/25/2025		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	380.18		
10/1/2025	10/25/2025		3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	998.18		
10/1/2025	10/25/2025		3137HN6B9	FHMS K547 A2	4.42%	5/1/2030	865.78		
10/1/2025	10/25/2025		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	733.83		
10/1/2025	10/25/2025		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	1,144.51		
10/1/2025	10/25/2025		3137HKXJ8	FHMS K539 A2	4.41%	1/1/2030	514.50		
10/1/2025	10/25/2025		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	531.45		
10/1/2025	10/25/2025		3137H14B9	FHMS K743 A2	1.77%	5/1/2028	479.38		
10/1/2025	10/25/2025		3137FAWS3	FHMS K067 A2	3.19%	7/1/2027	998.13		
10/1/2025	10/25/2025		3137HKPF5	FHMS K537 A2	4.43%	2/1/2030	775.25		
10/1/2025	10/25/2025		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	1,101.33		
10/4/2025	10/4/2025		00724PAF6	ADOLE INC (CALLABLE)	4.80%	4/4/2029	3,600.00		
10/13/2025	10/13/2025		61747YFP5	MORGAN STANLEY (CALLABLE)	5.65%	4/13/2028	1,130.40		
10/15/2025	10/15/2025		44933XAD9	HART 2023-B A3	5.48%	4/17/2028	296.94		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
10/15/2025	10/15/2025		02582JKP4	AMXCA 2025-2 A	4.28%	4/15/2030	873.83		
10/15/2025	10/15/2025		344930AD4	FORDO 2023-B A3	5.23%	5/15/2028	272.27		
10/15/2025	10/15/2025		58768PAC8	MBART 2022-1 A3	5.21%	8/16/2027	222.28		
10/15/2025	10/15/2025		92970QAA3	WFCIT 2024-A1 A	4.94%	2/15/2029	967.42		
10/15/2025	10/15/2025		02582JKV1	AMXCA 2025-4 A	4.30%	7/15/2030	1,021.25		
10/15/2025	10/15/2025		92970QAJ4	WFCIT 2025-A1 A	4.34%	5/15/2030	1,193.50		
10/15/2025	10/15/2025		34535KAD0	FORDO 2025-A A3	4.45%	10/15/2029	1,038.33		
10/15/2025	10/15/2025		58773DAD6	MBART 2025-1 A3	4.78%	12/17/2029	1,653.09		
10/15/2025	10/15/2025		437921AD1	HAROT 2025-2 A3	4.15%	10/15/2029	293.96		
10/15/2025	10/15/2025		448976AD2	HART 2024-C A3	4.41%	5/15/2029	441.00		
10/15/2025	10/15/2025		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	319.86		
10/15/2025	10/15/2025		14318MAD1	CARMX 2022-3 A3	3.97%	4/15/2027	102.98		
10/15/2025	10/15/2025		05522RDJ4	BACCT 2024-A1 A	4.93%	5/15/2029	1,150.33		
10/15/2025	10/15/2025		89231HAD8	TAOT 2025-B A3	4.34%	11/15/2029	506.33		
10/15/2025	10/15/2025		931142FB4	WALMART INC (CALLABLE)	3.90%	4/15/2028	4,875.00		
10/15/2025	10/15/2025		65480MAD5	NAROT 2023-B A3	5.93%	3/15/2028	195.11		
10/15/2025	10/15/2025		44935JAD8	HART 2025-C A3	3.88%	4/15/2030	543.20		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
10/15/2025	10/15/2025		437918AC9	HAROT 2024-1 A3	5.21%	8/15/2028	604.34		
10/15/2025	10/15/2025		02582JKH2	AMXCA 2024-1 A	5.23%	4/16/2029	1,067.79		
10/15/2025	10/15/2025		161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2029	785.83		
10/16/2025	10/16/2025		362585AC5	GMCAR 2022-2 A3	3.10%	2/16/2027	12.41		
10/16/2025	10/16/2025		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	101.04		
10/16/2025	10/16/2025		36267KAD9	GMCAR 2023-3 A3	5.45%	6/16/2028	294.54		
10/16/2025	10/16/2025		38014AAD3	GMCAR 2024-4 A3	4.40%	8/16/2029	366.67		
10/16/2025	10/16/2025		362549AD9	GMCAR 2025-2 A3	4.28%	4/16/2030	214.00		
10/20/2025	10/20/2025		92868MAD1	VALET 2025-1 A3	4.50%	8/20/2029	862.50		
10/20/2025	10/20/2025		92348KDY6	VZMT 2025-3 A1A	4.51%	3/20/2030	1,052.33		
10/23/2025	10/23/2025		949746SH5	WELLS FARGO & COMPANY	3.00%	10/23/2026	3,450.00		
10/24/2025	10/24/2025		857477DB6	STATE STREET CORP (CALLABLE)	4.83%	4/24/2030	1,208.50		
10/25/2025	10/25/2025		096924AD7	BMWOT 2025-A A3	4.56%	9/25/2029	703.00		
10/25/2025	10/25/2025		05592XAD2	BMWOT 2023-A A3	5.47%	2/25/2028	197.91		
10/25/2025	10/25/2025		096912AE0	BMWLT 2025-1 A4	4.49%	10/25/2028	411.58		
10/28/2025	10/28/2025		931142FN8	WALMART INC (CALLABLE)	4.35%	4/28/2030	2,175.00		
10/31/2025	10/31/2025		91282CFT3	US TREASURY N/B	4.00%	10/31/2029	12,000.00		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
10/31/2025	10/31/2025		91282CDG3	US TREASURY N/B	1.12%	10/31/2026	871.88		
10/31/2025	10/31/2025		91282CBZ3	US TREASURY N/B	1.25%	4/30/2028	1,531.25		
10/31/2025	10/31/2025		91282CEM9	US TREASURY N/B	2.87%	4/30/2029	9,415.63		
10/31/2025	10/31/2025		91282CDF5	US TREASURY N/B	1.37%	10/31/2028	4,090.63		
10/31/2025	10/31/2025		91282CEN7	US TREASURY N/B	2.75%	4/30/2027	2,750.00		
11/1/2025	11/1/2025		17252MAR1	CINTAS CORPORATION NO. 2 (CALLABLE)	4.20%	5/1/2028	2,297.17		
11/1/2025	11/1/2025		194162AT0	COLGATE-PALMOLIVE CO (CALLABLE)	4.20%	5/1/2030	2,297.17		
11/1/2025	11/1/2025		13077DQD7	CALIFORNIA ST UNIV-B	0.86%	11/1/2025	258.60		
11/1/2025	11/25/2025		3137FAWS3	FHMS K067 A2	3.19%	7/1/2027	998.13		
11/1/2025	11/25/2025		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	380.18		
11/1/2025	11/25/2025		3137HKXJ8	FHMS K539 A2	4.41%	1/1/2030	514.50		
11/1/2025	11/25/2025		3137HKPF5	FHMS K537 A2	4.43%	2/1/2030	775.25		
11/1/2025	11/25/2025		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	888.75		
11/1/2025	11/25/2025		3137HMCK4	FHMS K545 A2	4.29%	7/1/2030	1,394.25		
11/1/2025	11/25/2025		3137BVZ82	FHMS K063 A2	3.43%	1/1/2027	714.58		
11/1/2025	11/25/2025		3137HMCE8	FHMS K544 A2	4.26%	7/1/2030	1,422.00		
11/1/2025	11/25/2025		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	552.45		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
11/1/2025	11/25/2025		3137F1G44	FHMS K065 A2	3.24%	4/1/2027	810.75		
11/1/2025	11/25/2025		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	1,144.51		
11/1/2025	11/25/2025		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	733.83		
11/1/2025	11/25/2025		3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	1,000.10		
11/1/2025	11/25/2025		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	1,101.33		
11/1/2025	11/25/2025		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	767.92		
11/1/2025	11/25/2025		3137HMC65	FHMS K543 A2	4.32%	6/1/2030	1,424.96		
11/1/2025	11/25/2025		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	878.35		
11/1/2025	11/25/2025		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	916.75		
11/1/2025	11/25/2025		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	531.45		
11/1/2025	11/25/2025		3137H14B9	FHMS K743 A2	1.77%	5/1/2028	479.38		
11/1/2025	11/25/2025		3137HN6B9	FHMS K547 A2	4.42%	5/1/2030	865.78		
11/4/2025	11/4/2025		025816CM9	AMERICAN EXPRESS CO (CALLABLE)	1.65%	11/4/2026	1,361.25		
11/4/2025	11/4/2025		427866BH0	HERSHEY COMPANY (CALLABLE)	4.25%	5/4/2028	1,168.75		
11/6/2025	11/6/2025		63743HFR8	NATIONAL RURAL UTIL COOP (CALLABLE)	5.10%	5/6/2027	2,422.50		
11/9/2025	11/9/2025		231021AY2	CUMMINS INC (CALLABLE)	4.25%	5/9/2028	425.00		
11/10/2025	11/10/2025		665859AW4	NORTHERN TRUST CORP (CALLABLE)	4.00%	5/10/2027	2,000.00		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
11/15/2025	11/15/2025		9128283F5	US TREASURY N/B	2.25%	11/15/2027	6,750.00		
11/15/2025	11/15/2025		02582JKP4	AMXCA 2025-2 A	4.28%	4/15/2030	873.83		
11/15/2025	11/15/2025		02582JKH2	AMXCA 2024-1 A	5.23%	4/16/2029	1,067.79		
11/15/2025	11/15/2025		9128285M8	US TREASURY N/B	3.12%	11/15/2028	9,765.63		
11/15/2025	11/15/2025		161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2029	785.83		
11/15/2025	11/15/2025		437921AD1	HAROT 2025-2 A3	4.15%	10/15/2029	293.96		
11/15/2025	11/15/2025		92970QAJ4	WFCIT 2025-A1 A	4.34%	5/15/2030	1,193.50		
11/15/2025	11/15/2025		912828X88	US TREASURY N/B	2.37%	5/15/2027	9,856.25		
11/15/2025	11/15/2025		34535KAD0	FORDO 2025-A A3	4.45%	10/15/2029	1,038.33		
11/15/2025	11/15/2025		05522RDJ4	BACCT 2024-A1 A	4.93%	5/15/2029	1,150.33		
11/15/2025	11/15/2025		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	492.80		
11/15/2025	11/15/2025		58768PAC8	MBART 2022-1 A3	5.21%	8/16/2027	191.87		
11/15/2025	11/15/2025		437918AC9	HAROT 2024-1 A3	5.21%	8/15/2028	565.52		
11/15/2025	11/15/2025		448976AD2	HART 2024-C A3	4.41%	5/15/2029	441.00		
11/15/2025	11/15/2025		89231HAD8	TAOT 2025-B A3	4.34%	11/15/2029	506.33		
11/15/2025	11/15/2025		14041NGF2	COMET 2025-A1 A	3.82%	9/15/2030	1,408.63		
11/15/2025	11/15/2025		14318MAD1	CARMX 2022-3 A3	3.97%	4/15/2027	82.18		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
11/15/2025	11/15/2025		30303M8L9	META PLATFORMS INC (CALLABLE)	4.60%	5/15/2028	3,220.00		
11/15/2025	11/15/2025		539830BZ1	LOCKHEED MARTIN CORP (CALLABLE)	4.45%	5/15/2028	1,891.25		
11/15/2025	11/15/2025		91282CJK8	US TREASURY N/B	4.62%	11/15/2026	3,121.88		
11/15/2025	11/15/2025		44935JAD8	HART 2025-C A3	3.88%	4/15/2030	582.00		
11/15/2025	11/15/2025		02582JKV1	AMXCA 2025-4 A	4.30%	7/15/2030	1,021.25		
11/15/2025	11/15/2025		58773DAD6	MBART 2025-1 A3	4.78%	12/17/2029	1,653.09		
11/15/2025	11/15/2025		912828U24	US TREASURY N/B	2.00%	11/15/2026	6,900.00		
11/15/2025	11/15/2025		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	239.25		
11/15/2025	11/15/2025		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	505.04		
11/15/2025	11/15/2025		9128284N7	US TREASURY N/B	2.87%	5/15/2028	7,043.75		
11/15/2025	11/15/2025		92970QAA3	WFCIT 2024-A1 A	4.94%	2/15/2029	967.42		
11/16/2025	11/16/2025		362585AC5	GMCAR 2022-2 A3	3.10%	2/16/2027	7.57		
11/16/2025	11/16/2025		38014AAD3	GMCAR 2024-4 A3	4.40%	8/16/2029	366.67		
11/16/2025	11/16/2025		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	95.15		
11/16/2025	11/16/2025		362549AD9	GMCAR 2025-2 A3	4.28%	4/16/2030	214.00		
11/16/2025	11/16/2025		36267KAD9	GMCAR 2023-3 A3	5.45%	6/16/2028	271.85		
11/17/2025	11/17/2025		58933YBH7	MERCK & CO INC (CALLABLE)	4.05%	5/17/2028	1,417.50		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
11/17/2025	11/17/2025		10373QBY5	BP CAP MARKETS AMERICA (CALLABLE)	5.01%	11/17/2027	5,017.00		
11/20/2025	11/20/2025		92348KDY6	VZMT 2025-3 A1A	4.51%	3/20/2030	1,052.33		
11/20/2025	11/20/2025		92868MAD1	VALET 2025-1 A3	4.50%	8/20/2029	862.50		
11/21/2025	11/21/2025		38151LAG5	GOLDMAN SACHS BANK USA (CALLABLE)	5.41%	5/21/2027	5,955.40		
11/25/2025	11/25/2025		05592XAD2	BMWWT 2023-A A3	5.47%	2/25/2028	179.16		
11/25/2025	11/25/2025		096912AE0	BMWLT 2025-1 A4	4.49%	10/25/2028	411.58		
11/25/2025	11/25/2025		096924AD7	BMWWT 2025-A A3	4.56%	9/25/2029	703.00		
11/26/2025	11/26/2025		61690U8B9	MORGAN STANLEY BANK NA (CALLABLE)	5.50%	5/26/2028	6,880.00		
11/29/2025	11/29/2025		17325FBP2	CITIBANK NA (CALLABLE)	4.91%	5/29/2030	6,142.50		
11/30/2025	11/30/2025		91282CFY2	US TREASURY N/B	3.87%	11/30/2029	6,684.38		
11/30/2025	11/30/2025		91282CHF1	US TREASURY N/B	3.75%	5/31/2030	12,750.00		
12/1/2025	12/1/2025		023135CP9	AMAZON.COM INC (CALLABLE)	4.55%	12/1/2027	3,412.50		
12/1/2025	12/25/2025		3137HACX2	FHMS K505 A2	4.81%	6/1/2028	1,144.51		
12/1/2025	12/25/2025		3137HMCK4	FHMS K545 A2	4.29%	7/1/2030	1,394.25		
12/1/2025	12/25/2025		3137HH6C0	FHMS K529 A2	4.79%	9/1/2029	878.35		
12/1/2025	12/25/2025		3137HMC65	FHMS K543 A2	4.32%	6/1/2030	1,424.96		
12/1/2025	12/25/2025		3137BVZ82	FHMS K063 A2	3.43%	1/1/2027	714.58		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
12/1/2025	12/25/2025		3137H14B9	FHMS K743 A2	1.77%	5/1/2028	479.38		
12/1/2025	12/25/2025		3137HAQ74	FHMS K508 A2	4.74%	8/1/2028	888.75		
12/1/2025	12/25/2025		3137HMCE8	FHMS K544 A2	4.26%	7/1/2030	1,422.00		
12/1/2025	12/25/2025		3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	997.96		
12/1/2025	12/25/2025		3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	915.70		
12/1/2025	12/25/2025		3137HCKV3	FHMS K520 A2	5.18%	3/1/2029	733.83		
12/1/2025	12/25/2025		3137HBFY5	FHMS K513 A2	4.72%	12/1/2028	531.45		
12/1/2025	12/25/2025		3137HKPF5	FHMS K537 A2	4.43%	2/1/2030	775.25		
12/1/2025	12/25/2025		3137HB3D4	FHMS K510 A2	5.06%	10/1/2028	380.18		
12/1/2025	12/25/2025		3137FAWS3	FHMS K067 A2	3.19%	7/1/2027	998.13		
12/1/2025	12/25/2025		3137HKXJ8	FHMS K539 A2	4.41%	1/1/2030	514.50		
12/1/2025	12/25/2025		3137HN6B9	FHMS K547 A2	4.42%	5/1/2030	865.78		
12/1/2025	12/25/2025		3137F1G44	FHMS K065 A2	3.24%	4/1/2027	810.75		
12/1/2025	12/25/2025		3137HBLV4	FHMS K514 A2	4.57%	12/1/2028	552.45		
12/1/2025	12/25/2025		3137HAST4	FHMS K509 A2	4.85%	9/1/2028	767.92		
12/1/2025	12/25/2025		3137HNWH7	FHMS K550 A2	4.16%	10/1/2030	1,387.67		
12/1/2025	12/25/2025		3137HDV56	FHMS K524 A2	4.72%	5/1/2029	1,101.33		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
12/9/2025	12/9/2025		172967NA5	CITIGROUP INC (CALLABLE)	1.46%	6/9/2027	1,681.30		
12/13/2025	12/13/2025		63253QAE4	NATIONAL AUSTRALIA BK/NY	4.90%	6/13/2028	6,125.00		
12/15/2025	12/15/2025		44935JAD8	HART 2025-C A3	3.88%	4/15/2030	582.00		
12/15/2025	12/15/2025		02582JKH2	AMXCA 2024-1 A	5.23%	4/16/2029	1,067.79		
12/15/2025	12/15/2025		92970QAA3	WFCIT 2024-A1 A	4.94%	2/15/2029	967.42		
12/15/2025	12/15/2025		02582JKP4	AMXCA 2025-2 A	4.28%	4/15/2030	873.83		
12/15/2025	12/15/2025		89231GAD0	TAOT 2025-D A3	3.84%	6/17/2030	672.00		
12/15/2025	12/15/2025		14043YAD7	COPAR 2025-1 A3	3.85%	7/15/2030	534.72		
12/15/2025	12/15/2025		448976AD2	HART 2024-C A3	4.41%	5/15/2029	441.00		
12/15/2025	12/15/2025		58768PAC8	MBART 2022-1 A3	5.21%	8/16/2027	163.58		
12/15/2025	12/15/2025		05522RDJ4	BACCT 2024-A1 A	4.93%	5/15/2029	1,150.33		
12/15/2025	12/15/2025		34532BAG6	FORDO 2025-B A3	3.91%	4/15/2030	505.04		
12/15/2025	12/15/2025		032654BE4	ANALOG DEVICES INC (CALLABLE)	4.50%	6/15/2030	2,796.88		
12/15/2025	12/15/2025		02582JKV1	AMXCA 2025-4 A	4.30%	7/15/2030	1,021.25		
12/15/2025	12/15/2025		14318MAD1	CARMX 2022-3 A3	3.97%	4/15/2027	61.73		
12/15/2025	12/15/2025		89231HAD8	TAOT 2025-B A3	4.34%	11/15/2029	506.33		
12/15/2025	12/15/2025		437921AD1	HAROT 2025-2 A3	4.15%	10/15/2029	293.96		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
12/15/2025	12/15/2025		437918AC9	HAROT 2024-1 A3	5.21%	8/15/2028	528.21		
12/15/2025	12/15/2025		02008KAC7	ALLYA 2025-1 A3	3.96%	3/15/2030	247.50		
12/15/2025	12/15/2025		161571HV9	CHAIT 2024-A1 A	4.60%	1/15/2029	785.83		
12/15/2025	12/15/2025		92970QAJ4	WFCIT 2025-A1 A	4.34%	5/15/2030	1,193.50		
12/15/2025	12/15/2025		14041NGF2	COMET 2025-A1 A	3.82%	9/15/2030	716.25		
12/15/2025	12/15/2025		34535KAD0	FORDO 2025-A A3	4.45%	10/15/2029	1,038.33		
12/15/2025	12/15/2025		44891XAD9	HART 2025-D A3	3.99%	9/16/2030	603.49		
12/15/2025	12/15/2025		58773DAD6	MBART 2025-1 A3	4.78%	12/17/2029	1,653.09		
12/16/2025	12/16/2025		38014AAD3	GMCAR 2024-4 A3	4.40%	8/16/2029	366.67		
12/16/2025	12/16/2025		36267KAD9	GMCAR 2023-3 A3	5.45%	6/16/2028	249.25		
12/16/2025	12/16/2025		36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	89.38		
12/16/2025	12/16/2025		362549AD9	GMCAR 2025-2 A3	4.28%	4/16/2030	214.00		
12/16/2025	12/16/2025		362585AC5	GMCAR 2022-2 A3	3.10%	2/16/2027	2.54		
12/20/2025	12/20/2025		92869QAD1	VALET 2025-2 A3	3.92%	3/20/2030	367.50		
12/20/2025	12/20/2025		92868MAD1	VALET 2025-1 A3	4.50%	8/20/2029	862.50		
12/20/2025	12/20/2025		92348KDY6	VZMT 2025-3 A1A	4.51%	3/20/2030	1,052.33		
12/21/2025	12/21/2025		17305EHA6	CCCIT 2025-A1 A	4.30%	6/21/2030	7,838.54		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
12/25/2025	12/25/2025		437076DC3	HOME DEPOT INC (CALLABLE)	4.75%	6/25/2029	950.00		
12/25/2025	12/25/2025		096924AD7	BMWWT 2025-A A3	4.56%	9/25/2029	703.00		
12/25/2025	12/25/2025		096912AE0	BMWLT 2025-1 A4	4.49%	10/25/2028	411.58		
12/25/2025	12/25/2025		05592XAD2	BMWWT 2023-A A3	5.47%	2/25/2028	160.88		
12/31/2025	12/31/2025		91282CCH2	US TREASURY N/B	1.25%	6/30/2028	4,593.75		
12/31/2025	12/31/2025		91282CMD0	US TREASURY N/B	4.37%	12/31/2029	18,046.88		
12/31/2025	12/31/2025		91282CME8	US TREASURY N/B	4.25%	12/31/2026	13,281.25		
12/31/2025	12/31/2025		91282CEV9	US TREASURY N/B	3.25%	6/30/2029	10,562.50		
12/31/2025	12/31/2025		91282CDQ1	US TREASURY N/B	1.25%	12/31/2026	937.50		
12/31/2025	12/31/2025		91282CGC9	US TREASURY N/B	3.87%	12/31/2027	13,078.13		
<b>Total INTEREST</b>		<b>0.00</b>					<b>351,835.30</b>		<b>0.00</b>
<b>MATURITY</b>									
11/1/2025	11/1/2025	60,000.00	13077DQD7	CALIFORNIA ST UNIV-B	0.86%	11/1/2025	60,000.00		
<b>Total MATURITY</b>		<b>60,000.00</b>					<b>60,000.00</b>		<b>0.00</b>
<b>PAYOUTS</b>									
10/1/2025	10/25/2025	178.98	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	178.98		1.81
10/1/2025	10/25/2025	300.62	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	300.62		

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>PAYOUTS</b>									
10/1/2025	10/25/2025	32.60	3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	32.60		0.31
10/15/2025	10/15/2025	6,288.87	14318MAD1	CARMX 2022-3 A3	3.97%	4/15/2027	6,288.87		0.04
10/15/2025	10/15/2025	4,999.85	344930AD4	FORDO 2023-B A3	5.23%	5/15/2028	4,999.85		0.03
10/15/2025	10/15/2025	5,175.64	44933XAD9	HART 2023-B A3	5.48%	4/17/2028	5,175.64		0.12
10/15/2025	10/15/2025	7,004.63	58768PAC8	MBART 2022-1 A3	5.21%	8/16/2027	7,004.63		0.53
10/15/2025	10/15/2025	3,702.02	65480MAD5	NAROT 2023-B A3	5.93%	3/15/2028	3,702.02		0.43
10/15/2025	10/15/2025	8,939.66	437918AC9	HAROT 2024-1 A3	5.21%	8/15/2028	8,939.66		0.23
10/16/2025	10/16/2025	1,457.31	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	1,457.31		0.20
10/16/2025	10/16/2025	1,872.79	362585AC5	GMCAR 2022-2 A3	3.10%	2/16/2027	1,872.79		0.11
10/16/2025	10/16/2025	4,994.59	36267KAD9	GMCAR 2023-3 A3	5.45%	6/16/2028	4,994.59		0.11
10/25/2025	10/25/2025	4,114.85	05592XAD2	BMWOT 2023-A A3	5.47%	2/25/2028	4,114.85		0.37
11/1/2025	11/25/2025	262.94	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	262.94		
11/1/2025	11/25/2025	27.29	3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	27.29		0.25
11/15/2025	11/15/2025	8,593.24	437918AC9	HAROT 2024-1 A3	5.21%	8/15/2028	8,593.24		0.22
11/15/2025	11/15/2025	6,179.39	14318MAD1	CARMX 2022-3 A3	3.97%	4/15/2027	6,179.39		0.04
11/15/2025	11/15/2025	6,514.89	58768PAC8	MBART 2022-1 A3	5.21%	8/16/2027	6,514.89		0.47
11/16/2025	11/16/2025	4,975.53	36267KAD9	GMCAR 2023-3 A3	5.45%	6/16/2028	4,975.53		0.10

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>PAYOUTS</b>									
11/16/2025	11/16/2025	1,427.32	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	1,427.32		0.19
11/16/2025	11/16/2025	1,948.19	362585AC5	GMCAR 2022-2 A3	3.10%	2/16/2027	1,948.19		0.11
11/25/2025	11/25/2025	4,009.07	05592XAD2	BMWOT 2023-A A3	5.47%	2/25/2028	4,009.07		0.35
12/1/2025	12/25/2025	32.87	3136BQDE6	FNA 2023-M6 A2	4.18%	7/1/2028	32.87		0.30
12/1/2025	12/25/2025	319.68	3137HAD45	FHMS KJ46 A1	4.77%	6/1/2028	319.68		0.01
12/15/2025	12/15/2025	7,468.72	437918AC9	HAROT 2024-1 A3	5.21%	8/15/2028	7,468.72		0.19
12/15/2025	12/15/2025	5,489.94	58768PAC8	MBART 2022-1 A3	5.21%	8/16/2027	5,489.94		0.38
12/15/2025	12/15/2025	5,617.72	14318MAD1	CARMX 2022-3 A3	3.97%	4/15/2027	5,617.72		0.04
12/16/2025	12/16/2025	983.78	362585AC5	GMCAR 2022-2 A3	3.10%	2/16/2027	983.78		0.05
12/16/2025	12/16/2025	1,390.95	36268GAD7	GMCAR 2024-1 A3	4.85%	12/18/2028	1,390.95		0.18
12/16/2025	12/16/2025	4,275.52	36267KAD9	GMCAR 2023-3 A3	5.45%	6/16/2028	4,275.52		0.08
12/25/2025	12/25/2025	3,462.10	05592XAD2	BMWOT 2023-A A3	5.47%	2/25/2028	3,462.10		0.29
<b>Total PAYDOWNS</b>		<b>112,041.55</b>					<b>112,041.55</b>		<b>7.54</b>
<b>SELL</b>									
10/1/2025	10/2/2025	115,000.00	89236TKX2	TOYOTA MOTOR CREDIT CORP	5.00%	8/14/2026	116,768.32		1,041.85
10/7/2025	10/8/2025	375,000.00	91282CJK8	US TREASURY N/B	4.62%	11/15/2026	385,704.18		1,970.78
10/8/2025	10/9/2025	110,000.00	02665WEK3	AMERICAN HONDA FINANCE	5.25%	7/7/2026	112,341.53		560.70

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>SELL</b>									
10/8/2025	10/9/2025	55,000.00	478160DH4	JOHNSON & JOHNSON (CALLABLE)	4.55%	3/1/2028	56,318.50		1,079.89
10/8/2025	10/10/2025	235,000.00	3137BSP72	FHMS K058 A2	2.65%	8/1/2026	232,365.24		-1.95
10/15/2025	10/16/2025	60,000.00	91282CDG3	US TREASURY N/B	1.12%	10/31/2026	58,786.55		-1,465.30
10/15/2025	10/20/2025	162,668.55	3137BTUM1	FHMS K061 A2	3.34%	11/1/2026	161,894.74		507.29
10/16/2025	10/17/2025	175,000.00	91282CDG3	US TREASURY N/B	1.12%	10/31/2026	171,479.79		-4,260.57
10/21/2025	10/22/2025	60,000.00	91282CDG3	US TREASURY N/B	1.12%	10/31/2026	58,839.74		-1,424.03
10/21/2025	10/22/2025	175,000.00	63873QP65	NATIXIS NY BRANCH	5.61%	9/18/2026	178,412.21		2,485.00
10/28/2025	10/29/2025	250,000.00	931142FB4	WALMART INC (CALLABLE)	3.90%	4/15/2028	251,974.17		2,762.93
11/4/2025	11/5/2025	155,000.00	91282CDG3	US TREASURY N/B	1.12%	10/31/2026	151,173.30		-3,708.50
11/4/2025	11/5/2025	115,000.00	91282CJK8	US TREASURY N/B	4.62%	11/15/2026	118,575.00		530.16
11/6/2025	11/7/2025	35,779.82	65480MAD5	NAROT 2023-B A3	5.93%	3/15/2028	36,173.63		268.23
11/6/2025	11/7/2025	59,847.78	44933XAD9	HART 2023-B A3	5.48%	4/17/2028	60,487.71		440.85
11/6/2025	11/7/2025	57,470.27	344930AD4	FORDO 2023-B A3	5.23%	5/15/2028	58,008.65		355.10
11/7/2025	11/10/2025	100,000.00	9128285M8	US TREASURY N/B	3.12%	11/15/2028	100,320.82		1,841.11
11/7/2025	11/10/2025	290,000.00	532457CU0	ELI LILLY & CO (CALLABLE)	4.55%	2/12/2028	297,911.84		1,631.09
11/12/2025	11/13/2025	75,000.00	91282CJK8	US TREASURY N/B	4.62%	11/15/2026	77,418.65		364.58
11/14/2025	11/17/2025	325,000.00	912828U24	US TREASURY N/B	2.00%	11/15/2026	319,805.44		1,517.92

## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amount (\$)	Yield at Market	Realized G/L (BV)
<b>SELL</b>									
11/14/2025	11/17/2025	365,000.00	912828U24	US TREASURY N/B	2.00%	11/15/2026	359,166.11		1,964.45
11/20/2025	11/20/2025	165,000.00	110122DE5	BRISTOL-MYERS SQUIBB CO (CALLABLE)	3.90%	2/20/2028	167,062.50		2,829.00
11/20/2025	11/20/2025	50,000.00	110122EF1	BRISTOL-MYERS SQUIBB CO (CALLABLE)	4.90%	2/22/2029	52,271.89		1,744.18
12/8/2025	12/9/2025	150,000.00	459200KT7	IBM CORP (CALLABLE)	4.15%	7/27/2027	152,956.00		-65.50
12/17/2025	12/18/2025	25,000.00	91282CME8	US TREASURY N/B	4.25%	12/31/2026	25,671.45		171.47
12/17/2025	12/18/2025	135,000.00	91282CJK8	US TREASURY N/B	4.62%	11/15/2026	136,834.81		714.12
12/22/2025	12/26/2025	250,000.00	3137BVZ82	FHMS K063 A2	3.43%	1/1/2027	249,384.55		1,017.74
<b>Total SELL</b>		<b>4,125,766.42</b>					<b>4,148,107.32</b>		<b>14,872.59</b>

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- Generally, PFMAM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services. There may be differences in the values shown for investments due to accrued but uncollected income and the use of differing valuation sources and methods. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFMAM believes the prices to be reliable, the values of the securities may not represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for a registered investment company or local government investment program is contained in the appropriate fund offering documentation or information statement.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. **Past performance is not indicative of future returns.**
- ICE Bank of America Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

## Glossary

- Accrued Interest: Interest that is due on a bond or other fixed income security since the last interest payment was made.
- Agencies: Federal agency securities and/or Government-sponsored enterprises.
- Amortized Cost: The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- Asset-Backed Security: A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- Bankers' Acceptance: A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- Commercial Paper: An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- Contribution to Total Return: The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- Effective Duration: A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- Effective Yield: The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- FDIC: Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- Interest Rate: Interest per year divided by principal amount and expressed as a percentage.
- Market Value: The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- Maturity: The date upon which the principal or stated value of an investment becomes due and payable.
- Negotiable Certificates of Deposit: A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- Par Value: The nominal dollar face amount of a security.
- Pass-through Security: A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

## Glossary

- **Repurchase Agreements:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **Settle Date:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **Supranational:** A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- **Trade Date:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **Unsettled Trade:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. Treasury:** The department of the U.S. government that issues Treasury securities.
- **Yield:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM at Cost:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM at Market:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

## Fairfield-Suisun Sewer District

### Contemplated Board of Directors Agenda Items

January 26, 2026

Month Year	Contemplated Board of Directors Meeting Agenda Items	Executive Committee	Board of Directors
February 2026		Not Scheduled	Not Scheduled
March 2026	1. Directors Report on CASA Winter Conference and DC Policy Forum Meeting 2. Advanced Authorization for General Manager to Award a Construction Services Contract for the Electrical Replacement Phase 2 Project 9006 3. Award Construction Services Contract for the Lopes Rd. Lift Station Improvements 4. Award Construction Services Contract for the Electrical Replacement Phase 2 Project	3/16/2026	3/23/2026
April 2026	1. Quarterly Investment Report 2. Report on Vacancies per AB 2561 3. Award Professional Services Contract for the Drainage Maintenance Master Plan 4. Award Professional Services (Constructability Review) Contract for the Suisun Force Main Reliability Project 9011 5. General Manager Annual Performance Evaluation	4/20/2026	4/27/2026
May 2026	1. Adopt Resolution Approving Budget 2. Adopt Resolution Approving Employee Salary Schedule 3. Review Updates and Approve Investment Policy 4. Review Board Compensation	5/11/2026	5/18/2026
June 2026	1. 2.	6/15/2026	6/22/2026
July 2026	1. Quarterly Investment Report	7/17/2026	7/24/2026
August 2026		Not Scheduled	Not Scheduled
September 2026	1. General Manager Performance Check-In (Executive Committee) 2. Award Construction Contract for the Suisun Force Main Reliability Project 9011	9/21/2026	9/28/2026
October 2026	1. Quarterly Investment Report 2.	10/19/2026	10/26/2026
November 2026	1. Adopt Board Calendar for 2026 2.	11/16/2026	11/23/2026
December 2026		Not Scheduled	Not Scheduled
January 2027	1. Quarterly Investment Report 2. Report on Financial Audit for FY 2025-2026	1/11/2027	1/25/2027