



FAIRFIELD-SUISUN SEWER DISTRICT

Executive Committee

Jenalee Dawson,
President
Catherine Moy,
Vice President
Alma Hernandez
Doriss Panduro

Executive Committee Meeting Agenda

Monday, May 11, 2026
4:00PM

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

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **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.

4. **GENERAL MANAGER REPORT**

5. **PRESENTATIONS AND AWARDS**

6. **DISCUSSION ITEMS**

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6.7 Adopt Resolution No. 2026-XX Adopting a Revised Investment Policy93

7. **NEW BUSINESS**

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— End of Agenda—

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.

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FAIRFIELD-SUISUN SEWER DISTRICT

May 11, 2026

AGENDA REPORT

TO: Executive Committee

FROM: Kimberly Kraft, HR Manager

SUBJECT: Annual Public Hearing on Workforce Vacancies and Recruitment and Retention Efforts – Compliance with Assembly Bill 2561 (Government Code § 3502.3)

Recommendation: Conduct a public hearing and receive a presentation on workforce vacancies and recruitment and retention efforts to comply with Assembly Bill 2561 (Government Code § 3502.3), effective January 1, 2025.

Background: Assembly Bill 2561 was enacted to address challenges in filling public sector positions, which can impact service delivery and increase workload for existing staff. The legislation adds Government Code section 3502.3, requiring all local public agencies to present the status of workforce vacancies and provide an update on efforts to recruit and retain employees at a public hearing before the agency’s governing body at least once per fiscal year. If the agency adopts a final annual or multiyear budget during the fiscal year, the information must be presented prior to the adoption of the final budget.

AB 2561 also requires that recognized employee organizations, regardless of the vacancy rate, be provided with the opportunity to make a presentation before the governing board during the same public hearing in which the public agency makes its annual presentation on vacancies. All employees of the District are “at will,” and the District has no recognized employee organizations. However, all employees were notified of the date and time of the District’s presentation and are allowed to present.

Discussion: In compliance with Government Code Section 3502.3, the District is required to present information on workforce vacancies and recruitment and retention efforts at a public hearing prior to the adoption of the Fiscal Year 2026-27 Budget. District staff will present information including current vacancy levels, barriers to recruitment, average time to fill positions, and efforts underway to improve employee retention. If vacancy levels in specific areas reach elevated thresholds, additional data and analysis may be required under the law.

Incorporating reporting on workforce vacancies into the District's regular reporting cycle ensures compliance with state law while enhancing transparency and informing the Board and public on the status of the District's workforce.

Fiscal Impact: There is no direct fiscal impact associated with holding the required public hearing. However, addressing identified staffing challenges may have future budget implications, which will be brought to the Board as part of ongoing planning and financial review.

Attachment – AB2561 Board Presentation – 2025 Data



FAIRFIELD-SUISUN SEWER DISTRICT

May 18, 2026

WORKFORCE VACANCIES AND RECRUITMENT AND RETENTION EFFORTS

Compliance with Assembly Bill 2561 (Government Code § 3502.3)

WHAT IS AB2561?

ANNUAL PUBLIC HEARING

Effective January 1, 2025 this bill requires public agencies conduct an annual presentation before the agency's governing body.



AB2561

INTENT
Intent of the bill is to ensure vacancy rates do not adversely affect the delivery of public services.

CHANGES REQUIRED

Must report on any necessary changes to policies, procedures, or recruitment activities that may lead to obstacles in the hiring process.



DATA PRESENTATION
Must present the status of vacancies, recruitment and retention efforts.

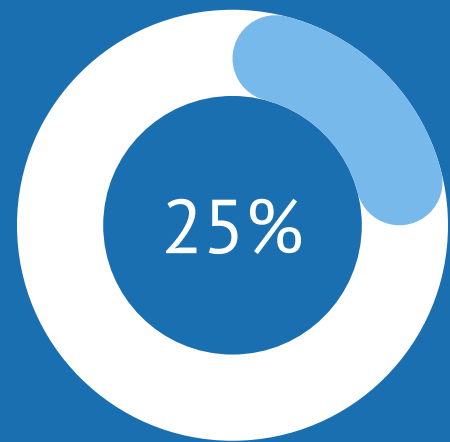


WORKFORCE INFORMATION

- Total Budgeted/Authorized Full-Time Positions: 71
- The District does not have any bargaining units or union representation.
- Services Rendered to Public by Budgeted/Authorized Workforce:
 - Provides essential wastewater services to approximately 149,000 residents across multiple communities. Staff are responsible for operating and maintaining over 70 miles of sewer pipeline and a regional wastewater treatment facility that ensures safe and effective collection, treatment, and disposal of wastewater. Through coordinated efforts, the District safeguards public health, protects local waterways, and supports sustainable growth throughout the service area.

TOTAL FTE COUNT

HISTORICAL DATA



POSITIONS ADDED SINCE 2018

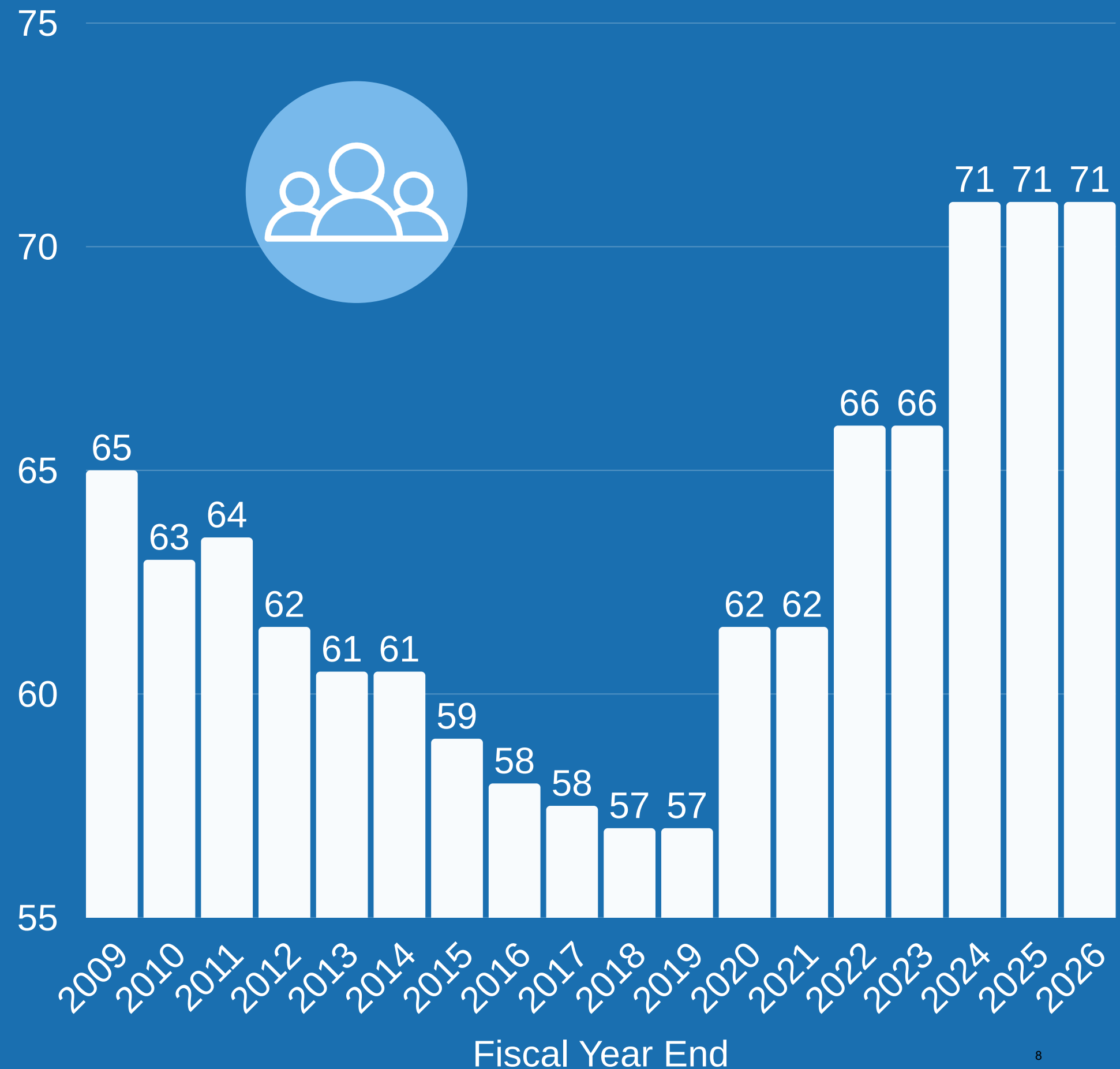
There has been a 25% increase in positions since 2018; which was the lowest FTE count in 10 years.

REASONS FOR INCREASE

- Improve public service
- Bring back essential positions for growth
- Meet staffing requirements for regulatory needs and capital improvement projects

CONSISTENCY SINCE 2024

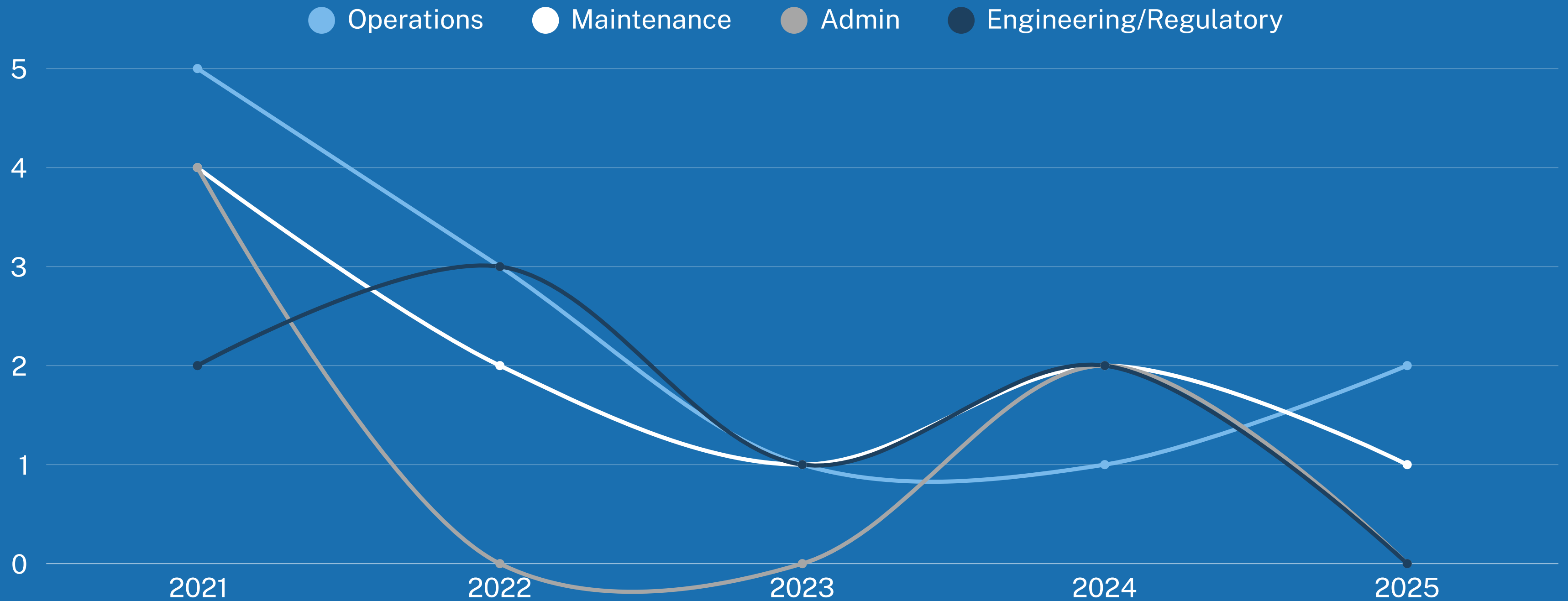
- FTE count has remained consistent since 2024
- District has been able to reallocate positions without increasing headcount





RECRUITMENTS

HISTORICAL DATA FOR FTE POSITIONS





2025 VACANCY DATA

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
# of Vacancies Created	0	0	0	1	0	0	1	0	0	2	0	1
# of Vacancies Filled	0	0	0	0	0	0	0	0	0	2	1	1
# of Total Vacancies	4	4	4	5	5	5	6	6	6	6	5	5
# of Budgeted FTEs	71	71	71	71	71	71	71	71	71	71	71	71
% of Vacancies	5.6%	5.6%	5.6%	7.0%	7.0%	7.0%	8.5%	8.5%	8.5%	8.5%	7.0%	7.0%

Data is effective the last day of each month.

AVERAGE % OF VACANCIES AT THE END OF EACH MONTH: 6.9%

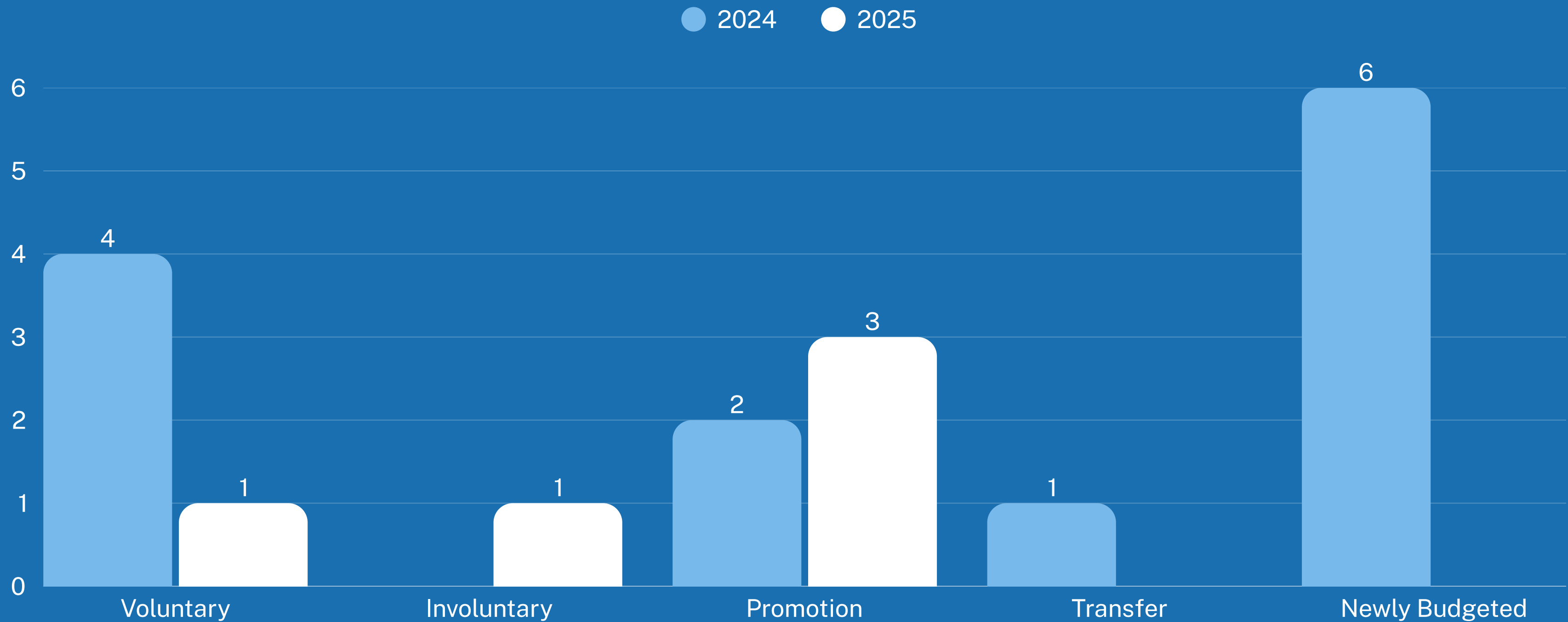
HIGHEST % OF VACANCIES AT THE END OF A MONTH: 8.5%

LOWEST % OF VACANCIES AT THE END OF A MONTH: 5.6%



VACANCY DATA

REASONS FOR VACANCY



2025 VACANCY DATA

REASONS FOR VACANCY

37.5%

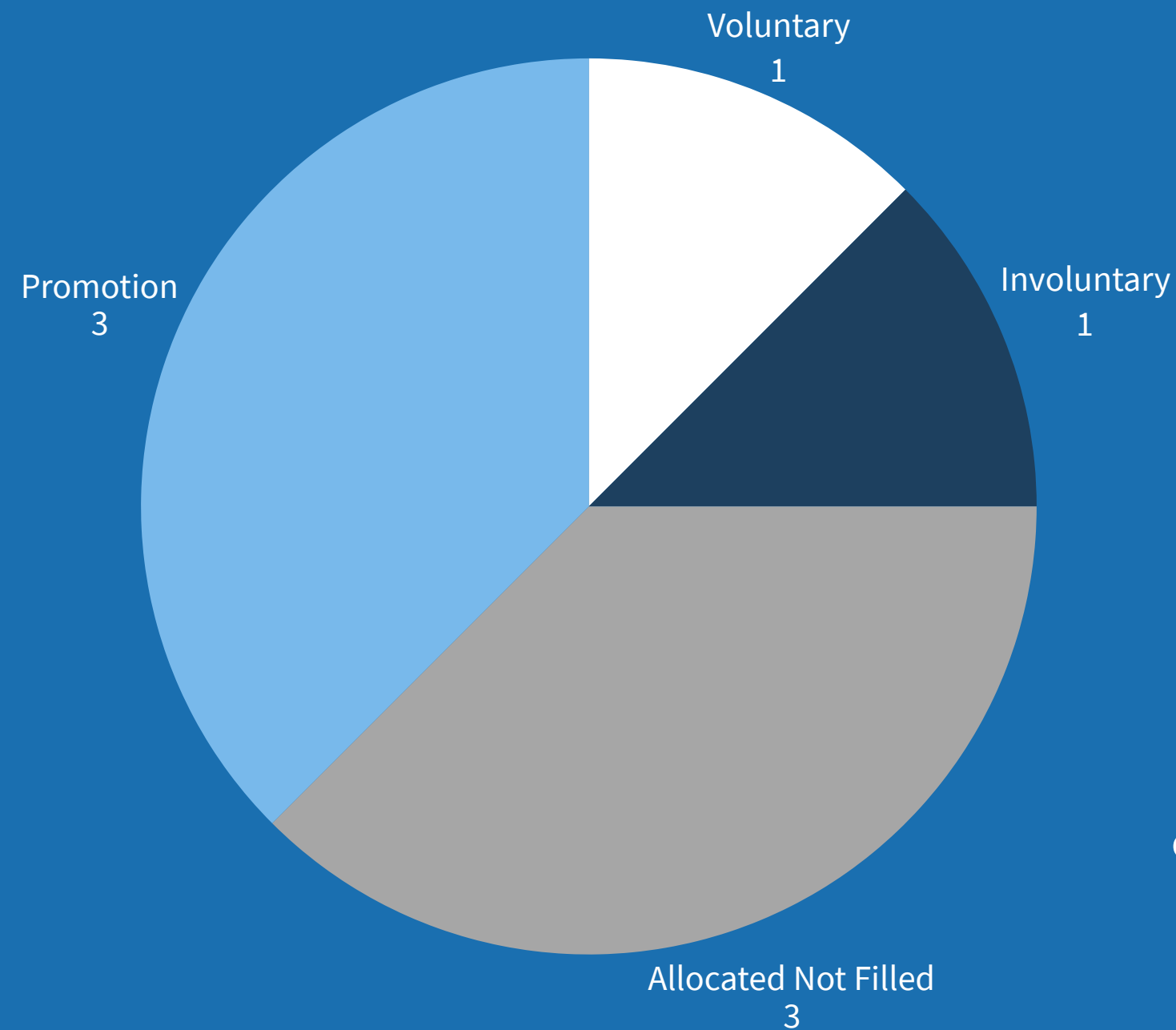
PROMOTION

Vacancy created when an employee is promoted to a higher position.

37.5%

BUDGETED NOT FILLED

Vacancy from a newly approved and funded position (all created in 2024).



VOLUNTARY

Vacancy due to an employee resigning or retiring by choice.

12.5%

INVOLUNTARY

Vacancy caused by an employee termination.

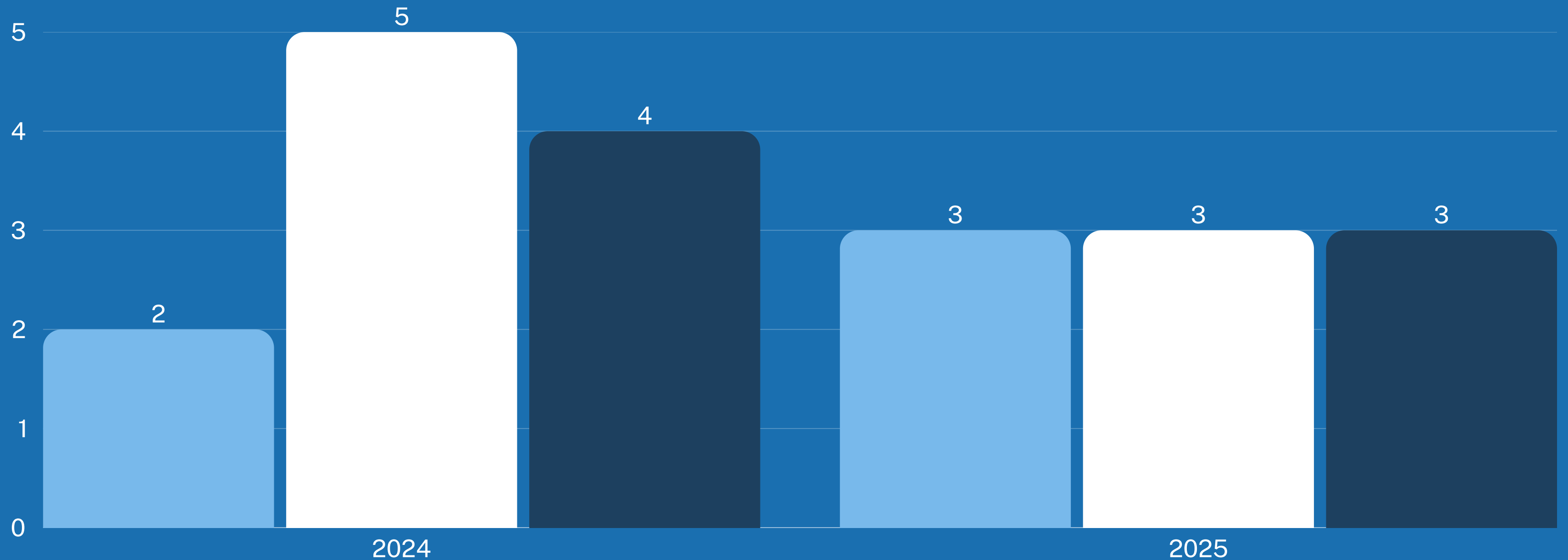
12.5%



VACANCY DATA

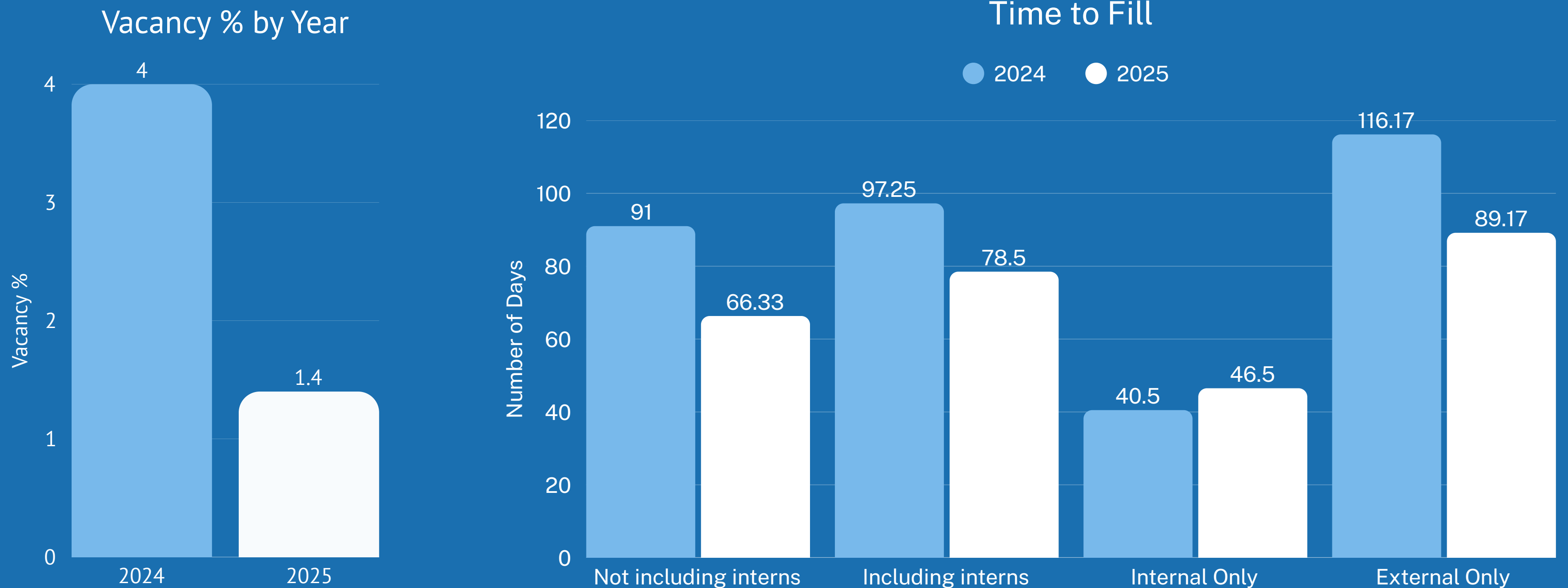
RECRUITMENT ACTIVITY TYPE

● Internal ● Open ● Pending





RECRUITMENT/RETENTION STATISTICS



100% of the all positions were filled with first job posting.



HIRING CHALLENGES OR CHANGES

Current Workforce Stability

- The District has shifted from turnover-driven vacancies to a model dominated by internal movement and planned separations.
- Promotion-related backfills have almost been completed, eliminating the ripple effects seen in prior years.
- Overall staffing levels now seem stable.

Emerging Challenges

- Retirements in key roles could create knowledge gaps and trigger future vacancy ripple effects.
- Some positions may require specific skills or institutional knowledge, which can make filling them externally more time-consuming.
- Less foreseeable turnover in high-level positions - less upward movement for staff could create turnover.

Forward-Looking Considerations

- Development of training plans/models for cross-training.
- Knowledge transfer initiatives to retain institutional knowledge.
- Continued investment in early-career pipelines to ensure a future workforce in wastewater.



RECRUITMENT PROCESS

Recruitment/Hiring Process Step	Description
Vacancy Created	Voluntary Separation, Retirement, Involuntary Separation, Internal Movement, Newly Budgeted Position.
Requisition Created	Manager submits requisition to fill vacancy after they have time to evaluate the need to fill. Requisition gets reviewed and approved by Finance and HR.
Determine Recruitment Activity Type	Utilize existing eligibility list, recruit external & internal, or recruit internal only.
Job Posting	HR works with Hiring Manager on job posting. Advertise job opening and recruitment based on advertisement plan.
Application Screening	Pass applicants that meet the minimum qualifications.

Continued on next page...



RECRUITMENT PROCESS

Recruitment/Hiring Process Step	Description
Candidate Examination	Pass candidates that score passing % or higher on approved testing mechanism approved prior to recruitment opening.
Eligibility List	Place passing candidates on eligibility list ranked based on score from examination process.
Interview Panel	Top candidates from eligibility list are referred to Hiring Manager for interview with hiring panel.
Conditional Job Offer	Hiring Manager requests conditional offer made to top candidate. Conditional Job Offer drafted by HR and signed by General Manager.
Pre-hire Process	Selected candidate accepts conditional job offer. HR processes pre-employment screening based on position.
Job Placement	Selected candidate passes pre-employment processes and is issued a final job offer letter (signed by General Manager) with employment start date.



RETENTION EFFORTS

RECRUITMENT AND HIRING

- Recruitment Training
 - As part of the District's Strategic Plan, we have developed internal Leadership Essentials training. One of the trainings is on Recruitment and will be rolled out this year.
- Job Description Updates:
 - As of today, all positions at the District have a current job description and are on a five (5) year review schedule or as needed if changes in positions occur.
- Externship Program
 - Rolled out in 2026 - this introduces students and professors to careers in Wastewater and to the internship opportunities we provide.



RETENTION EFFORTS

ONBOARDING & EXPERIENCE

- Continuous Process Improvement - Onboarding:
 - The District has continuous process improvement on the onboarding process and has rolled in ADP Workforce Now to assist with the onboarding process.
 - Positive feedback from new hires on the District onboarding experience.
- New Employee Survey:
 - A follow-up survey is conducted six months after hire to gather feedback on the recruitment and onboarding experience, supporting continuous improvement efforts.



RETENTION EFFORTS

ENGAGEMENT & RETENTION

- Compensation Study (2025):
 - A comprehensive review led to compensation updates, resulting in improved retention and increased applications for Utility Worker.
- Annual Benefits Review:
 - The District conducts an annual review of employee benefits to maintain competitiveness and meet the evolving needs of staff.
- Employee Feedback Surveys:
 - Regular employee surveys are administered to gather feedback that directly informs the revision of policies, practices, and procedures.
- Employee Engagement Strategy:
 - To ensure consistent and continuous engagement with staff we have developed a process to recognize staff throughout the year.
- Succession Planning Efforts:
 - Additional efforts will be made to outline our succession planning efforts and determine key-positions for future planning.



FAIRFIELD-SUISUN SEWER DISTRICT

QUESTIONS?



FAIRFIELD-SUISUN SEWER DISTRICT

May 11, 2026

AGENDA REPORT

TO: Executive Committee

FROM: James Russell-Field, Director of Administrative Services

SUBJECT: Adoption of the FY 2026-27 Budget and Long-Term Financial Plan

Recommendation: Adopt Resolution No. 2026-XX Approving the FY 2026-27 Budget and Long-Term Financial Plan.

Background: Beginning in January, District staff collaborate to review Major Maintenance and Capital Improvement Program needs, department operating budgets, projected current fiscal year actuals, and revenue and expense assumptions. The culmination of efforts from staff results in the Budget and Long-Term Financial Plan. The Budget and Long-Term Financial Plan has proven to be a reliable tool to assist the Board with capital and financial planning to maintain high quality wastewater collection and treatment and stormwater management services provided to residents.

Discussion: The FY 2026-27 Budget and Long-Term Financial Plan document contains details on the District's revenues, expenses, reserves, and any related changes in assumptions. In pursuit of the Government Finance Officers Association's (GFOA) Distinguished Budget Presentation Award, District staff have updated the outline of the budget document and related schedules to better align with GFOA's best practices on budget document presentation.

Key information in the FY 2026-27 Budget and Long-Term Financial Plan is as follows:

- Pages 4-13 provide an overview of organizational and budget highlights and information about the District.
- Pages 14-22 provide a detailed overview of key revenue categories and expense programs.
- Pages 23-33 contain the budget schedules for all District funds.
- Pages 34-38 provide a detailed analysis of the long-term financial forecast.
- Pages 39-42 outlines departmental information.

Adoption of the FY 2026-27 Budget and Long-Term Financial Plan

May 11, 2026

Page 2 of 2

Approving the FY 2026-27 Budget and Long-Term Financial Plan requires action on the following resolution:

- Resolution No. 2026-XX approves the FY 2025-26 revenue and expense projections and adopts the FY 2026-27 Budget and Long-Term Financial Plan.

Fiscal Impact: FY 2026-27 revenues and expenses for all funds are budgeted at \$89.3 million and \$98.4 million, respectively. The delta between revenues and expenses represents a planned drawdown of reserves to fund Major Maintenance and Capital Improvement Program projects.

Attachment: FY 2026-27 Budget & Long-Term Financial Plan



BUDGET AND LONG-TERM FINANCIAL PLAN

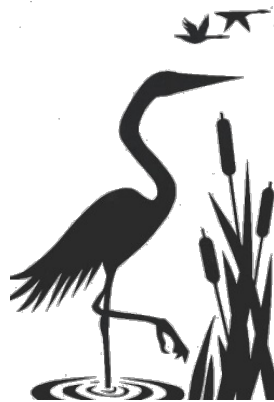
FY 2026-27

1010 Chadbourne Rd
Fairfield, CA 94534

www.FairfieldSuisunSewer.ca.gov

Budget and Long-Term Financial Plan

Fiscal Year 2026-27



Fairfield-Suisun Sewer District

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

2026 Board of Directors

Jenalee Dawson, President

Catherine Moy, Vice President

Doug Carr

Alma Hernandez

Amit Pal

Doriss Panduro

Parise Shepherd

Scott Tonnesen

Princess Washington

K. Patrice Williams

Pam Bertani, First Alternate (City of Fairfield)

Manveer Sandhu, Second Alternate (City of Fairfield)

Management Team

Jordan Damerel, General Manager/District Engineer

Meg Herston, Director of Environmental Services

Doug Hollowell, Director of Operations and Maintenance

James Russell-Field, Director of Administrative Services

Kimberly Kraft, Human Resources Manager

District Counsel

Carrie Blacklock

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TRANSMITTAL LETTER

DATE: May 1, 2026

TO: Board of Directors

FROM: Jordan Damerel
General Manager

James Russell-Field
Director of Administrative Services

SUBJECT: FY 2026-27 Budget and Long-Term Financial Plan

SUMMARY

We are pleased to submit the Fiscal Year 2026-27 Budget and Long-Term Financial Plan for Board adoption. The Long-Term Financial Plan has proven to be a reliable tool for almost 30 years to project revenues, expenses, and required reserves. The Board has relied on long-term capital and financial planning to guide their decisions on budgets. Through prudent management, the District keeps costs to its ratepayers low and has one of the lowest sewer service charges in the San Francisco Bay Area.

The District operates a cost-efficient, award-winning wastewater and stormwater utility that protects public health and the environment. For approximately \$1.81 per day, the District collects, conveys, treats, and safely disposes an average of 178 gallons of sewage per day from each residential customer in the community. The average influent flow to the District's wastewater treatment plant was 13.9 million gallons per day in 2025.

The District maintains 85 miles of 12-inch to 48-inch diameter sewers and utilizes 14 pump stations and one treatment plant to serve a population of approximately 150,000. The Budget and Long-Term Financial Plan is developed to maintain high-quality service to District customers by ensuring the wastewater system is adequately maintained and repairs or replacements requiring significant funding are planned in advance, thereby avoiding rate spikes or unnecessary debt that can result from short-term planning.

The District continues to proactively maintain aging infrastructure with preventative maintenance and updates to collection system and treatment plant facilities. In the last year, the District continued work on key infrastructure projects including the Bioenergy Generation Project, Kellogg Resiliency Project, Roof Rehabilitation Project, Electrical Replacement Project Phase II, and the Suisun Force Main Rehabilitation Project.

GOALS

Under the Board of Directors' guidance, District management set the following long-term financial goals:

- 1) Maintain operating cash reserves of at least three months of operating expenses to ensure smooth cash flow.
- 2) Maintain minimum debt service coverage ratio as legally mandated.
- 3) Pay system expansion capital improvement plan expenses from Sewer Capacity Charges.
- 4) Manage long-term employment-related liabilities to a sustainable level.
- 5) Build up major maintenance/replacement reserves to ensure a source of funds for major maintenance and repairs, upgrades, and eventual replacement of the treatment plant and sewer system.
- 6) Minimize debt and long-term borrowing.

ORGANIZATIONAL HIGHLIGHTS

Strategic Plan

In November 2025, the Board approved the District's 2026–2028 Strategic Plan, developed through a collaborative staff process and focused on infrastructure, workforce, fiscal stewardship, and community engagement. The Plan establishes updated mission, vision, and core values, along with strategic goals and measurable objectives across four priorities: workflow modernization, community engagement, advancing technology, and workforce training and safety. Implementation will occur in phases with regular Board updates. Longer-term strategies will guide the District over six years and departmental objectives are refreshed every two years.

The 2026-2028 Strategic Plan is available to read in full on the District's website at the link below:

[Strategic Plan, Vision, Mission and Core Values](#)

75th Anniversary

California's Legislature created the Fairfield-Suisun Sewer District in 1951 for wastewater collection and treatment in Fairfield, Suisun City and Travis Air Force Base. The District celebrated its 75th anniversary on May 2, 2026. To celebrate the occasion, the District held an open house event featuring behind-the-scenes tours of the wastewater treatment plant, hands-on activities for kids, and opportunities to learn how the District cleans water and safeguards the environment.

Externship

In April 2026, the District hosted its first externship event, attracting approximately 38 college students. Participants toured the plant, explored career opportunities in wastewater, and observed demonstrations from each department. To build on this engagement, the District aligned its internship recruitments with the event, providing interested students with an opportunity to learn more about the District before applying.

Grants and Local Partnerships

The District received \$4.1 million in funding from the Environmental Protection Agency, \$1.4 million from the California Ocean Protection Council, and \$600,000 from the California Governor's Office of Planning and Research. These grants have been used to help public agencies and non-profit partners across Solano County fund planning and projects for shoreline resilience and nature-based adaptation projects to reduce coastal hazard risks from sea level rise, tidal surges, and storm events. In addition, the District is anticipating spending down the remainder of an \$8.6 million allocation from the State of California for the Kellogg Resiliency Project through the extended date of February 28, 2028.

Master Planning

The District is advancing several master planning efforts, including the Collection System, and Storm Drain Master Plans, as well as a GIS Strategy and Upgrade. A Wastewater Treatment Plant Master Plan will follow in the near future. These efforts evaluate system assets and identify and prioritize critical capital projects, ensuring ratepayer funds are invested where they deliver the greatest long-term value.

Cost of Service and Rate Study

The District initiated a Cost of Service and Rate Study in June 2025, one year earlier than planned, in response to changing economic conditions and to the Suisun Force Main Rehabilitation Project. Construction costs for the project are estimated at \$53.4 million between FY 2025–26 and FY 2027–28, making it the District's largest capital investment since the wastewater treatment plant expansion in the mid-2000s. Given the project's cost and multi-generational impact, the District is pursuing external funding options of grants, loans, and bonds to finance the project, which may require a credit rating. To support a potential credit rating, the District decided to pursue securing a new five-year rate schedule.

The Board received the Rate Study results in November 2025 and adopted a new five-year rate schedule following a public hearing in April 2026. The schedule takes effect July 1, 2026 (FY 2026–27), with annual adjustments through July 1, 2030 (FY 2030-31).

Awards and Recognition

- **NACWA Peak Performance Platinum Award:** The District received the National Association of Clean Water Agency's (NACWA) Peak Performance Platinum Award for the eleventh year in a row, indicating 100 percent compliance with the District's National Pollutant Discharge Elimination System (NPDES) permit.
- **CSRMA Workers Compensation Excellence Award:** The District received the Workers Compensation Excellence Award from California Sanitation Risk Management Authority (CSRMA) for calendar year 2025. Applying and achieving the award includes a detailed application to demonstrate efforts analyzing, documenting, and addressing job hazards as well as reducing soft tissue and strain-related injuries.
- **CASA Excellence in Public Outreach/Education:** The District, in partnership with the Solano Resource Conservation District, received an award for Excellence in Public Outreach/Education from the California Association of Sanitation

Agencies. This award recognized the FSSD Education Program, which provides classroom lessons, treatment plant tours, and mock community meetings for hundreds of Fairfield-Suisun Unified School District fifth graders each year. The program is in its third year.

- **GFOA Distinguished Budget and Certificate of Achievement for Excellence in Financial Reporting Awards:** The Government Finance Officers Association (GFOA) awarded the District its second Distinguished Budget Award for the FY 2025-26 Budget and Long-Term Financial Plan and its 27th Certificate of Achievement for Excellence in Financial Reporting for the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.
- **CSMFO Operating Budget Excellence Award:** The District received its second Operating Budget Excellence Award for the FY 2025-26 Budget and Long-Term Financial Plan from the California Society of Municipal Finance Officers.
- **Staff Recognition:** District staff recognized by professional organizations included:
 - **Raymona Shirmard**, Laboratory Analyst, received the Laboratory Analyst of the Year from the California Water Environment Association (CWEA) Sacramento Section.
 - **Erik Johnson**, E/I Technician II, received the Electrical/Instrumentation Technician of the Year from the CWEA Redwood Empire Section.

BUDGET HIGHLIGHTS

- **Revenues** for FY 2026-27 are budgeted at \$89.3 million for all funds. However, that includes \$31.9 million in Loans & Bonds in anticipated funding for Suisun Force Main Reliability Project. Excluding the Loans & Bonds category, Sewer Service Charges account for 66 percent of total budgeted revenues and will increase 10 percent in accordance with the District's most recent Proposition 218 Notice. The Sewer Service Charges revenue total also factors in a decrease of approximately \$1.2 million due to the closure of the District's second largest Commercial/Industrial customer, Anheuser Busch, in March 2026. Federal and State grants total \$8.3 million, or 14 percent of all revenues excluding Loans & Bonds, which consists of the remaining funds from the State of California for the Kellogg Resiliency Project, EPA funding to offset costs for the Nitrogen Removal Phase 1 Project, and funding from the Ocean Protection Council for the Solano Bayshore Resiliency Project.
- **Operating Expenses** for FY 2026-27 total \$35.6 million for all funds, an increase of \$0.8 million, or 2 percent, compared to the FY 2025-26 projected actual. Increases in operating expenses are primarily related to increases in chemical, permit, insurance and personnel costs aligned with advancing District goals and service priorities, offset by decreases in electricity related to savings from the Bioenergy Generation Project.
- **Debt Service & Capital Requirements** for FY 2026-27 total \$62.8 million for all funds.
 - **Debt Service** expenses remain at \$1.1 million per year, consisting of State Revolving Fund (SRF) Loan repayments for the Ultraviolet Disinfection (repayment from May 2012 through May 2031) and Blower Projects (repayment from October 2020 through October 2039).

- **Major Maintenance & Capital Improvement Program (CIP)** expenses for FY 2026-27 total \$58.2 million for all funds, which support both routine repairs and key infrastructure projects for the treatment plant and collection system. District staff have diligently and thoughtfully identified necessary projects that can be achieved with the current rate structure, supplemented with anticipated external funding. Maintenance and CIP expenses are projected at \$276.1 million through FY 2035-36, not yet including recommendations from pending infrastructure Master Plans, which will be incorporated into future forecasts and Rate Studies.
- **City Collection System Reserve Appropriations** for FY 2026-27 total \$3.6 million, as requested by the cities of Fairfield and Suisun City for completing collection system repair and rehabilitation projects in their service areas. Appropriations to the cities since the Collection System Reserve was established in FY 2022-23 total \$9.2 million.

CONCLUSION

The Board's continued support of long-range fiscal planning has produced a stable financial foundation to meet both current and future service needs given a range of possible community growth rates. Prudent cost management and the District's philosophy of building up reserves are instrumental in positioning the District to invest in infrastructure and continue to provide high-quality and critical services to the community.

ACKNOWLEDGMENT

We thank the Board for its guidance and continued support in developing a sustainable budget and long-term financial plan. Sincere appreciation is given to District staff who assist with the preparation of the budget, with special recognition to Doug Hollowell for leading the preparation of the Major Maintenance Budget, Irene O'Sullivan for leading the preparation of the Capital Improvement Program Budget, and Lindsay Sagastume for leading the preparation of the Operating Budget and compiling the data, reports, and Budget Book.



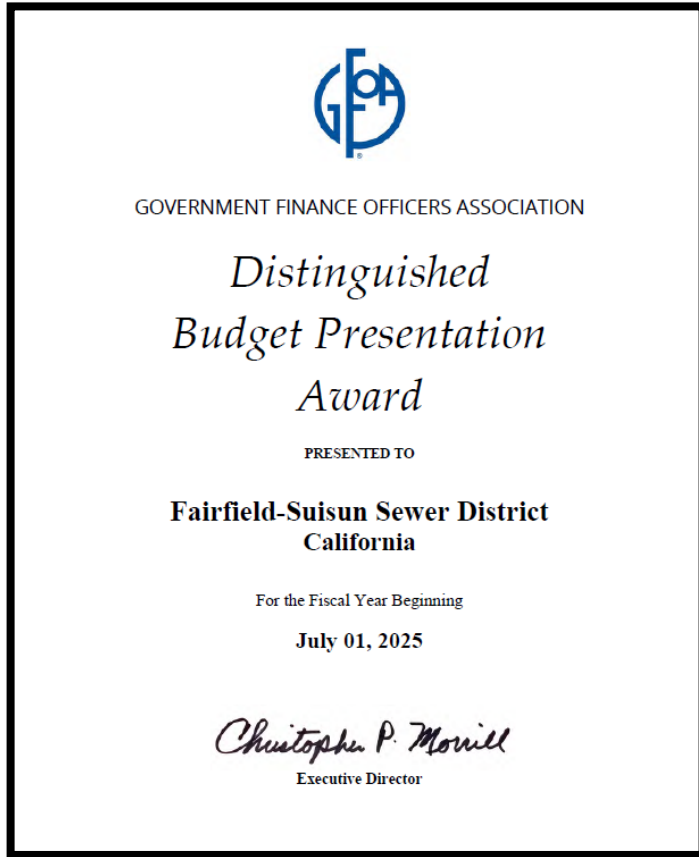
Jordan Damerel, P.E.
General Manager



James Russell-Field, CPA
Director of Administrative Services

Budget Awards

GFOA AWARD CERTIFICATE



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Fairfield-Suisun Sewer District for its annual budget fiscal year beginning July 1, 2025. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

CSMFO AWARD CERTIFICATE



ABOUT THE DISTRICT

The Fairfield-Suisun Sewer District (District) is a special district which serves all territory within the cities of Fairfield and Suisun City. 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 amended its enabling act language, 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 amended its enabling act language, 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 the 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 the members of the city councils of the two cities (with the remaining two Fairfield city councilmembers serving as Alternate Directors). 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.



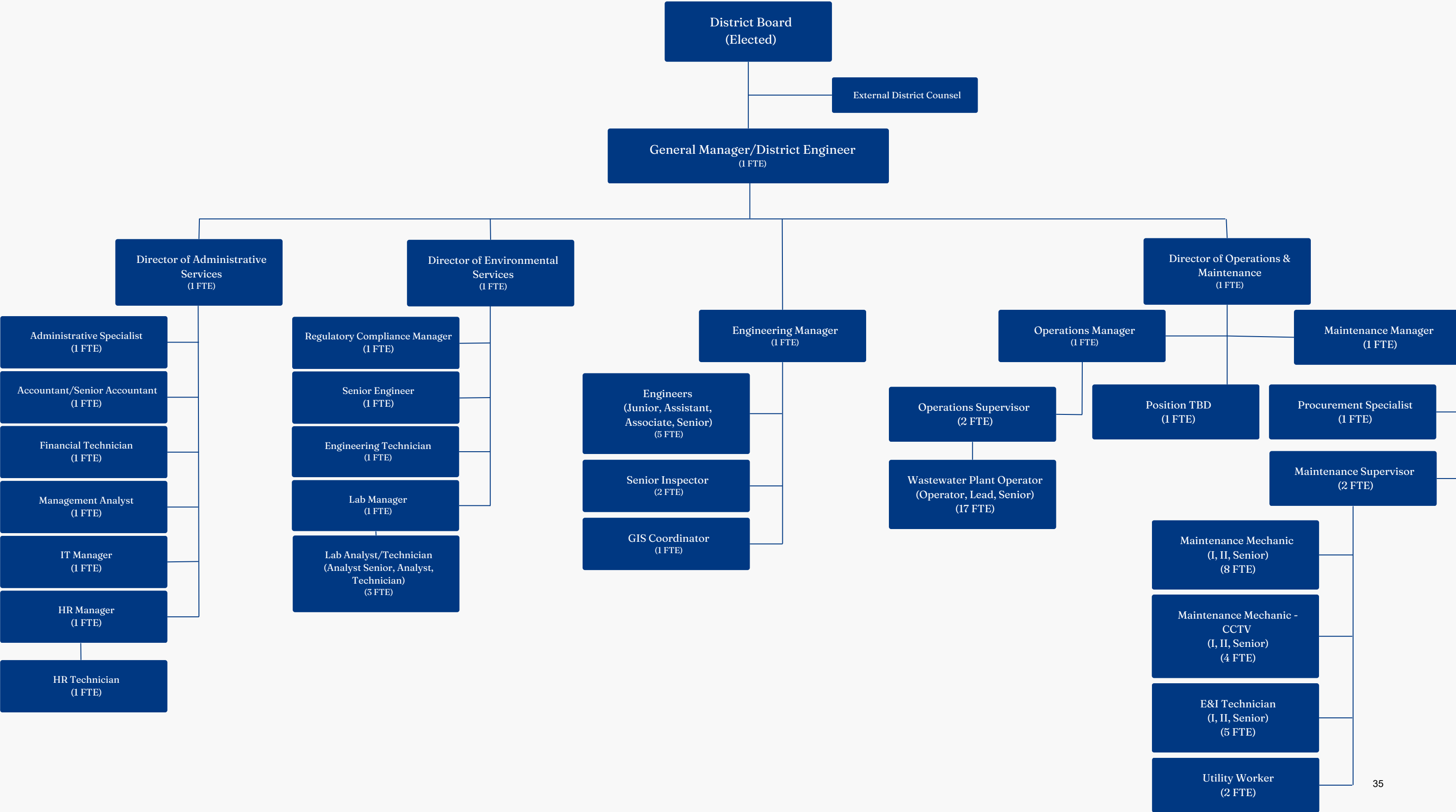
Fairfield-Suisun Sewer District



FAIRFIELD-SUISUN SEWER DISTRICT

ORGANIZATIONAL CHART

UPDATED APRIL 2026



ABOUT THE BUDGET

BUDGET PROCESS

January	<ul style="list-style-type: none"> • Preparation of personnel budget • Review of mid-year actuals
February	<ul style="list-style-type: none"> • Budget kickoff with Managers/Supervisors • Operating Budget meetings
March	<ul style="list-style-type: none"> • Major Maintenance and Capital Improvement Program meetings
April	<ul style="list-style-type: none"> • Draft Budget prepared and reviewed
May	<ul style="list-style-type: none"> • Final Budget presented to the Board of Directors and public
July 1st	<ul style="list-style-type: none"> • Effective date of budget
July to June	<ul style="list-style-type: none"> • Budget monitoring through monthly budget reports • Budget reporting through quarterly reports to the Board • Budget amendments approved as needed

BASIS OF BUDGETING

The District’s budget is presented on a Cash basis method where revenues and expenses are projected based on when cash is received or disbursed. This differs from the Accrual basis of accounting used for the Annual Comprehensive Financial Report (ACFR), where revenues are recognized when services have been rendered or expenses have been incurred. Preparing the budget on a Cash basis presents a better estimate of reserve balances.

Significant differences between Cash basis and Accrual basis include:

Transaction	Cash Basis (Budget)	Accrual Basis (ACFR)
Principal Payments on Debt	Budgeted as an expense	Reduction of a Liability
Capital Expenditures	Budgeted as an expense	Increase of an Asset
Depreciation	Not budgeted	Expensed

FINANCIAL OVERVIEW AND FUND STRUCTURE

The District maintains seven funds. The All Fund Budget Summary presents the total revenues and expenses of all funds combined as a consolidated reporting entity, which excludes interfund transfers. The Long-Term Financial Forecast schedules provide detail on the funds individually.

- The Wastewater Operations Fund is primarily funded from Sewer Service Charges and funds operating expenses, major maintenance, and Capital Improvement Program (CIP) projects.
- Related to the Operations Fund are the Collection System Repair and Rehabilitation (R&R) Reserve Funds for the cities of Fairfield and Suisun City. Each city's Collection System Reserve balance is held in a separate fund per the District's amended 1965 Agreement with the cities. The Collection System Reserves are funded from Sewer Service Charges.
- Sewer Capacity Charge Funds are funded from Sewer Capacity Charges assessed on new development. Sewer Capacity Charges are held in two separate funds. Sewer Capacity Charge revenue collected prior to July 1, 2022 is held in a fund restricted for growth-related expenditures in the District's services area. Sewer Capacity Charge revenue collected after July 1, 2022 is held in a separate fund restricted for growth or repair and rehabilitation projects identified in the Major Maintenance and CIP budget.
- The Drainage Maintenance Fund is primarily funded from a fee charged to each property in the service area to pay for expenses related to storm drain facilities.
- Related to the Drainage Maintenance Fund is the Solano Stormwater Alliance (Alliance) Fund. Per an Agreement between the District, Vallejo Flood and Wastewater District, and cities of Fairfield, Suisun City, and Vallejo, the funds related to the Alliance are required to be maintained in a separate fund. The District transfers funds from the Drainage Maintenance Fund to the Solano Stormwater Alliance Fund to cover Fairfield and Suisun City's share of the Alliance, while Vallejo Flood and Wastewater District and the City of Vallejo pay the District for their share of the Alliance. The Solano Stormwater Alliance funds programmatic regulatory compliance efforts to meet the requirements of a regional stormwater permit.

Figure 1 on the following page shows the relationship between the District's significant funds and their key revenues and expenses.

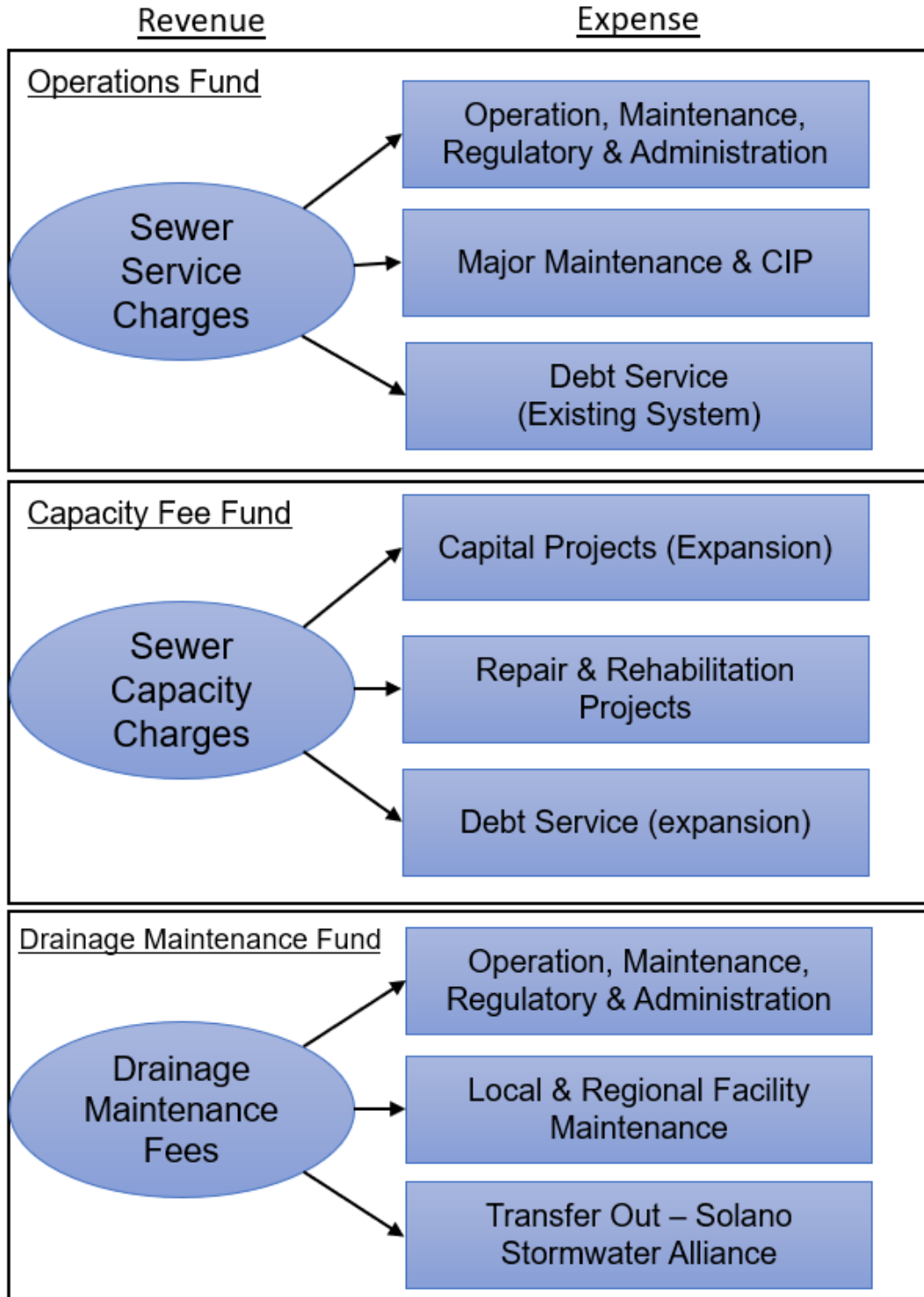
COST ALLOCATION

District staff use timesheet allocations to direct charge their time to departments and programs. Engineering staff allocate time to individual CIP projects for cost tracking.

Between funds, 15 percent of Information Technology and Safety expenses are allocated from the Operations Fund to Sewer Capacity Charge Funds to show support for the staff

time charged to Sewer Capacity Charge programs. Other cost allocations are used between the Operations Fund and Sewer Capacity Charge Funds for cost-share on CIP projects.

Figure 1



BUDGET SUMMARY & ANALYSIS

PROPOSED FY 2026-27 BUDGET SUMMARY

Figures 2 and 3 provide a visual summary of FY 2026-27 Revenues and Expenses, followed by additional details on each of the components. There is no attempt to match expenses to revenues in any single year. Rather, the District relies on long-term financial planning where reserves are periodically built up to fund major projects in future years. This philosophy is instrumental in keeping customer rates from experiencing large swings year to year while still maintaining the system adequately. As part of the long-term financial planning, the District plans to draw down existing reserves over the next several fiscal years for increased capital spending. The variance between revenues of \$89.3 million in Figure 2 and expenses of \$98.4 million in Figure 3 indicates the drawdown of reserves.

Figure 2

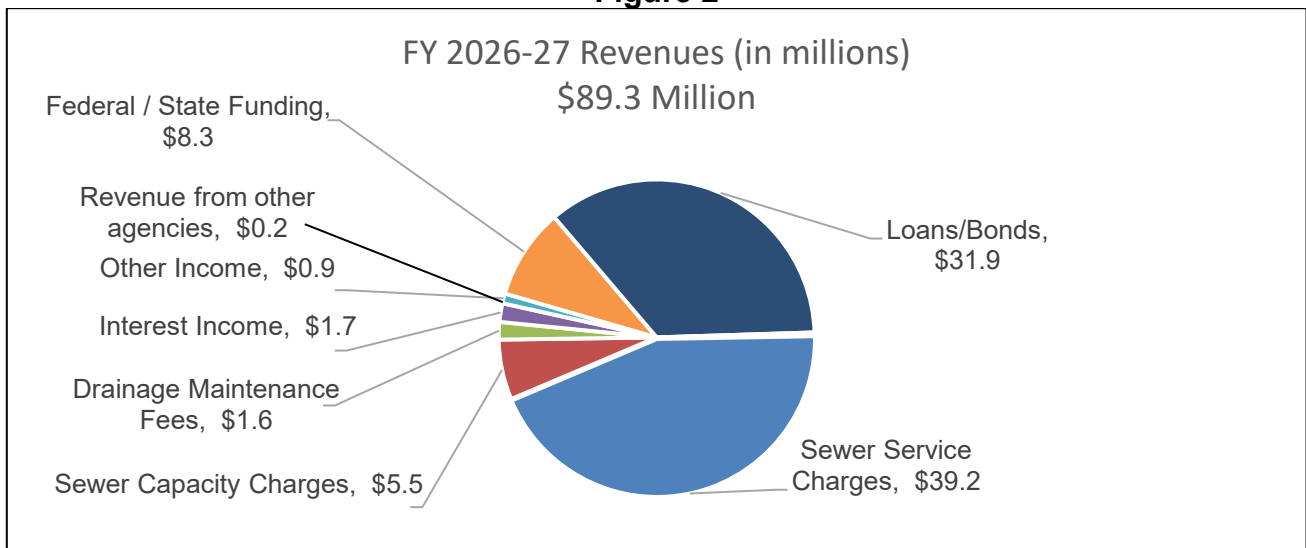
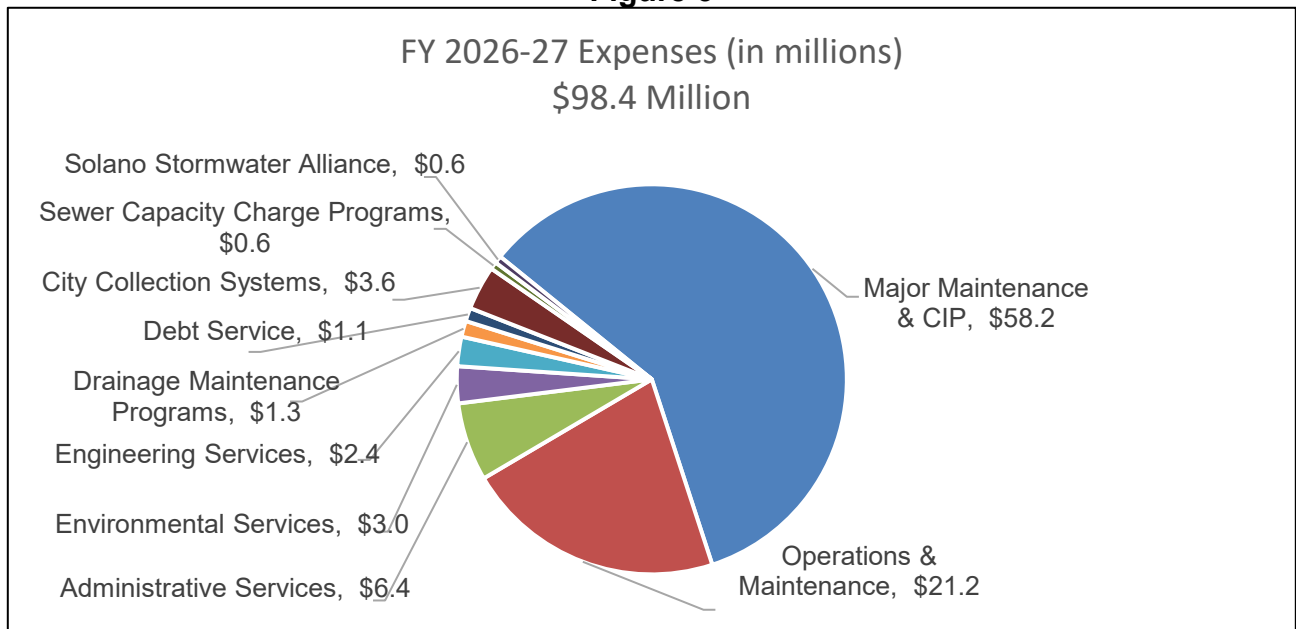


Figure 3



Revenues

Figure 4

	FY 2024-25	FY 2025-26	FY 2026-27
	Actual	Projected	Budget
Sewer Service Charges	35,471	37,600	39,195
Sewer Capacity Charges	2,323	2,608	5,519
Drainage Maintenance Fees	1,641	1,609	1,610
Interest Income	2,409	1,788	1,745
Other Income	1,318	759	853
Federal / State Funding	1,375	6,003	8,282
Loans & Bonds	-	-	31,864
Revenue - Other Agencies (Alliance)	85	173	255
Total Revenues	44,622	50,540	89,323

(In Thousands)

Sewer Service Charges

The District is primarily funded by Sewer Service Charges from residential, commercial, and industrial customers. The District presented the results of the 2025 Cost of Service and Rate Study (Rate Study) to the Board in November 2025, and completed a Proposition 218 Notice to hold a public hearing for rate adoption on April 27, 2026. At that meeting, the Board adopted a five-year rate schedule that established the rates through FY 2030-31.

In accordance with Sewer Service Charge rates adopted by the Board of Directors on April 27, 2026, the FY 2026-27 Budget reflects an increase in rates of 10 percent in total Sewer Service Charges. Residential customers will see an increase of \$3.29 per month in FY 2026-27 for the District to keep up with increased capital needs to reinvest in aging infrastructure. In addition to the rate increase, Sewer Service Charge revenue is projected to increase due to an estimated residential growth rate of 0.9 percent in FY 2026-27. Customer growth rates are estimated based on projected development provided from Fairfield and Suisun City as well as average utility accounts billed by the cities each month.

Sewer Capacity Charges

Sewer Capacity Charges are one-time fees charged to new connections or to existing connections where a change in use will result in increased discharge to the treatment plant facilities. Sewer Capacity Charges are designed to help recover the costs of infrastructure and assets benefiting new development. Per Resolution 2026-08, Sewer Capacity Charges will be adjusted from \$7,056 to \$8,030 per equivalent dwelling unit on July 1, 2026, and will

increase each subsequent July 1 based on the change in the Engineering News Records Construction Cost Index (ENR-CCI) for April.

Sewer Capacity Charge revenue is budgeted at \$5.5 million in FY 2026-27. Based on the cities' development forecasts, approximately 555 residential units and 107 commercial equivalent dwelling units are estimated to connect to the sewer system in FY 2026-27.

Drainage Maintenance Fees

On March 1, 1988, the District entered a "Drainage Maintenance Agreement" with Fairfield and Suisun City. This agreement provided a mechanism for funding the maintenance of the "Fairfield Streams" federal flood control project which serves both cities as well as local storm drainage facilities. Although the District does not own any storm drainage facilities, it is authorized by statute to provide storm drainage services. The District created a storm drainage maintenance enterprise fund and established fees for users of the system which are collected on the Solano County tax roll each year. Revenues are shared by the cities and the District for drainage maintenance activities.

Since 1996, annual rates have remained unchanged at \$20.23 per residence. Annual drainage maintenance revenue is expected to remain flat in FY 2026-27 and is budgeted at \$1.6 million. Drainage maintenance fees cannot be increased without approval by property owners through a ballot measure.

The current revenue received from drainage maintenance fees is not adequate to fund significant capital investment in the storm drainage systems, and the cities cannot adequately fund all annual operation and maintenance activities. The District, in partnership with the cities, will embark on a Drainage Maintenance Master Plan in FY 2026-27 to explore options to remedy this deficit.

Interest Income

Available cash is invested with the Local Agency Investment Fund (LAIF) and California Asset Management Program (CAMP). LAIF is an investment pool created by statute as a voluntary investment alternative for local governments and special districts. CAMP is a California Joint Powers Authority, providing professional investment services to California public agencies. Both LAIF and CAMP are permitted investments for local agencies under California Government Code Section 53601.

Interest income is budgeted at \$1.7 million for FY 2026-27, a \$43,000 decrease compared to the projected actual for FY 2025-26. The decrease is primarily due to decreases in the federal funds target rate. During FY 2025-26, the federal funds target rate decreased from 4.25 to 4.50 percent to 3.50 to 3.75 percent as of December 10, 2025. The District was already using a conservative interest earnings rate for the FY 2025-26 Budget, so the FY 2025-26 projected actual is relatively close to the FY 2026-27 Budget. The District continues to review investment balances between CAMP and LAIF while maintaining the top investment priorities of safety, followed by liquidity and then yield, regardless of economic uncertainty.

Federal / State Funding

The District pursues outside funding when available. Federal and State Funding is budgeted at \$8.3 million for FY 2026-27. The District was awarded \$8.6 million from the State of California for the Kellogg Resiliency Project, and an agreement was signed in November 2023 to receive the funding on a reimbursement basis through the California State Water Board. Staff is projecting to draw down \$5.8 million of available funding for the Kellogg Resiliency Project in FY 2026-27, including \$1.0 million for the related School Street Reconstruction Project, and the remaining \$2.0 million in FY 2027-28.

The District also received an EPA WQIF grant totaling \$4.0 million, which will provide the District \$2.0 million to offset costs for the Nitrogen Removal Phase 1 Project and \$2.0 million to subaward for supporting nature-based climate resiliency work across the Bay Area. The District is estimating Federal revenue of \$2.2 million FY 2025-26 for these two projects.

On April 28, 2025 the District was awarded a \$1.39 million grant from the Ocean Protection Council for the Solano Bayshore Resiliency Project. The District is projecting to spend \$1.3 million by October 2027.

Other Income and Revenue from Other Agencies

The District receives a combination of miscellaneous and/or nonrecurring revenues such as cell tower and other property leases, as well as insurance dividends. Other income includes revenue related to the District's share in Lystek biosolids processing, which offsets the District's biosolids processing costs. Revenue from Other Agencies represents the contributions from the City of Vallejo and Vallejo Flood and Wastewater District for the Solano Stormwater Alliance.

Expenses

Operating expenses set the Operating Reserve target, which is the minimum funding set aside per the District's reserve policy. Increases in the operating expenses and the Operating Reserve target can impact funding available for Major Maintenance and CIP.

Figure 6 compares the 2022 Rate Study assumptions for key expense increases with actual, projected, and budgeted costs for FY 2022-23 Actual, FY 2023-24 Actual, FY 2024-25 Actual and the FY 2025-26 Projected Actual. Overall, higher than anticipated increases in electricity, chemicals, and insurance have resulted in operating expenses averaging \$1.7 million more per year, and \$6.7 million more in total, than originally assumed in the 2022 Rate Study.

The District aims to proactively manage rising operating expenses. Electricity expenses are higher than anticipated due to the ongoing Bioenergy Generation Project, but once the new cogeneration engine is connected, staff anticipate savings of approximately \$1.0 million total by the end of FY 2027-28. Chemical expenses decreased in FY 2023-24, due to the Lystek Direct Digestate Dilution Project, which allowed Lystek to utilize a portion of the District's biosolids without dewatering (polymer is used for dewatering) thereby reducing polymer use. However, in response to changing regulations the District has budgeted an additional \$50,000 per year for a new chemical, urea, which will be used to control nitrogen oxide emissions (a byproduct of combustion) for the cogeneration engine being installed as part of the Bioenergy Generation Project.

Figure 6

	2022 Rate Study Assumption	FY 2022-23 % Increase	FY 2023-24 % Increase	FY 2024-25 % Increase	FY 2025-26 % Increase
Electricity	4%	36%	13%	-4%	8%
Chemicals	4%	11%	-12%	-13%	66%
Insurance	3%	35%	12%	12%	9%
Cost Impact to FSSD:		\$1,055,833	\$1,689,192	\$1,461,450	\$2,098,912

Cost Impact to FSSD represents the additional expense above what the Rate Study assumed for the same fiscal year

The District conducted a public hearing on April 27, 2026, during which it adopted updated sewer service charges based on the 2025 Rate Study. This study incorporates comprehensive long-term financial planning and forecasting, recalibrating cost assumptions through a thorough reassessment of the District’s full cost of service. As illustrated in Figure 6, key cost drivers, such as electricity, chemicals, and insurance, can vary significantly over time. The 2025 Rate Study establishes a new baseline by aligning these cost factors with current estimates and actual data. For example, while electricity costs have deviated from projections in the 2022 Rate Study, the 2025 Rate Study resets these assumptions to reflect present conditions and incorporates them into the updated rate structure. Through this long-term planning approach, the District will continue to monitor, evaluate, and manage costs over the next five-year cycle, with the objective of minimizing annual fluctuations in Sewer Service Charges for customers.

All budgeted expenses are grouped into several categories presented in Figure 7 below:

Figure 7

	FY 2024-25 Actual	FY 2025-26 Projected	FY 2026-27 Budget
Operations & Maintenance	\$ 18,929	\$ 19,975	\$ 21,238
Administrative Services	5,426	7,697	6,378
Environmental Services	2,340	2,801	3,051
Engineering Services	1,729	1,959	2,454
Sewer Capacity Charge Programs	540	518	632
Drainage Maintenance Programs	1,211	1,449	1,273
Solano Stormwater Alliance	290	435	579
Debt Service	1,070	1,070	1,070
Major Maintenance & CIP	8,645	17,332	58,186
City of Fairfield Collection System	4,490	300	3,560
City of Suisun City Collection System	1,270	365	-
Total Expenses	\$ 45,940	\$ 53,901	\$ 98,421

(In Thousands)

Key changes in significant operating expenses are as follows:

- Operations and Maintenance (O&M) expenses include treatment plant O&M, energy and chemicals, District sewer line maintenance, and City sewer line maintenance. Total O&M expenses are budgeted at \$21.2 million for FY 2026-27, a increase of \$1.2 million compared to the FY 2025-26 projected actual.
 - Approximately 63 percent of District staff allocate time to O&M, which means the variance between the FY 2025-26 projected actuals and FY 2026-27 budget is impacted by staff time allocations, vacancies that can occur throughout the year, and increasing costs of salaries and benefits. In FY 2026-27 O&M makes up 58 percent of the District's salaries and benefits.
 - Included in O&M expenses, City sewer line maintenance is budgeted at \$3.5 million for FY 2026-27, an increase of \$0.2 million compared to the projected actual of \$3.3 million for FY 2025-26. The 1965 Agreement between the District and cities of Fairfield and Suisun City provides a funding mechanism for local sewer maintenance. Local sewer maintenance funding is tied to CPI and length in feet of sewers and is projected to increase 3.0 percent in FY 2026-27. Approximately \$0.2 million in District staff time is allocated for Closed Circuit Television (CCTV) assistance with Suisun City sewer lines.
 - Included in O&M expenses, Energy and Chemicals are expected to decrease \$0.4 million in FY 2026-27. The District has seen significant increases in electricity over the last few fiscal years, primarily due to a cogeneration engine and wind turbines being out of service during the Bioenergy Generation Project, and a delay in a PG&E interconnect agreement. With the Bioenergy Generation Project anticipated to be completed in FY 2026-27, the District expects a reduction in electricity usage and associated costs, resulting in estimated savings of \$0.5 million. However, electricity rates are still projected to rise by approximately 5 percent, yielding a net decrease of \$0.3 million. Also contributing to the overall reduction are projected decreases in chemicals polymer and hypochlorite for FY 2026-27. Partially offsetting some of these savings, the District will introduce a new chemical, urea, in FY 2026-27 as part of the Bioenergy Generation Project. This addition is necessary to reduce nitrogen oxide emissions (a byproduct of combustion) from the new cogeneration engine and to ensure compliance with updated air permit requirements issued by the Bay Area Air District.
- Administrative Services expenses include costs related to finance, human resources, utility billing, insurance, legal expenses, and Board members fees. Administrative Services expenses are budgeted at \$6.4 million for FY 2026-27, a decrease of \$1.3 million compared to the projected actual for FY 2025-26. The primary factor of the decrease was a one-time \$2.0 million contribution to the California Employers Pension Prefunding Trust (CEPPT 115 Trust) in FY 2025-26. Excluding this payment, costs increased by \$0.4 million for health insurance premiums, and \$0.1 million for insurance premiums.
- Environmental Services expenses include regulatory costs related to the District's NPDES permit, pretreatment program, laboratory, and community outreach

programs. Environmental Services expenses are budgeted at \$3.1 million in FY 2026-27, an increase of \$0.3 million compared to the projected actual for FY 2025-26. The increase is primarily due to increases in salaries and benefits.

Operating Expenses – Salaries and Benefits

Salaries and benefits are allocated across the programs in Figure 7 based on employee functions and represent the largest component of the operating budget. By resolution, salaries are adjusted each July between 2 and 6 percent based on April CPI. Salary expenses are anticipated to increase by 3 percent based on the anticipated April 2026 CPI. Other increases are built into salary costs to account for merit adjustments and promotions throughout the fiscal year.

The District continues to face rising healthcare costs. Healthcare premiums for the Kaiser family plan increased 5 percent in 2026 and are anticipated to increase at least 6 percent in 2027. Increases in healthcare impacts District costs for active employees and retirees. To manage retiree healthcare costs, the District maintains an Other Post Employment Benefit (OPEB) trust through CalPERS and contributes at least the Actuarially Determined Contribution (ADC) each fiscal year. The FY 2026-27 budget includes an ADC of \$250,000.

The District continues to monitor and proactively address pension liabilities. CalPERS actuarial reports set the required payroll and unfunded accrued liability (UAL) payments for the fiscal year after the reports are received by public agencies. For example, the FY 2026-27 contributions are based on CalPERS June 30, 2023 actuarial report received in September 2024.

The District has used one-time salary and benefit savings in prior years to address CalPERS pension liabilities. CalPERS reported a -6.1 percent investment loss for the year ending June 30, 2022, resulting in a \$5.7 UAL to be repaid over 20 years. A 5.8 percent return, which is 1.0 percent lower than CalPERS expected rate of return of 6.8 percent, for the year ending June 30, 2023 added another \$1.1 million UAL, also amortized over 20 years.

To address these liabilities, the District made the following one-time contributions:

- FY 2023-24: \$1.5 million additional discretionary payment to pay down June 30, 2022 UAL.
- FY 2025-26: \$2.0 million contribution to fund a California Employers Pension Prefunding Trust (CEPPT 115 Trust).

The CEPPT Trust provides flexibility to offset future CalPERS costs including normal contributions through payroll and UAL payments. Due to CalPERS investment returns of 9.8 percent (June 30, 2024) and 11.6 percent (June 30, 2025), the District chose to fund the CEPPT 115 Trust in FY 2025-26 using prior year salary and benefit savings. Because of the lag in actuarial reporting, the District will recognize the CalPERS gains in FY 2026-27 and FY 2027-28.

Because CalPERS losses can create new liabilities each year that function as a debt, CalPERS liabilities require active management by District staff to keep costs to a prudent and manageable level.

Major Maintenance and Capital Improvement Program

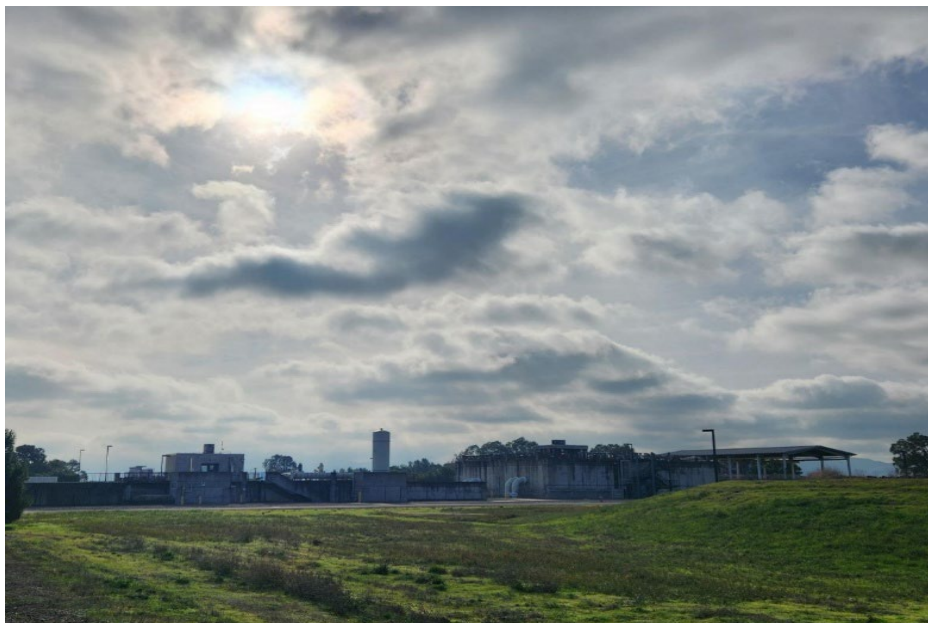
Major Maintenance and CIP expenses are budgeted at \$58.2 million in FY 2026-27 and include both routine maintenance as well as major repairs, upgrades, and replacements. The increase in the FY 2026-27 Major Maintenance and CIP budget compared to the FY 2024-25 actual and FY 2025-26 projected actual is the result of a planned drawdown of reserves to reinvest in aging infrastructure. Major Maintenance and CIP projects are often large in scope and multi-year in nature, and budgetary estimates cross fiscal years as projects are started during the fiscal year.

City Collection System Reserves

On April 28, 2022, the Board adopted the Seventh Amendment to the 1965 Agreement with the cities of Fairfield and Suisun City, which provided additional funding based on the results of the Collection System Asset Master Plan. Each July 1, the District funds Collection System Reserves for the cities through transfers of \$1.83 million to the City of Fairfield Collection System Reserve and \$1.77 million to the City of Suisun City Collection System Reserve. By August 1, the District will appropriate budgeted amounts requested by the cities into each City’s collection system enterprise fund. Unused reserves will be held by the District and accrue interest until “trued up” for the next fiscal year. For FY 2026-27, the cities of Fairfield and Suisun City have requested appropriations of \$3.6 million and \$0 respectively.

Debt Service

Debt Service expenses are budgeted at \$1.1 million in FY 2026-27. The remaining outstanding debt service includes two SRF Loans for the Ultraviolet Disinfection Project and Blower Replacement Project. The debt service for the SRF Loan for the Blower Project is split between the Operations Fund and Sewer Capacity Charge Fund at 75 percent and 25 percent, respectively.



Fairfield Suisun Sewer District

BUDGET AND LONG-TERM FINANCIAL PLAN SCHEDULES

FY 2026-27 All Fund Budget Summary Excludes Interfund Transfers (Dollars in 000s)

REVENUES	FY 2024-25 Actual	FY 2025-26 Revised Budget	FY 2025-26 Proj. Actual	FY 2026-27 Budget
Sewer Service Charges	\$35,471	\$37,211	\$37,600	\$39,195
Sewer Capacity Charges	2,323	3,565	2,608	5,519
Drainage Maintenance Fees	1,641	1,634	1,609	1,610
Interest Income	2,409	1,745	1,788	1,745
Other Income	1,318	838	759	853
Federal & State Grants	1,375	12,739	6,003	8,282
Loans & Bonds	-	1,650	-	31,864
Revenue from Other Agencies (Alliance)	85	182	173	255
Total Revenues	44,622	59,563	50,540	89,323
OPERATING EXPENSES				
Operations Fund				
Operations & Maintenance	(18,929)	(21,626)	(19,975)	(21,238)
Administrative Services	(5,426)	(7,723)	(7,697)	(6,378)
Environmental Services	(2,340)	(2,871)	(2,801)	(3,051)
Engineering Services	(1,729)	(2,358)	(1,959)	(2,454)
Sewer Capacity Charge Funds				
Project Administration / Planning	(179)	(265)	(293)	(306)
New Development Review & Inspection	(360)	(351)	(225)	(326)
Drainage Maintenance				
Local Facility Maintenance	(959)	(959)	(959)	(959)
Regional Facility Maintenance	(232)	(283)	(473)	(297)
Drainage Maintenance Administration	(20)	(18)	(17)	(17)
Solano Stormwater Alliance				
Solano Stormwater Alliance	(290)	(481)	(435)	(579)
Total Operating Expenses	(30,464)	(36,935)	(34,835)	(35,605)
DEBT SERVICE & CAPITAL REQUIREMENTS				
Debt Service	(1,070)	(1,070)	(1,070)	(1,070)
Major Maintenance & Capital Improvement Program				
Operations Fund	(7,448)	(30,399)	(12,317)	(49,636)
Sewer Capacity Charge Funds	(159)	(3,300)	(3,012)	(1,900)
Drainage Maintenance	(1,038)	(7,122)	(3,433)	(6,650)
City Collection System Reserve Appropriations				
City of Fairfield	(4,490)	(300)	(300)	(3,560)
City of Suisun City	(1,270)	(365)	(365)	-
Total Debt Service & Capital Requirements	(15,475)	(42,556)	(20,497)	(62,816)
Net Increase (Decrease) in Total Reserves	(\$1,317)	(\$19,928)	(\$4,792)	(\$9,098)

FY 2026-27 Change in Reserves
(Dollars in 000s)

	Beginning Balance	Revenues / Transfers In	Expenses / Transfers Out	Ending Balance	Net Change
Operations Fund Reserves					
Operating	\$7,984	\$40,976	(\$40,680)	\$8,280	\$296
Debt Service	1,070	-	-	1,070	-
Major Maintenance & Capital Improvement Program	20,474	38,647	(49,636)	9,484	(10,989)
Total Operations Fund	29,528	79,623	(90,316)	18,835	(10,693)
Sewer Capacity Charge Fund Reserves	18,453	6,059	(3,943)	20,568	2,116
Drainage Maintenance Fund Reserves					
Operating	500	1,713	(1,713)	500	-
Desilting	546	30	-	576	30
Major Maintenance	2,364	5,886	(6,650)	1,600	(764)
Total Drainage Maintenance Fund	3,410	7,629	(8,363)	2,676	(734)
Solano Stormwater Alliance Fund Reserve	341	589	(579)	350	10
City Collection System Reserve Funds					
City of Fairfield Collection System R&R	1,920	1,834	(3,560)	194	(1,726)
City of Suisun City R&R	3,719	1,930	-	5,649	1,930
Total City Collection System Reserve Funds	5,639	3,764	(3,560)	5,843	204
Total Increase (Decrease) in Reserves	\$57,370	\$97,663	(\$106,761)	\$48,272	(\$9,098)

Schedule 1 – Wastewater Operations Fund – Operating Expense Forecast

(Dollars in 000s)

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	FY 2035-36	Forecast Assumption
	Actual	Projected	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
REVENUES													
Sewer Service Charges	\$35,471	\$37,600	\$39,195	\$43,506	\$48,292	\$52,156	\$55,285	\$57,330	\$59,434	\$61,598	\$63,815	\$66,094	Rate / Growth
Interest Income - F1	1,354	987	938	659	428	376	493	496	615	524	568	640	Interest
Biosolids Host & Facility Charge	772	520	657	676	696	717	739	761	784	808	832	857	CPI
Other Income	518	240	186	192	198	204	210	216	222	229	236	243	CPI
Total Revenues	38,114	39,346	40,976	45,034	49,614	53,452	56,726	58,803	61,056	63,159	65,451	67,834	
EXPENSES													
Operations & Maintenance													
Operations & Maintenance	(11,369)	(12,032)	(13,467)	(13,871)	(14,287)	(14,716)	(15,158)	(15,612)	(16,081)	(16,563)	(17,060)	(17,572)	CPI
Energy & Chemicals	(3,613)	(4,165)	(3,804)	(3,494)	(3,669)	(3,853)	(4,045)	(4,247)	(4,460)	(4,683)	(4,917)	(5,163)	E & C
District Sewer Line Maintenance	(424)	(450)	(481)	(495)	(510)	(525)	(541)	(557)	(574)	(591)	(609)	(627)	CPI
City Sewer Line Maintenance	(3,523)	(3,328)	(3,486)	(3,591)	(3,699)	(3,810)	(3,924)	(4,042)	(4,163)	(4,288)	(4,416)	(4,549)	CPI
Administrative Services													
Administration, Legal, Board	(3,227)	(5,458)	(3,971)	(4,090)	(4,213)	(4,339)	(4,469)	(4,603)	(4,742)	(4,884)	(5,030)	(5,181)	CPI
Finance & Human Resources	(1,399)	(1,427)	(1,570)	(1,617)	(1,666)	(1,716)	(1,767)	(1,820)	(1,875)	(1,931)	(1,989)	(2,049)	CPI
Utility Billing Fees - Fairfield	(631)	(642)	(661)	(681)	(702)	(723)	(744)	(767)	(790)	(813)	(838)	(863)	CPI
Utility Billing Fees - Suisun City	(168)	(170)	(176)	(181)	(186)	(192)	(198)	(203)	(210)	(216)	(222)	(229)	CPI
Environmental Services													
Regulatory Programs	(1,327)	(1,698)	(1,837)	(1,892)	(1,949)	(2,008)	(2,068)	(2,130)	(2,194)	(2,260)	(2,327)	(2,397)	CPI
Laboratory	(1,012)	(1,104)	(1,213)	(1,250)	(1,287)	(1,326)	(1,366)	(1,407)	(1,449)	(1,492)	(1,537)	(1,583)	CPI
Engineering Services													
Engineering	(1,729)	(1,959)	(2,454)	(2,527)	(2,603)	(2,681)	(2,761)	(2,844)	(2,930)	(3,018)	(3,108)	(3,201)	CPI
Total Expenses	(28,423)	(32,432)	(33,120)	(33,690)	(34,771)	(35,887)	(37,041)	(38,233)	(39,465)	(40,738)	(42,054)	(43,414)	
Net Revenue before Debt & Transfers	9,691	6,913	7,856	11,343	14,843	17,565	19,685	20,570	21,591	22,421	23,397	24,420	
DEBT SERVICE AND TRANSFERS OUT													
Debt Service Payments - SRF	(987)	(987)	(987)	(987)	(987)	(987)	(987)	(987)	(250)	(250)	(250)	(250)	Debt Schedule
Debt Service Payments - Loans / Bonds	-	-	-	(1,500)	(1,500)	(2,500)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	(4,600)	Estimate
Net Increase (Decrease) in Net Position	8,704	5,927	6,869	8,857	12,356	14,078	14,099	14,984	16,741	17,571	18,547	19,570	
TRANSFERS TO DISTRICT-HELD RESERVES													
Transfer-Fairfield Collection System Reserve	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	Master Plan
Transfer-Suisun City Collection System Reserve	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)	(1,770)	Master Plan
Transfer to Debt Service Reserve	-	-	-	(1,500)	-	(1,000)	(2,100)	-	737	-	-	-	
Transfer to Operating Reserve	(758)	(568)	(296)	(142)	(270)	(279)	(288)	(298)	(308)	(318)	(329)	(340)	
Transfer to Major Maintenance & CIP Reserve	(4,346)	(1,759)	(2,973)	(3,614)	(8,486)	(9,199)	(8,110)	(11,086)	(13,570)	(13,653)	(14,618)	(15,630)	
Excess Net Position	-	-	-	-	-	-	-	-	-	-	-	-	
Operations Fund - Operating & Debt Service Reserves													
<i>Target Operating Reserve</i>	7,416	7,984	8,280	8,423	8,693	8,972	9,260	9,558	9,866	10,185	10,513	10,853	
Budgeted Operating Reserve, Beginning	6,658	7,416	7,984	8,280	8,423	8,693	8,972	9,260	9,558	9,866	10,185	10,513	
Transfer to/(from) Operating Reserve	758	568	296	142	270	279	288	298	308	318	329	340	
Budgeted Operating Reserve, Ending	7,416	7,984	8,280	8,423	8,693	8,972	9,260	9,558	9,866	10,185	10,513	10,853	
<i>Operating reserve Target Met?</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
<i>Target Debt Service Reserve</i>	1,070	1,070	1,070	2,570	2,570	3,570	5,670	5,670	4,933	4,933	4,933	4,933	
Debt Service Reserve, Beginning	1,070	1,070	1,070	1,070	2,570	2,570	3,570	5,670	5,670	4,933	4,933	4,933	
Transfer to/(from) Debt Service Reserve	-	-	-	1,500	-	1,000	2,100	-	(737)	-	-	-	
Debt Service Reserve, Ending	\$1,070	\$1,070	\$1,070	\$2,570	\$2,570	\$3,570	\$5,670	\$5,670	\$4,933	\$4,933	\$4,933	\$4,933	

Schedule 2 – Wastewater Operations Fund - Major Maintenance & Capital Improvement Program Forecast
(Dollars in 000s)

	FY 2024-25 Actual	FY 2025-26 Rev. Budget	FY 2025-26 Projected	FY 2026-27 Budget	FY 2027-28 Forecast	FY 2028-29 Forecast	FY 2029-30 Forecast	FY 2030-31 Forecast	FY 2031-32 Forecast	FY 2032-33 Forecast	FY 2033-34 Forecast	FY 2034-35 Forecast	FY 2035-36 Forecast	FORECAST TOTAL
FUNDING SOURCES														
Federal & State Grants	\$337	\$5,978	\$2,591	\$2,482	\$895	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,377
Loans & Bonds	-	1,650	-	31,864	23,000	3,550	11,225	-	-	-	-	-	-	69,639
Inflation Reduction Act Credits for Bioenergy Generation Project	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In - Sewer Capacity Charges Cost Share	437	1,625	1,187	1,328	383	-	-	-	-	-	-	-	-	1,710
Transfers In - Sewer Capacity Charges Repair & Rehab Projects	-	-	-	-	6,400	4,000	-	-	-	-	-	-	-	10,400
Use of Reserves	6,674	21,146	8,539	13,962	11,863	8,446	6,588	10,390	7,408	16,173	12,530	12,530	15,421	115,311
Total Financing Sources	7,448	30,399	12,317	49,636	42,541	15,996	17,813	10,390	7,408	16,173	12,530	12,530	15,421	200,438
MAJOR MAINTENANCE & CAPITAL IMPROVEMENT PROGRAM														
Cash Funded	(4,685)	(30,399)	(8,791)	(17,154)	(18,646)	(12,446)	(6,588)	(10,390)	(7,408)	(16,173)	(12,530)	(12,530)	(15,421)	(129,285)
Debt Funded	(1,063)	-	(801)	(30,000)	(23,000)	(3,550)	(11,225)	-	-	-	-	-	-	(67,775)
Grant Funded	(145)	-	(2,591)	(2,482)	(895)	-	-	-	-	-	-	-	-	(3,377)
Projects not in Easy CIP*	(1,554)	-	(135)	-	-	-	-	-	-	-	-	-	-	-
Total Major Maintenance & Capital Improvement Program	(7,448)	(30,399)	(12,317)	(49,636)	(42,541)	(15,996)	(17,813)	(10,390)	(7,408)	(16,173)	(12,530)	(12,530)	(15,421)	(200,438)
Operations Fund - Major Maintenance & CIP Reserve														
Major Maintenance & CIP Reserve, Beginning	29,583		27,255	20,474	9,484	1,235	1,275	3,886	1,606	5,284	2,682	3,805	5,893	
Transfer from Operations Fund to Reserve	4,346		1,759	2,973	3,614	8,486	9,199	8,110	11,086	13,570	13,653	14,618	15,630	
Use of Reserves	(6,674)		(8,539)	(13,962)	(11,863)	(8,446)	(6,588)	(10,390)	(7,408)	(16,173)	(12,530)	(12,530)	(15,421)	
Subtotal	27,255		20,474	9,484	1,235	1,275	3,886	1,606	5,284	2,682	3,805	5,893	6,102	
Sewer Capacity Charges Reserves	20,059		18,453	20,568	18,783	21,767	22,419	16,913	8,192	3,685	3,843	4,836	4,415	
Major Maintenance & CIP Reserve, Ending	\$47,314		\$38,926	\$30,053	\$20,018	\$23,042	\$26,305	\$18,520	\$13,476	\$6,367	\$7,648	\$10,729	\$10,517	
<i>Target Major Maintenance & CIP Reserve</i>	\$21,165		\$16,361	\$17,393	\$17,463	\$16,308	\$15,689	\$16,680	\$16,609	\$16,375	\$14,547	\$15,096	\$17,541	
<i>Major Maint. & CIP Reserve Target Met?</i>	Yes		Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No	No	

*The District is in the process of implementing a Capital Improvement Program collaboration tool called Easy CIP. Projects not in EasyCIP represents projects that were or will be completed before FY 2026-27 Budget year, and were therefore not added to the tool.

Schedule 3 – Sewer Capacity Charge Fund - Operating Expense Forecast
(Dollars in 000s)

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	FY 2035-36	Forecast Assumption
	Actual	Projected	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
REVENUES													
Sewer Capacity Charges - City of Fairfield	\$2,065	\$2,407	\$5,398	\$7,483	\$7,047	\$1,748	\$1,988	\$1,583	\$1,630	\$1,679	\$1,729	\$2,305	EDU
Sewer Capacity Charges - City of Suisun City	258	201	120	124	128	132	136	140	144	148	153	157	EDU
Interest Income - F2 / F3	783	586	530	720	657	653	673	507	246	111	115	145	Interest
Miscellaneous Income	29	-	10	-	-	-	-	-	-	-	-	-	
Total Revenues	3,135	3,194	6,059	8,327	7,832	2,533	2,797	2,230	2,020	1,938	1,997	2,607	
EXPENSES													
Project Administration / Planning	(179)	(293)	(306)	(316)	(325)	(335)	(345)	(355)	(366)	(377)	(388)	(400)	CPI
New Development Review & Inspection	(360)	(225)	(326)	(336)	(346)	(356)	(367)	(378)	(389)	(401)	(413)	(425)	CPI
Total Expenses	(540)	(518)	(632)	(651)	(671)	(691)	(712)	(733)	(755)	(778)	(801)	(825)	
Net Revenue before Debt & Transfers	2,595	2,676	5,427	7,676	7,162	1,842	2,085	1,497	1,265	1,160	1,196	1,782	
DEBT SERVICE AND TRANSFERS OUT													
Debt Service Payments - SRF F2	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	(83)	Schedule
Net Increase (Decrease) in Net Position	2,512	2,592	5,343	7,592	7,078	1,759	2,002	1,414	1,182	1,077	1,113	1,699	
TRANSFERS TO DISTRICT-HELD RESERVES													
Transfer-Sewer Capacity Charge Reserves	(2,512)	(2,592)	(5,343)	(7,592)	(7,078)	(1,759)	(2,002)	(1,414)	(1,182)	(1,077)	(1,113)	(1,699)	
Excess Net Position	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	

Schedule 4 – Sewer Capacity Charge Fund - Capital Improvement Program Forecast
(Dollars in 000s)

Sewer Capacity Charge Funded %	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	FY 2035-36	FORECAST
	Actual	Projected	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	TOTAL
FINANCING SOURCES													
Use of Reserves	\$596	\$4,199	\$3,228	\$9,378	\$4,095	\$1,107	\$7,507	\$10,135	\$5,689	\$919	\$120	\$2,120	\$44,297
Total Financing Sources	596	4,199	3,228	9,378	4,095	1,107	7,507	10,135	5,689	919	120	2,120	44,297
CAPITAL IMPROVEMENT PROGRAM													
Cash Funded	(159)	(698)	(1,900)	(2,595)	(95)	(1,107)	(7,507)	(10,135)	(5,689)	(919)	(120)	(2,120)	(32,187)
Debt Funded	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant Funded	-	-	-	-	-	-	-	-	-	-	-	-	-
Projects not in Easy CIP*	-	(2,314)	-	-	-	-	-	-	-	-	-	-	-
Transfer to Operations Fund - CIP Cost Share	(437)	(1,187)	(1,328)	(383)	-	-	-	-	-	-	-	-	(1,710)
Transfer to Operations Fund - R&R Projects	-	-	-	(6,400)	(4,000)	-	-	-	-	-	-	-	(10,400)
Total Capital Improvement Program	(596)	(4,199)	(3,228)	(9,378)	(4,095)	(1,107)	(7,507)	(10,135)	(5,689)	(919)	(120)	(2,120)	(44,297)
Sewer Capacity Charge Reserves													
Sewer Capacity Charge Reserves, Beginning	18,143	20,059	18,453	20,568	18,783	21,767	22,419	16,913	8,192	3,685	3,843	4,836	
Transfer from Sewer Capacity Charge to Reserves	2,512	2,592	5,343	7,592	7,078	1,759	2,002	1,414	1,182	1,077	1,113	1,699	
Use of Reserves	(596)	(4,199)	(3,228)	(9,378)	(4,095)	(1,107)	(7,507)	(10,135)	(5,689)	(919)	(120)	(2,120)	
Sewer Capacity Charge Reserves, Ending	\$20,059	\$18,453	\$20,568	\$18,783	\$21,767	\$22,419	\$16,913	\$8,192	\$3,685	\$3,843	\$4,836	\$4,415	

*The District is in the process of implementing a Capital Improvement Program collaboration tool called Easy CIP. Projects not in EasyCIP represents projects that were or will be completed before FY 2026-27 Budget year, and were therefore not added to the tool.

Schedule 5 – Drainage Maintenance Fund – Operating Expense Forecast
(Dollars in 000s)

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	FY 2035-36	Forecast Assumption
	Actual	Projected	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
REVENUES													
Drainage Maintenance Fees	\$1,641	\$1,609	\$1,610	\$1,611	\$1,612	\$1,613	\$1,614	\$1,615	\$1,615	\$1,616	\$1,617	\$1,618	DM Interest
Interest Income - F4	124	86	103	106	110	113	117	120	124	127	131	135	
Total Revenues	1,765	1,695	1,713	1,717	1,722	1,726	1,730	1,735	1,739	1,743	1,748	1,753	
EXPENSES													
Local Facility Maintenance	(959)	(959)	(959)	(959)	(959)	(959)	(959)	(959)	(959)	(959)	(959)	(959)	FLAT CPI CPI
Regional Facility Maintenance	(232)	(473)	(297)	(306)	(315)	(325)	(334)	(344)	(355)	(365)	(376)	(388)	
Drainage Maintenance Administration	(20)	(17)	(17)	(18)	(18)	(19)	(19)	(20)	(20)	(21)	(22)	(22)	
Total Expenses	(1,211)	(1,449)	(1,273)	(1,283)	(1,292)	(1,302)	(1,313)	(1,323)	(1,334)	(1,345)	(1,357)	(1,369)	
Net Revenue before Debt & Transfers	555	246	440	435	430	424	418	411	405	398	391	384	
DEBT SERVICE AND TRANSFERS OUT													
Transfer Out - Solano Stormwater Alliance	(138)	(220)	(324)	(280)	(280)	(280)	(280)	(280)	(280)	(280)	(280)	(280)	44% Alliance
Net Increase (Decrease) in Net Position	417	26	116	155	150	144	138	131	125	118	111	104	
TRANSFERS TO DISTRICT-HELD RESERVES													
Transfer to Desilting Reserve	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	(30)	
Transfer to Operations Reserve	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer to Major Maintenance Reserve	(387)	4	(86)	(125)	(120)	(114)	(108)	(101)	(95)	(88)	(81)	(74)	
Excess Net Position	-	-	-	-	-	-	-	-	-	-	-	-	
Drainage Maintenance - Operating & Desilting Reserves													
Minimum Operations Reserve Requirement	136	133	127	128	129	130	131	132	133	135	136	137	
Budgeted Operating Reserve, Beginning	500	500	500	500	500	500	500	500	500	500	500	500	
Transfer to/(from) Operating Reserve	-	-	-	-	-	-	-	-	-	-	-	-	
Budgeted Operating Reserve, Ending	500	500	500	500	500	500	500	500	500	500	500	500	
<i>Operating reserve Target Met?</i>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Desilting Reserve, Beginning	486	516	546	576	606	636	666	696	726	756	786	816	
Transfer to/(from) Desilting Reserve	30	30	30	30	30	30	30	30	30	30	30	30	
Desilting Reserve, Ending	\$516	\$546	\$576	\$606	\$636	\$666	\$696	\$726	\$756	\$786	\$816	\$846	

Schedule 6 – Drainage Maintenance Fund – Major Maintenance and Capital Improvement Program Forecast
(Dollars in 000s)

Drainage Maint. Funded %	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	FY 2035-36	FORECAST
	Actual	Projected	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	TOTAL
FINANCING SOURCES													
Federal / State Grants - F4	\$1,038	\$3,413	\$5,800	\$2,000	-	-	-	-	-	-	-	-	\$7,800
Use of Reserves	(0)	20	850	1,530	-	-	-	-	-	-	-	-	2,380
Total Financing Sources	1,038	3,433	6,650	3,530	-	-	-	-	-	-	-	-	10,180
MAJOR MAINTENANCE & CAPITAL IMPROVEMENT PROGRAM													
Cash Funded	-	(10)	(850)	(1,530)	-	-	-	-	-	-	-	-	(2,380)
Debt Funded	-	-	-	-	-	-	-	-	-	-	-	-	-
Grant Funded	(1,038)	(3,413)	(5,800)	(2,000)	-	-	-	-	-	-	-	-	(7,800)
Projects not in Easy CIP*	-	(10)	-	-	-	-	-	-	-	-	-	-	-
Total Expenses	(1,038)	(3,433)	(6,650)	(3,530)	-	-	-	-	-	-	-	-	(10,180)
Drainage Maintenance - Major Maintenance Reserve													
Minimum Major Maintenance Reserve Requirement	410	402	403	403	403	403	403	404	404	404	404	404	404
Drainage Maintenance Major Maint. Reserves, Beginning	2,001	2,388	2,364	1,600	195	314	428	536	637	732	820	901	901
Transfer from Drainage Maintenance to Reserve	387	(4)	86	125	120	114	108	101	95	88	81	74	74
Use of Reserves	0	(20)	(850)	(1,530)	-	-	-	-	-	-	-	-	-
Drainage Maintenance Reserves, Ending	\$2,388	\$2,364	\$1,600	\$195	\$314	\$428	\$536	\$637	\$732	\$820	\$901	\$975	\$975
Minimum Major Maintenance Reserve Requirement Met?	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

*The District is in the process of implementing a Capital Improvement Program collaboration tool called Easy CIP. Projects not in EasyCIP represents projects that were or will be completed before FY 2026-27 Budget year, and were therefore not added to the tool.

Schedule 7 – Solano Stormwater Alliance - Operating Expense Forecast
(Dollars in 000s)

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	FY 2035-36	Forecast Assumption
	Actual	Projected	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
REVENUES													
Revenue from Other Agencies	\$85	\$173	\$255	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	44% Exp
Interest Income - F5	19	16	10	10	10	10	10	10	10	10	10	10	Interest
Transfers In - from Drainage Maintenance	138	220	324	280	280	280	280	280	280	280	280	280	56% Exp
Total Revenues	241	409	589	510	510	510	510	510	510	510	510	510	
EXPENSES													
Solano Stormwater Alliance	(290)	(435)	(579)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	FLAT
Total Expenses	(290)	(435)	(579)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	
Net Revenue before Debt & Transfers	(49)	(27)	10	10	10	10	10	10	10	10	10	10	
DEBT SERVICE AND TRANSFERS OUT													
Not Applicable	-	-	-	-	-	-	-	-	-	-	-	-	
Net Increase (Decrease) in Net Position	(49)	(27)	10	10	10	10	10	10	10	10	10	10	
TRANSFERS TO DISTRICT-HELD RESERVES													
Transfer to Solano Stormwater Alliance Reserve	49	27	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	
Excess Net Position	-	-	-	-	-	-	-	-	-	-	-	-	
Solano Stormwater Alliance Reserves													
Solano Stormwater Alliance Reserve, Beginning	416	367	341	350	360	370	380	390	400	410	420	430	
Transfer to/(from) Reserve	(49)	(27)	10	10	10	10	10	10	10	10	10	10	
Solano Stormwater Alliance Reserve, Ending	\$367	\$341	\$350	\$360	\$370	\$380	\$390	\$400	\$410	\$420	\$430	\$440	

Schedule 8 – City Collection System Repair & Rehabilitation Forecast
(Dollars in 000s)

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	FY 2035-36	
	Actual	Projected	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast Assumption
City of Fairfield Collection System R&R Reserve													
REVENUES													
Interest Income - F6	\$40	\$39	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	\$4	Interest Master Plan
Transfers from Sewer Service Charges - F6	1,830	1,830	1,830	1,830	1,830	1,830	1,830	1,830	1,830	1,830	1,830	1,830	Interest Master Plan
Total Revenues	1,870	1,869	1,834	1,834	1,834	1,834	1,834	1,834	1,834	1,834	1,834	1,834	Interest Master Plan
EXPENSES													
Appropriation to City of Fairfield	(4,490)	(300)	(3,560)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	City Request
Total Expenses	(4,490)	(300)	(3,560)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	(1,830)	City Request
Net Revenue before Debt & Transfers	(2,620)	1,569	(1,726)	4	4	4	4	4	4	4	4	4	City Request
TRANSFERS TO DISTRICT-HELD RESERVES													
Transfer to Collection System Reserve	2,620	(1,569)	1,726	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	City Request
Excess Net Position	-	-	-	-	-	-	-	-	-	-	-	-	City Request
City of Fairfield - Collection System Repair & Rehabilitation Reserve													
Beginning Balance, City of Fairfield R&R Reserve	2,971	351	1,920	194	198	202	206	210	214	218	222	226	
Transfer to/(from) Reserve	(2,620)	1,569	(1,726)	4	4	4	4	4	4	4	4	4	
Ending Balance, City of Fairfield R&R Reserve	\$351	\$1,920	\$194	\$198	\$202	\$206	\$210	\$214	\$218	\$222	\$226	\$230	
City of Suisun City Collection System R&R Reserve													
REVENUES													
Interest Income - F7	\$88	\$74	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	\$160	Interest Master Plan
Transfers from Sewer Service Charges - F7	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	1,770	Interest Master Plan
Total Revenues	1,858	1,844	1,930	1,930	1,930	1,930	1,930	1,930	1,930	1,930	1,930	1,930	Interest Master Plan
EXPENSES													
Appropriation to City of Suisun City	(1,270)	(365)	-	(1,270)	(1,270)	(1,270)	(1,270)	(1,270)	(1,270)	(1,270)	(1,270)	(1,270)	City Request
Total Expenses	(1,270)	(365)	-	(1,270)	(1,270)	(1,270)	(1,270)	(1,270)	(1,270)	(1,270)	(1,270)	(1,270)	City Request
Net Revenue before Debt & Transfers	588	1,479	1,930	660	660	660	660	660	660	660	660	660	City Request
TRANSFERS TO DISTRICT-HELD RESERVES													
Transfer to Collection System Reserve	(588)	(1,479)	(1,930)	(660)	(660)	(660)	(660)	(660)	(660)	(660)	(660)	(660)	City Request
Excess Net Position	-	-	-	-	-	-	-	-	-	-	-	-	City Request
City of Suisun City - Collection System Repair & Rehabilitation Reserve													
Beginning Balance, City of Suisun City R&R Reserve	1,652	2,241	3,719	5,649	6,309	6,969	7,629	8,289	8,949	9,609	10,269	10,929	
Transfer to/(from) Reserve	588	1,479	1,930	660	660	660	660	660	660	660	660	660	
Ending Balance, City of Suisun City R&R Reserve	\$2,241	\$3,719	\$5,649	\$6,309	\$6,969	\$7,629	\$8,289	\$8,949	\$9,609	\$10,269	\$10,929	\$11,589	

Schedule 9 – Forecast Assumptions

	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	FY 2035-36	Forecast Assumption
	Actual	Projected	Budget	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
REVENUES													
Sewer Service Charge Rate Revenue Increase	5.0%	5.0%	10.0%	10.0%	10.0%	7.0%	5.0%	3.0%	3.0%	3.0%	3.0%	3.0%	Rate
Customer Growth	1.0%	0.7%	0.9%	1.0%	1.0%	1.0%	1.0%	0.7%	0.7%	0.6%	0.6%	0.6%	Growth
Interest Earnings Rate (at 06/30)	5.4%	3.8%	3.5%	3.5%	3.5%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	Interest
Engineering News Record Construction Cost Index	-1.5%	0.0%	0.4%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	ENR-CCI
Drainage Maintenance Fees	-3.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	DM
EXPENSES													
Consumer Price Index (CPI)	3.8%	1.3%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	CPI
Energy & Chemicals	2.0%	2.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	E&C
Engineering News Record Construction Cost Index	-1.5%	0.0%	0.4%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	ENR-CCI
DEBT SERVICE													
Debt Service Coverage Ratio (1.15 minimum)	11.48	8.96	12.41	7.40	8.56	5.44	3.84	3.89	4.63	4.78	4.99	5.31	
EQUIVALENT DWELLING UNITS (EDU)													
New Residential Units - Fairfield	217	186	540	893	821	193	200	150	150	150	150	200	
New Residential Units - Suisun City	34	31	15	15	15	15	15	15	15	15	15	15	
Total New Residential Units	251	218	555	908	836	208	215	165	165	165	165	215	City Projection
New Commerical EDUs	5	1	107	12	6	6	20	20	20	20	20	20	City Projection
Total EDUs in District (year-end)	47,496	47,715	48,377	49,297	50,139	50,353	50,588	50,773	50,958	51,143	51,328	51,563	
SEWER SERVICE CHARGE													
Residential (per month)	\$49.63	\$51.62	\$54.91	\$60.40	\$66.44	\$71.09	\$74.64	\$76.88	\$79.19	\$81.57	\$84.02	\$86.54	Rate
Commercial - Regular Strength (per HCF)	\$3.97	\$4.13	\$4.56	\$5.02	\$5.52	\$5.91	\$6.21	\$6.40	\$6.59	\$6.79	\$6.99	\$7.20	Rate
Commercial - High Strength (per HCF)	\$6.87	\$7.14	\$7.81	\$8.59	\$9.45	\$10.11	\$10.62	\$10.94	\$11.27	\$11.61	\$11.96	\$12.32	Rate
Case-by-Case	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	Variable	
Travis Air Force Base (volumetric)	\$3.20	\$3.33	\$3.67	\$4.04	\$4.44	\$4.75	\$4.99	\$5.14	\$5.29	\$5.45	\$5.61	\$5.78	Rate
SEWER CAPACITY CHARGE													
Sewer Capacity Charge per EDU	\$7,056	\$7,056	\$8,030	\$8,271	\$8,519	\$8,775	\$9,038	\$9,309	\$9,588	\$9,876	\$10,172	\$10,477	ENR-CCI

LONG-TERM FINANCIAL PLAN & RESERVES ANALYSIS

The Long-Term Financial Plan projects revenues and expenses for District funds. Each schedule presents the FY 2024-25 Actual, FY 2025-26 Projected Actual, FY 2026-27 Budget, and forecasted revenues and expenses through FY 2035-36. The bottom section of each schedule contains applicable reserve targets and balances.

Staff spends significant time developing forecast assumptions for the budget year. In the out years of the forecast, staff bases assumptions on historical averages and readily available present-day information to provide the most accurate depiction of future financial conditions, without over-speculating on economic conditions.

Specific assumptions and challenges of each forecast are noted below.

Schedule 1 – Wastewater Operations Fund - Operating Expense Forecast

- The Operations Fund pays for all treatment plant and sewer system operating expenses, including collection, treatment, maintenance, major repairs, upgrades to facilities and eventual replacement, billing, regulatory activities, and administration. It primarily receives revenue from Sewer Service Charges and related interest income. The Operations Fund receives no property tax revenues.
- The target Operating Reserve is 25 percent, or three months, of Total Operating Expenses, and is intended to fund operational expenses in case of emergencies.
- Net revenue (revenues less expenses) is allocated to debt service payments and the operating reserve target before funding the Fairfield and Suisun City Collection System Reserves. Remaining funds are transferred to the Major Maintenance and CIP Reserve.
- Contributions to the Fairfield and Suisun City Collection System Reserves were determined by the results of the Collection System Asset Management Plan and subsequent Seventh Amendment to the 1965 Agreement, adopted by the Board on April 25, 2022.
- The forecast assumes the next proposed five year Cost of Service and Rate Study will include Sewer Service Charge increases of 10 percent for FY 2026-27, FY 2027-28 and FY 2028-29, 7 percent in FY 2029-30 and 5 percent in FY 2030-31. This is primarily to bring the Major Maintenance and CIP reserve back to the Financial Reserve Policy's target level as presented in Schedule 2.

Schedule 2 – Wastewater Operations Fund - Major Maintenance & Capital Improvement Program Forecast

- Total Major Maintenance and CIP needs in the forecast total \$200.4 million through FY 2035-36. This requires \$115.3 million in Operations Fund Major Maintenance & CIP reserves, as well as a mix of Federal and State Grants, Bonds and Loans, and transfers in from Sewer Capacity Charges.

- The District's long-term financial planning for Major Maintenance and CIP expenses helps assist the District with the strategy to fund projects with cash ("pay as you go") instead of debt as much as possible. However, due to the cost of the Suisun Force Main Reliability project, Electrical Replacement Project Phase III, and Electrical Replacement Project 12kV Distribution, and their criticality to the operation of the collection system and wastewater treatment plant, the District plans to secure external funding for these projects. The District will look to low-interest options first, including Clean Water State Revolving Fund or Federal Water Infrastructure Financing and Innovation Act loans.
- Accumulating a sufficient Major Maintenance and CIP Reserve is critical for funding major repairs of the treatment plant facilities, upgrades to infrastructure to meet regulatory requirements, the eventual treatment plant replacement, and emergency response.
- Due to increases in operating expenses, which decreases net revenue available for Major Maintenance and CIP reserves, the District was forecasting to drop below the target Major Maintenance and CIP reserve between FY 2026-27 and FY 2028-29. However, due to the adopted 2025 Rate Study, the forecasted revenue is projected to keep the District within the target reserve level through FY 2030-31.
- Major Maintenance and Sewer Capacity Charge project expenses are estimates that are re-evaluated each budget cycle. Because the projects are multi-year, significant planning is required to estimate timing of necessary financial resources. Due to variables with identifying individual projects, the outyears of the forecast partially rely on historical averages.

Schedule 3 – Sewer Capacity Charge Fund - Operating Expense Forecast

- Sewer Capacity Charge Funds receive revenues from Sewer Capacity Charges and related interest income and pay for development related programs, debt service, and CIP or repair and rehabilitation projects.
- Sewer Capacity Charge revenues are based on growth forecasts for Fairfield and Suisun City. The cities are projecting approximately 662 new residential and commercial connections to the sewer system in FY 2026-27.
- After Sewer Capacity Charge programs and debt service expenses are paid, the remaining net revenue is transferred to Sewer Capacity Charge reserves.

Schedule 4 – Sewer Capacity Charge Fund - Capital Improvement Program Forecast

- Total Sewer Capacity Charge CIP needs in the forecast are \$44.3 million through FY 2035-36. The largest projects funded 100 percent from Sewer Capacity Charges are \$9.0 million for Cordelia Pump Station Expansion and \$7.8 million for Peabody/Walters Relief Sewer Phase 2.
- The 2025 Rate Study reaffirmed the methodology used in the 2022 Rate Study to calculate Sewer Capacity Charges. As a result, beginning on July 1, 2022, Capacity

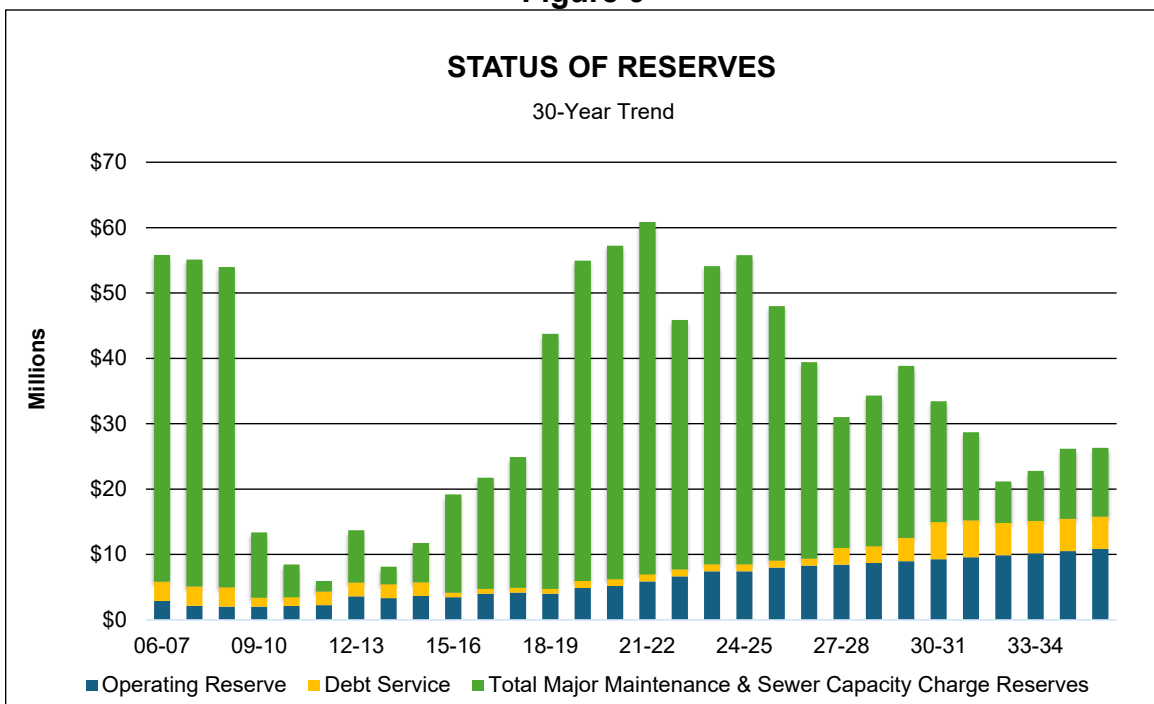
Charge revenue can be used to fund repair and rehabilitation projects identified in the Major Maintenance and CIP Budget.

- The forecast includes transfers to the Operations Fund for CIP cost share and repair and rehabilitation projects totaling \$1.7 million and \$10.4 million, respectively.

Schedules 1 through 4 - Overall Status of Major Maintenance & CIP Reserves

- Figure 9 shows the “life cycle” of the Sewer Capacity Charge and Major Maintenance Reserves. Significant balances are periodically built up, then subsequently drawn down to pay for sewer and treatment plant expansion projects.
- The Major Maintenance and CIP reserve allows funding for future replacement and rehabilitation projects that have not yet been specifically scoped and planned.
- The District’s reserve policy sets the Major Maintenance and CIP reserve target as the five-year rolling average of estimated Major Maintenance and CIP expenditures, less external funding sources. The reserve target ties the necessary reserves to estimated expenditures to help mitigate rate impacts. For purposes of calculating the target reserve, the total Capacity and Major Maintenance reserves are combined, and the target is the five-year rolling average of both Operations funded and Sewer Capacity Charge funded Major Maintenance and CIP project expenses.
- The current reserve forecast is heavily dependent on the projected growth rate for residential and commercial additions in each city. Figure 9 shows the forecasted reserves at the end of FY 2035-36 based on the current growth forecast. Reserves are thoroughly reviewed each year as changes in the anticipated and actual growth rate can have significant impacts to planned spending for Major Maintenance & CIP projects.

Figure 9



Schedule 5 – Drainage Maintenance Fund – Operating Expense Forecast

- Drainage Maintenance rates remain unchanged. The forecast accounts for 0.1 percent growth over the next 10 years in Drainage Maintenance fees received to account for new parcels in each city's boundary.
- The District's Financial Reserve Policy sets a Minimum Operating Reserve of 10 percent of Drainage Maintenance Fees as well as transferring \$30,000 per year into a Desilting Reserve for the City of Suisun City. Any remaining net revenue is transferred to the Drainage Maintenance Fund's Major Maintenance reserve.

Schedule 6 – Drainage Maintenance Fund – Major Maintenance and Capital Improvement Program Forecast

- Total Drainage Maintenance Fund Major Maintenance and CIP needs in the forecast are \$10.2 million through FY 2035-36. The largest project is the Kellogg Resiliency Project, which is funded by the State.
- In the spring of 2024, District and City staff agreed that the District would fund a Storm Drain Master Plan from District Major Maintenance reserves. The Storm Drain Master Plan will identify storm drain assets in the service area and provide an itemized list of critical assets to repair and replace. Significant Major Maintenance projects are not included in the out years of the forecast but will be included once identified by the Master Plan.
- The ending Major Maintenance Reserve for Drainage Maintenance is \$1.0 million by FY 2035-36. However, this does not factor any significant Major Maintenance projects beyond FY 2028-29. \$1.0 million will not be sufficient to fund projects that will be identified in the Storm Drain Master Plan, which are anticipated to cost in the tens of millions. Once a project list is identified, District and City staff will need to create a plan to increase Drainage Maintenance reserves or seek alternative funding sources.

Schedule 7 – Solano Stormwater Alliance - Operating Expense Forecast

- The Solano Stormwater Alliance (Alliance) is funded by the cities of Fairfield, Suisun City, and Vallejo, as well as the Vallejo Flood and Wastewater District (VFWD). Each agency pays into the Alliance based on their relative population. The Cities of Fairfield and Suisun City pay 44 percent of Alliance expenses, which are transferred from District-held Drainage Maintenance funds. The City of Vallejo and VFWD pay 56 percent of Alliance expenses, which is shown in the forecast as "Revenue from Other Agencies."
- Alliance operating expenses are forecasted flat due to the unknowns associated with the fourth reissuance of the Municipal Regional Stormwater Permit requirements when the current permit expires on June 30, 2027.

Schedule 8 – City Collection System Repair & Rehabilitation Forecast

- The District holds a Collection System Repair & Rehabilitation (R&R) reserve for each City in accordance with the Seventh Amendment to the 1965 Agreement. Each July 1, the District funds Collection System Reserves for the cities through transfers of \$1.83 million to the City of Fairfield Collection System Reserve and \$1.77 million to the City of Suisun City Collection System Reserve.
- By August 1, the District will appropriate budgeted amounts requested by the cities into each City’s collection system enterprise fund. Unused reserves will be held by the District and accrue interest until “trued up” for the next fiscal year.
- For FY 2026-27, the cities of Fairfield and Suisun City have requested appropriations of \$3.6 million and \$0 respectively.



Fairfield-Suisun Sewer District

DEPARTMENTAL INFORMATION

POSITION SUMMARY

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	Change from Prior Year
Operations & Maintenance						
Director of Operations & Maintenance	0	0	1	1	1	0
Maintenance Manager	1	1	1	1	1	0
Maintenance Supervisor	2	2	2	2	2	0
Operations Manager	1	1	1	1	1	0
Operations Supervisor	2	2	2	2	2	0
Procurement Specialist	1	1	1	1	1	0
Maintenance Mechanic (I, II, Senior)	9	7	8	8	9	1
Maintenance Mechanic - CCTV (I, II, Senior)	4	4	4	4	4	0
E&I Technician (I, II, Senior)	5	5	5	5	5	0
Utility Worker	1	1	2	2	2	0
Wastewater Plant Operator (Operator, Lead, Senior)	16	17	17	17	17	0
	42	41	44	44	45	1
Department of Administrative Services						
General Manager/District Engineer	1	1	1	1	1	0
Director of Administrative Services	1	1	1	1	1	0
IT Manager	1	1	1	1	1	0
HR Manager	1	1	1	1	1	0
Accountant/Senior Accountant	1	1	1	1	1	0
Administrative Specialist	1	1	1	1	1	0
Finance Technician	1	1	1	1	1	0
HR Technician	1	1	1	1	1	0
Management Analyst	0	0	1	1	1	0
	8	8	9	9	9	0
Department of Environmental Services						
Director of Environmental Services	1	1	1	1	1	0
Regulatory & Compliance Manager	1	1	1	1	1	0
Senior Engineer	1	0	0	1	1	0
Laboratory Manager	1	1	1	1	1	0
Lab Analyst	2	3	3	3	3	0
Engineering Technician	0	0	1	1	1	0
	6	6	7	8	8	0
Engineering						
Assistant General Manager / District Engineer	1	1	0	0	0	0
Engineering Manager	1	1	1	1	1	0
Engineers (Junior, Assistant, Associate, Senior)	4	5	6	5	5	0
Engineering Technician/Inspector (Senior)	3	3	3	3	2	-1
GIS Coordinator	1	1	1	1	1	0
	10	11	11	10	9	-1
Total Full Time Equivalents	66	66	71	71	71	0

AUTHORIZED POSITION CHANGES

The FY 2026–27 staffing changes include the reallocation of one Engineering Technician/Inspector position from the Engineering Department to a Maintenance Mechanic position within the Operations & Maintenance Department. This adjustment results in an increase of approximately \$0.2 million in expenses for the Operations & Maintenance Department. The addition of the Maintenance Mechanic position is a placeholder for a future position related to the SCADA system and Programmable Logic Controller expertise. When the job classification is finalized, the Maintenance Mechanic will be reclassified to a new title. The total number of full-time equivalent (FTE) positions will remain unchanged at 71.

OPERATIONS & MAINTENANCE

The Operations & Maintenance Department ensures the District meets full regulatory compliance and has an optimized wastewater collection, treatment, and disposal process.

- **Operations** - Responsible for inspecting, troubleshooting, and operating the District's wastewater pump stations and treatment plant, including biological nutrient removal, anaerobic digestion, and ultraviolet disinfection processes.
- **Maintenance** - Responsible for installation, inspection, repair, replacement, and maintenance of the District's wastewater collection, treatment, and disposal facilities. Maintenance consists of teams of Mechanics, Electrical and Instrumentation Technicians, and plant landscape maintenance, as well as a crew handling CCTV sewer inspection.
- **Local Sewer Collection** represents payments which are made to the Cities of Fairfield and Suisun City for operations and maintenance of sewers 10" and less based on the 1965 Agreement between the District and Cities.
- **City Sewer Line Maintenance** represents time spent by the District's CCTV team to inspect City of Suisun City sewer lines. In 2022, the City of Fairfield took over responsibility for inspecting their own sewer lines.

DEPARTMENT OF ADMINISTRATIVE SERVICES

The Department of Administrative Services consists of:

- **Finance** - Responsible for the full scope of financial activities, including accounts payable, accounts receivable, contracting, production of the Annual Comprehensive Financial Report, Budget & Long-Term Forecast, and other required financial reports.
- **Human Resources** - Responsible for classification and compensation, recruitment, benefits administration, payroll, risk management, and employee relations.
- **Information Technology** - Responsible for all systems, hardware/software assets, cybersecurity initiatives, and management of an outsourced IT vendor.
- **Office Support** - Responsible for customer services, the records management program, communications with the Board, and agenda preparation.

DEPARTMENT OF ENVIRONMENTAL SERVICES

The Department of Environmental Services consists of:

- **Regulatory Programs** - The District is highly regulated by numerous state and federal agencies, and regulatory compliance is an essential component of the District's operations. Air quality is regulated by the Bay Area Air Quality Management District and the California Air Resources Board. Quality of both wastewater and stormwater is regulated by the Regional Water Quality Control Board, and biosolids are regulated by the U.S. Environmental Protection Agency. Production of recycled water is regulated by the State Water Resources Control Board. Because the District discharges into the environmentally sensitive Suisun Marsh, District discharges must meet extremely stringent water quality requirements. The District's diligent industrial pretreatment and pollution-prevention practices help to fulfill those obligations.
- **Laboratory** - The District's lab is accredited by the State of California and responsible for all effluent sampling and compliance with federal, state, and local regulations. Laboratory staff must follow detailed testing and reporting requirements to ensure compliance.

- **Safety** - Responsible for administration, planning, and training related to health and safety laws, rules, and regulations, as well as maintaining and encouraging the District's culture of safety.
- **Community Outreach** - Responsible for implementation and administration of programs to connect the District with the community, including school tours, publication materials, advertising, and community events including Earth Day and Coast and Creek Cleanup Day.

ENGINEERING

The Engineering Department is responsible for management and implementation of the Capital Improvement Program including project feasibility studies, pre-design, design, and construction management, technical review and inspection of community development encroachments and construction inspections. In addition, Engineering oversees long-term infrastructure plans, including the Collection System Asset Master Plan, and Treatment Plant Master Plan. Engineering also provides technical support to staff including mapping, infrastructure research, and data collection, as well as partners with Operations and Maintenance on initiatives and projects.

OTHER PROGRAMS

District staff are generally budgeted under the Operations Fund, and allocate their time via timesheet to other programs:

Sewer Capacity Charge Funded Programs

- **Capacity Charge Projects** includes Engineering staff time spent managing Sewer Capacity Charge funded projects.
- **New Development Review/Inspection** includes staff time to review and inspect new development throughout the service area.

Drainage Maintenance Funded Programs

- **Local Facility Maintenance** represents payments made to the cities of Fairfield and Suisun City for maintenance of local stormwater facilities, as required per the Drainage Maintenance Agreement between the District and cities of Fairfield and Suisun City.
- **Regional Facility Maintenance** includes staff time spent operating and maintaining stormwater pump stations.
- **Administration** primarily includes Finance staff time spent billing Drainage Maintenance Fees on the Solano County Property Tax roll, as well as billing fees charged by Solano County.

Solano Stormwater Alliance

Beginning in FY 2022-23, the Solano Stormwater Alliance (Alliance) was established by Memorandum of Agreement between VFWD and the Cities of Fairfield, Suisun City, and Vallejo to coordinate compliance with the Regional Water Quality Control Board's Municipal Regional Stormwater Permit (MRP). This replaced the previous District-coordinated Urban Management Runoff Program.

The Alliance represents effective and efficient collaboration between the District, VFWD, and the cities of Fairfield, Suisun City, and Vallejo to manage required regulatory stormwater programs while providing other mutual benefits including monitoring, public education, and

staff training. The District serves as the Alliance Fiscal Agent and Manager, responsible for administrative and technical coordination consistent with the MRP requirements.



Fairfield-Suisun Sewer District

POLICIES

The District has established financial policies, principles, and practices that help the District meet long-term financial goals.

Below is a summary of financial policies formally adopted by the District:

- Employee Travel and Business Expenses (2125) – This policy provides guidelines to staff regarding business travel procedures, including reimbursement of eligible expenses while attending conferences, seminars, meetings or trainings.
- Investment Policy (2130) – This policy provides guidelines to the officers of the District charged with the responsibility for the deposit of District funds, and for investment of surplus monies not required for immediate necessities of the District.
- Purchasing Policy (2135) – This policy provides guidelines to staff of the District regarding procurement and contracting. Specifically, Resolution 2008-20 designated the General Manager as the District’s Purchasing Agent and specified authorities and duties for the General Manager. Purchasing Policy 2135 is an internal policy detailing how the General Manager delegates their authority to staff for specified procurement transactions.
- Capitalization Policy (2145) – This policy provides guidelines to staff regarding the capitalization of assets for financial reporting under Governmental Accounts Standards Board accounting standards, including thresholds for capitalization and definition of eligible costs.
- Financial Reserves Policy (2150) – This policy established, reaffirmed, or consolidated reserve targets for the Wastewater Operations Fund, Sewer Capacity Charge Funds, Drainage Maintenance Fund, and City Collection System Rehabilitation and Replacement Reserves.
- Debt Management Policy (2155) – This policy was established when staff reviewed financing options for significant and multigenerational projects and as a requirement from Senate Bill No. 1029, a Debt Management Policy must be in place prior to the issuance of debt to comply with State Law.
- Board Health Reimbursement (4050) – This policy provides guidelines to members of the District’s Board of Directors on eligibility for the District’s Board Health Reimbursement Plan, including reimbursable expenses. The policy also includes administrative processes for District staff including due dates for reimbursements and escalation of the Plan cap.
- Director Travel and Expenses (4090) – This policy provides guidelines to members of the District’s Board of Directors regarding reimbursement of eligible expenses and compensation while attending regular meetings of the California Associate of Sanitation Agencies (CASA).

DEBT SERVICE

The District currently has two outstanding Clean Water State Revolving Fund (SRF) Loans. Per SRF requirements, the District maintains a Debt Reserve equal to one full year of debt service payments and ensures a Debt Service Coverage Ratio above 1.15.

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 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 percent, payable over 20 years. Principal and interest payments are due semi-annually on May 1 and November 1. Payment on this loan started in May 2012.

Future debt service payments on the SRF loan related to the Ultraviolet Disinfection Project through the end of FY 2025-26 through maturity are as follows in Figure 10:

Figure 10

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
	\$ 2,610,019	\$ 338,133	\$ 2,948,152

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 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 Green Project Reserve program and was eligible for loan forgiveness. The principal amount due for repayment to the SWRCB under this agreement is \$4,839,992, 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 through the end of FY 2025-26 to maturity are as follows in Figure 11:

Figure 11

Year Ending June 30	Principal	Interest	Total
2026	\$ 254,831	\$ 78,188	\$ 333,019
2027	259,418	73,601	333,019
2028	264,087	68,931	333,019
2029-33	1,393,474	271,619	1,665,093
2034-38	1,523,483	141,609	1,665,092
2039-40	648,475	17,561	666,036
	<u>\$ 4,343,767</u>	<u>\$ 651,509</u>	<u>\$ 4,995,277</u>



Photo taken during school field trip at Fairfield-Suisun Sewer District.

PERFORMANCE DATA AND STATISTICAL INFORMATION

Key operating metrics for the District are included for review in the monthly Executive Committee meeting, which consists of four members from the Board of Directors:

Operating Metrics Summary	2023	2024	2025
Average plant flow (million gallons per day)	16.57	14.96	13.88
Completed work orders	13,445	13,712	13,227
Corrective work orders	7%	7%	8%
Preventative work orders	93%	93%	92%
Renewable energy produced (kwh)*	1,359,579	1,352,158	1,016,389
Sewer lines inspected by CCTV (miles)	25.8	21.7	17.28
City of Fairfield lines**	0	0	0
City of Suisun City lines	2.2	9.8	7.3
FSSD lines	23.6	11.8	10.0
Permit excursions & sewer system overflows (Cat 1-3)	0	0	0

**Interruptions to cogen/wind caused atypical production beginning in 2023.*

***Effective July 1, 2022, one CCTV truck and responsibility for Fairfield's sewer inspections were turned over to the City of Fairfield as part of the 7th Amendment to the 1965 Agreement.*

Several comparable agencies in the Bay area provide wastewater treatment and conveyance. Although there are similar statistics, each agency has a different organizational structure. For example, Fairfield-Suisun Sewer District (FSSD) serves the cities of Fairfield and Suisun City. FSSD Sewer Service Charges consider the operation and maintenance costs for approximately 327 miles of City-owned and maintained sewers. FSSD collects all the revenue and pays the City monthly for their operation and maintenance of local sewers. Similarly, Delta Diablo's "miles of sewer" total does not include 430 miles of city-owned, operated, and maintained collection systems for their service area.

Statistics & Agency Comparisons	Fairfield-Suisun Sewer District	Delta Diablo	Napa Sanitation	Vallejo Flood & Wastewater District
Population	149,756	216,904	77,000	121,558
Full-time employees	71	75	55	89
Area served (square miles)	45	54	20	36
Number of treatment plants	1	1	1	1
Number of pump stations	14	5	4	30
Permitted dry weather capacity (MGD)	23.70	19.50	15.40	15.50
Average dry weather flow (MGD)	11.38	13.50	8.80	8.86
Miles of sewer	86	73.5	270	407

Sources:

Annual Comprehensive Financial Reports

VFWD Average dry weather flows provided by their staff

Major Maintenance and Capital Improvement Program

Figure 8 contains some of the most significant Major Maintenance and CIP projects in the FY 2026-27. For a more extensive forecast, please see Schedule 10.

FIGURE 8

Project Name	FY 2026-27 Budget	Sewer Service Funded %	Capacity Charge Funded %	Other Funding
Suisun Force Main Rehabilitation	31,864	-	-	Debt
Electrical Replacement Project - Phase II	4,811	75%	25%	-
Kellogg Resiliency	4,800	-	-	State Grant
A/B Train Aeration Basin - Phase 1	4,669	100%	-	-
Lopes Rd. Lift Station Improvements	1,500	-	100%	-
Drainage Maintenance Master Plan	550	-	-	DM
Cathodic Protection Rehab	500	100%	-	-
Treatment Plant Line Spot Repairs	450	100%	-	-
Secondary Clarifier Floor Grout	450	100%	-	-
Collection System Master Plan	400	100%	-	-

(In Thousands)



Fairfield-Suisun Sewer District

Fairfield Suisun Sewer District
Capital Improvement Program
 2027 through 2036
PROJECTS BY FUNDING SOURCE

Funding Source/Project Name	Prior	Est. Actual	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	FY 2035-36	Project Total
Sewer Service Charges													
12kV Building/ Suisun VFD Room HVAC Installation	\$ -	\$ -	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180,000
2027 Collection System Rehabilitation	\$ -	\$ -	\$ -	\$ 250,000	\$ 1,750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
2028 Collection System Rehabilitation	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ 850,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Aerated Grit Chamber Area Replacements	\$ -	\$ -	\$ -	\$ -	\$ 58,000	\$ 730,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 788,000
Balancing Ponds Hydraulic Gate Reconfiguration and Drain Facility	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 879,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 979,000
Bioenergy Generation Project	\$ 225,740	\$ 4,093,072	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cathodic Protection Rehabilitation	\$ 29,660	\$ 2,646	\$ 500,000	\$ 50,000	\$ 150,000	\$ 60,000	\$ 169,000	\$ 70,000	\$ 169,000	\$ 70,000	\$ 190,000	\$ 80,000	\$ 1,508,000
Central Pump Station Bar Screen Slide Gate Replacements	\$ -	\$ -	\$ 50,000	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 275,000
Coatings & Linings	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ 800,000
Collection System Rehabilitation Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 6,000,000
Cordelia Force Main Valves and Actuators Replacements	\$ -	\$ -	\$ -	\$ 400,000	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,400,000
Electrical Replacement Project - Phase II	\$ 1,331,231	\$ 654,287	\$ 4,811,000	\$ 1,530,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,341,000
Energy Recovery Building - Water Systems Replacements	\$ -	\$ -	\$ -	\$ -	\$ 75,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 275,000
EQ Lagoons and Pond Embankment Rodent Mitigation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Equalization Comminutor Replacement	\$ -	\$ -	\$ -	\$ 55,000	\$ 418,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 473,000
Fall Protection Improvements	\$ 4,016	\$ 3,792	\$ 150,000	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900,000
Ferrous Storage Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 206,000	\$ 424,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 630,000
FM200 Systems Improvements and Replacements	\$ -	\$ -	\$ 250,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 350,000
GIS Strategy and Upgrade	\$ -	\$ 40,000	\$ 150,000	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ -	\$ 300,000
Grey Goose Turnout Modification	\$ -	\$ -	\$ 50,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Headworks Valves Replacements	\$ -	\$ -	\$ -	\$ 31,000	\$ 825,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 856,000
Inlet Pump Station - Influent Gate - Concrete Repair	\$ -	\$ -	\$ 50,000	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 275,000
Landscape Restoration and Maintenance	\$ 50,604	\$ 74,294	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 500,000
LED Retrofit - Phase II (street lighting)	\$ -	\$ -	\$ -	\$ -	\$ 437,000	\$ 338,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 775,000
LED Retrofit - Phase III (pump stations)	\$ -	\$ -	\$ 62,000	\$ -	\$ 437,000	\$ 328,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 827,000
Major Maintenance - Treatment and Conveyance	\$ 1,411,000	\$ 2,095,009	\$ 2,999,210	\$ 2,010,902	\$ 1,158,100	\$ 1,371,800	\$ 1,100,100	\$ 934,900	\$ 1,748,700	\$ 937,000	\$ 903,900	\$ 971,301	\$ 14,135,913
Major Maintenance - Vehicles and Equipment	\$ 180,085	\$ 560,001	\$ 1,270,000	\$ 292,000	\$ 285,000	\$ 130,000	\$ 230,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 130,000	\$ 380,000	\$ 3,107,000
Major Maintenance Plant Rehab and Replacement 2030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 464,000	\$ 478,000	\$ -	\$ -	\$ -	\$ 942,000
Major Maintenance Plant Rehab and Replacement 2031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,097,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 2,597,000
Major Maintenance Plant Rehab and Replacement 2033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 380,000	\$ 913,000	\$ -	\$ 1,293,000
Major Maintenance Plant Rehab and Replacement 2034	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,300,000	\$ 4,374,000	\$ 7,674,000
Major Maintenance Pump Stations Rehab and Replacement 2030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 700,000
Major Maintenance Pump Stations Rehab and Replacement 2031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 800,000	\$ -	\$ -	\$ -	\$ 1,000,000
Major Maintenance Pump Stations Rehab and Replacement 2032	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 600,000	\$ 3,000,000	\$ -	\$ -	\$ 3,600,000
Major Maintenance Pump Stations Rehab and Replacement 2033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 3,000,000	\$ -	\$ 3,500,000
Major Maintenance Pump Stations Rehab and Replacement 2034	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 5,000,000	\$ 6,000,000
Manway Replacements	\$ -	\$ -	\$ 25,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 125,000
Master Architectural Project 2030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240,000	\$ 960,000	\$ -	\$ -	\$ -	\$ -	\$ 1,200,000
Master Plan Sewer Service Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,113,000	\$ 1,586,000	\$ -	\$ 7,699,000
Nitrogen Removal - Phase 1	\$ 908,238	\$ -	\$ 4,669,372	\$ 7,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,669,372
Nitrogen Removal - Phase 2A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 869,000	\$ 6,537,000	\$ -	\$ -	\$ -	\$ 7,406,000
Nitrogen Removal - Phase 2B	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 307,000	\$ 3,166,000	\$ 3,473,000
Pavement Rehabilitation	\$ 222,797	\$ 19,058	\$ -	\$ -	\$ -	\$ 300,000	\$ -	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ 900,000
Plant and Remote Sites Doors Replacement	\$ -	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000
Plant Drainage Swale Regrading and Rehab	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Primary Clarifier Improvements	\$ -	\$ -	\$ -	\$ 75,000	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Primary Clarifiers Launderers Replacements	\$ -	\$ -	\$ -	\$ 75,000	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 475,000
Priority Pump Station Structural Repairs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 265,000	\$ 601,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 866,000
Programmatic Projects	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 900,000
Pump Station Wet Wells Condition Assessments	\$ -	\$ -	\$ -	\$ -	\$ 109,000	\$ 535,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 644,000
Pump Stations Condition Assessment and Strategy/ Master Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,000	\$ 284,000	\$ -	\$ -	\$ -	\$ -	\$ 516,000
Recycled Water Distribution Improvements	\$ -	\$ -	\$ 25,000	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Recycled Water Master Plan	\$ -	\$ -	\$ -	\$ 212,000	\$ 219,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 431,000

Funding Source/Project Name	Prior	Est. Actual	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	FY 2035-36	Project Total
Roof Rehabilitation	\$ 4,944	\$ 1,156,543	\$ -	\$ -	\$ -	\$ 90,000	\$ 219,000	\$ 185,000	\$ 738,000	\$ -	\$ -	\$ -	\$ 1,232,000
Secondary Clarifier Floor Grout	\$ -	\$ -	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 450,000
Structural Rehab Project	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Suisun Plant Pipe Decommission - SLC Lease Compliance	\$ 20,689	\$ -	\$ 450,000	\$ -	\$ -	\$ -	\$ 3,478,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,928,000
Suisun Pump Station Pumps and Mechanical Replacements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ 2,500,000	\$ -	\$ -	\$ -	\$ 3,000,000
Suisun Pump Station Surge Tank #2 Corrosion	\$ -	\$ -	\$ -	\$ 50,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Suisun Pump Station Wall Seepage Repair	\$ -	\$ -	\$ -	\$ 100,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Tertiary Filters Surface Wash Piping Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,000	\$ 232,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 316,000
Travis/Pennsylvania Sewer Replacement Project	\$ 76,822	\$ -	\$ 350,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,350,000
Treatment Plant Master Plan	\$ -	\$ 70,978	\$ -	\$ 450,000	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900,000
Treatment Plant Process Line Spot Repairs	\$ -	\$ -	\$ 450,000	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 850,000
Treatment Plant Security Upgrades	\$ 205,121	\$ 20,873	\$ 62,000	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 122,000
Trunk Main Lining	\$ -	\$ -	\$ 100,000	\$ 2,700,000	\$ 2,700,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,500,000
Utility Water Valves Replacements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 322,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 422,000
Sewer Service Charges Total	\$ 4,670,947	\$ 8,790,552	\$ 17,153,582	\$ 18,645,902	\$ 12,446,100	\$ 6,587,800	\$ 10,390,100	\$ 7,407,900	\$ 16,172,700	\$ 12,530,000	\$ 12,529,900	\$ 15,421,301	\$ 129,285,285
Sewer Capacity Charges													
Collection System Master Plan	\$ -	\$ 199,665	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 246,000	\$ 799,000	\$ -	\$ -	\$ 1,445,000
Collection System Technical Services	\$ -	\$ -	\$ -	\$ 95,000	\$ 95,000	\$ 107,000	\$ 107,000	\$ 107,000	\$ 107,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 978,000
Cordelia Pump Station Expansion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ 4,000,000	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	\$ 9,000,000
Cordelia/Lopes Capacity Expansion	\$ 159,331	\$ 184,657	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lopes Force Main Replacement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,500,000
Lopes Rd. Lift Station Improvements	\$ -	\$ 314,137	\$ 1,500,000	\$ 2,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000
Master Plan Sewer Capacity Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,500,000	\$ -	\$ -	\$ -	\$ 4,500,000
Northeast Fairfield Pump Station	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Peabody/Walters Relief Sewer - Phase 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900,000	\$ 6,028,000	\$ 836,000	\$ -	\$ -	\$ -	\$ 7,764,000
Treatment Plant and Remote Sites Expansion	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000
Sewer Capacity Charges Total	\$ 159,331	\$ 698,459	\$ 1,900,000	\$ 2,595,000	\$ 95,000	\$ 1,107,000	\$ 7,507,000	\$ 10,135,000	\$ 5,689,000	\$ 919,000	\$ 120,000	\$ 2,120,000	\$ 32,187,000
Grants													
Beneficial Baylands - Subaward to SFEI	\$ 83,212	\$ 268,723	\$ 895,000	\$ 895,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,790,000
Kellogg Resiliency	\$ 1,037,939	\$ 3,412,559	\$ 4,800,000	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,800,000
Nitrogen Removal - Phase 1	\$ -	\$ 1,999,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ocean Protection Council - Solano Bayshore	\$ -	\$ 100,000	\$ 1,291,713	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,291,713
OPR Solano Bayshore Resiliency	\$ 62,232	\$ 222,956	\$ 295,639	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 295,639
School St. Reconstruction	\$ -	\$ -	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Grants Total	\$ 1,183,383	\$ 6,003,238	\$ 8,282,352	\$ 2,895,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,177,352
Drainage Maintenance													
Chipman Flood Station Rehabilitation	\$ -	\$ -	\$ 150,000	\$ 830,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 980,000
Drainage Maintenance Master Plan	\$ -	\$ 10,000	\$ 550,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 650,000
Main St. and Mulberry Flood Stations Rehabilitation	\$ -	\$ -	\$ 150,000	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750,000
Drainage Maintenance Total	\$ -	\$ 10,000	\$ 850,000	\$ 1,530,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,380,000
Debt													
Crystal Pump Station Generator/ATS	\$ -	\$ -	\$ 150,000	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Electrical Replacement Project - 12kV Distribution	\$ -	\$ -	\$ 500,000	\$ 2,000,000	\$ 8,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,500,000
Electrical Replacement Project - Phase III	\$ -	\$ -	\$ 350,000	\$ 1,200,000	\$ 3,225,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,775,000
Suisun Force Main Rehabilitation	\$ -	\$ -	\$ 31,863,844	\$ 22,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,863,844
Debt Total	\$ -	\$ -	\$ 31,863,844	\$ 23,000,000	\$ 3,550,000	\$ 11,225,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,638,844
City of Suisun City R&R Reserve													
City of Suisun City Collection System Repair & Rehabilitation	\$ 1,270,000	\$ 365,000	\$ -	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 11,430,000
City of Suisun City R&R Reserve Total	\$ 1,270,000	\$ 365,000	\$ -	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 1,270,000	\$ 11,430,000
City of Fairfield R&R Reserve													
City of Fairfield Collection System Repair & Rehabilitation	\$ 4,490,000	\$ 300,000	\$ 3,560,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 20,030,000
City of Fairfield R&R Reserve Total	\$ 4,490,000	\$ 300,000	\$ 3,560,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 1,830,000	\$ 20,030,000
Total	\$ 11,773,661	\$ 16,167,249	\$ 63,609,778	\$ 51,765,902	\$ 19,191,100	\$ 22,019,800	\$ 20,997,100	\$ 20,642,900	\$ 24,961,700	\$ 16,549,000	\$ 15,749,900	\$ 20,641,301	\$ 276,128,481

GLOSSARY

1965 Agreement – A formal agreement between the Fairfield-Suisun Sewer District and cities of Fairfield and Suisun City which governs ownership, maintenance, and funding responsibilities for collection system assets in the District’s service area.

Accrual Basis of Accounting – The basis of accounting for the Annual Comprehensive Financial Report as required by the Governmental Accounting Standards Board. Accrual basis accounting recognizes revenues when services have been rendered or expenses have been incurred.

Appropriation – Legal authorization to make expenditures and to incur obligations for specific purposes.

Balanced Budget – Because the District is dependent on long-term financial planning, no attempt is made to balance revenues and expenses in any one year. To the District, a balanced budget means reserve targets are achieved over the long-term financial forecast.

Budget – The District’s budget runs from July 1 to June 30.

California Employers Pension Prefunding Trust (CEPPT 115 Trust) – A trust fund (under Internal Revenue Code §115) that allows California public employers to prefund and invest money today to pay for future pension contributions owed to defined-benefit retirement plans.

California Water Environment Association (CWEA) – A professional organization for wastewater professionals.

Capital Expenditures – Non-operating expenses for the District. Capital expenditures are significant expenses captured in the Major Maintenance and CIP budget and forecast schedules.

Cash Basis – The basis used to prepare the District’s budget, which projects revenues and expenses based on when cash is received or disbursed and provides a better estimate of reserves.

Closed Caption Television (CCTV) – Using remote controlled camera transporters to inspect, assess, and survey pipelines.

Consumer Price Index (CPI) – A price index used to measure the average change in prices of goods and services purchased by households over time. It serves as a key indicator of inflation and is used to gauge changes in the cost of living for consumers.

Cost of Service and Rate Study – A report created by a third party at least every five years to develop a multi-year financial plan, review the cost of District services, review rate structures, and propose a rate program.

Debt Service – The payment of principal and interest on long term debt or loans.

Fiscal Year (FY) – A 12-month period (July 1 – June 30) to which the Budget applies and at the end of which the District reviews its financial position and result of operations.

Fund – A mechanism to track financial activity used for accounting and budget reports.

National Pollution Discharge Elimination System (NPDES) – The District’s most important permit. The NPDES permit program addresses water pollution by regulating point sources that discharge pollutants to waters of the United States.

Net Position – The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources. For budgeting, net position is meant to represent the amount of cash reserves available to commit to current and future expenses.

Operating Expense – Expenses related to the organization’s primary activities, other than debt service and Major Maintenance & CIP. For example, salaries, benefits, professional services, and supplies are all examples of Operating Expenses.

Reserve – An amount of net position designated for a specific purpose. For example, the Operating Reserve designates 25 percent of the District’s net position to be set aside for operating expenses.

State Revolving Fund (SRF) Loan – Low-cost financing offered through the State Water Resources Control Board.



Fairfield-Suisun Sewer District

RESOLUTIONS

FAIRFIELD-SUISUN SEWER DISTRICT RESOLUTION NO. 2026-xx

A RESOLUTION APPROVING REVISED FISCAL YEAR 2025-26 REVENUE AND EXPENSE PROJECTIONS AND ADOPTING THE FISCAL YEAR 2026-27 BUDGET AND LONG-TERM FINANCIAL PLAN

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

1. The District hereby adopts the estimated revenues, expenses and transfers for all funds and reserves for Fiscal Year 2025-26, which are attached hereto and made a part thereof.
2. The District hereby adopts the Proposed Budget for Fiscal Year 2026-27 and Long-Term Financial Plan, attached hereto and made a part hereof, as an operating guideline for the scheduling and financing of future capital projects and debt issuance, provided that all projects and debts are subject to subsequent Board approval.
3. The General Manager, or their designee, is hereby authorized to make administrative adjustments to the adopted budget.
4. The General Manager is hereby authorized and directed to amend the FY 2026-27 Budget when the Solano Stormwater Alliance budget is adopted.
5. The General Manager is hereby authorized and directed to allocate net operations revenue to the District’s reserves in accordance with the District’s reserve policy.
6. The General Manager is hereby authorized and directed to take all steps necessary and proper to implement this resolution in accordance with District policies and procedures.
7. The District finds that the activities authorized herein are statutorily or categorically exempt under one or more of the following CEQA Guidelines: 15378 (The activity is not a “project” as defined in Section 15378); 15061(b)(3) (It can be seen with certainty that there is no possibility that this activity may have a significant effect on the environment); 15378(b)(4) (Government fiscal activities which do not involve any commitment to any specific project); 15262 (Feasibility and Planning Studies); and 15306 (Information Collection). Staff is hereby authorized to file a Notice of Exemption under CEQA Guidelines 15062.

PASSED AND ADOPTED this 18th day of May 2026, by the following vote:

AYES:	Directors	_____
NOES:	Directors	_____
ABSENT:	Directors	_____

President

ATTEST:

District Clerk



FAIRFIELD-SUISUN SEWER DISTRICT

May 11, 2026

AGENDA REPORT

TO: Executive Committee

FROM: James Russell-Field, Director of Administrative Services

SUBJECT: Pay Rate Schedule

Recommendation: Adopt Resolution 2026-XX, Pay Rate Schedule

Background: The California Public Employers' Retirement System adopted California Code Regulations (CCR) 570.5 to enhance disclosure and transparency of public employee compensation, in response to the past pay and benefit abuses of some government agencies. CCR 570.5 specifies that the Pay Rate Schedule be duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meeting laws.

District Resolution No. 97-27 approves a cost-of-living increase to be applied to District pay rates to become implemented starting with the first full pay period following July 1. Per Resolution No. 97-27, "the percentage change in salary schedule shall not be less than 2% nor more than 6%" based on the Clerical Workers Consumer Price Index (CPI-W) for the twelve months ending April. The CPI-W change for the twelve months ended April 2026 is not available until May 12, 2026. The Pay Rate Schedule will be updated with the April CPI change and included with the May 18, 2026 Board of Directors agenda packet.

Discussion: To recruit and retain a qualified workforce, the District strives to offer competitive salaries. To remain competitive and to keep appropriate pay differentials between positions, the District annually adjusts salaries for cost-of-living for all employees.

Fiscal Impact: The changes to the Pay Rate Schedule were anticipated and will be included in the District budget presented at the May 18, 2026 Board of Directors meeting.



FAIRFIELD-SUISUN SEWER DISTRICT

May 11, 2026

AGENDA REPORT

TO: Executive Committee

FROM: James Russell-Field, Director of Administrative Services

SUBJECT: Board Compensation Review

Recommendation: Executive Committee to discuss Director Compensation for FY 2026-27.

Background and Discussion: The Director Compensation policy was initially set by the District's Enabling Act and subsequently modified by State law in 1985 and 2001. The policy has been modified several times with the current guidance found in Ordinance 2016-02, which was adopted on January 25, 2016. Ordinance 2016-02 states:

“Unless the Board of Directors determines prior to July 1 of any year, that such increase shall be deferred, the compensation for Board of Directors shall, as of the first day of the first pay period following July 1, 2016, and each July 1 thereafter, be increased a percentage equal to the percent increase in the Urban Wage Earners and Clerical Workers Consumer Price Index (CPI-W) for the San Francisco-Oakland Metropolitan Area for the twelve months ending April of each year provided; however, that the percentage change in salary schedules shall not be less than 0% nor more than 5%.”

At the May 19, 2025 Board of Directors meeting, the Board opted to allow the current rate of \$182.72 per service day to take effect in accordance with the ordinance. The CPI-W change for 2026 will be released on May 12, 2026. If the CPI-W reaches the maximum of 5%, the Board pay will increase \$9.14, from \$182.72 to \$191.86 per service day.

The options are:

- 1) Do nothing. The increase from per service day up to a maximum of \$191.86 is approved by ordinance and becomes effective on the first pay period following July 1, 2026.
- 2) Defer the increase.

Fiscal Impact: Based on the number of meeting days per year and attendees, a maximum 5% increase would have less than \$1,500 per year impact. If CPI-W for the twelve months ending April 2026 is less than the 5% maximum, the fiscal impact will be less.



FAIRFIELD-SUISUN SEWER DISTRICT

May 11, 2026

AGENDA REPORT

TO: Executive Committee

FROM: Karl Ono, Senior Engineer

SUBJECT: Development Services Agreement for Hale Ranch Industrial Business Park

Recommendation: Adopt Resolution No. 2026-XX Authorizing General Manager to Enter Into a Development Services Agreement with Buzz Oates Construction, Inc. for evaluating the feasibility of providing sewer service to the Hale Ranch Industrial Business Park potential annexation area.

Background: On April 6, 2026, District staff received a request from the City of Fairfield (City) to evaluate the feasibility of extending sewer service to the proposed Hale Ranch Industrial Business Park potential annexation area. The current proposal, by Buzz Oates Construction, Inc. (Applicant) is for a 48.4 acre portion of the larger 140.6 acre Hale Ranch Study Area under evaluation as a potential annexation area through a Municipal Services Review by the City.

The Hale Ranch Study Area is currently outside of the District's service area boundary, and has not been included in previous capacity or master planning studies. Under the District's Enabling Act, annexation into the City of Fairfield would result in annexation into the District. It is currently unknown whether the District's existing sewer facilities have capacity to accommodate the additional flow and loading from the proposed land uses within these areas. To support the City's and Applicant's preparation of environmental review and annexation proposal documents, any anticipated impacts associated with the annexation proposal(s) will be identified.

Discussion: The District will contract with Woodard & Curran (Consultant) to evaluate the capacity of existing facilities and required extensions to provide sewer service to the proposed Hale Ranch Industrial Business Park and the broader Hale Ranch Study Area. If improvements are identified as necessary to serve either area, descriptions of the required improvements and preliminary cost estimates will be provided to the City and Applicant for use in their environmental review and planning processes, and results will be used by District staff to inform future reviews of annexation and planning applications.

Fiscal Impact: Under the Development Services Agreement, all costs associated with capacity evaluation, review, approval, and coordination will be the responsibility of the Applicant. Staff has obtained a proposal from Consultant to perform hydraulic modeling services for this request at an estimated fee of \$40,000. The Development Services Agreement requires the Applicant to deposit \$45,000 with the District, to cover Consultant fees and District staff time to complete the requested services.

Attachments

1. Resolution 2026-XX - A Resolution Authorizing the General Manager to Enter Into Development Services Agreement with Buzz Oates Construction, Inc.
2. Letter from City of Fairfield Requesting Initiation of Sewer Service Review
3. Development Services Agreement

FAIRFIELD-SUISUN SEWER DISTRICT
RESOLUTION NO. 2026-XX

**A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER
INTO DEVELOPMENT SERVICES AGREEMENT WITH
BUZZ OATES CONSTRUCTION, INC.**

WHEREAS, on April 6, 2026 the City of Fairfield requested District to evaluate the feasibility of extending sewer service to the proposed Hale Ranch Industrial Business Park (Project) proposed by Buzz Oates Construction, Inc. (Applicant); and

WHEREAS, the Hale Ranch Industrial Business Park is part of the broader Hale Ranch Study Area, which is currently being evaluated by City of Fairfield as a potential annexation area; and

WHEREAS, the Fairfield-Suisun Sewer District Act of 1951, the District's enabling legislation, stipulates that "Any territory hereafter annexed to either (Fairfield or Suisun) city shall be a part of the district upon annexation"; and

WHEREAS, A hydraulic modeling study is necessary to evaluate the District's capacity to support extension of services to the potential annexation area; and

WHEREAS, all District costs applicable to the proposed project, including costs for considering the extension of services to areas outside the District shall be borne by the Developer of the Project, not current District customers.

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

1. The General Manager is authorized and directed to execute the Development Services Agreement with Buzz Oates Construction, Inc. to provide for reimbursement of District costs for capacity evaluation, review, and coordination services, and to take all steps necessary and proper to implement this resolution.

PASSED AND ADOPTED this 18th day of May 2026, by the following vote:

AYES: Directors _____

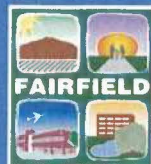
NOES: Directors _____

ABSTAIN: Directors _____

ABSENT: Directors _____

President

ATTEST: _____
District Clerk



CITY OF FAIRFIELD

Founded 1856 - Incorporated December 12, 1903

PUBLIC WORKS DEPARTMENT Engineering Division

April 1, 2026

Kyle Broughton
Fairfield Suisun Sewer District
1010 Chadbourne Road
Fairfield, CA 94534

Subject: Request for Initiation of Sewer Service Review - Hale Ranch Industrial Business Park Annexation Area

Dear Mr. Broughton,

The City of Fairfield has received a development application requesting analysis of the Hale Ranch Study Area, including parcels located at the northwest corner of Cordelia Road and Hale Ranch Road (including but not limited to APN: 0044250220, 0044250170, 0044250160). As part of this initial review, the City is requesting that the Fairfield-Suisun Sewer District (District) initiate coordination regarding wastewater service feasibility for the subject area.

This request is intended to support early evaluation of sanitary sewer service considerations associated with a potential future annexation to the City of Fairfield.

The following information is provided to support initiation of the District's review.

1. City Municipal Service Review

The City is currently undertaking a Municipal Service Review (MSR) that includes evaluation of areas within the Hale Ranch Study Area for potential future annexation. The subject parcels are located within this study area and may be considered for annexation consistent with the City's General Plan and long-term economic development objectives for the South Fairfield Industrial Area.

Any future consideration of annexation will be subject to completion of the MSR process, environmental review, infrastructure capacity analysis, and all applicable approvals by the City and relevant agencies.

2. Map and Parcel Identification

The proposed annexation area is located at the northwest corner of Cordelia Road and Hale Ranch Road in unincorporated Solano County, immediately adjacent to the Fairfield city limits. A vicinity map identifying the project area and conceptual sewer connection location is attached.

3. Proposed Land Uses and Relationship to the Hale Ranch Study Area

The project site is located within the Hale Ranch Study Area identified in the Fairfield General Plan as a future employment and industrial growth area. The study area encompasses approximately 140.6 acres planned for industrial business park development.

The current annexation request applies to the Hale Ranch Industrial Business Park project area, which consists of approximately 48.4 acres within the larger study area. At buildout, the project site is anticipated to accommodate up to approximately 949,000 square feet of industrial business park uses, including manufacturing, food production, research and development, and related employment generating activities compatible with surrounding industrial and agricultural uses.

Development of the 48.4-acre project site represents an initial phase of employment development within the broader 140.6-acre Hale Ranch Study Area.

4. LAFCO Compliance

The proposed annexation will comply with all applicable requirements of the Solano Local Agency Formation Commission. The annexation application will include the necessary environmental documentation, service plans, and supporting materials required by LAFCO for review and approval.

5. Sewer Service Feasibility

Based on preliminary discussions with the developer's design consultant, there are currently no known public sanitary sewer facilities along the project frontage on either Hale Ranch Road or Cordelia Road. The nearest existing public sewer facility is understood to be located within

Letter to Fairfield Suisun Sewer District

Re: Request for Initiation of Sewer Service Review Hale Ranch Industrial Business Park Annexation Area

April 1, 2026

Page 3

Cordelia Road, approximately 1,800 feet east of the intersection with Hale Ranch Road and may represent a potential point of connection to the City's sewer system.

Conceptually, and subject to further study and verification, the project may require construction of new public sewer infrastructure along the Hale Ranch Road and Cordelia Road frontages, with a potential extension east within the Cordelia Road corridor to connect to the existing system. Based on available information, and pending detailed engineering analysis, a sewer extension within this corridor may require a trenchless crossing beneath the existing railroad tracks located south of Cordelia Road. Such a crossing, if determined necessary, would likely be constructed using a bored or jack-and-bore casing installation to avoid disturbance to rail operations; however, the specific method would be subject to coordination with the applicable rail authority and regulatory agencies.

Additionally, depending on final design elevations, site layout, and the feasibility of gravity service, a private sewer lift station may be required to serve portions of the site.

All sewer infrastructure improvements, including alignment, connection points, gravity feasibility, lift station requirements, and system capacity, are conceptual in nature and will be subject to detailed engineering analysis, environmental review, and review and approval by the City of Fairfield and the Fairfield-Suisun Sewer District.

Sincerely,



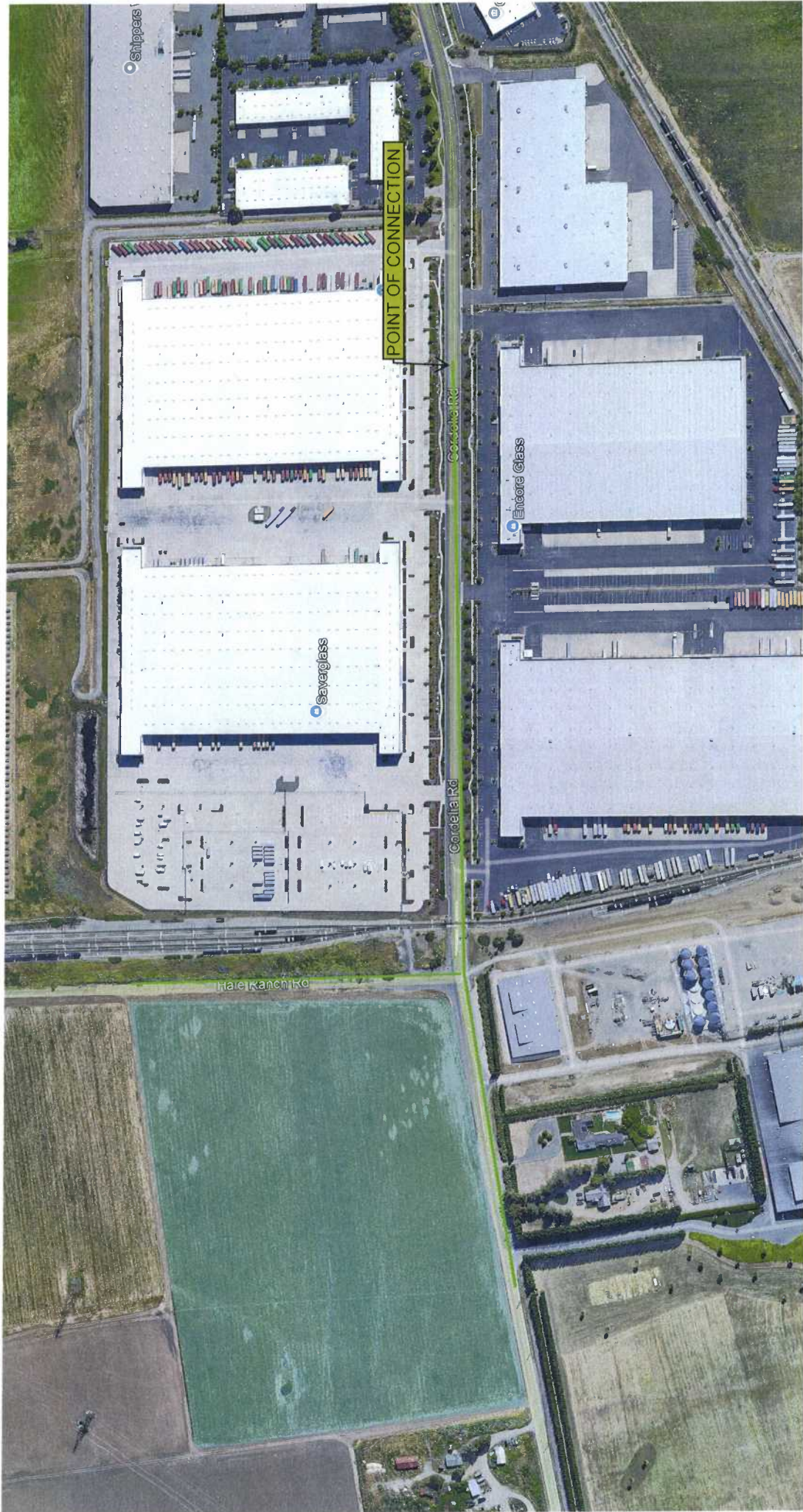
RYAN PANGANIBAN

City Engineer/Assistant Public Works Director

Attachments:

- Aerial Utility Map Sewer
- Hale Ranch Land Use Map with Study Area

cc: Sanjay Mishra, Director of Public Works
Michael J. Hether, Assistant Director of Public Works/ Utilities
Kayla Gacosta, Assistant Engineer
Anna Guiles, Deputy Director
Yee-Lynn Wong, Associate Planner
Tony Perfetto, Consultant





VICINITY MAP
NO SCALE

Projected Land Use Summary - Hale Ranch Study Area

Gross Acres & Net Acres				
Use	Gross/Net Acreage	Allowed FAR	Maximum Sq Ft	Use Breakdown Sq Ft
Planned Unit Development Industrial Business Park (PUD-IBP)	140.6	0.45	2,756,041	Industrial Business Park - 2,756,041
Total	140.6		2,756,041	2,756,041

Projected Land Use Summary - Hale Ranch Industrial Business Park

Gross Acres & Net Acres				
Use	Gross/Net Acreage	Allowed FAR	Maximum Sq Ft	Use Breakdown Sq Ft
Planned Unit Development Industrial Business Park (PUD-IBP)	48.4	0.45	949,000	Industrial Business Park - 924,000 Wine Production - 25,000
Total	48.4		949,000	949,000



HALE RANCH INDUSTRIAL BUSINESS PARK

Solano County, California

LAND USE SUMMARY PLAN

C&P
LAND PLANNING

A DIVISION OF CANAL SURVEYING, INC.
751 BELMONT WAY, SUITE A
FINDLEY, CA 94504
PHONE: 925-284-8800
ADMIN@CPLANDPLAN.COM

BY: TWP
SCALE: 1"=200'
DATE: 1-12-2026

DEVELOPMENT SERVICES AGREEMENT

THIS DEVELOPMENT SERVICES AGREEMENT (“Agreement”) is entered into as of _____, (“Effective Date”) between the FAIRFIELD-SUISUN SEWER DISTRICT (“District”) and BUZZ OATES CONSTRUCTION, INC. (“DEVELOPER”).

WITNESSETH:

WHEREAS, Developer is proposing the following project(s):

Hale Ranch Industrial Business Park (portion of “Hale Ranch Study Area”) Annexation Proposal (“Project”)

WHEREAS, The Project requires capacity evaluation, review, approval, coordination, and inspection by the District related to sanitary sewer and/or stormwater facilities, and

WHEREAS, this Agreement establishes how the Developer will reimburse the District for all staff, consultant, and legal services provided in support of the Project (“Development Services”).

NOW, THEREFORE, District and Developer agree as follows:

I. Development Services

The District may provide Development Services including, but not limited to:

- Review of plans, maps, studies, easements, and agreements
- Preparation and issuance of comment letters with minimum compliance requirements for the Project
- Calculation and issuance of estimated connection (capacity charges) and sewer service fees due to the District
- Hydraulic modeling to identify sewer capacity for the Project and determine impacts to the District
- Permit review and assistance, inspections, meetings, and coordination
- Construction inspection and response to project-related inquiries
- Environmental and pretreatment review, as applicable
- Legal review related to Project documents

Services may be provided by District staff or outside consultants. The District shall be the sole judge of as to the satisfactory performance of work performed in support of Development Services.

The Developer acknowledges that the all documents and findings relating to the Development Services are public documents and that all information submitted in the course of their preparation may become a part of a District public record and may be accessible by the public upon request in accordance with the California

Public Records Act, and that the Developer will not have any private rights of ownership in the documents.

II. Cost Reimbursement & Deposits

Developer agrees to reimburse the District for actual costs incurred to provide Development Services, based on the District's adopted hourly rates plus overhead and actual outside consultant fees.

Developer shall reimburse the District via Deposit

Deposit:

Developer shall deposit **\$45,000 ("Initial Deposit")** within 14 business days of signing this Agreement. Deposits will be used solely to reimburse Development Services costs.

The Deposit will be held in a non-interest-bearing account to be used solely and exclusively for reimbursement of District costs incurred to provide Development Services. The District will provide quarterly statements showing charges and remaining balances.

If the deposit balance falls below **\$5,000**, Developer shall replenish the account within 15 business days of notice. The District may suspend work if funds are not replenished. Developer may, upon reasonable notice to the District, review and audit the books and records associated with their deposit.

III. No Guarantee of Approval

This Agreement does not guarantee project approval, permit issuance, or acceptance of improvements. Development Services costs are separate from and in addition to any other applicable fees or charges.

IV. Term & Termination

This Agreement remains in effect until all Project-related services are complete or until terminated by either party with 10 days' written notice.

Upon termination, Developer remains responsible for all costs incurred prior to termination. Any unused deposit balance will be refunded within 45 days.

To the extent the Developer fails to perform its obligations under this Agreement, including but not limited to making and/ or maintaining deposit funds with the District and/or participation as needed in the Development Services, the District will provide written notice to the Developer of a potential default under this Agreement. Failure to resolve any potential default within 14 calendar days after

the District's written notice will be good cause for the District's termination of this Agreement.

V. Indemnification

Developer agrees to indemnify, defend, and hold harmless the District, and assume the defense of the District, its officers, employees, agents, and elective and appointive boards from any and all claims, losses, damages arising out of the Project or Developer's activities.

VI. Notices

Notices shall be sent to:

District:
Fairfield-Suisun Sewer District
1010 Chadbourne Rd
Fairfield, CA 94534

Developer:
Buzz Oates Construction, Inc.
555 Capitol Mall, Suite 900
Sacramento, CA 95814

VII. General

This Agreement is governed by California law. Any dispute shall be resolved in Solano County. This document represents the entire agreement regarding Development Services and may be amended only in writing signed by both parties.

The Developer shall not be entitled to assign all or any portion of its rights or obligations as specified in the Agreement without obtaining the prior written consent of the District. Any purported assignment without the District's prior written consent shall be void.

VII. Signatures

IN WITNESS the parties have executed this Agreement on the day first above-written.

FAIRFIELD-SUISUN SEWER DISTRICT:

Signature

Printed Name

Title

BUZZ OATES CONSTRUCTION, INC:

Signature

Printed Name

Title



FAIRFIELD-SUISUN SEWER DISTRICT

May 11, 2026

AGENDA REPORT

TO: Executive Committee

FROM: Kyle Broughton, Senior Engineer

SUBJECT: Approve Project; Reject All Bids Received & Rebid the Project; and Authorize the General Manager to Award Construction and Engineering Services During Construction Contracts for Lopes Road Lift Station Improvements

Recommendation:

1. Approve and adopt plans and specifications dated May 2026, including all addenda for the Lopes Road Lift Station Improvements Project.
2. Reject All Bids Received on April 23, 2026, allowing Staff to Rebid the Project.
3. Authorize the General Manager to Award a Construction Contract to the lowest, responsive, responsible bidder upon successful rebid.
4. Authorize the General Manager to Award an Engineering Services During Construction Contract with Carollo Engineers in the amount of \$279,770.

Background: The District updated its Wastewater Collection System Master Plan in 2020, which identified the need for capacity upgrades at the Lopes Road Lift Station—originally built in the mid-1980s—to accommodate projected future peak flows. The capacity improvements include increasing pumping capacity and upsizing the pump station’s electrical service to support such. In addition to capacity requirements, the pump station is approaching 40 years in age and has significant mechanical and electrical equipment renewal and replacement needs. The proposed improvements also include piping modifications and permanent bypass pump connections for operational resiliency.

Final design documents for the proposed improvements were completed, and Notice Inviting Bids was issued on March 11, 2026. Six (6) bids for construction were received on April 23, 2026, all of which were within the available project budget.

Discussion: During staff’s review of the bids, five (5) of the six (6) bids were deemed responsive, however, all of the responsive bids named an emergency generator that the District finds to be inconsistent with the design intention to meet Bay Area Air District

Approve Project; Reject All Bids Received & Rebid the Project; and Authorize the General Manager to Award Construction and Engineering Services During Construction Contracts for Lopes Road Lift Station Improvements
May 11, 2026
Page 2 of 2

emissions requirements without risk of nuisance engine shutdown. District staff reviewed the contract documents and determined there were ambiguities in the generator technical specifications that could be interpreted to allow the proposed generator, which was likely the reason all responsive bidders named the less costly generator. Staff have contacted the apparent low bidder and the generator supplier for clarification but have not received clarifying information. This is adequate cause to reject all bids, revise the technical specifications, and rebid the project.

The District issued a competitive Request for Proposals for professional engineering services in June 2024 and Carollo Engineers was previously awarded contracts for Preliminary Design and Final Design Services. District staff recommends moving forward with Carollo Engineers with a contract for Engineering Services During Construction in the amount of \$279,770 to complete the project.

The electrical equipment and backup generator procurement lead time are estimated to be over one (1) year after award of a construction contract. It is recommended that the project be awarded by end of June 2026 to complete the project by the end of the 2027 dry season. Therefore, staff is recommending that the Board reject all bids received on April 23, 2026, allowing staff to rebid the project; and authorize the General Manager to award a construction contract to the lowest, responsive, responsible bidder, up to the total budgeted construction cost of \$3.7 million. This approach would avoid deferring award of the construction project until the end of July 2026 and potentially delaying construction completion into 2028.

Fiscal Impact: The District budgeted \$600,000 in FY 2025-26 for the final design, and budgeted an additional \$4,000,000 in FY 2026-27 and 2027-28 to carry out construction. Adequate funds are available for the final design effort in the approved budget.



FAIRFIELD-SUISUN SEWER DISTRICT

May 11, 2026

AGENDA REPORT

TO: Executive Committee

FROM: James Russell-Field, Director of Administrative Services

SUBJECT: Adoption of Revised Investment Policy

Recommendation: Adopt Resolution No. 2026-XX adopting a revised Investment Policy; and delegating Investment Authority to the Director of Administrative Services.

Background: The Investment Policy guides investment activities of the District. The primary objectives of the Investment Policy, in order of priority, are safety, liquidity and yield. The policy seeks to return a consistent market rate of return while protecting the District's assets and meeting cashflow needs.

The District utilizes PFM as an Investment Broker. Annually, the District and PFM review the Investment Policy for any changes in State legislation, best practices, and/or investment strategy. PFM has reviewed the District policy and does not recommend any updates to the District's Investment Policy.

California Government Code Section 53646(a)(2) recommends the Investment Policy be submitted to the Board of Directors at a public meeting annually, and that the Board approve any changes to the policy.

California Government Code Section 53607 states that the Board of Directors may annually delegate the authority to invest and reinvest District funds to the District Treasurer. In accordance with Section 3 of the Investment Policy, the Director of Administrative Services will be reaffirmed as the District Treasurer with the adoption of Resolution 2026-XX.

Attachments: 1 – Investment Policy Review Memo from Michael Kronbetter of PFM
 2 – Resolution No. 2026-XX A Resolution Re-Adopting Investment Policy
 3 – 2130 Investment Policy (Redlined)

Memorandum

To: James Russell-Field, Director of Administrative Services
Fairfield-Suisun Sewer District

From: Michael Kronbetter, Relationship Manager
PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc.

RE: 2026 Review of Investment Policy

PFM Asset Management has completed its review of the Fairfield-Suisun Sewer District (FSSD) investment policy, last adopted May 19, 2025. The policy remains in compliance with the statutes of California Government Code that regulate the investment of public funds. Below we summarize changes to Code made through Senate Bills 827, 852, 595 and 858, effective January 1, 2026.

SB 595 and 858 amends Code Section 53601 with the following updates:

- Extends the maximum maturity of commercial paper to 397 days from 270 days. *PFMAM has redlined this change in Part 7.5.7 of "Section 7. Investments," in the policy draft.*
- Local agencies with at least \$100 million in investment assets are permitted to invest a maximum of 40% of its portfolio in commercial paper until January 1, 2031, then reverts to a maximum of 25%. *PFMAM recommends no change to FSSD policy at this time.*
- In periods of low interest rates, Code had authorized local agencies to invest in U.S. government securities that could result in zero-interest accrual if held to maturity until January 1, 2026. This provision is extended to January 1, 2031. *FSSD policy reflects this language in Part 10.2.2 of "Section 10. Ineligible Investments" and PFMAM recommends no change.*

SB 827 revises Code Section 53238 to include additional fiscal and financial training requirements for certain local agency officials. SB 852 adds public officials who manage public investments to the list for whom the Fair Political Practices Commission is the filing officer for statements of economic interest and requires filers to use the Commission's electronic filing system. PFMAM does not recommend specific language be incorporated into the investment policy; however, we do encourage FSSD to be aware of these administrative requirements and implement as appropriate.

Please contact us with questions or further discussion. Thank you.

PFM Asset Management is a division of U.S. Bancorp Asset Management, Inc.

Investment observations based on Fairfield-Suisun Sewer District Investment Policy Statement as of 05/19/2025. Investment observations are for informational purposes only and are not intended to provide specific advice or any specific recommendations.

NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE

FAIRFIELD-SUISUN SEWER DISTRICT
RESOLUTION NO. 2026-XX

A RESOLUTION RE-ADOPTING INVESTMENT POLICY

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

1. The Investment Policy of the Fairfield-Suisun Sewer District, attached hereto, is hereby adopted and supersedes the previously adopted Investment Policy and Resolution 2025-15.
2. The General Manager and Treasurer are hereby authorized and directed to do all things necessary and proper to implement this resolution.

PASSED AND ADOPTED this 18th day of May 2026, by the following vote:

AYES: Directors _____

NOES: Directors _____

ABSTAIN: Directors _____

ABSENT: Directors _____

President

ATTEST:

District Clerk

Attachment: 2130 Investment Policy



FAIRFIELD-SUISUN SEWER DISTRICT

1010 Chadbourne Road • Fairfield, California 94534 • (707) 429-8930 • www.FairfieldSuisunSewer.ca.gov

POLICY		
Policy Number	2130	Adopted: May 19, 2025 <u>18, 2026</u> Res No. 2025-15 <u>2026-xx</u>
Type of Policy	2000 - Finance and Administration	
Policy Title	Investment Policy	
Policy Description	Policy Guidelines for Investing Surplus Monies	

1. Purpose

- 1.1 The purpose of this Investment Policy (“Policy”) is to provide guidelines to the officers of the Fairfield-Suisun Sewer District (“District”) charged with the responsibility for the deposit of District funds, and for investment of surplus monies not required for the immediate necessities of the District. All such deposits and investments are governed by State law and by this policy.
- 1.2 It is the Policy of the Fairfield-Suisun Sewer District that:

2. Handling

- 2.1 All money belonging to or in the custody of the District shall be deposited for safekeeping in:
 - 2.1.1 State or National Banks
 - 2.1.2 Savings or Federal Associations
 - 2.1.3 Credit Unions or Federally-Insured Industrial Loan Companies in this State
- 2.2 The location of deposit is to be selected by the Treasurer
- 2.3 Invested in the Local Agency Investment Fund or invested as set forth in California Government Code (CGC) Section 53601.
- 2.4 To be eligible to receive District money, a bank, savings association, federal association, or federally insured industrial loan company shall have received an overall rating of “satisfactory” in its most recent evaluation, by the appropriate federal financial supervisory agency, of its record of meeting the credit needs of California’s communities, including low- and moderate-income neighborhoods, pursuant to Section 2906 of Title 12 of the United States Code.

3. Delegation of Authority

- 3.1 In accordance with CGC Section 53607, the Board delegates the duties of the District Treasurer to the Director of Administrative Services.
- 3.2 The Treasurer, under the supervision of the General Manager, is responsible for administering the District's investments. In furtherance of this responsibility, the Treasurer may issue and administer detailed investment instructions which may change periodically and which will supplement, but conform to the provisions of this Investment Policy. The investment of bond proceeds will be further restricted by the provisions of relevant bond documents.
- 3.3 The management and oversight responsibility for the deposit and investment program is hereby delegated to the Treasurer who shall monitor and review all investments for consistency with this Investment Policy and State law.
- 3.4 No person may engage in an investment transaction except as provided under the limits of this policy, as supplemented by the Treasurer's investment instructions.
- 3.5 The Treasurer shall maintain investment instructions for internal and external management of investments consistent with State requirements.
- 3.6 The District may contract for the use of investment services subject to all other provisions of this Investment Policy.
- 3.7 The Treasurer may maintain a list of financial institutions, selected on the basis of credit worthiness, financial strength, experience and minimal capitalization to provide investment services.
- 3.8 The Treasurer shall annually send a copy of the current investment policy to all broker/dealers approved to do business with the District.
- 3.9 Broker/dealers must be authorized to provide investment and financial advisory services in the State of California, and must be licensed and in good standing with the:
 - 3.9.1 California Department of Securities,
 - 3.9.2 Securities and Exchange Commission,
 - 3.9.3 National Association of Securities Dealers
 - 3.9.4 or other applicable self-regulatory organizations.
- 3.10 Before engaging in investment transactions with a broker/dealer, the Treasurer must have received a certification from such broker/dealer, indicating that the person responsible for the District's account has read and understood the Investment Policy and intends to present investment recommendations and transactions to the District which are appropriate under such policy.

- 3.11 If an external investment advisor is authorized to conduct investment transactions on the District's behalf, the investment advisor may use their own list of approved broker/dealers and financial institutions for investment purposes.

4. Prudence

- 4.1 The Standard of prudence to be used by investment officials shall be the "prudent investor" standard, as set forth in CGC Section 53600.3, and shall be applied in the context of managing an overall portfolio.
- 4.2 Except as provided in subdivision (a) of Section 27000.3, all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard.
- 4.3 When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.
- 4.4 Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.
- 4.5 To the extent permitted by law, investment officials acting in accordance with the Investment Policy, as supplemented by the Treasurer's investment instructions, and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

5. Objectives

- 5.1 The primary objectives (in priority order) of the District's investment activities shall be:
- 5.2 Safety of principal.
- 5.3 Liquidity. The investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements which might be reasonably anticipated.

- 5.4 Return on Investment. The investment portfolio shall be designed with the objective of attaining a market rate of return on its investments throughout budgetary and economic cycles, consistent with the constraints imposed by the District's safety objective and cash flow requirements, and applicable law.

6. Ethics and Conflict of Interest

- 6.1 Officers and employees involved in the investment process shall:
 - 6.1.1 Refrain from personal business activities that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial decisions.
 - 6.1.2 Abide by CGC Section 1090, et seq. and the California Political Reform Act.

7. Investments

- 7.1 CGC Section 53601, et seq. set forth the eligible investments for the District that:
 - 7.1.1 All investments purchased for the District shall be delivered, either by book entry or physical delivery, to the District's third-party custodian.
 - 7.1.2 All trades of marketable securities will be executed (cleared and settled) on a delivery vs. payment (DVP) basis to ensure that securities are deposited in the District's safekeeping/custody bank prior to the release of funds.
 - 7.1.3 All investments of the District shall have the District as registered owner.
 - 7.1.4 The list of specific investment types and diversification requirements shall be maintained by the Treasurer.
- 7.2 Where this section specifies a percentage limitation for a particular security type, that percentage is applicable only at the date of purchase.
- 7.3 Credit criteria listed in this section refers to the credit rating category (inclusive of modifiers) at the time the security is purchased. If an investment's credit rating falls below the minimum rating required at the time of purchase, the Treasurer, or his/her designee, will perform a timely review and decide whether to sell or hold the investment.
- 7.4 If the District has retained the services of an investment advisor, the investment advisor will notify the Treasurer of such a downgrade and will recommend a plan of action.
- 7.5 Authorized and suitable investments are currently as follows, but only to the extent allowed by CGC Section 53601, et seq., and as such sections are hereafter amended or superseded:

- 7.5.1 United States Treasury notes, bonds, bills, or certificates of indebtedness, or those for which the faith and credit of the United States are pledged for the payment of principal and interest.
- 7.5.2 Registered state warrants or treasury notes or bonds of this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state. Investments under this subdivision shall be rated in a rating category of “A” or its equivalent or better by a Nationally Recognized Statistical Rating Organization (NRSRO).
- 7.5.3 Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California. Investments under this subdivision shall be rated in a rating category of “A” or its equivalent or better by an NRSRO.
- 7.5.4 Bonds, notes, warrants or other evidence of indebtedness of a local agency within this state, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency. Investments under this subdivision shall be rated in a rating category of “A” or its equivalent or better by an NRSRO.
- 7.5.5 Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises, to the extent permitted by CGC Section 53601.
- 7.5.6 Bankers Acceptances otherwise known as bills of exchange or time drafts that are drawn on and accepted by a commercial bank. Purchases of bankers’ acceptances shall not exceed 180 days’ maturity or 40 percent of the District’s surplus funds. No more than 30 percent of the District’s surplus funds can be invested in the Bankers Acceptances of any single commercial bank.
- 7.5.7 Commercial paper of “prime” quality of the highest ranking or of the highest letter and number rating as provided for by Moody’s, Standard & Poor’s, or Fitch. The entity that issues the commercial paper shall meet all of the following conditions in either paragraph (1) or (2):
 - 7.5.7.1 The entity meets the following criteria: (A) Is organized and operating in the United States as a general corporation. (B) Has total assets in excess of five hundred million dollars (\$500,000,000). (C) Has debt other than commercial paper, if any, that is rated in a rating category of “A” or its equivalent or higher by an NRSRO.
 - 7.5.7.2 The entity meets the following criteria: (A) Is organized within the United States as a special purpose corporation, trust, or limited

liability company. (B) Has program wide credit enhancements including, but not limited to, overcollateralization, letters of credit, or a surety bond. (C) Has commercial paper that is rated “A-1” or higher, or the equivalent, by an NRSRO.

Eligible commercial paper shall have a maximum maturity of ~~270~~
397 days or less. Purchases of eligible commercial paper shall not exceed 25 percent of the District’s surplus funds.

- 7.5.8 Negotiable Certificates of Deposit issued by a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank. The legislative body of a local agency and the treasurer or other official of the local agency having legal custody of the moneys are prohibited from investing local agency funds, or funds in the custody of the local agency, in negotiable certificates of deposit issued by a state or federal credit union if a member of the legislative body of the local agency, or a person with investment decision making authority in the administrative office manager’s office, budget office, auditor-controller’s office, or treasurer’s office of the local agency also serves on the board of directors, or any committee appointed by the board of directors, or the credit committee or the supervisory committee of the state or federal credit union issuing the negotiable certificates of deposit.
- 7.5.9 Purchases of negotiable certificates of deposit shall not exceed 30 percent of the District’s surplus funds. Eligible negotiable certificates of deposit shall be rated in a rating category of “A” for long-term, “A-1” for short-term, their equivalent, or better by an NRSRO.
- 7.5.10 Repurchase/Reverse Repurchase Agreements of any securities authorized by CGC Section 53601, but only in conformity with the requirements of CGC Section 53601(j).
- 7.5.11 Medium term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of “A” or better by Moody’s, S&P, or Fitch. Purchases of medium-term notes shall not exceed 30 percent of the District’s surplus funds.
- 7.5.12 Shares of beneficial interest issued by diversified management companies investing in the securities and obligations authorized by CGC Section 53601(a) to (k) or (m) to (q), and which comply with the investment restrictions of CGC 53600 et seq. and CGC 53630 et seq. Such companies must carry the highest rating of at least two of the nationally recognized statistical rating agencies. Not more than 20% of the District’s surplus funds can be invested in such funds, and not more than 10% in any one mutual fund.

7.5.13 Shares of beneficial interest issued by diversified management companies that are money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.). The company shall have met either of the following criteria:

7.5.13.1 Attained the highest ranking or the highest letter and numerical rating provided by not less than two NRSROs, or

7.5.13.2 Retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of five hundred million dollars (\$500,000,000).

Not more than 20% of the District's surplus funds can be invested in such funds.

7.5.14 Funds described in CGC Section 53601(m) held by a trustee or fiscal agent may be invested as described in and to the extent authorized by CGC Section 53601(m).

7.5.15 Notes, bonds or other obligations which are at all times secured by a valid first-priority security interest as prescribed by CGC Section 53601(n).

7.5.16 A mortgage pass-through security, collateralized mortgage obligation, mortgaged backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate or consumer receivable backed bond. Securities eligible for investment under this subdivision not issued or guaranteed by an agency or issuer identified in subsection (7.5.1) or (7.5.5) above, the following limits shall apply:

A. The security shall be rated in a rating category of "AA" or its equivalent or better by an NRSRO and have a maximum remaining maturity of five years or less,

B. Purchase of securities authorized by this subdivision shall not exceed 20 percent of the District's surplus funds.

7.5.17 Shares of beneficial interest issued by a joint powers authority organized pursuant to Section 6509.7 that invests in the securities and obligations authorized in subdivisions (a) to (r), inclusive, of CGC Section 53601. Each share shall represent an equal proportional interest in the underlying pool of securities owned by the joint powers authority. To be eligible under this section, the joint powers authority issuing the shares shall have retained an investment adviser that meets all of the following criteria:

7.5.17.1 The adviser is registered or exempt from registration with the Securities and Exchange Commission.

7.5.17.2 The adviser has not less than five years of experience investing in the securities and obligations authorized in subdivisions (a) to (q), inclusive, of CGC 53601.

- 7.5.17.3 The adviser has assets under management in excess of five hundred million dollars (\$500,000,000).
- 7.5.18 State of California Local Agency Investment Fund (“LAIF”). The District may invest a portion of its portfolio in LAIF, subject to the statutory deposit limit imposed by LAIF.
- 7.5.19 United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development, International Finance Corporation, or Inter-American Development Bank, with a maximum remaining maturity of five years or less, and eligible for purchase and sale within the United States. Investments under this subdivision shall be rated in a rating category of "AA" or better by an NRSRO and shall not exceed 30 percent of the District's surplus funds.
- 7.5.20 Any other investment security authorized under the provisions of CGC Section 53601.
- 7.6 Also, see CGC Section 53601 for a detailed summary of the limitations and special conditions that apply to each of the above listed investment securities.

8. Diversification

- 8.1 Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, a specific financial institution, or a specific class of securities.
- 8.2 Except as provided below, no more than five percent (5%) of the District's surplus funds may be invested in any one issuer, regardless of sector.
 - 8.2.1 The types of investments which are excluded from this limitation are:
 - 8.2.1.1 United States Treasury and federal agency/government sponsored enterprise obligations,
 - 8.2.1.2 Obligations of the International Bank for Reconstruction and Development (IBRD)
 - 8.2.1.3 International Finance Corporation (IFC), and the Inter-American Development Bank (IADB), and
 - 8.2.1.4 Money market funds and local government investment pools, including LAIF and CAMP.
- 8.3 Purchases of Certificate of Deposits in financial institutions with local branches shall be made only to the extent warranted by the safety, liquidity, and yield compared to that available from other investments.

9. Maximum Maturity

- 9.1 An investment's term or remaining maturity shall be measured from the settlement date to final maturity. A security purchased in accordance with this section shall not have a forward settlement date exceeding 45 days from the time of investment.
- 9.2 Where this section does not specify a limitation on the term or remaining maturity at the time of the investment, no investment shall be made in any security, other than a security underlying a repurchase or reverse repurchase agreement or securities lending agreement authorized by this section, that at the time of the investment has a term remaining to maturity in excess of five years, unless the legislative body has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment.

10. Ineligible Investments

- 10.1 Any security type or structure not specifically approved by State law, this Policy and investment instructions is specifically prohibited.
- 10.2 Security types which are hereby prohibited to be purchased include, but are not limited to:
 - 10.2.1 Range notes, inverse floaters, or mortgage-derived interest-only strips;
 - 10.2.2 Any security that could result in zero interest accrual if held to maturity, except that, in the event of, and for the duration of, a period of negative interest rates, the District may invest in securities issued by, or backed by, the United States government that could result in zero- or negative-interest accrual.

11. Sales prior to maturity

- 11.1 Sales prior to maturity are permitted.
- 11.2 It is also recognized that in changing interest rate environment, it may be financially advantageous to sell investments at a book value loss in order to reinvest into a more profitable security.

12. Reporting

- 12.1 The Treasurer shall render to the General Manager and Board of Directors a quarterly report concerning investment or reinvestment of District funds and the sale or exchange of securities.
- 12.2 Pursuant to CGC Section 53607, Treasurer shall make a monthly report summarizing investment transactions, as needed.

12.3 The treasurer or chief fiscal officer may render a quarterly report to the chief executive officer, the internal auditor, and the legislative body of the local agency. The quarterly report shall be so submitted within 45 days following the end of the quarter covered by the report.

12.4 This report shall include the type of investment, issuer, date of maturity, par and dollar amount invested on all securities, investments and moneys held by the local agency, and shall additionally include a description of any of the local agency's funds, investments, or programs, that are under the management of contracted parties, including lending programs. With respect to all securities held by the local agency, and under management of any outside party that is not also a local agency or the State of California Local Agency Investment Fund, the report shall also include a current market value as of the date of the report, and shall include the source of this same valuation.

12.4.1 The quarterly report shall state compliance of the portfolio to the statement of investment policy, or manner in which the portfolio is not in compliance.

12.4.2 The quarterly report shall include a statement denoting the ability of the local agency to meet its pool's expenditure requirements for the next six months, or provide an explanation as to why sufficient money shall, or may, not be available.

12.4.3 In the quarterly report, a subsidiary ledger of investments may be used in accordance with accepted accounting practices.

13. Internal Controls

13.1 The Treasurer will establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

14. Performance Standards

14.1 The District will establish a performance benchmark consistent with its investment strategy and supportive of its investment objectives.

15. Investment Policy Review and Adoption

15.1 The District's Investment Policy is hereby adopted by the District's Board of Directors. This Policy will be reviewed annually by the Board of Directors and any modifications made thereto must be approved by the Board of Directors.



FAIRFIELD-SUISUN SEWER DISTRICT

Board of Directors

Jenalee Dawson,
President

Catherine Moy,
Vice President

Doug Carr

Alma Hernandez

Amit Pal

Doriss Panduro

Parise Shepherd

Scott Tonnesen

Princess Washington

K. Patrice Williams

Pam Bertani,
First Alternate

Manveer Sandhu,
Second Alternate

Board of Directors Meeting Agenda

Monday, May 18, 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 Resolution from Assemblymember Lori Wilson (AD11) and Senator Christopher Cabaldon (SD3) Congratulating the District on its 75th Anniversary

8. **CONSENT CALENDAR**

- 8.1 Approve Board Meeting Minutes of March 23, 2026 #
- 8.2 Adopt Resolution No. 2026-XX Adopting the Revised Investment Policy #
- 8.3 Adopt Resolution No. 2026-XX Authorizing the General Manager to Enter into a Development Services Agreement with Buzz Oates for Hale Rance Industrial Business Park..... #
- 8.4 Reject All Bids Received and Rebid the Project and Authorize the General Manager to Award Construction and Engineering Services During Construction for Lopes Road Lift Station Improvements #

9. **NEW BUSINESS**

- 9.1 Conduct a Public Hearing and Receive a Presentation on Workforce Vacancies and Recruitment and Retention Efforts in Compliance with Assembly Bill 2561 (Government Code § 3502.3) #
- 9.2 Adopt Resolution No. 2026-XX Approving the FY 2026-27 Budget and Long-Term Financial Plan..... #
- 9.3 Board Compensation Review #
- 9.4 Adopt Resolution No. 2026-XX, Pay Rate Schedule..... #

10. INFORMATIONAL ITEMS

10.1 Board Calendar#

11. ADJOURN

— End of Agenda —

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.

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

May 11, 2026

AGENDA REPORT

TO: Executive Committee
 FROM: Ben Carver, Operations Manager
 SUBJECT: Operating Data Summary –April 2026

April 2026 Data

Average plant flow	15 million gallons per day	Equivalent to 22 Olympic sized pools!
Solids removed from the water	264 dry tons	4% turned into biogas 96% turned into Lystek fertilizer
Completed Work Orders	1,294 completed work orders this month	 96% Preventative 4% Corrective
Renewable energy produced	109,201 kilowatt-hours	Renewable energy provided 16% of the plant’s power needs. This is equivalent to 154 single-family homes
Sewer lines inspected by CCTV	0 feet 8,603 feet	City of Suisun City lines FSSD Lines
Permit excursions & Sewer System Overflows (Cat 1-3)	0	

Year to Date 2026

Influent Flow Average 16.1 MGD	Permit Excursions 0
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FAIRFIELD-SUISUN SEWER DISTRICT

Board of Directors Meeting Minutes

Date: Monday, April 27, 2026
 Meeting Place: 1010 Chadbourne Road, Fairfield, California
 Meeting Time: 6:00pm

1. Call to order – The meeting was called to order at 6:00pm by President Jenalee Dawson, who presided over the meeting.
2. Roll Call – The following Board members were present: Directors Douglas Carr, Jenalee Dawson, Alma Hernandez, Amit Pal, Parise Shepherd, Scott Tonnesen, Princess Washington. Directors Catherine Moy, Doriss Panduro, and K. Patrice Williams were absent. No Board Alternates were present.
3. Pledge of Allegiance was led by Director Pal.
4. Public Comments: No comments.
5. Director Report: No comments.
6. General Manager Report – General Manager Jordan Damerel reported the Kellogg Resiliency Project received a 2-year extension and the final reimbursement date is now February 28, 2028. The District reached an agreement with California Forever on reimbursement for a scope of work to provide technical input on draft reports analyzing wastewater, stormwater, and recycled water systems. Damerel thanked HR Manager Kim Kraft and staff for holding the District's first Externship Program on April 14th, attended by 38 college students interested in possible career paths within the wastewater industry. Damerel highlighted Senior Engineer Kyle Broughton who presented on the District's nutrient upgrade project to a statewide audience at the California Water Environment Association Annual Conference. Director of Environmental Services Meg Herston provided an update on the recent Earth Day Clean Up event held on Saturday, April 18, 2026, led by Engineering Technician Trang Bui, with more than 100 volunteers collecting over 700lbs of trash across multiple sites. General Manager Damerel reminded the Board of the District's 75th Anniversary Open House on May 2, 2026 from 10am-1pm.
7. Presentations and Awards:

None.
8. Consent Calendar:
 - 8.1 Approve Board Meeting Minutes of March 23, 2026

No comments.

Upon motion by Director Hernandez, seconded by Director Shepherd, Consent Calendar Items 8.1 was passed by the following vote:

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

9. New Business:

9.1 Conduct Public Hearing to Consider Proposed Sewer Service Charge Increase and Sewer Capacity Charge Adjustment; Consider Adoption of a Five-Year Rate Schedule Effective July 1, 2026; Determine that the Action is Exempt from the California Environmental Quality Act (CEQA) Pursuant to § 15273 of the CEQA Guidelines

Director of Administrative Services James Russell-Field and Mark Hildebrand of Hildebrand Consulting presented a summary of the Cost of Service and Rate Study results, proposed 5-year rate schedule, capacity charge recommendation, AB 2257 objections, and Proposition 218 protests received before the public hearing.

President Dawson opened the public hearing at 6:21pm with comment from public speaker Judy McDowell.

President Dawson closed the public hearing at 6:45 pm. The final tally of Proposition 218 protests was 34. There was no majority protest under Proposition 218.

The Board deliberated and District staff answered questions. Upon motion by Director Shepherd, seconded by Director Hernandez, New Business Item 9.1 was passed by the following vote:

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

10. Information Item:

- 10.1 Quarterly Invest Report
- 10.2 CWEA Article: A Phased Approach for Nutrient Compliance in the Bay Area – Aeration Basin Improvements Project for Nitrogen Removal
- 10.3 Board Calendar

No comments.

11. Closed Session:

- 11.1 Gov. Code Section 54957: Public Employee Performance Evaluation; Title: General Manager

The Board of Directors recessed to Closed Session at 6:45pm and reconvened at 7:00pm with no reportable action.

12. Adjournment:

The meeting adjourned at 7:00pm.

Respectfully submitted,

President

ATTEST:

District Clerk



FAIRFIELD-SUISUN SEWER DISTRICT

May 18, 2026

CONTEMPLATED BOARD OF DIRECTORS AGENDA ITEMS

Month	Item	Executive Committee	Board of Directors
June 2026	<ol style="list-style-type: none"> 1. Award Professional Services Contract for Drainage Maintenance Master Plan 2. Award Professional Services Contract for Flood Stations Rehabilitation and Replacement Project 3. Award Construction Contract for the Electrical Replacement Project Phase 2—Suisun Pump Station Backup Power 4. Enter Into a Development Services Agreement with Siavesh Afshar for the Awanta Apartments development project in Suisun City 	06/15/2026	06/22/2026
July 2026	<ol style="list-style-type: none"> 1. Award Professional Services Contract for Constructability Review for the Suisun Force Main Reliability Project 2. Award Professional Services Contract for the Suisun Plant Pipeline Decommission 3. Award Construction Services Contract for the Electrical Replacement Project Phase 2—Treatment Plant Substation D 4. Quarterly Investment Report 	07/17/2026	07/24/2026
August 2026		Not scheduled	Not scheduled
September 2026	<ol style="list-style-type: none"> 1. Director Reports on CASA Annual Conference 2. Award Professional Services Contract for the Travis/Pennsylvania Sewer Replacement 3. Award Construction Contract for the Suisun Force Main Reliability Project 4. General Manager Performance Check-In (Executive Committee) 	09/21/2026	09/28/2026
October 2026	<ol style="list-style-type: none"> 1. Award Professional Services Contract for the Trunk Main CIPP Rehabilitation Project 2. Quarterly Investment Report 	10/19/2026	10/26/2026
November 2026	<ol style="list-style-type: none"> 3. Board Calendar for 2027 	11/16/2026	11/23/2026
December 2026		Not scheduled	Not scheduled
January 2027	<ol style="list-style-type: none"> 1. Report on Financial Audit for FY 2025-2026 2. Quarterly Investment Report 	01/11/2027	01/25/2027
February 2027		Not scheduled	Not scheduled
March 2027	<ol style="list-style-type: none"> 1. Director Reports on CASA Winter Conference and DC Policy Forum 	03/15/2027	03/22/2027
April 2027	<ol style="list-style-type: none"> 1. Quarterly Investment Report 2. General Manager Annual Performance Evaluation 	04/19/2027	04/26/2027
May 2027	<ol style="list-style-type: none"> 1. Approve Budget 2. Approve Employee Salary Schedule 3. Review Board Compensation 4. Review Updates and Approve Investment Policy 	05/17/2027	05/24/2027