
Bishop Area Wastewater Authority Wastewater Treatment Plant

Preliminary Engineering Report

PREPARED FOR



Bishop Area Wastewater Authority

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Submitted: June 2025

Revision: FINAL DRAFT

JN: 10799.002

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Certification

The technical material and data contained in the document were prepared under the supervision and direction of the undersigned professional engineer. The opinions contained in this document reflect Lumos & Associates' professional judgment in context with the scope of work and contract. The presented opinions are based on the conditions, information, and data provided to Lumos & Associates at the time the document was published and may be subject to change based on changing conditions, information, and data. Lumos & Associates did not verify independent information, conditions, and opinions supplied by others. There is no written or implied warranty or guarantee for any damages that occur from third-party use of this document.

Prepared under the Responsible Charge of



06/11/25

Jonathan Lesperance, P.E.

List of Abbreviations

AACE	<i>Advancement of Cost Engineering</i>
ADU.....	Accessory Dwelling Units
BAWA	Bishop Area Wastewater Authority
BCA	<i>Benefit Cost Analysis</i>
BMPs	<i>Best Management Practice</i>
CCR	California Code of Regulations
CFR	Code of Federal Regulations
CIPP	Cast-In-Place-Pipe
City.....	City of Bishop
DMR	Discharge Monitoring Reports
EDU	Equivalent Dwelling Unit
EPA	Environmental Protection Agency
ESCSO, CSD, District	Eastern Sierra Community Service District
FEMA	Federal Emergency Management Agency
FIRM.....	Flood Insurance Rate Map
I&I	Inflow and Infiltration
JPA	Joint Powers Authority
LADWP.....	Los Angeles Department of Water and Power
LCC.....	Life Cycle Cost
LRWQCB	Lahontan Regional Water Quality Control Board
Lumos.....	Lumos & Associates
mg/L.....	milligram per liter
MGD	Million Gallons per Day
MLE	Modified Ludzack-Ettinger
NDEP BWPC	National Division of Environmental Protection Bureau of Water Pollution Control
NRCS	Natural Resource Conservation Service
PER	Preliminary Engineering Report
PVC	Polyvinyl Chloride
RDA.....	Rural Development Agency
Tribe.....	Bishop Paiute Tribe
TSS.....	Total Suspended Solids
USDA	United States Department of Agriculture
WWTP, Plant	Wastewater Treatment Plant

EXECUTIVE SUMMARY

This Preliminary Engineering Report (PER) has been prepared by Lumos and Associates, Inc. (Lumos) on behalf of the Bishop Area Wastewater Authority (BAWA) to assess alternatives for combining two adjacent wastewater treatment plants into a single facility. BAWA is a joint powers authority between the City of Bishop (City) and the Eastern Sierra Community Service District (District), charged with the administration of shared wastewater objectives for both entities. This PER was prepared in relation to both the City and the District's wastewater treatment plants, located in Bishop, California. Acceptance of this PER and its recommendations will follow a public review period and presentation to the BAWA Board of Representatives.

This PER assesses the condition of the existing systems, identifies project drivers, and analyzes seven (7) alternatives for combining the Plants (including a No Action alternative). A preferred alternative and general recommendations are also provided in this PER. Each respective section of the report is summarized below.

Section 1.0: Project Planning

Section 1.0 of this report outlines the overall scope of the project and background to inform the development of a 30-year planning strategy. This Section provides background information on each of the Plants, details on the geographic setting, environmental resources present, and population trends. The City and District operate independent wastewater collection and treatment systems but share the discharge of effluent to the same receiving groundwater body. Both facilities are regulated by the Lahontan Regional Water Quality Control Board (LRWQCB). Population growth over the last decade has been low. A limiting factor for growth is the large amount of land owned by the Los Angeles Department of Water and Power, which does not allow development to occur.

Section 2.0: Existing Facilities

Section 2.0 of this report examines the existing treatment facilities, evaluates their condition, assesses overall capacity, and reviews treatment performance. The City and District Plants operate independently but discharge effluent to the same aquifer via flood field irrigation. The City's Plant has a discharge limit of 1.6 million gallons per day (MGD). The District's Plant has a discharge limit of 0.85 MGD. Both facilities are regulated such that discharged effluent does not exceed a biochemical oxygen demand (BOD) level of 50 mg/L. While effluent total nitrogen limit is not regulated at present, there has been past regulatory interest in this from the LRWQCB.

Both Plants' treatment processes consist of a headworks facility and primary clarification, followed by lagoon wastewater stabilization and secondary effluent discharged for flood irrigation. They also utilize anaerobic digestion of primary sludge with drying beds before off-hauling dried biosolids to landfill. The District uses one (1) aerated pond with three (3) percolation ponds for excess storage. The City uses one (1) aerated pond, two (2) facultative ponds, and three (3) excess storage ponds in series.

Both Plant's flows appear to be significantly influenced by inflow and infiltration to the system following sustained storm periods. Spiking of influent ammonia and nitrates occurs as a result, understood to be due to agricultural runoff. The District's BOD removal is generally sufficient despite a relatively low aerated pond retention time. The City's BOD removal is generally sufficient due to the large retention volume available.

Site inspections to assess the condition of both treatment facilities revealed that the Plants are well maintained plants, though upgrades to aged infrastructure is recommended.

Section 3.0: Need for Project

This section of the report summarizes the findings from the previous sections to identify key project drivers for a combined Bishop Area Wastewater Authority plant. A primary driver for consolidating the Plants is streamlined regulation and troubleshooting for treatment performance. This Preliminary Engineering Report assumes that future effluent nitrogen removal to below 10 mg/L will be required for the wastewater treatment plants, regardless of whether they become consolidated. Under existing conditions, this standard cannot be met. Consolidating the facilities into one Plant will not only provide streamlined operation but will address potential changes to the discharge permit.

Additionally, growth projections in the Preliminary Engineering Report found that the capacity of the wastewater treatment plants does not require immediate expansion to meet future flow projections. Estimated annual average-day sewage flows, based on a conservative 2% annual growth rate, is 2.45 MGD at the 30-year planning horizon.

Section 4.0: Alternatives Considered

Section 4.0 describes each project alternative and provides the design criteria, operational considerations, environmental impacts, land requirements, potential construction challenges, sustainability considerations, and estimated project costs. Seven (7) alternatives were considered to address the project needs, including one (1) No Action alternative. These are listed in Table ES.1 and were evaluated in Section 4.0.

Table ES.1: Alternatives Evaluated

Alternatives
1 - No Action
2 – Sequencing Batch Reactor
3 - Oxidation Ditch
4 – Extended Aeration – Lagoon Based
5 – Extended Aeration – Mechanical Plant
6 – Surface Water Discharge
7 – Lagoon Based MLE

Alternatives 1 and 7 were both eliminated due to technical infeasibility. Alternative 1 is infeasible as its treatment mechanisms do not support denitrification, which is essential for future Total Nitrogen removal. Alternative 7 is infeasible due to practical challenges in adequately equipping the lagoons for this process to be effective.

Alternatives 2, 3, and 5 share similar system configurations as mechanical activated sludge systems. Alternative 4 differs in that it proposes to convert one of the lagoons to facilitate activated sludge. Alternative 6 explores a change in the discharge source from groundwater to surface water. These alternatives and their feasibility are further explored in Section 5.0.

Section 5.0: Selection of an Alternative

After considering each of the proposed alternatives in Section 4.0 Alternatives 2 through 6 progressed to a life cycle and benefit cost analysis within Section 5.0. The Life Cycle Cost analysis compares the capital cost of each technically viable alternative with their operation and maintenance costs over the PER's 30-year planning horizon. This included costs for personnel, capital expenses, electricity consumption, infrastructure replacement, and design life.

The Benefit-Cost Analysis evaluates the feasibility of the alternatives under both monetary and non-monetary factors. Assessment criteria include reliability, operations, future adaptability, permit compliance, and constructability. These criteria were weighted for importance by BAWA administrators and operators. Alternatives 2 through 6 were then scored based on their expected performance.

The recommended alternative based on these analyses is Alternative 5, which involves constructing an extended aeration mechanical plant, such as the Aeromod SEQUOX® system.

Section 6.0: Proposed Project

Based on the results of Section 5.0, this report recommends the construction of an AeroMod SEQUOX® System, constructed in a single phase, to address the shared future goals of both the City and the District. Section 6.0 describes the project in full and provides an opinion of cost of approximately \$43.77 million for budgetary purposes. This includes design, permitting, construction, contingency, and related services. This cost could vary as the design progresses and more accurate estimates are developed.

The financing of the project is expected to come from federal loans, and a rate study update is recommended to assess the financial impact of this project. The City and District are projected to share operational and maintenance costs equally. Future O&M expenses, such as electricity and maintenance costs, are projected to increase. Debt repayments for the project are estimated at \$1.95 million annually of a 30-year loan term, with both entities expected to maintain sufficient reserves for debt service and operational needs. The interconnection of influent pipes and verification through hydraulic analysis is needed for the project's completion. The schedule estimates the project could be commissioned by December 2028, though funding acquisition remains a key variable affecting the timeline.

Section 7.0: Conclusions and Recommendations

The existing Plants have historically met the effluent standards of the current discharge permit. However, with the possible introduction of new nitrogen limits, presently aged infrastructure, and emerging challenges in maintaining both existing Plants, there is a clear need to combine the two Plants. This PER provides recommendations to pursue an Aeromod SEQUOX® system to combine the Plants as a proactive pursuit for the City and District under BAWA's authority. Additional recommendations include analyzing the Plants' electrical system capabilities and interconnection of upstream pipes prior to implementing the recommended project.

1.0 PROJECT PLANNING

1.1 Introduction

In June 2020, the City of Bishop (City) and the Eastern Sierra Community Service District (ESCSD, CSD, District) formed the Bishop Area Wastewater Authority (BAWA). BAWA is a California joint powers authority (JPA) under Articles 1 through 4, Chapter 5, Division 7, Title I of the Government Code of the State of California ("Joint Exercise of Powers" Act). The JPA does presently not alter or transfer ownership of the City or District's respective wastewater collection and treatment systems. However, one of BAWA's top priorities is to explore consolidating their wastewater treatment facilities into one combined wastewater treatment plant, owned and operated by either the City, the District, or BAWA.

The City's wastewater treatment plant (WWTP, Plant) is located on a 127-acre parcel¹ and has a permitted capacity of 1.6 million gallons per day (MGD) under a LRWQCB discharge permit. The ESCSD's Plant is adjacent to the City and spans 128 acres² with a permitted capacity of 0.85 MGD. Both Plants reduce Biochemical Oxygen Demand (BOD₅) via lagoon facilitated primary and secondary treatment and discharge secondary clarified effluent to fields for flood irrigation. Despite their proximity and similar operational functions, the two plants operate independently. These systems have two points of connection: one at Wye Road and Spruce Street, which allows flows from the City into the District's system, and another that connects the City's 18-inch trunkline to the District's 21-inch trunkline, located at Bishop Creek Canal and Clarke Street. Both the City and ESCSD recognize the potential benefits of consolidating their Plants under BAWA, with the aim to improve effluent, reduce costs, and address regulations and shared challenges more effectively. Consolidation of the Plants will require a new discharge permit that is assumed to impose modified effluent permit limits.

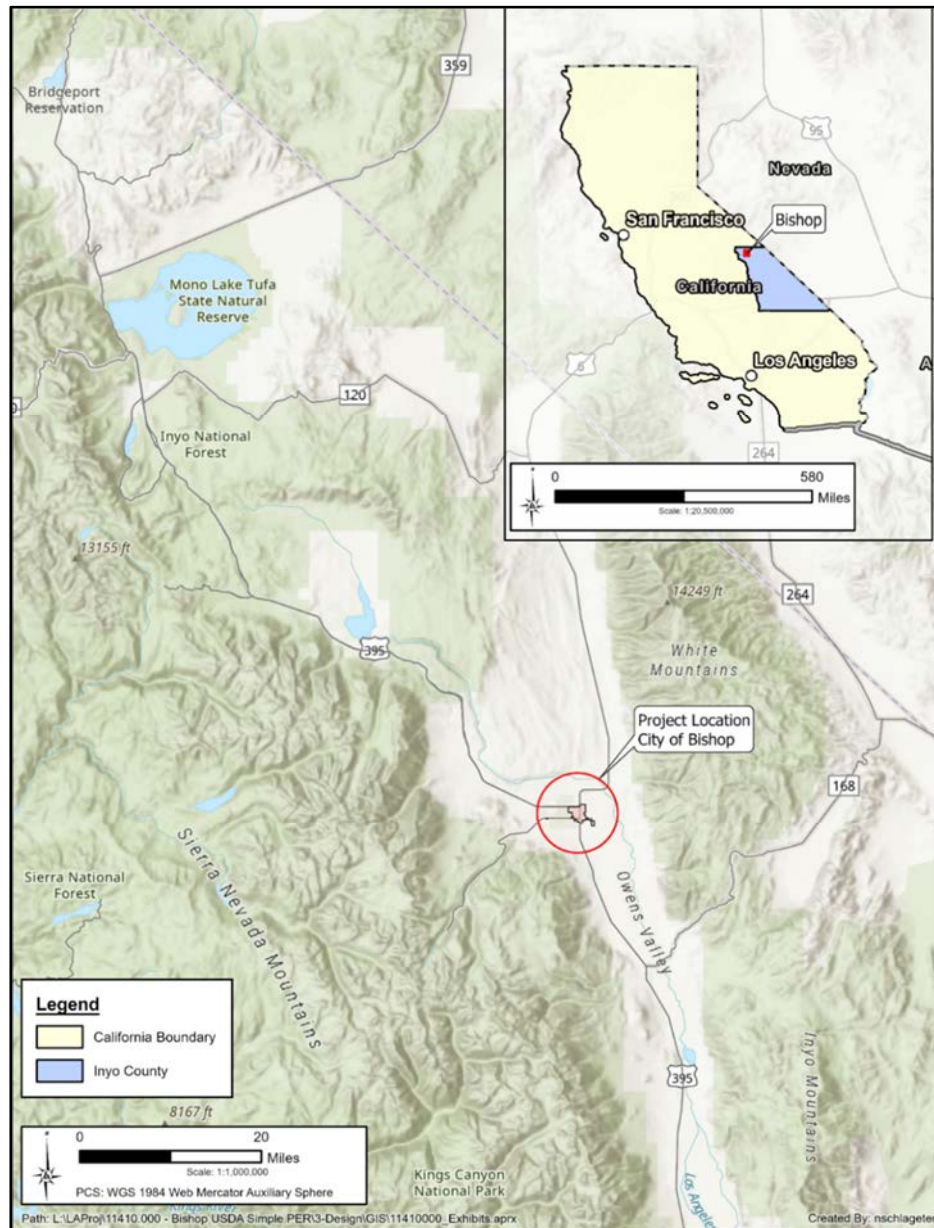
This Preliminary Engineering Report (PER) evaluates alternatives for BAWA to consolidate the two wastewater treatment facilities into one Plant over a 30-year Planning Horizon. This PER was prepared in conformance with the United States Department of Agriculture (USDA) Rural Development Agency (RDA) regulations. It meets the requirements of the Code of Federal Regulations (CFR) Part 1780 as part of the funding application for proposed projects. The USDA guidelines mandate an analysis of project-related factors, including but not limited to environmental impacts, project sustainability, technical feasibility, water and energy efficiency, economic feasibility, life-cycle analysis, and public awareness and support. These considerations, along with their associated implications and costs, are detailed in this PER.

¹This area includes the land irrigated by the effluent

² This area includes the land irrigated by the effluent

1.2 Location

The City and District are located in the Eastern Sierra region of California within Inyo County. This location is approximately 76 miles southeast of Yosemite National Park, in Township 7, Section 08, and Range 33 East. The City's WWTP is located southeast of the City of Bishop and lies directly north of the ESCSD WWTP. The City's percolation/evaporation ponds are located at APN 008-010-36, which lies directly east of the ESCSD WWTP. A discharge area for the City is located directly south of the existing ponds. The designated percolation/evaporation ponds of ESCSD are directly east of the City's ponds and are located at APN 008-010-33. The locations of each plant are shown in Figure 1-1 and Figure 1-2.



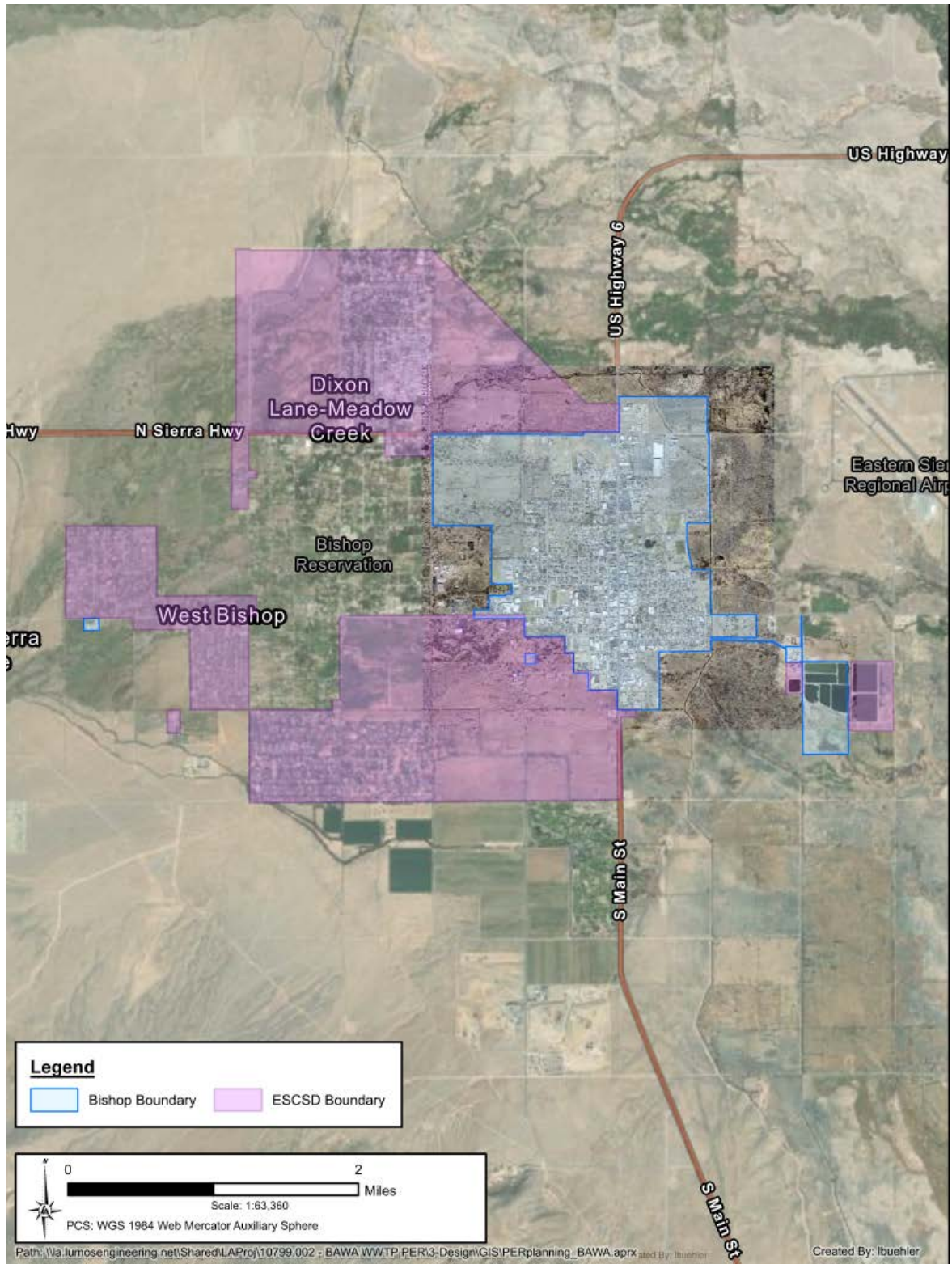


Figure 1-2: Service Area Map For City and ESCSD

1.3 Environmental Resources

Environmental resources within the Project Area, defined as the City and ESCSD WWTP boundaries, are as follows:

- Land Use and Soils:

As shown in Appendix A, the land use category for the Project Area is public lands. A soil survey of the project area parcel obtained from the Natural Resource Conservation Service (NRCS) shows several soil types, primarily consisting of Prime Farmland. A summary of the soil types is provided in Appendix A.

- Floodplains:

As shown in Appendix A, the Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map (FIRM) shows that the Plants are both within Zone X, which is an area of 0.2% Annual Chance Flood Hazard.

- Aquifers:

Both WWTPs discharge their secondary clarified effluent to groundwater via flood irrigation. The receiving aquifer is shared. Based on available well logs, the Plants' existing monitoring wells all appear to be screened in the same shallow unconfined aquifer. Greater details for the wells are provided in Section 2.4.2.1. Depth to the water table is roughly 20 ft below ground level, varying depending on the well location and fluctuating seasonally. The aquifer generally flows from the East-Southeast to the South-Southeast, generally following ground topography and converging at the Owens River.

1.4 Population Trends

1.4.1 Historic Population Trends

1.4.1.1 City of Bishop

According to the (U.S. Census Bureau, n.d.), the City of Bishop had a population of 3,848 people in 2020. As illustrated in Figure 1-3, over the past two decades, the City's population has remained relatively stable. This trend is expected to persist, with annual growth projected to remain below 1%.

1.4.1.2 Eastern Sierra Community Service District

U.S. Census population data is unavailable for the District as it is not a census-designated area. To estimate the District's population, the number of dwellings was multiplied by the average number of persons per household for Inyo County (as determined by the U.S. Census Bureau). The residential dwelling types within the District's service area include single-family dwellings, trailers, mobile homes, and apartments. A dwelling or housing unit is defined as a house, apartment, mobile home, a group of rooms, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters (U.S. Census Bureau, n.d.). Since each user is assumed to represent one housing unit, it was assumed that the 2.30 factor of average persons per household was an accurate representation of the customer types present in the District. The population in the City and District is shown in Figure 1-3

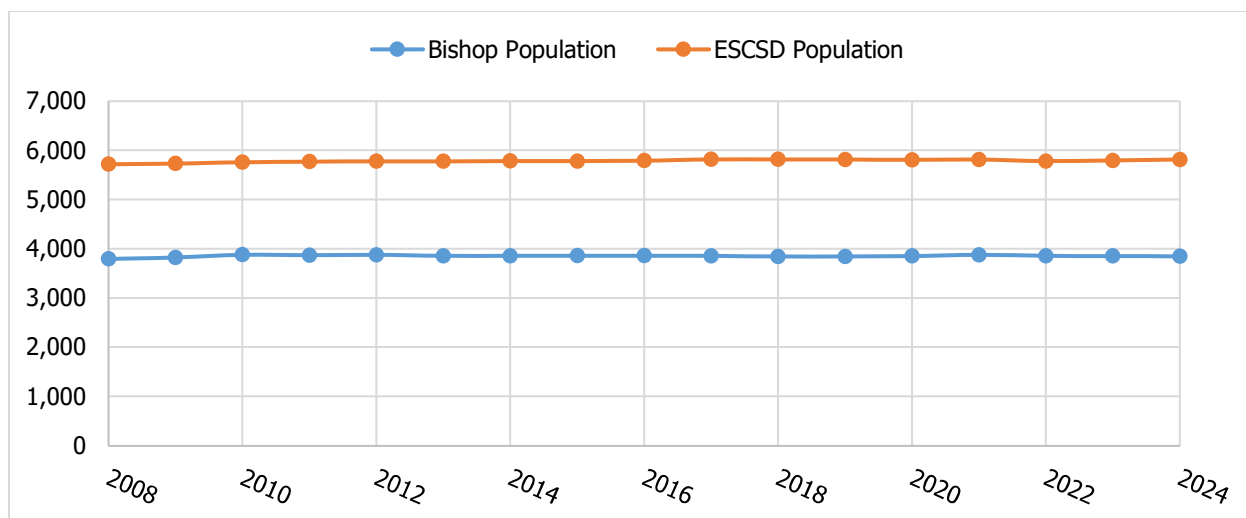


Figure 1-3: Bishop and ESCSD Historical Population³

Data for the Bishop Paiute Tribe (Tribe) was analyzed from provisional results of a Tribal growth study by MKN⁴. There were 755 Equivalent Dwelling units (EDUs) estimated in 2024, where it was assumed that each EDU contained 2.80 persons. This translates to a population of 2,114 people. A breakdown of the estimated population within the District's service area (based on the 2.30 people per household factor) and the Tribe (based on the 2.80 persons per household factor) is shown in Table 1.1

Table 1.1: Tribe Population Estimate in ESCSD Service Area with Tribe

Type of Residential Customer	Estimated Population
Single Family Dwellings ¹	3,993
Trailers ¹	87
Mobile Homes ¹	1,610
Apartments ¹	124
Tribe²	2,114
Population Total	7,928
[1] Based on a factor of 2.30 people per household (U.S. Census Bureau, n.d.)	
[2] Based on a factor of 2.80 people per household (MKN, 2025)	

³The tribe population was not included in this figure because only the 2024 population data was available.

⁴ During a meeting with MKN, the Tribe, and BAWA on December 10, 2024.

1.4.2 Population Projected Growth

The project evaluates growth over a 30-year planning horizon. Based on a flow study conducted by Lumos & Associates (Lumos), both low and high population growth projections were discussed with BAWA for feedback (Lumos & Associates, 2023). Data from the Department of Finance's projections provide a low growth projection that resulted in a negative growth rate, while high projections were based on a growth rate of +2% per year.

A significant factor limiting growth in the City and District is the ownership of a substantial portion of undeveloped parcels, including open-range land within the project area, by the Los Angeles Department of Water and Power (LADWP) that surrounds the City and the District. BAWA anticipates that this land will not be released for development within the 30-year planning horizon. Growth by the City and District is constrained to mechanisms such as the addition of Accessory Dwelling Units (ADUs). To remain conservative, BAWA's guidance⁵ was to proceed with a population projection based on the high growth rate of +2% per year. While this growth rate does not reflect present trends, it was applied across the 30-year planning horizon to determine future design criteria discussed in Section 3.3.

1.5 Community Engagement

The BAWA Board of Directors meets quarterly. Public notices for the PER will be posted on a public meeting agenda for public review and comment. Following a public comment period designated by BAWA, the final PER will be issued.

⁵ Per meeting with BAWA and Lumos on December 17th, 2024.

2.0 EXISTING FACILITIES

2.1 Location

The Plants are located adjacent to each other on Sewer Plant Road, southeast of the City of Bishop, as discussed in Section 1.2. They are bound by Airport Road and Gus Cashbaugh /Schober Lane to the east and south respectively. Their respective footprints are shown in Figure 2-1. A detailed map of the existing facilities and overall process flow diagrams are provided in Appendix D. Combined, the Plants span across 4 parcels owned separately by the City (APN 008-010-36, APN 008-010-15) which spans 127 acres and District (APN 008-010-33, APN 008-010-34) which spans 68 acres.

2.2 History

2.2.1 City of Bishop

The City's Plant was built in 1948 and originally consisted of six (6) unlined ponds. The Plant has undergone various improvements over the course of its serviceable life to date, as follows:

- 1960s: West digester and north clarifier added to the system
- Late 1970s: Then the digesters encased, or heavily modified (insulated)
- 1979: Bentonite clay lining added to Ponds 1, 2, & 3
- 2012: Auger screen replaced, retrofit grit chamber with chain and scraper equipment
- 2014: Concrete lining added to Pond 1
- 2015: Pond 1 distribution manifolds added, also added baffles in pond 1, recirculation pump to return a portion of finished effluent from pond 3 back to pond 1 inlet.
- 2016: Solar array system installed
- 2018: Ponds 5, & 6 were regraded and converted from evaporation/percolation ponds to storage for flood irrigation
- 2020: One sludge pump replaced

2.2.2 Eastern Sierra CSD

The District's Plant was built in 1976 and consisted of an aerated lagoon with a bentonite liner, and three (3) unlined percolation ponds. The District's Plant discharges treated effluent to the same flood-irrigated lands as the City's effluent. The Plant has made the following improvements over the course of its serviceable life to date:

- 1997: Anaerobic digester replaced
- 2016: Solar array system installed

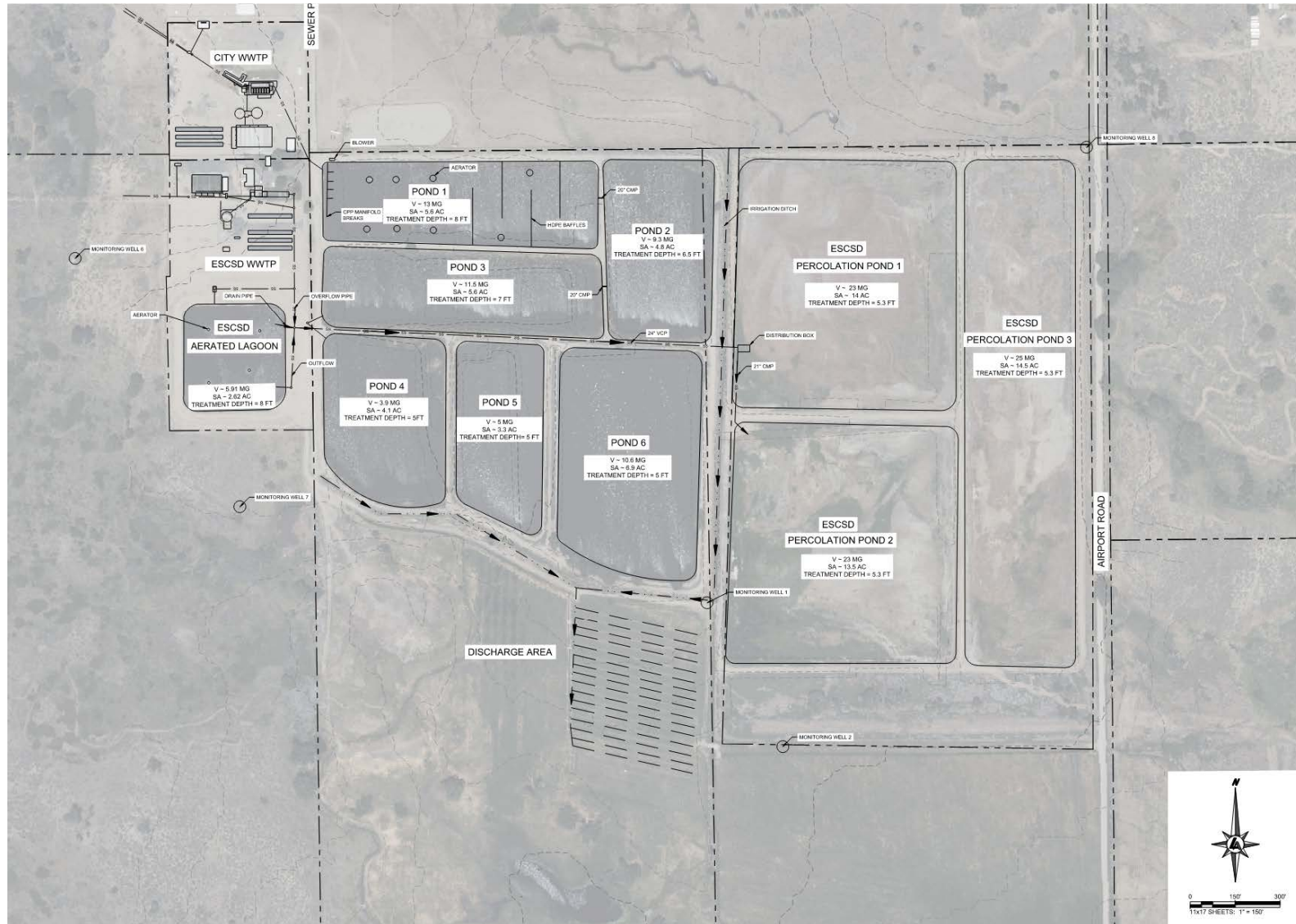


Figure 2-1: BAWA Wastewater Treatment Plants

2.2.3 Previous Studies

Various past efforts have gone towards the consolidation of the two plants, the interconnection of the two collection systems, and addressing issues in the collection systems. These have been documented as follows:

- *Feasibility Report for Joint Treatment and Nutrient Removal*
Prepared by R.O. Anderson Engineering, Inc. (2016). This report evaluates treatment alternatives for managing the combined future flow of 2.45 MGD from the City and District, with the goal of reducing nitrogen levels below 10 milligrams per liter (mg/L). The recommended alternative was the conversion to an alternating zone Plant.
- *BAWA Engineering Report for Production, Distribution, and Use of Recycled Water*
Prepared by Lumos (2021). This report outlines the treatment and land application process and provides background information on the existing facilities.
- *BAWA Wastewater Treatment Plant Flow Assessment*
Prepared by Lumos (2023). This report analyzes current and future flow projections. For future flows, three growth scenarios were considered: Low Growth, Hybrid Growth, and High Growth. The Low Growth scenario anticipates population changes ranging from a decrease of 0.94% to an increase of 0.07%. The Hybrid Growth scenario assumes a 2% increase in commercial connections. The High Growth scenario projects a 2% increase in both residential and commercial connections.
- *Eastern Sierra CSD Simple PER*
Prepared by Lumos (2024). This report evaluates the current condition of the District's collection system. Due to aging pipes, it seeks funding for Cast-in-Place Pipe (CIPP) repairs in specific areas to reduce I&I. The District has recently been awarded USDA FY 2022 Disaster Water Grant funding for a Cast-in-Place (CIPP) project to reduce I&I.
- *City of Bishop Simple PER*
Prepared by Lumos (2024). This report assesses the current condition of the City's collection system. It proposes funding for CIPP repairs to address I&I caused by aging pipes. Efforts are currently underway to repair sections of the system identified as sources of infiltration.
- *City of Bishop Resiliency PER*
Prepared by Lumos (2024). This report builds upon the Simple PER to further address I&I issues within the collection system.
- *Inter-System Sewer Connections Feasibility Study*
Prepared by R.O. Anderson Engineering, Inc. (2009). This report reviews the feasibility of inter-connecting the City and District's sewer collection systems.
- *Final Plant Expansion and Nutrient Removal*
Prepared by R.O. Anderson Engineering, inc. (2018). This report builds on the 2016 Feasibility Study. It assumes that joint treatment with the City will not proceed, and the District will independently address flow rates, growth projections, and nutrient loading requirements.

2.3 Existing System Description and Condition

The District facilitates a sewage connection from the Tribe under a contracted intertie before being combined with its own service area sewage. The City receives only sewage from within the City limits. Each service area presently treats wastewater within their respective WWTPs and disposes of their effluent via flood irrigation, though the receiving area and aquifer are shared. This overall existing system configuration is depicted in Figure 2-2.

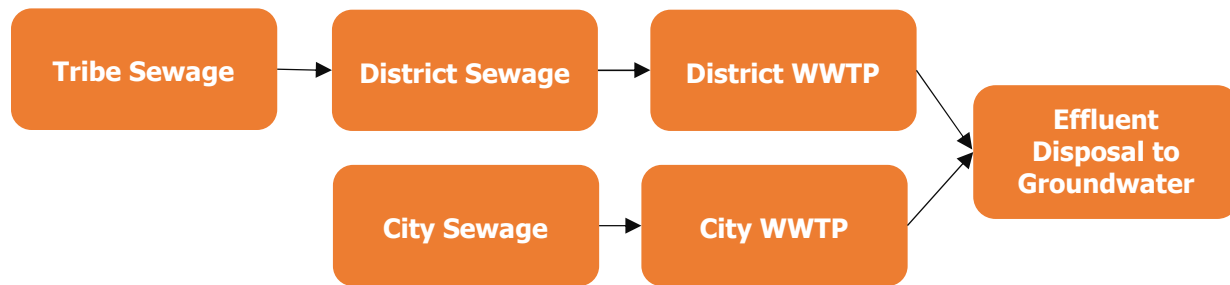


Figure 2-2: Schematic BAWA Sewer Systems' Process Flow

Each Plant follows the same general treatment process flow. The liquid streams (from upstream to downstream) consist of headworks, primary clarification, lagoon-based primary and secondary stabilization, and flood irrigation disposal of secondary clarified effluent. The waste streams utilize sludge from the primary clarifiers for anaerobic digestion. Biogas is reused at the Plants and waste sludge is dewatered in drying beds before being disposed of at the landfill. Each system is described in detail below.

2.3.1 City of Bishop Facilities

The City's sanitary sewer system consists of a collection system and WWTP. The collection system consists of 16 miles of clay gravity line, over 300 manholes, and one (1) lift station. The City collects wastewater in an SDR-35 polyvinyl chloride (PVC) gravity trunk main that ranges from 15 inches to 18 inches. A portion of the City's collection system (pipes ranging from 6 to 8 inches) ties into the neighboring ESCSD collection system along Spruce Street due to the low elevation in the area. The City and ESCSD are under contract for this area.

The City treats its wastewater using primary clarification and secondary treatment (partial mix) lagoons. A headwork structure (auger and grit chamber), primary clarifiers, partial-mix, and facultative ponds provide treatment. Anaerobic digesters and sludge drying beds provide solids handling on-site. Emergency overflow storage is provided by an evaporation/percolation pond east of the site.

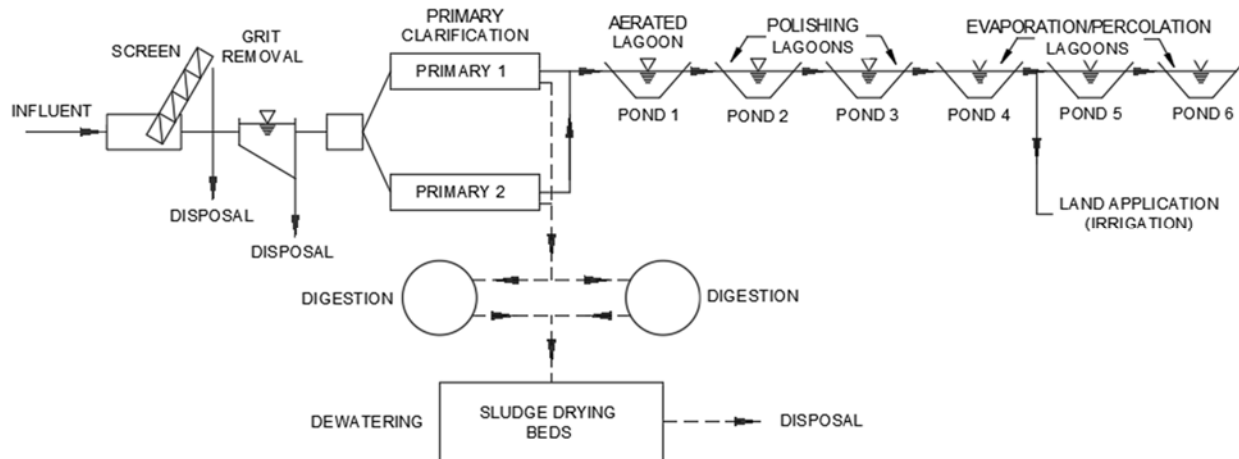


Figure 2-3: Bishop Existing Plant Schematic

2.3.1.1 Headworks

Treatment at the City's WWTP begins with an auger screen and headworks facility, which includes a rotating auger screen and a grit chamber for sediment removal. A bypass channel connecting to the grit chamber is located adjacent to the primary headwork treatment path when it requires maintenance. The solids from the screen and the grit collected in the grit chamber are mechanically removed and captured in a dumpster.

2.3.1.2 Primary Clarifiers

After the headworks, wastewater passes through two (2) parallel primary clarifiers. Each clarifier is equipped with a skimming structure that removes floatable materials from the surface of the wastewater. These materials are manually skimmed and collected in a sump. Both the materials in the sump and the settled solids are pumped into the digesters using sludge pumps.

2.3.1.3 Sludge Management

Sludge from the primary clarifier's sump is pumped to two (2) anaerobic digesters through a 6-inch diameter pipeline for further treatment. Sludge transfer pumps are activated automatically by a level transducer located within the sludge pump. Digested sludge is gravity drawn from the digesters out to the drying beds. The supernatant from the digesters flows back into the primary clarifier for treatment. Sludge transfer from the clarifiers is done automatically 8 times a day with actuator valves.

Overflow from the digester goes to a secondary digester for thickening and further treatment. Digested sludge is transferred to the sludge drying beds. All the dried sludge is taken to the Inyo County Landfill. Most of the methane gas generated is burned in the boiler to heat the digesters.

2.3.1.4 Treatment Lagoons

The City has six (6) ponds, three (3) of which are designed to treat BOD₅. The remaining ponds are not always utilized, serving mainly as excess treatment capacity and storage during peak flow events. Primary effluent flows into a partial-mix aerated lagoon (Pond 1) for secondary treatment via a distribution manifold. The pond utilizes surface aerators and is partially baffled. A diffused

aeration system was piloted at the upstream end of the pond but was abandoned due to blower-related issues. Effluent from the aerated lagoon flows to Polishing Ponds 2 and 3. Effluent from Pond 3 flows to Pond 4 and is ultimately used for land application on the City's 125 acre discharge area or retained in the percolation/evaporation ponds (Ponds 5 and 6). The ponds have used chemical oxidation for sludge reduction. The volumes for these ponds can be found in Figure 2-1.

2.3.2 City of Bishop Condition

The City's plant was inspected visually with the Plant Operators during a site walkover on November 19th, 2024. The City's plant generally meets effluent limits, is well maintained for its age, and has adequate redundancy, though some facilities require upgrading or replacement. These are as follows:

- The anaerobic digesters have started to leak and although they have had pipes and appurtenances replaced, the tanks are past their design life.
- Challenges with the grit removal wash-system warrant consideration of its replacement.
- Electrical issues known by operational staff are currently under investigation and are recommended for resolution, given the challenges imposed when installing new equipment.
- The aerators in Pond 1 are recommended for replacement given the challenges experienced with their maintenance and age. The submerged aerators and associated blower currently not in-use are recommended for permanent decommissioning. The failed distribution manifolds at Pond 1 are recommended for replacement.
- All ponds' transfer CMP pipes and slide gate valves are original and are past the end of their design life. They are suspected to be damaged or corroded due to their age, according to operational staff.
- The concrete wall-liners for Ponds 1-3 are recommended for repair though appear to be functional.

2.3.3 Eastern Sierra CSD Facilities

The District's collection system consists of nearly 33.6 miles of sanitary sewer line and over 600 manholes. The sewer system is collected in a 27-inch gravity trunk main prior to discharging to the Plant. The District's WWTP is located south of the City of Bishop's WWTP, as shown in Appendix D. As shown in Figure 2-4, the District treats its wastewater using primary clarification and a secondary treatment (partial mix) lagoon. Treatment is provided by a headworks structure (auger and aerated grit chamber), a primary clarifier, an aerated partial mix lagoon, and percolation/evaporation ponds. An anaerobic digester and sludge drying beds provide solids handling on-site.

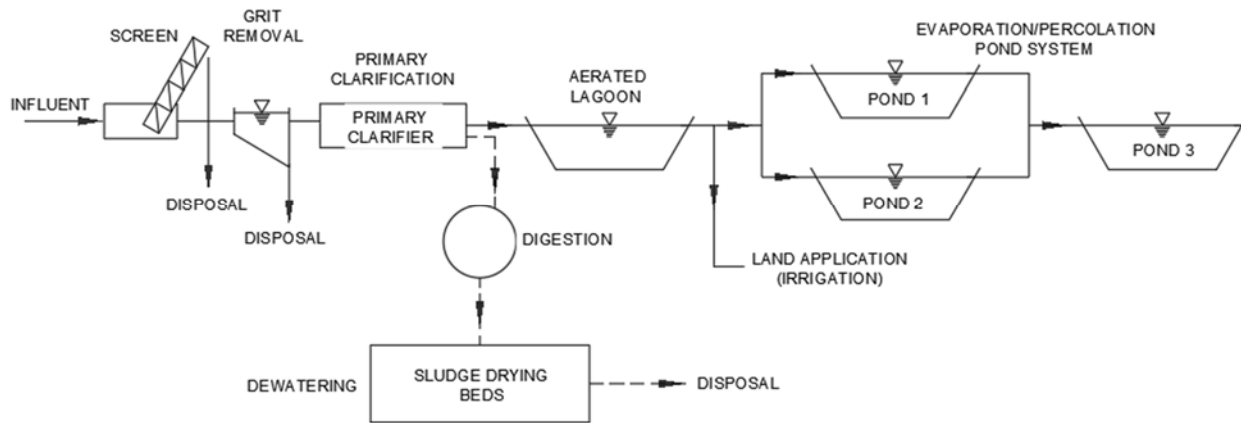


Figure 2-4: ESCSD Existing Plant Schematic

2.3.3.1 Headworks

Treatment at the District's WWTP begins with the headworks facility, which includes an auger screen and air-mixed grit chamber for grit removal. A bypass line runs parallel to the headworks facility directly to the aerated lagoon when maintenance is needed on the headworks. The solids from the screen and the grit collected in the grit chamber are mechanically removed and captured in a dumpster.

2.3.3.2 Primary Clarifier

After the headworks, the wastewater flows through a primary clarifier. The clarifier has a skimming structure that skims the surface of the wastewater and the floatable materials are manually skimmed from the clarifier. Those materials are collected in a scum pit. The materials collected in the scum pit, as well as settled solids, are pumped into a digester by the sludge pumps. The primary clarified effluent flows to a lift station where the effluent is pumped to the aerated lagoon.

2.3.3.3 Sludge Treatment

Sludge from the primary clarifier drains into the sump and then is pumped to an anaerobic digester. The digested sludge gravity flows to the sludge drying beds, located immediately south of the digesters. The supernatant from the digester flows back into the grit chamber for treatment. Dried sludge is taken to the Inyo County Landfill. The generated methane gas is used to heat the boiler for the digester.

2.3.3.4 Aeration and Percolation Ponds

Wastewater flows from the primary clarifiers into a single, partial mix surface-aerated lagoon for treatment. The aerated lagoon has a 7.7 MG capacity and an average depth of 10 feet. The pond has used chemical oxidation for sludge reduction. Treated effluent from the lagoon gravity flows to an irrigation ditch or to one of three (3) onsite percolation/evaporation ponds. The capacities for Percolation Ponds 1, 2, and 3 are 23.6 MG, 24 MG, and 24.3 MG, respectively. Pond 3 is provided for redundancy and allows for overflow from both Ponds 1 and 2. A schematic of the wastewater treatment processes is available in Appendix D.

2.3.4 Eastern Sierra CSD Condition

The District's Plant was inspected visually by Lumos and the Plant Operators during a site walkover on November 19th, 2024. The District's facilities generally operate reliably, are in good condition, and are well maintained, though some facilities require upgrading as follows:

- The sludge drying beds require expansion as they currently necessitate sludge recirculation due to inadequate capacity. Additionally, the asphalt at the bottom of the drying beds is deteriorating and recommended for repair or replacement.
- The digester is in fair condition, though the interior liner is beginning to deteriorate and the ductile iron piping is at the end of its design life according to Plant Operators. Some gas leak issues were previously resolved though are still being monitored. Additionally, sourcing replacement parts for the sludge pumps have proven challenging in the past, having caused the digester to sour.
- The evaporation/percolation ponds are exhibiting some bank erosion, exacerbated by the 2023 spring flood flows.

2.4 Treatment Performance

2.4.1 Plant Flow Rates

2.4.1.1 Average Flow Rates

The City's Plant has a permitted flow capacity of 1.60 MGD and the District's plant has a permitted capacity of 0.85 MGD, which is a combined flow of 2.45 MGD. The monthly average flow rates occurring at each Plant were plotted in Figure 2-5 from discharge monitoring reports (DMRs) from January 2020 to June 2024. Note that no flow data was available from May 2022 to February 2023 for the District's Plant while telemetry challenges were being resolved. Note that no daily or diurnal flow data was available for either Plant.

Flows exhibited typical seasonal behavior where spring and winter months show increased flows, while summer and fall months showed decreased flows. Flows increased significantly in January 2023, understood to be due to inflow and infiltration (I&I) effects. The average annual flow (AAF) for each Plant was calculated in Table 2.1. The average AAF prior to the high I&I period was 0.96 MGD, increasing to 1.94 MGD during the high I&I period. Note that while Plant hydraulics need to consider high flows due to I&I or wet weather, these flows often misrepresent realistic trends directly related to sewage generation and can dilute the apparent strength of the wastewater coming into the plant. Optimized WWTPs are typically designed to target the treatment of daily or monthly average flows with supplementary hydraulic handling of wet weather flow peaks. As such, the period of high flow in 2023 and 2024 should be reviewed critically within this context. I&I effects on flows are discussed further in Section 2.4.1.2.

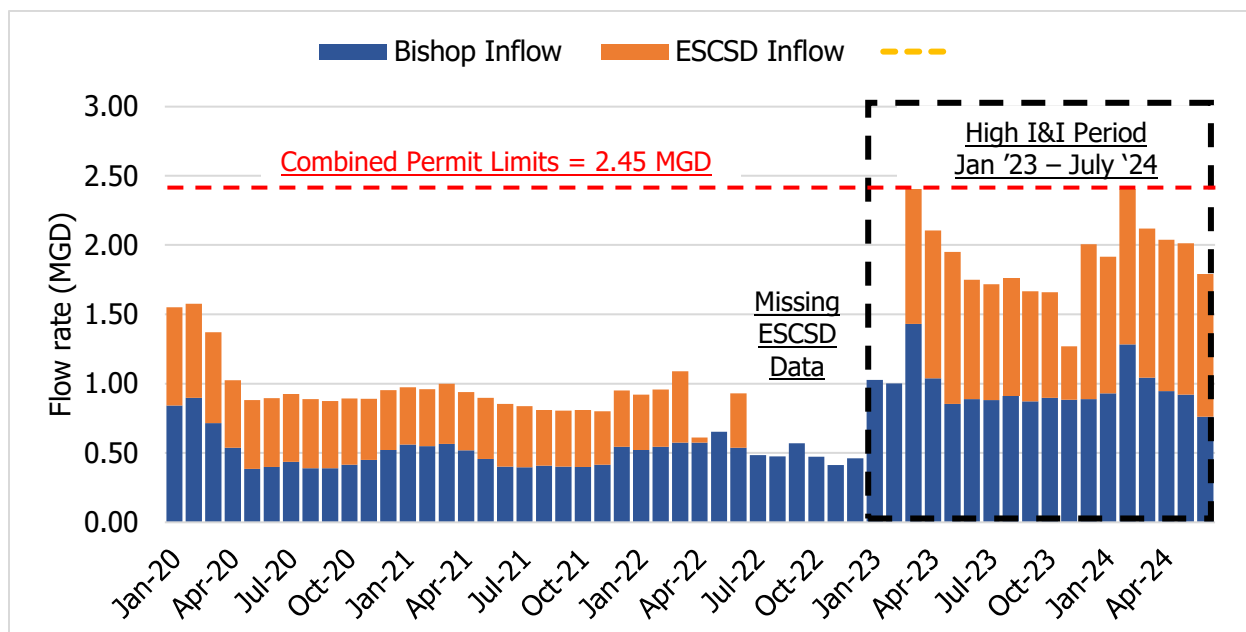


Figure 2-5: Plant Flow Rates Jan 2020 -July 2024 and Average Monthly Precipitation

Table 2.1: Average Annual Flows from 2020 to 2024

Year	Annual Average Flow (MGD)		
	City	District ⁴	Total
2020	0.53	0.53	1.06
2021	0.47	0.42	0.89
2022 ¹	0.52	0.35 ³	0.67
2023 ⁵	0.96	0.90 ³	1.71
2024 ²	0.98	1.08	1.03
2020-2022 Average	0.51	0.45	0.96
2023-2024 Average	0.97	0.97	1.94
Total Average⁶	0.66	0.64	1.07
Permit Limit	1.60	0.85	2.45

[1] No WWTP inflow data available from January 2022 to February 2023.

[2] Average only includes data from January 2024 – June 2024.

[3] No flow data available from May 2022-February 2023.

[4] Includes Tribe flows from upstream sewer network intertie.

[5] Large increase in flows is attributed to I&I issues.

[6] Total average is a weighted average that accounts for the inflow, concentration, and total flow attributed to each plant.

2.4.1.2 Inflow and Infiltration

To analyze the effects of I&I, monthly average flow rates and total precipitation amounts were compared in addition to reviewing past I&I studies (listed in Section 2.2.3). As shown in

Figure 2-6, there was a distinct increase in flows from January 2023 through to the end of the observation period in June 2024. During this period, regular seasonal flow patterns were still observed, though at a higher baseline flow rate. The baseline flow is approximately 2.0 x the flows seen prior to January 2023. The start of this trend coincides with a period of sustained high precipitation from winter to spring in 2023. Another high precipitation month occurred in December 2021, though there was no corresponding rise in monthly flows.

These trends suggest that while the Plants do not exhibit sustained high flows under isolated precipitation events, they are significantly affected by sustained, high precipitation. Note that acute responses to precipitation (such as daily or hourly peaking) could not be analyzed due to an absence of available diurnal or daily flow data.

The trends observed are typical of plants that receive influent from a sewer network affected by groundwater infiltration. This is consistent with findings from previous studies of I&I for the City and District (listed in Section 2.2.3). Funding is currently being pursued by both agencies to resolve their respective I&I issues. Projects related to I&I reduction, such as pipe repairs and replacements, are expected to reduce I&I within the City and District. Note that the Tribe expects that their existing I&I flow contribution of approximately 10% will also be reduced by their own infrastructure upgrade efforts, which occurred in 2024 (MKN, 2025).

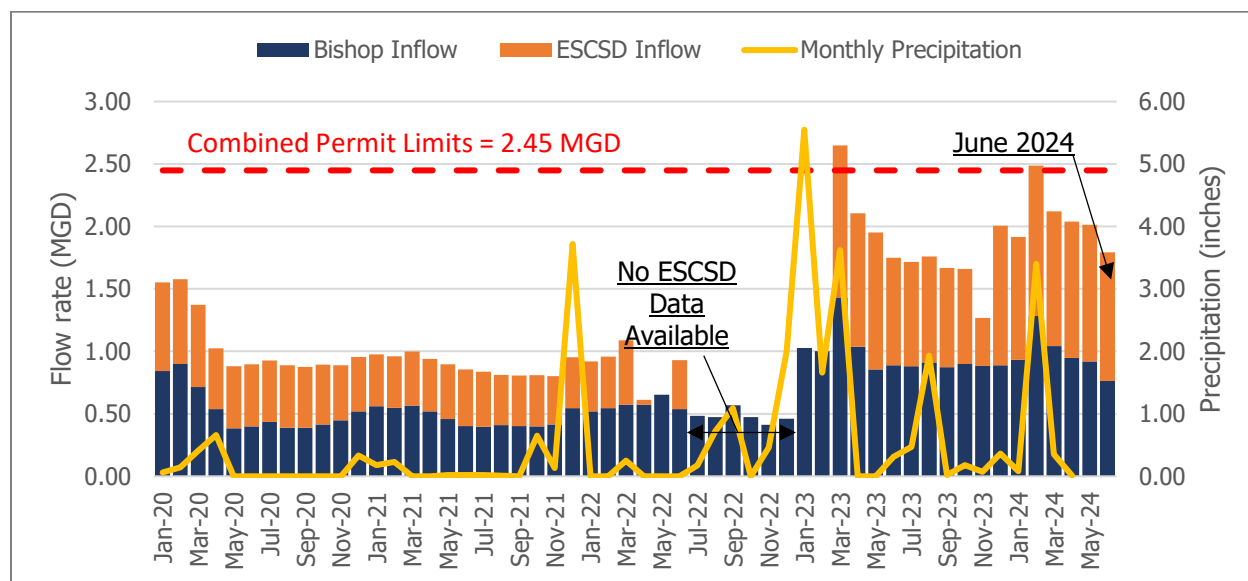


Figure 2-6: Combined Plant Inflows and Monthly Precipitation

2.4.1.3 Projected Growth

Projected growth for the Plants was based on population growth trends that were applied to the combined AAF rates. The significantly higher AAFs observed from Jan-June 2023 are expected to be due to significant I&I effects during a historically large wet season (as discussed in Section 2.4.1.2). I&I issues were studied by both the District and the City, and are set to be mitigated through a separate set of projects within the next 5-10 years (See Section 2.2.3). The starting point for growth projections therefore excludes the I&I effected AAFs (I&I effects will be handled via wet weather peak storage).

Population growth over the 30-year Planning Horizon across both service areas is projected to remain stagnant. For planning purposes, a growth rate of 2% per year was assumed. This same growth rate was applied to the combined Plant flow rates, starting in 2021. Tribal⁶ growth is not expected to exceed their contracted maximum discharge with the District at 0.35 MGD.

Growth is plotted in Figure 2-7. The projected average annual flow rate after 30 years is 2.59 MGD. If we anticipate that the consolidated Plants' permitted flow limit is simply combined with the existing plants, the theoretical permit limit would become 2.45 MGD. Given that +2%/year growth is likely an over-estimation of growth, and for simplicity, the projected reasonable growth in 30 years is 2.45 MGD.

There is no immediate need to expand the Plant's capacity to accommodate increased flows resulting from I&I. However, if I&I continues to dominate Plant flows, effective treatment may become challenging if it coincides with natural growth. Without expanding and/or reconfiguring the Plant, effective contact time between the bacteria and wastewater would be reduced, thereby reducing treatment effectiveness.

⁶ Per meeting with Bishop Paiute Tribe representatives on 12/10/2024.

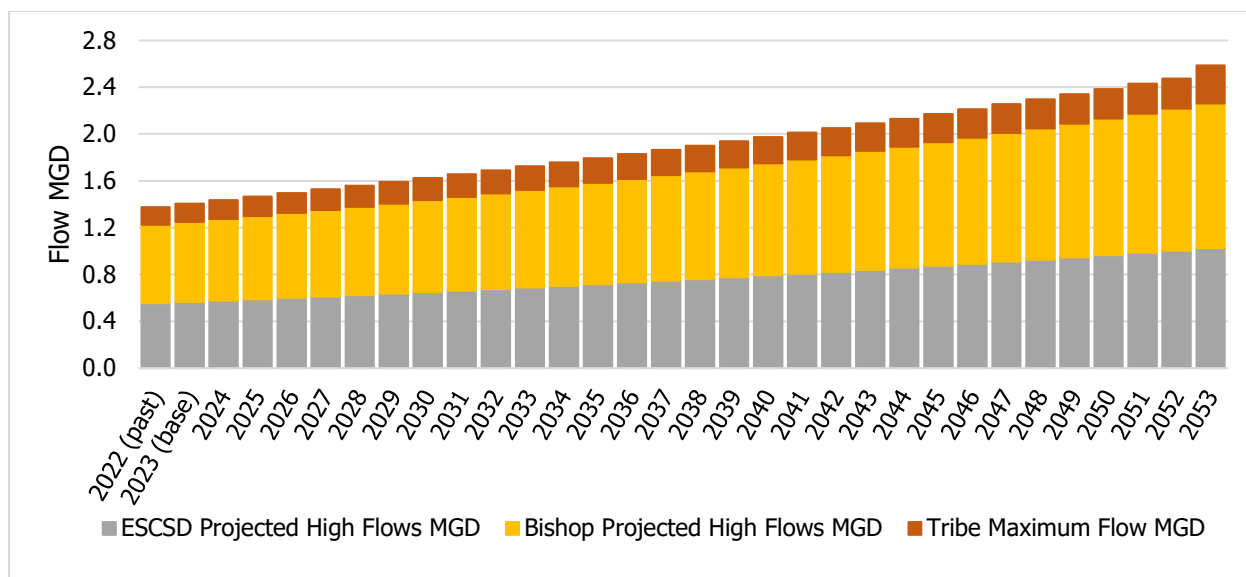


Figure 2-7: 30-Year Planning Growth Rates (~2%) for Combined BAWA Flows.

2.4.2 Wastewater Characteristics

Plant permit limits are set by the LRWQCB under discharge permits WDID-6B140101001 for the City and WDID-6B140108001 for ESCSD. Given that this PER evaluates alternatives to consolidate the two Plants, the following sections will assess the combined influent and effluent characteristics of the facilities' wastewater.

2.4.2.1 Influent Wastewater Strength

DMR data from January 2020 through June 2024 was analyzed for both Plants and combined for a theoretical consolidated Plant. Data plots are provided in DMR in Appendix F. Each Plant has an effluent permit limit placed on BOD₅, and measures this constituent at their respective influent and effluent meters. Also tested across both Plants are varied forms of Nitrogen (discussed below). Note that Total Suspended Solids (TSS) are not sampled at either plant presently. TSS is not currently a regulated constituent at either plant and thus its influent strength is not measured. Each constituent is discussed further below. Average and 90th percentile influent wastewater strength metrics are summarized in Table 2.2.

Table 2.2: Influent Wastewater Characteristics

Influent ¹	Unit	Monthly Average			90th Percentile		
		City	District	Combined ⁴	City	District	Combined ⁴
BOD ₅	mg/L	167	218	169	263	263	253
TSS ²	mg/L	-	-	-	-	-	-
Ammonia	mg/L	25	34	27	36	47	38
TKN	mg/L	26	-	20	37	-	37
Nitrate ³	mg/L	4	-	3	5	-	5

[1] 2020-2024 5-year assessment period

[2] No data. Average from Metcalfe and Eddy Table 3-18. 90th percentile based on percentage increase observed for BOD.

[3] No influent Nitrate data is available for ESCSD. This average is based on the City's data.

[4] Combined average is a weighted average that accounts for the inflow, concentration, and total flow attributed to each plant.

Influent Nitrogen

Influent Nitrogen constituents for WWTPs are commonly observed as Total Kjeldahl Nitrogen (TKN) (comprised of Ammonia and organic Nitrogen) and Nitrate or Nitrite. No influent TKN or Nitrate/Nitrite data is available for ESCSD, however Ammonia can serve as a reasonable proxy for TKN in lieu of this data. The City measures both Nitrate and Nitrite, though Nitrite is near zero across all DMRs, and thus was assumed negligible. BAWA indicated⁷ that there are no known variations in the nature of sewage discharge between the City and the District. Therefore, when combining/averaging various influent nitrogen species across the two Plants, nitrate and TKN levels were assumed equivalent across both Plants.

As shown in Appendix F, the various influent nitrogen species exhibited an increase in strength that coincided with the high I&I period beginning in January 2023. This is counterintuitive, as I&I typically dilutes WW strength. Discussions with BAWA around the nature of their sewage collection system revealed that runoff from farmlands within the sewer service area contributes a large amount of flow to the system during high groundwater levels and rain events. Concentrated nutrients are commonly applied to farmlands to enhance crop growth, and cattle grazing on these lands produces manure. This is likely the cause of higher strength influent nitrogen seen in the DMRs.

Influent BOD

Influent BOD₅ showed varying trends across the two Plants. As shown in Figure 2-8, there is reasonably consistent agreement between the average BOD strength seen at each Plant prior to 2023 (with the exception of a few outlier samples from the City's Plant). However, the samples diverge around the start of the high precipitation period in Jan 2022. The City saw a distinct decrease in BOD₅ strength. This is expected, as I&I can dilute the BOD₅ concentration within the sewer collection system upstream prior to reaching the Plant.

⁷ During a meeting on 11/18/2024.

On the contrary, there was an increase in the District's BOD₅ strength during the same period. This is unusual, and BAWA indicated⁷ there were no known changes in industrial or commercial discharge within the sewer service boundaries during this period that might cause this phenomenon. However, BAWA indicated⁷ that this increase could be due to high infiltration from farmlands entering the sewer system. If I&I mitigation projects are completed in future, it is recommended to observe sustained BOD levels to verify this potential cause.

Despite these contradicting phenomena, the average of these BOD₅ values had a negligible effect on the theoretical combined average for overall influent BOD₅.

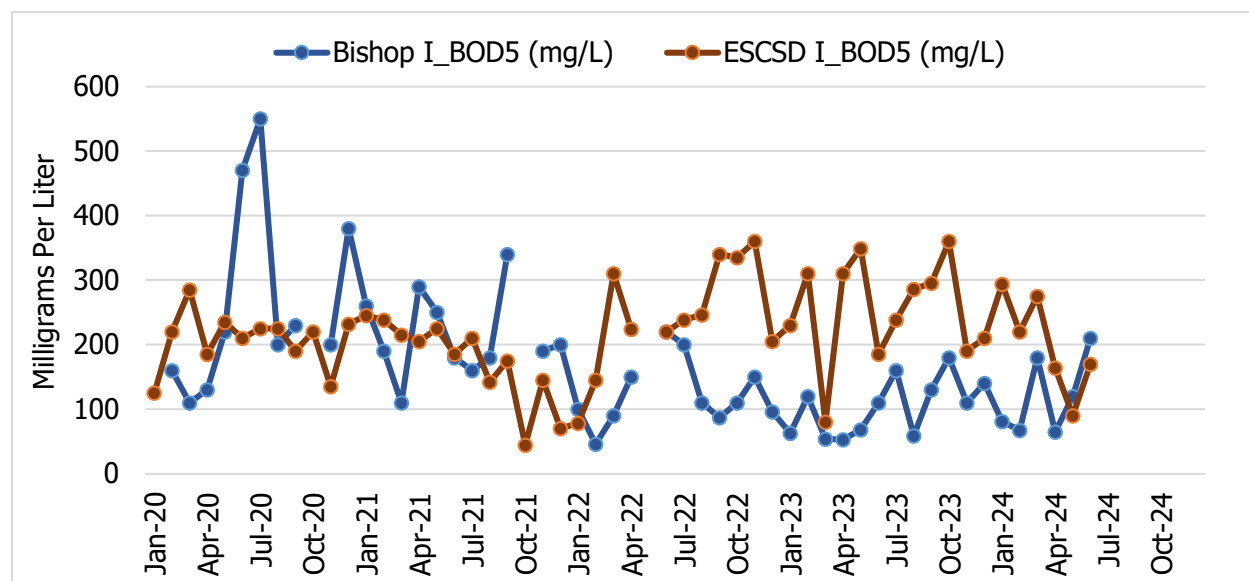


Figure 2-8: Bishop and ESCSD Influent BOD₅ Concentrations

2.4.2.2 Effluent Nitrogen

Both the City and District's discharge permits have the same effluent requirements for BOD₅ at 50 mg/L and do not currently regulate effluent Total Nitrogen (TN), or TSS. TN is required to be monitored in groundwater wells as discussed in Section 2.4.2.1. A new discharge permit will be generated by LRWQCB for the consolidated WWTP. It is assumed that new effluent limits will be imposed on the consolidated plant as shown in Table 2.3. The theoretical consolidated permit limits were developed based on an industry standard limit of 30 mg/L of BOD₅ 30 mg/L of TSS, and 10 mg/L of TN (Metcalf & Eddy, 2003). The City and District's effluent quality was averaged and analyzed from DMR data in the January 2020 – May 2024 period. Key constituents are summarized below.

Table 2.3: Effluent Permit Limits

Effluent Constituents	Average Effluent Concentration			Existing Permit Limit	Theoretical Consolidated Permit Limit
	City	District	Combined ²		
BOD ₅	40	50	39.5	50 mg/l	30 mg/l
TSS ¹	-	-	-	N/A	30 mg/l
TN	21	34	20	N/A	10 mg/l

[1] The existing facilities do not monitor for TSS

[2] Combined average is a weighted average that accounts for the inflow, concentration, and total flow attributed to each plant.

Effluent BOD₅

As shown in Figure 2-9 and Figure 2-10, the effluent BOD₅ concentrations generally remain just below the current permit limit of 50 milligrams per liter (mg/L). The City experienced occasional exceedances from May 2020 to October 2023, while the District encountered more frequent exceedances during 2023 and 2024. These exceedances are likely attributed to significant storm events and agricultural runoff infiltrating the collection system. Comparing the average combined plant effluent to the projected future consolidated permit limit of 30 mg/L reveals that exceedances would rise to 73% unless treatment efficacy is improved. Consequently, the existing plants are, in their current state, incapable of meeting stricter effluent regulations.

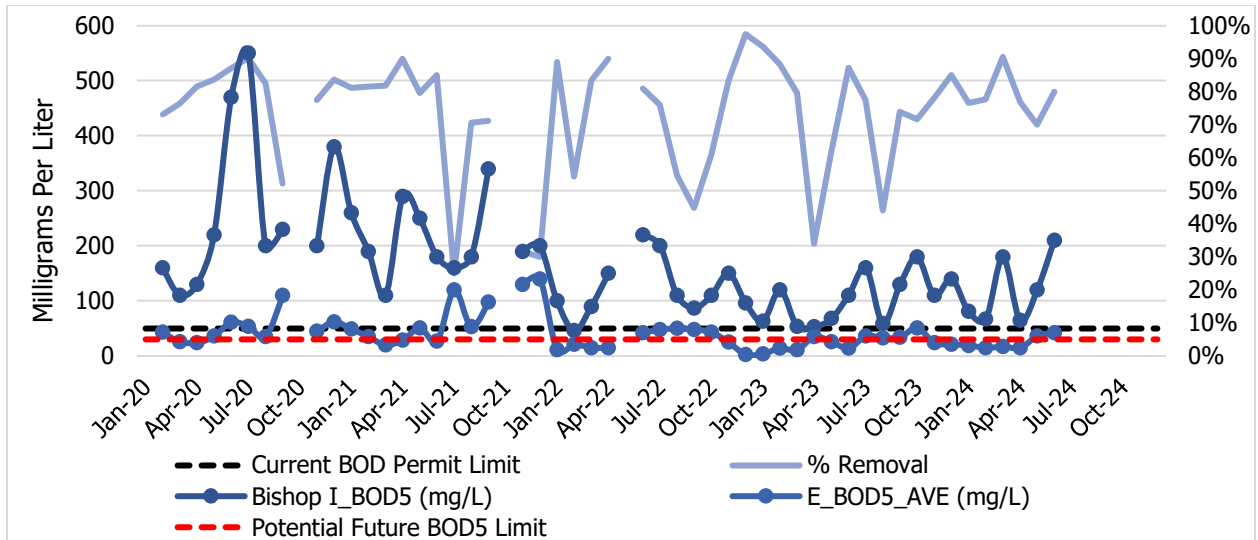


Figure 2-9: Bishop BOD5 Limits

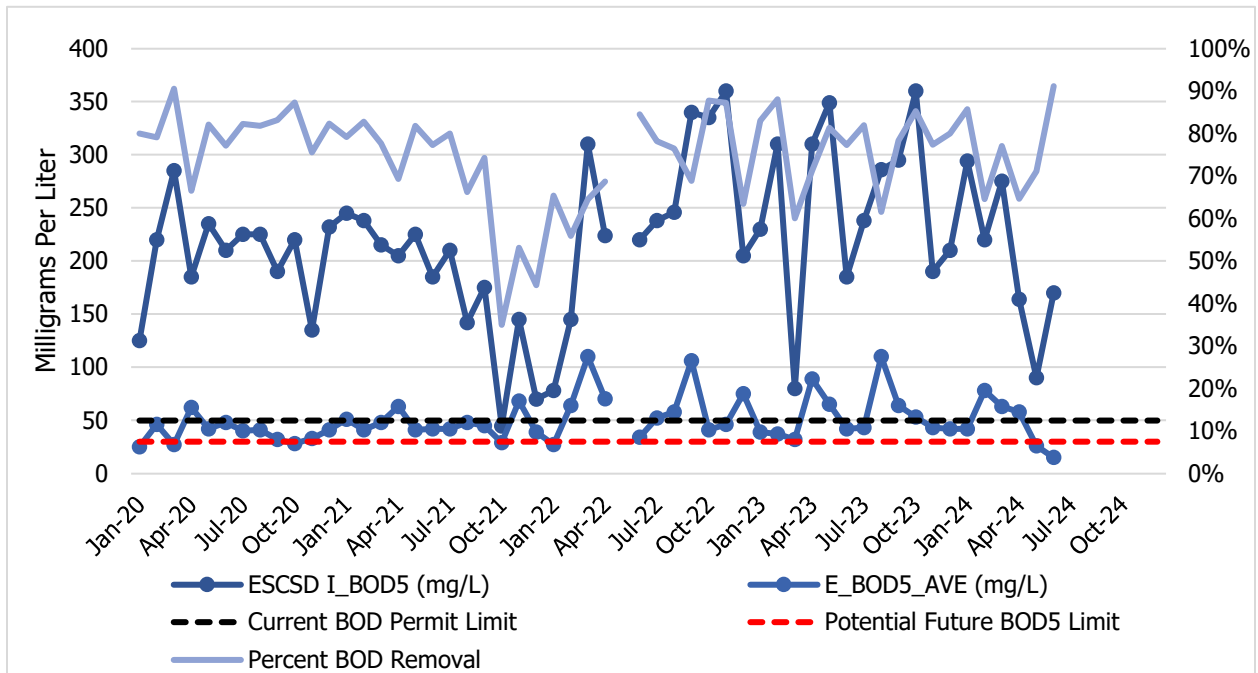


Figure 2-10: ESCSD BOD5 Limits

Effluent Nitrogen

TN includes both TKN and Total Oxidized Nitrogen (TON). TKN consists of Ammonia and organic nitrogen while TON includes nitrate and nitrite. None of these constituents are currently regulated by the LRWQCB at the BAWA plants. However, the City monitors all of these constituents in a comprehensive influent and effluent nitrogen panel on a monthly basis.

The process of converting Ammonia to Nitrate is critical to remove ammonia, which can be toxic to aquatic life, by converting it into a less harmful form, nitrate, which is more stable and can be further removed or utilized in various treatment processes.

As shown in Figure 2-11, the effluent sampling results did not fall under the future TN limit of 10 mg/L. For nitrification to occur, ponds need to be aerated to provide sufficient DO to the bacteria that facilitate the process of converting ammonia to nitrate/nitrite. The bacteria also require temperate conditions in the ponds. During summer months, nitrification therefore increases as temperature increases. Minimal nitrification occurred during the study period with little variation between the winter and summer months.

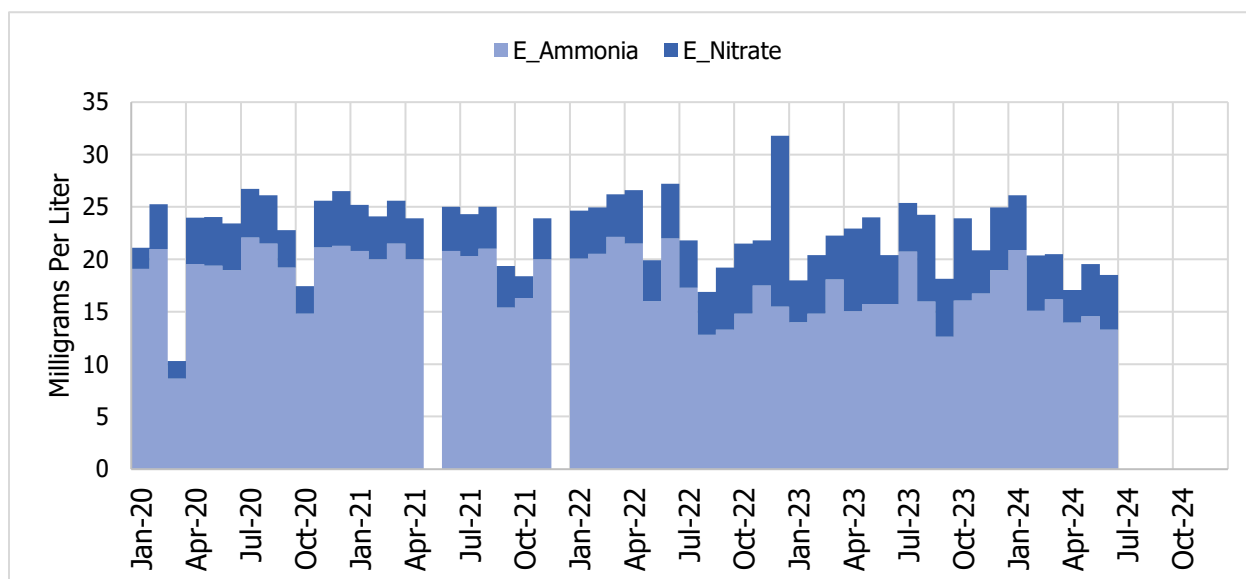


Figure 2-11: Combined Effluent Nitrogen and Ammonia Concentrations

While some denitrification may occur at the Plants (Figure 2-12 and Figure 2-13), the current treatment processes are not designed to denitrify, and thus are unable to reduce TN to the consolidated theoretical future permit limit of 10 mg/L.

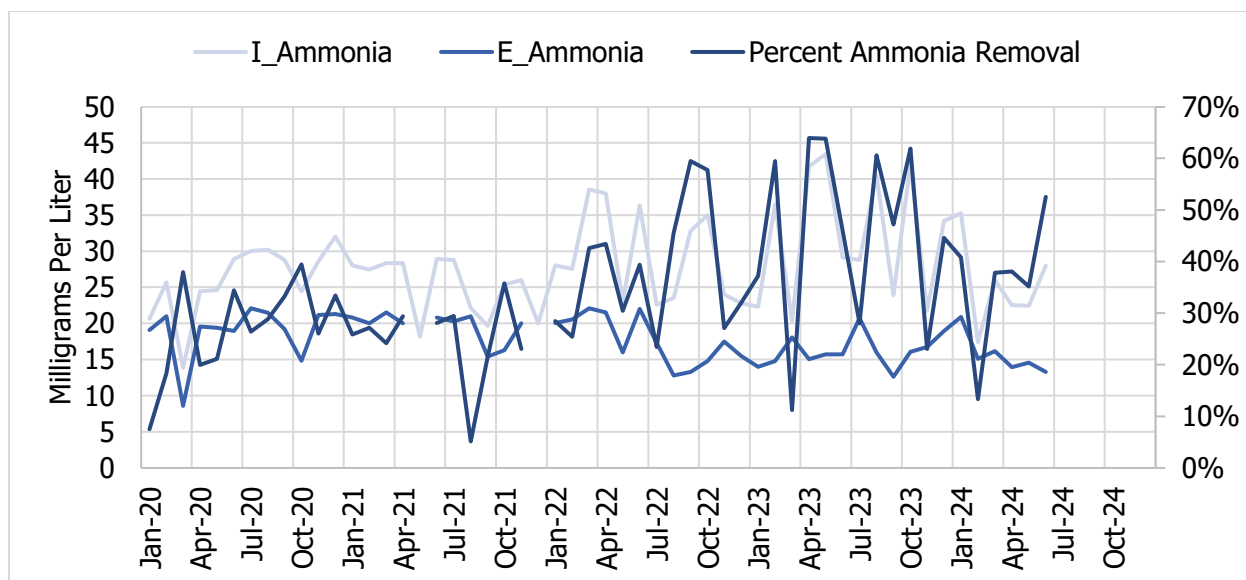


Figure 2-12: Combined Ammonia Influent and Effluent Data

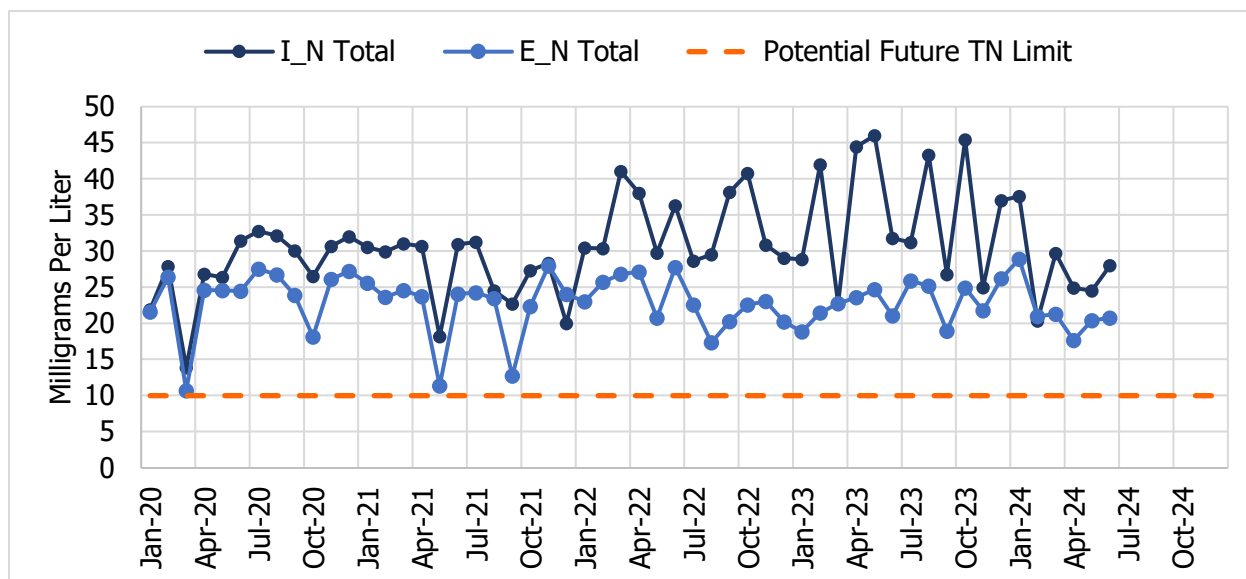


Figure 2-13: Combined Total Nitrogen Influent and Effluent Data

2.4.2.1 Groundwater Quality

Groundwater quality is monitored across 13 wells with respect to Nitrates per Figure 2-14. Methylene Blue Active Substances (MBAS) are also monitored across all monitoring wells (MWs), though DMRs have shown this to be at a consistent Non-Detect level. MW6 and MW9 are upstream of the Plants and thus provide background aquifer water quality data. As shown in Figure 2-15, MW2, MW4, and MW7 exhibit the most consistent spikes in Nitrate. However, this is

not reflected in the upstream MWs (except for 2023 Q2). Generally, we can see that Nitrate levels increase in the groundwater downstream of the Plant. Though four (4) of the MW's are presently owned by the District, all fall under operational responsibility of the consolidated BAWA Plant in future.



Figure 2-14 Groundwater Monitoring Wells at the BAWA WWTP's

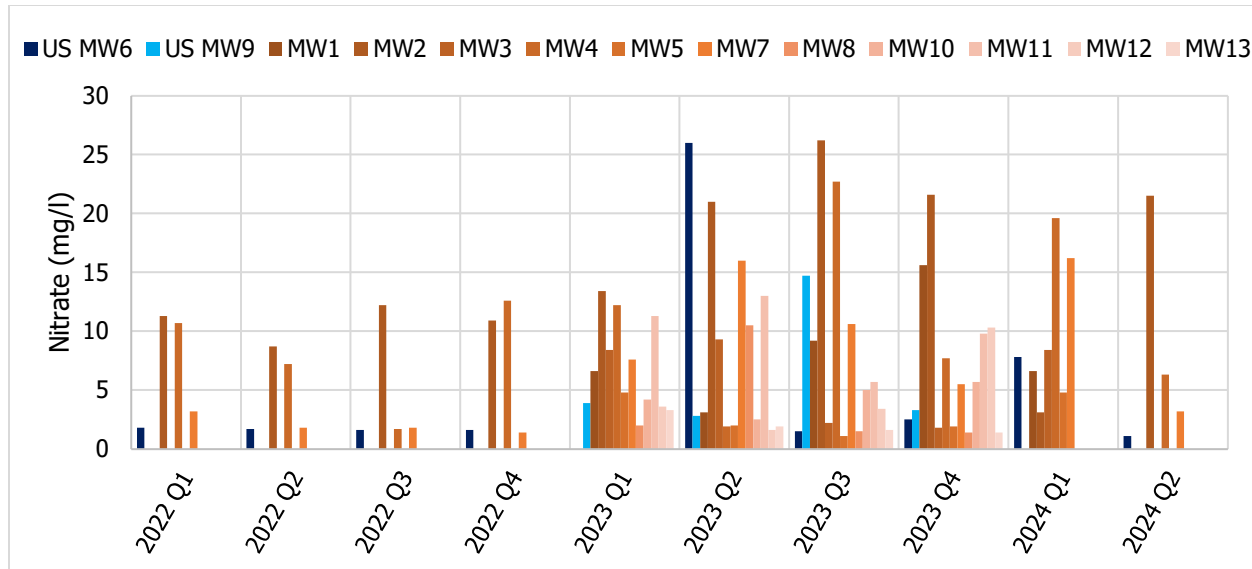


Figure 2-15 Groundwater Monitoring Wells' Nitrate Concentrations.

2.4.3 Lagoon Hydraulics

2.4.3.1 Hydraulic Retention Time

Hydraulic retention time (HRT) is the average time wastewater spends within a treatment system. A longer HRT allows microorganisms more contact time with effluent to break down organic matter, settle solids, remove nutrients, and reduce pathogens, leading to better effluent quality. Conversely, a short HRT can result in poorer effluent quality. This can sometimes be due to short circuiting, flow overload, or reduced volume over time due to sludge buildup. Different treatment systems have varying optimal HRTs (EPA, 2011), as follows:

Partial-Mix Aerated HRT = 20-40 days
Facultative HRT = 7-50 days

City of Bishop HRT

Calculations for the City ponds' HRT, which are in series, are provided in Appendix E. A summary of the results is provided below:

City Pond 1 = 22.3 days
City Pond 2 = 22.2 days
City Pond 3 = 8.7 days
Total HRT = 53 days

Additional HRT is afforded by Ponds 4, 5, and 6, though these have been excluded to best represent the worst-case scenario. The Plant's ability to reasonably remove BOD despite facing aeration challenges is likely due to a reasonable combined HRT of 53 days. A facultative condition (i.e. without aeration) will likely not continue.

Eastern Sierra CSD HRT

Calculations for the District's aerated pond HRT are provided in Appendix E. A summary of the results is provided below:

District Pond = 10.2 days

While additional HRT could be provided by the evaporation ponds, this was excluded given their primary function at the Plant is to percolate treated effluent to groundwater or provide emergency storage. No primary or secondary treatment functions are intended to occur within these ponds, thus they were removed from the HRT analysis to remain conservative. Though the District achieves reasonable removal of BOD, the Pond's HRT is low compared to industry standards. This makes the Pond less resilient against the effects of higher flow rates. Higher flow rates reduce the HRT, decreasing treatment efficiency. Examples of this could be drawn from the permit exceedances during the high flow period of 2023.

2.4.3.2 Additional Storage Requirements

Hydraulic characteristics for both Plants' various ponds are summarized in Table 2.4.

Table 2.4: Pond Volumes and HRT

Name	Pond Treatment Volume (MG)	Footprint (Acres)	HRT (days)	Average BOD Loading (lb/ac/day)
City Pond 1	12.9	5.59	22.28	8.98
City Pond 2	9.2	4.78	22.20	10.50
City Pond 3	11.5	5.62	8.69	8.93
City Pond 4	3.9	4.14	6.69	12.11
City Pond 5	5.0	3.32	8.55	15.13
City Pond 6	10.6	6.89	18.30	7.28
Aerated District Pond	5.9	2.62	10.19	149.56
Percolation Pond 1	0.0	13.91	Excluded / Not Applicable (No primary / secondary treatment mechanisms from percolation function)	
Percolation Pond 2	0.0	13.41		
Percolation Pond 3	0.0	14.44		

Additional hydraulic design criteria were analyzed to assess the system's excess storage capacity *above* the prescribed maximum treatment depth/volumes, as follows:

1. Peak Hour (PH) flow routing:
 - Estimated PH flows = 2.0 x Max Monthly Flow (from 2022-2024 DMR data)
2. Storm runoff routing:
 - Depth increased due to a 24-hour, 100-year average recurrence internal rainfall event such that the ponds do not breach.
 - Based on the best available topographic data (1-meter resolution LiDAR from the United States Geological Survey (USGS)) for the Plant's surrounding area, and

known berm and drainage features around the site, no existing drainage paths enter the site. Thus, the design storm is only applied to the ponds' surface areas.

3. Flood conveyance:

- As discussed in Section 1.3, the site is within an existing floodplain (0.2% chance of flood) and therefore will manage floodplain flows.

Excess storage at the Plant is afforded by freeboard (above the treatment depth. In the percolation ponds, treatment depth was assumed to be 0 feet. The calculations provided in Appendix E demonstrate that each pond has the capacity to accommodate the 100-year storm in addition to PH flows within the pond freeboards. Therefore, the existing ponds have sufficient storage capacity.

2.4.4 Microbial Kinetics

Microbial kinetics indicates the level of activity for bacteria in treatment ponds, and thus how well they can break down BOD in the wastewater. In this analysis, microbial kinetics in Plants' ponds were evaluated for both partial-mix aerated and facultative conditions. A partial-mix aerated system supplies oxygen to microbes in the ponds via surface mixing or other mechanisms, to support breakdown of BOD. Facultative ponds are not mechanically mixed but have a naturally occurring aerobic upper zone due to atmospheric contact and an anaerobic lower zone.

Partial-mix and facultative lagoons are evaluated under first-order reaction rate and plug-flow kinetics respectively. The equations are provided in Table 2.5. The industry-accepted minimum reaction rate constant (k) for microbial activity is 0.276 /d at 20 °C for partial-mix aerated systems, though varies at around 0.08/day for facultative systems (Crites, Reed, & Middlebrooks, 1995). Where the calculated theoretical k value is above/below the industry standard, it can be concluded that the microbes are performing/underperforming respectively.

Table 2.5 Microbial Kinetics Equations

Facultative/Polishing Pond: Plug Flow	Facultative/Polishing Pond: Plug Flow
$\frac{C_e}{C_0} = \frac{1}{[1 + (k \cdot t/n)]^n}$	$\frac{C_e}{C_0} = e^{k \cdot t}$
C ₀ = Influent CBOD (mg/L) C _e = Effluent CBOD (mg/L) k = partial-mix first-order reaction rate constant at 20°C (/day) t = total HRT for in-pond series (days) n = number of ponds in series	

Temperature adjustments for k at the minimum expected effluent temperature (6°C per the Plant's original design criteria⁸), were also evaluated as follows:

⁸ Design criteria for winter conditions is 6°C based on Bishop Record Drawings.

$$k_T = k_{20} \cdot x^{T-20} \quad \text{where} \quad x=1.09 \text{ (facultative)} \quad \text{and} \quad x=1.036 \text{ (partial-mix)}$$

2.4.4.1 City of Bishop

The City has three (3) ponds in series that are designed to treat BOD; Pond 1 is a partial-mix aerated lagoon and Ponds 2 and 3 are polishing or facultative lagoons. The different types of treatment ponds were evaluated under their associated respective kinetics to assess their performance. Influent and effluent BOD₅ data from the 2020-2024 DMRs were used in a time series for this analysis. Intermediate BOD concentrations were assumed between each pond based on compounding removal rates that equal the Plant's average overall BOD removal. The BOD₅ data time series was used in conjunction with HRT calculations (based on monthly inflow rates and existing pond dimensions from Section 2.0).

Results for Pond 1 are summarized below for both 20°C and 6°C and are plotted in Figure 2-16. Calculations are provided in Appendix E.

$$K_{20} = 0.108 \text{ /day}$$

$$K_6 = 0.066 \text{ /day}$$

These results indicate that the aerated ponds' microbes are likely underperforming compared to industry standards. This result was expected, as oxygen supply for ideal kinetics is critical, yet many of the City's aerators only function periodically due to ongoing replacement and maintenance requirements. It should be noted that the Plant still achieves reasonably good BOD removal overall, thus the effects of the two facultative lagoons downstream likely compensate for lower kinetics in the aerated pond.

When looking at seasonal trends, the months of January through March showed the highest kinetics. Although this is not typical, I&I effects known to affect the plant due to rain and snowmelt in these months likely cause dilution of the influent BOD. This would cause the calculated k results to misrepresent low BOD as high treatment performance.

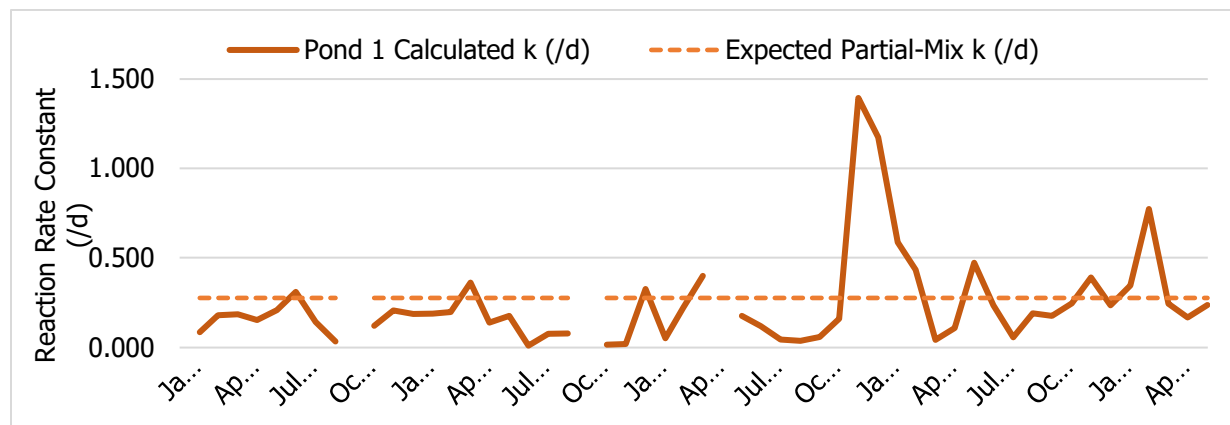


Figure 2-16: Bishop Pond 1 Partial-Mix Aerated (1st Order Reaction) Microbial Kinetics

Ponds 2 and 3 are not aerated and were evaluated under facultative conditions. The results are summarized below and plotted in Figure 2-17. Results showed reasonably typical microbial activity

for these ponds with no significant seasonal trends observed. Apparent increases in the calculated k during 2023 and 2024 were likely due to I&I effects diluting the influent BOD concentration.

Pond 2 $K_{p-20} = 0.100$ /day

Pond 2 $K_{p-6} = 0.061$ /day

Pond 3 $K_{p-20} = 0.072$ /day

Pond 3 $K_{p-6} = 0.044$ /day

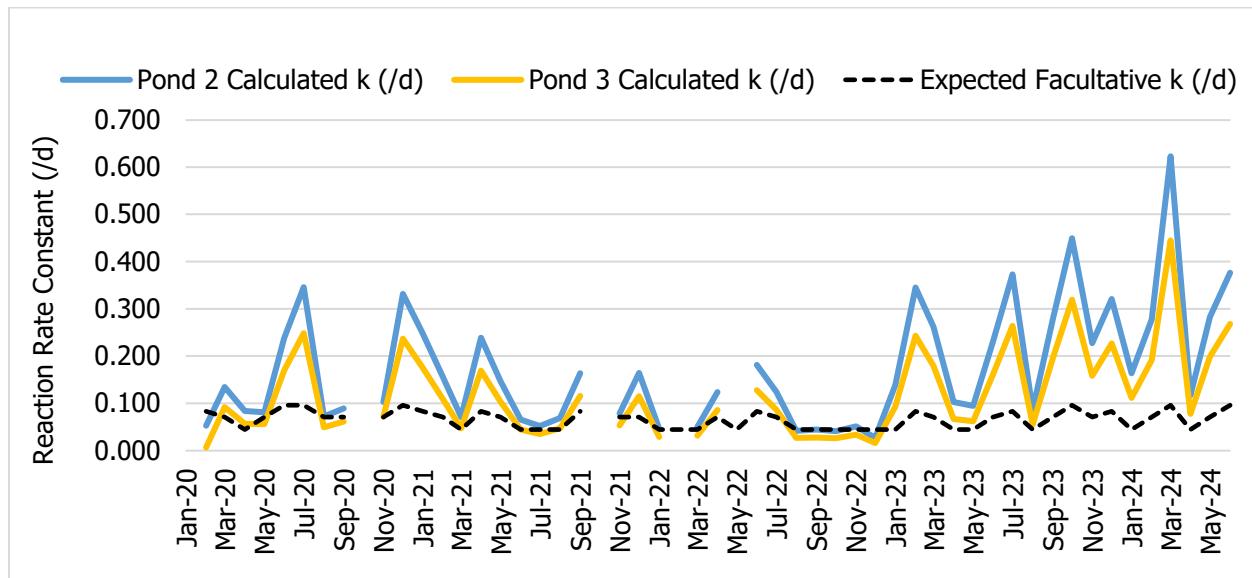


Figure 2-17: Bishop Ponds 2 and 3 Facultative Microbial Kinetics

2.4.4.2 Eastern Sierra CSD

The District only has one (1) lagoon designed to reduce BOD. The lagoon is partial-mix aerated. The lagoon's influent and effluent BOD was analyzed in a time series based on 2020-2024 DMR data along with mean monthly inflow and existing pond dimensions from Table 2.4. The Pond's HRT and subsequent k -values were calculated in a time series as a result. Results are plotted in Figure 2-18 and are summarized below for both 20°C and 6°C⁵ wastewater temperatures. Results show that the pond has reasonable microbial activity. When looking at seasonal trends, the months of December through April showed the highest kinetics. Much like the City's Plant, this atypical trend is likely misrepresented. Calculations are provided in Appendix E.

$K_{20} = 0.400$ /day

$K_6 = 0.244$ /day

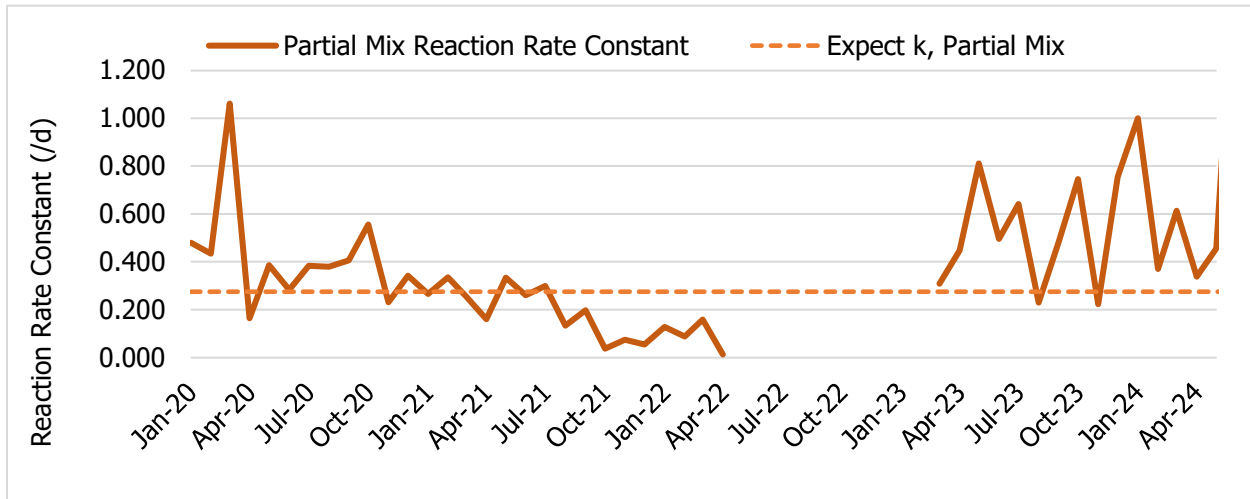


Figure 2-18: ESCSD Partial-Mix Aerated (1st Order Reaction) Microbial Kinetics

2.5 Financial Status of Existing Facilities

The City and the District operate independently, each maintaining their own rate structure and sewer funds. The following subsections will assess the financial status of each entity separately.

2.5.1 Rates Schedules

City of Bishop

The City last conducted a rate study in 2018 (Bishop, 2018). The City charges a monthly sewer rate based on the type of customer. The current sewer rate structure schedule, active from July 1, 2023, is provided in Table 2.6. Revenue from collection fees is used to fund O&M and capital expenses. At the time of this report, the City is working on a rate study that will be implemented this next fiscal year.

Table 2.6: Bishop User Rates

Customer	Monthly Rate	per
Single Family Residence	\$42.00	Each
Multiple Family Residence (detached)	\$31.50	Unit
Multiple Family Residence (attached)	\$29.40	Unit
Church	\$42.00	Each
Hall	\$42.00	Each
Hospital	\$14.70	Bed
School	\$1.68	Student
Fairgrounds	\$294.00	Each
Gas Station	\$16.80	Island
Car Wash	\$126.00	Stall

Customer	Monthly Rate	per
Beauty or Barber Shop	\$42.00	Each
Restaurant	\$4.20	Seat
Restaurant Outside	\$2.10	Seat
Restaurant Banquet Room	\$42.00	Each
Restaurant (over 100 seats)	\$2.10	Seat
Bar	\$3.36	Seat
Hotel Room	\$10.30	Each
Laundry and Laundromat	\$29.40	Washer
Trailer Dump Facility	\$84.00	Each
General Commercial	\$39.90	TO let
Brewery (with pretreatment)	\$8.40	1 KBl/Yr
Irrigation	-	Acre
Other	-	Case by case
Trailers	\$28.00	Each

Eastern Sierra CSD

The District last conducted a rate study in September 2023. The District charges a monthly sewer rate based on the type of customer. The current sewer rate schedule, active from July 1, 2024 to June 30, 2025, is provided in Table 2.7. Revenue from collection fees is used to fund O&M and capital expenses.

Table 2.7: ESCSD Sewer Rate Schedule

Customer Category	Rate
Residential (\$/month per Dwelling Unit)	
Single Family Dwelling	\$33.00
Multi-Family Dwelling	\$33.00
Trailers	\$33.00
Mobile Home	\$33.00
Commercial	
RV Park	
Manager's Quarters	\$33.00
Per Hook-Up Per Space	\$1.65
Restroom (per fixture unit)	\$8.25
Laundromat (per washer)	\$51.98
Laundromat for Non-Public Use (per washer)	\$33.14
Laundromat for Public Use (per washer)	\$51.98
Service Station	\$125.40
Commercial Offices	\$33.00
Per Water Closet	\$33.00
Per fixture unit	\$8.25
Professional Offices	

Customer Category	Rate
Per Water Closet	\$33.00
Per fixture unit	\$8.25
Beauty Shop (per fixture unit)	\$42.08
Retail Store	\$33.00
Retail Store w/ Produce	\$63.47
Retail Store w/ Bakery	\$63.47
Restaurant-Per Unit of Seating Capacity	\$4.76
Take-Out, Drive-In Restaurants	\$124.95
Brewery	\$660.00
Bed and Breakfast Inn	
Managers Quarters	\$33.00
Bathrooms	\$33.00
Per Bedroom	\$11.55
Motels, Hotels, Inns, Rooming Houses	
Managers Quarter	\$33.00
Per Rental Unit with Kitchen	\$15.68
Per Rental Unit	\$11.55
Veterinary Hospital	\$95.70
Recreational Parks	
Per Water Closet	\$15.68
Washrack	\$91.58
Industrial	
Plastic Molding Firm	\$127.05
Institutional	
Church	\$63.53
Recreation Halls	\$47.85
Schools	
Per Water Closet	\$25.99
Per fixture unit	\$6.50
Pre-School, Day Nursery, Private School	\$37.69
Fire Station	\$33.00
County Road Department Yard	\$33.00

2.5.2 Statement of Financial Position

City of Bishop

Over the past 5 years, the City contracted Larry Bain, CPA to perform audits annually. Audits were conducted in accordance with standards applicable to financial audits contained in Government Auditing Standards (Larry Bain, City of Bishop, 2020-2024). Table 2.8 is a revenue and expenses summary for the City for the past 5 years. The information presented in Table 2.8 was taken directly from the 2020 to 2024 audits performed by the auditor. In summary, revenues covered expenses from 2020 through 2024.

Table 2.8: Bishop Statement of Activities (Larry Bain, City of Bishop, 2020-2024)

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual
Operating Revenues					
Capacity Fee	\$57,323	\$13,814	\$17,734	\$21,776	\$19,926
Sewer Fee	\$1,278,055	\$1,282,318	\$1,346,175	\$1,376,877	\$1,411,829
Non-Operating Revenue	\$73,664	\$72,178	\$148,283	\$82,234	\$192,400
Total Revenue	\$1,409,042	\$1,368,310	\$1,512,192	\$1,480,887	\$1,624,155
Operating Expenses					
Salaries & Benefits	\$672,511	\$568,477	\$426,262	\$495,596	\$801,268
Services/Supplies	\$354,668	\$277,210	\$305,143	\$349,913	\$340,093
Depreciation	\$114,520	\$126,702	\$127,436	\$125,832	\$150,908
Total Operating Expenditure	\$1,141,699	\$972,389	\$858,841	\$971,341	\$1,292,269
Net Cash Flow	\$267,343	\$395,921	\$653,351	\$509,546	\$331,886
Net Position					
Start of Year	\$1,165,757	\$1,433,100	\$1,829,021	\$2,482,371	\$2,991,917
End of Year	\$1,433,100	\$1,829,021	\$2,482,371	\$2,991,917	\$3,362,194

Eastern Sierra CSD

Over the past 5 years, the District had Larry Bain, CPA perform audits annually. Audits are conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards (Larry Bain, ESCSD, 2020 - 2024). Table 2.9 is a revenue and expenses summary for the District for the past 5 years. The information presented in Table 2.9 was taken directly from the 2020 to 2024 audits performed by the auditor. In summary, revenues covered expenses from 2020 through 2024.

Table 2.9: ESCSD Statement of Activities (Larry Bain, ESCSD, 2020 - 2024)

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual
Operating Revenues					
Sewer Sales	\$1,124,334	\$1,028,514	\$1,138,162	\$1,140,823	\$1,133,241
Other	\$72,653	\$24,112	\$90,086	\$304,122	\$121,220
Capacity Fees	\$2,418	\$1,122	\$783	\$2,048	\$3,633
Total Revenue	\$1,199,405	\$1,053,748	\$1,229,031	\$1,446,993	\$1,258,094
Operating Expenses					
Collection	\$10,633	\$13,797	\$16,069	\$15,894	\$21,813
Treatment	\$416,097	\$439,336	\$495,469	\$644,073	\$664,122
Disposal	\$8,488	\$5,823	\$11,127	\$11,987	\$12,789
Administration and General	\$393,198	\$347,467	\$405,046	\$426,053	\$569,381
Depreciation	\$112,812	\$120,582	\$147,736	\$168,934	\$171,825
Significant Item	\$302,851				
Contribution to BAWA		\$59,764	\$31,620	\$15,708	\$26,207
Capital Contribution to Other Government	\$-	\$-	\$112,952		
Total Operating Expenditure	\$1,244,079	\$986,769	\$1,220,019	\$1,282,649	\$1,466,137
Net Cash Flow	\$(44,674)	\$66,979	\$9,012	\$164,344	\$(208,043)
Net Position					
Start of Year	\$4,450,917	\$4,406,243	\$4,473,222	\$4,482,234	\$4,646,578
End of Year	\$4,406,243	\$4,473,222	\$4,482,234	\$4,646,578	\$4,438,535

The District conducted a rate study in 2023 and established a rate schedule through FY 2028, as outlined in Appendix H. The monthly sewer rate for residential customers is \$33.00 in FY 25 and escalates to \$50.00 in FY 28.

2.5.3 Debts

City of Bishop

Based on the City's most recent financial statement for the fiscal year ending June 30, 2024, the City had no long-term debt.

Eastern Sierra CSD

Based on the District's most recent financial statement for the fiscal year ending June 30, 2024, the District had no long-term debt.

3.0 NEED FOR PROJECT

3.1 Health, Sanitation, and Security

The Plants discharge their effluent to the same groundwater aquifer via flood irrigation but operate under separate permits. In terms of BOD removal, both Plants perform reasonably well despite experiencing some deficiencies and pose no issue within the current regulatory and operational configuration. However, the proximity of the Plants makes troubleshooting the source of groundwater Nitrates difficult. This can hinder regulatory and operational processes to mitigate any issues. According to operational staff⁹, conversations from over 10 years ago were had with the LRWQCB about elevated Nitrates observed in the MWs. Though recent conversations¹⁰ with LRWQCB indicated that this is not a present concern, BAWA's expectation is that this issue will become their focus again within the 30-Year Planning Horizon.

A primary driver for consolidating the two existing Plants is simpler regulation, ease of operation, and troubleshooting for treatment performance. At the direction¹¹ of BAWA, this PER assumes that future effluent nitrogen removal to below 10 mg/L will be required for the Plants, regardless of whether they become consolidated. Under existing conditions, this standard cannot be met. Consolidating the facilities into one Plant will accommodate easier regulation and troubleshooting, exploration of denitrification capabilities, and facilitate more effect management of the aquifer.

3.2 Aging Infrastructure

As discussed in Section 2.3, much of each Plant's infrastructure operates well, but some facilities are at the end of their design life and/or require upgrading. This includes the City's anaerobic digesters and sludge pumps, their aeration equipment within the lagoons, and possibly the Plant's electrical system. Also included are the District's drying beds. Additionally, there are no sidewall liners for any of the lagoons across both Plants, which is atypical from a regulatory standpoint.

The combination of these upgrades provides a timely opportunity for the City and the District to capitalize on funding a new combined Plant that simplifies, modernizes, and consolidates processes and operations for the foreseeable future.

3.3 Reasonable Growth

As shown in Section 2.4.1, there is no immediate need to expand the Plants' capacities to meet this flow rate. Present population trends show little growth over the last decade. However, a conservatively high growth rate was assumed based on BAWA's guidance. The projected flows are based on the EDU projections anticipated based on a 2% growth rate factor. This is to account for a potential future release in LADWP land for development and to be commensurate with the existing Plant permit limits. Sewage generation projections are summarized in Table 3.1.

⁹ During a meeting on 12/30/2024 between Plant operators and Lumos.

¹⁰ During a phone call with LRWQCB staff on 10/31/2024.

¹¹ During a meeting on 11/13/2024 between BAWA and Lumos.

Table 3.1: Projected Sewage Generation Summary

Influent Wastewater Flows	Existing ¹	Projected ²	Unit
Plant Total Average Daily Flow	1.45	2.45	MGD
¹ Based on 2020-2021 DMR Data.			
² Based on a 2% per year growth rate.			

Given that all the wastewater generated in this estimate is assumed to be treated by the Plant, the projected ADWF for the Plant at the 30-year planning horizon is 2.45 MGD. This will serve as the design criteria for buildout consideration of any future improvements.

4.0 ALTERNATIVES CONSIDERED

This Section describes the alternatives considered for the consolidation of the BAWA WWTPs. Each alternative was designed at a conceptual level to address the project needs identified in Section 3.0, including future growth and effluent permit limits anticipated within the 30-year planning horizon.

All alternatives, except for the No Action alternative, utilize biological nutrient removal (BNR) processes. BNR processes remove nitrogen by controlling different biological environments to facilitate two main phases of microbial activities. The first is nitrification. Nitrification occurs under aerobic conditions, where bacteria convert ammonia into nitrite and then nitrate in the presence of oxygen and alkalinity. The second phase is denitrification. Denitrification occurs under anoxic conditions (low dissolved oxygen), where bacteria use a carbon source and nitrate (as an oxygen source) to produce nitrogen gas. Nitrogen gas is removed from the system by being released to the atmosphere.

There are many standard BNR configurations and proprietary systems that can produce a denitrifying consolidated BAWA plant. The alternatives presented below were developed in coordination with BAWA and evaluated for this PER:

- Alternative 1: No Action
- Alternative 2: Sequencing Batch Reactor
- Alternative 3: Oxidation Ditch
- Alternative 4: Extended Aeration – Lagoon Based
- Alternative 5: Extended Aeration – Mechanical Plant
- Alternative 6: Surface Water Discharge
- Alternative 7: Lagoon-Based Modified Ludzack-Ettinger (MLE)

For each alternative, a general description is provided, along with general design criteria, budgetary costs, main O&M requirements, and additional considerations. The conceptual design criteria for each alternative are in conformance with the Environmental Protection Agency (EPA), the National Division of Environmental Protection Bureau of Water Pollution Control (NDEP BWPC), California Code of Regulations (CCR), Standard Specifications for Public Works Construction, and standard engineering practice.

All budgetary costs presented are associated with the Advancement of Cost Engineering (AACE) definition of a Class 5 Estimate, i.e. for concept-level projects with a contingency of $\pm 30\%$. General Cost factors applied across all alternatives are provided below.

- | | |
|-------------------------------|-----|
| • Design and Permitting | 10% |
| • Construction Administration | 10% |
| • Electrical and Controls | 35% |
| • Contingency | 35% |

4.1 Alternative 1: No Action

The No Action alternative represents a situation in which the two existing Plants would not be practically consolidated, regardless of whether their ownership/operation is shifted under BAWA or remains under the separate agencies. Under this alternative, it is assumed that no modifications would be made to the Plants' treatment mechanisms or operations. Ongoing maintenance and infrastructure upgrades at each Plant could be continued but would remain hydraulically isolated from each other. The interconnection of influent pipes upstream or within Plant boundaries could be pursued, though would not be designed for joint treatment objectives, used only as an emergency intertie as originally intended. Upsizing each Plant's respective existing infrastructure to accommodate growth could be pursued under this alternative, though is not contemplated in this PER. Regulatory administration of each plant would remain separate under this alternative.

The No Action alternative proposes to maintain the existing removal of BOD (and the incidental reduction of TSS and Ammonia) within each system. The treatment mechanisms under this alternative would not facilitate denitrification. This alternative would not meet the anticipated future need for TN removal. Given that the No Action alternative would not meet the needs of BAWA, it has been deemed technically infeasible and thus not evaluated further.

4.2 Alternative 2: Sequencing Batch Reactor

4.2.1 Description

4.2.1.1 Overall Project Scope

This alternative proposes the conversion of the plants into a combined Sequencing Batch Reactor (SBR). SBRs traditionally operate through a series of controlled batch processes within a single reactor tank, incorporating both mechanical and biological treatment stages. An SBR operates in distinct phases: fill, react, settle, decant, and return/discharge. During the fill phase, wastewater enters the tank, where aeration and mixing promote BNR to break down pollutants. After the reaction phase, the mixed liquor settles and separates into secondary clarified effluent and accumulated sludge. This alternative would maintain the discharge of the clarified effluent to the flood irrigation fields. Sludge would be recycled within the SBR (return active sludge or RAS) and a small portion is wasted (waste activated sludge or WAS). The system selected as the basis for the design of BAWA is described below.

A new underground consolidated headworks facility is proposed upstream of the SBR system, along with a new emergency overflow lift station. Emergency flows would be pumped to the existing District aerated pond for temporary storage and subsequent gravity return of flows to the system. Digestion of WAS would be required as part of the plant. Allowance has been made for the expansion of the existing drying beds for sludge drying. The proposed configuration is expected to require an intermediate lift station downstream of the headworks and a sludge pump station downstream of the digesters. Associated equipment, earthworks, pond lining, utilities, electrical, and controls are included in the conceptual design.

All ponds (with the exception of the District's repurposed pond) in the system would be abandoned and decommissioned, with two (2) left in place for emergency flow storage and overflow. The remaining existing facilities at the plants would be abandoned, demolished, or reused as needed, per the annotated layout in Appendix I (Sheet C2.0).

4.2.1.1 Treatment Basis for Design

This alternative uses an Aqua Aerobic AquaSBR system as a basis for the conceptual SBR design. The AquaSBR system proposes four (4) common-wall concrete reactors that operate in alternating phases, i.e. any two (2) reactors will always either be in their reaction phase or their decanting phase. The four (4) tank system was selected to provide built-in equalization, such that an additional equalization tank upstream would not be required. The system also includes two (2) integral common-wall aerobic digesters. The reactors would be built at-grade such that effluent could be discharged via gravity to the existing flood irrigation fields. The system includes mechanical aeration/mixing system, solids handling equipment, integrated piping and pumping, as well as controls and instrumentation.

AquaSBR and other SBR plants near Bishop are listed below:

- North Valley WWTP, Douglas County, NV
- Copper River WWTP, North Fresno, CA (~0.5 MGD, AquaSBR)
- Hume Lake Christian Camp WWTP, CA (~ 0.1 MGD, AquaSBR)

4.2.2 Design Criteria

The AquaSBR system conceptually designed for BAWA includes four (4) x 0.52 MG rectangular concrete reactors operating in parallel. This would meet the estimated AAF of 2.45 MGD for the 30 year planning horizon. The influent wastewater strength and effluent wastewater targets in Section 2.4.2 set the combined Plant's design criteria. RAS would be recycled internally within the SBR system, while WAS would be pumped externally to a new aerobic digester. Conceptual design criteria for this alternative are summarized in Table 4.1 and Table 4.2.

Table 4.1: SBR Design Parameters

Description	Value	Units
Reactor Quantity	4	each
Reactor Size (each)	65 L x 60 W	ft x ft
Maximum Liquid Depth	17.90	ft
Total Tank Height	19.90	ft
Maximum Liquid Volume (each)	0.52	MG
Full Buildout Footprint	15,600	sf
Number of Cycles (each)	5	/day
Cycle Duration	4.8	hr/cycle
Mixed Liquor Suspended Solids (MLSS)	4,500	mg/l
Solids Retention Time (SRT)	24.5	days
Total Actual Oxygen Required (AOR) ¹	3,042	lb/day
¹ AOR was used from AquaAerobic in lieu of available Standard Oxygen Rate (SOR) data. AOR differs SOR in that it does not account for transfer inefficiencies and losses. The SOR represents a higher air requirement to achieve the AOR.		

Table 4.2: Aerobic Digester Design Parameters

Description	Value	Units
Digester Quantity	2	each
Digester Size (each)	45 L x 40 W	ft x ft
Full Buildout Footprint	3,600	sf
Maximum Liquid Depth	17.9	ft
Maximum Liquid Volume (each)	240,870	gallon
SRT (each)	27.3	days

4.2.3 Map / Land Requirements

A conceptual layout that maps the items proposed under Alternative 2 is provided in Appendix I (Sheet C2.0). This includes key proposed infrastructure and abandonment or demolition of existing facilities. The proposed concrete common-wall treatment facility would be constructed at the high point of the existing property between the City and District's lot lines, assuming that setbacks would not be required under combined BAWA ownership. The new facility would cover 19,200 square feet (sf) of land and require the District's existing drying beds to be demolished. There are no anticipated land acquisition requirements to accommodate this alternative.

4.2.4 Environmental Impacts

There is an existing dry-wash channel dedicated to storm drainage for the Plant that discharges southwest to an intermittent stream. Installation of utilities crossing this dry wash would be required for this alternative. Upstream temporary diversion of drainage would be required and erosion and sediment control measures implemented during construction. No permanent modifications to the channel are proposed. The new combined headworks facility is proposed over an undeveloped area of the City's existing plant. There are no known environmental resources of drainage features in this area. The majority of the proposed infrastructure would be

built on previously disturbed land (i.e. in place of the District's existing drying beds). The anticipated environmental impacts for these areas are minimal. Any disturbance to the environment would be primarily related to construction activities, such as dust production. Overall, this alternative would have a positive environmental impact by improving the quality of the discharged effluent compared to existing standards.

4.2.5 Potential Construction Issues

Interconnection of the influent pipes for each Plant would need to be completed to maximize the combined treatment facilities proposed in this alternative. This was contemplated for the recommended project (Section 6.0). The proposed location for the SBR system is at the District's sludge drying beds. The diversion of sludge to an expanded drying bed facility would need to be planned during construction.

Maintaining both the City and District's operations effectively while construction progresses is critical. These concerns necessitate careful planning and coordination to ensure that construction activities do not disrupt plant operations or regulatory compliance. The existing separate Plant facilities would assist with maintaining partial treatment by diverting flows across different facilities during construction. The joint Plants' property is large enough to accommodate construction staging, specialty equipment, and contractor field operations.

4.2.6 Operational Considerations

Operational considerations for an SBR for BAWA are as follows:

- SBRs require a Grade IV certified wastewater treatment operator for plants designed to treat more than 1.0 MGD (California State Water Resources Control Board, 2024).
- The maximum annual electrical consumption is estimated to be 1,399,596 kWh (including treatment and integral digester equipment from the AquaSBR basis for design).
- SBR systems reduce operational complexity due to their compact nature within a single reactionary tank.
- SBR systems eliminate the need for secondary clarification and RAS pumping. For this alternative, primary clarification is assumed to be removed from the treatment process flow to maximize the influent carbon source available to the denitrification process.
- The AquaSBR design also removes the need for upstream equalization and external WAS digestion and pumping.
- SBR systems are reliant on cycling through various batch reactions to achieve nutrient removal. Each reactor is designed to periodically 'react' while another reactor is filling. During this time, the 'reacting' tank is unable to receive influent wastewater. If one reactor requires servicing, this can put stress on the system, requiring shorter, more frequent cycles for the other reactor.
- Under this alternative's proposed four (4) tank system, additional redundancy is afforded by the additional reactors. This makes operations during maintenance or repairs simple.
- Having more reactors increases the amount of equipment to manage. This would increase maintenance and ongoing replacement of parts.

- Additional reactors would also require additional controls and electrical design. SBR systems utilize supervisory control and data acquisition (SCADA) as the primary operator function.

4.2.7 Sustainability Considerations

Sustainability considerations for an SBR plant are listed as follows:

- An SBR plant would be relatively adaptable to be retrofitted with tertiary treatment systems that can cater to higher effluent reuse classifications.
- An SBR plant would contribute to water conservation for the community by discharging secondary clarified effluent to the existing flood-irrigated fields. This is an important source of groundwater recharge to the associated aquifer.
- An SBR plant would improve the quality of discharge received by the aquifer, thus improving its long-term water quality.
- This SBR facility was conceptually designed to optimize energy costs by incorporating energy-efficient pumps, motors, and other technologies, making the project sustainable in the long term.
- This alternative would incorporate green infrastructure initiatives by implementing low-impact design measures where possible to manage drainage and sediment within the facility.

4.2.8 Cost Estimate

An itemized construction cost estimate for the SBR alternative is provided in Appendix J and summarized below. Costs presented are for budgetary planning purposes, commensurate with an AACE Class 5 estimate. Lifecycle costs are discussed in Section 5.0.

Alternative 2: SBR = \$47,792,000 (includes 10% mark-up for design and permitting)

Some of the major cost components within this estimate are summarized below:

- Equipment + Install = \$ 7,726,000
- Structures + Liners = \$ 6,830,000
- Lift Stations + Piping = \$ 2,420,000
- Electrical + Controls = \$ 7,121,000
- Headworks = \$ 2,450,000

Estimated costs may differ significantly from actual construction costs. These costs reflect the engineer's impression of materials, equipment, labor, etc. at the time of the estimate (2024/2025) based on experience and judgment in applying presently available data.

4.3 Alternative 3: Oxidation Ditch

4.3.1 Description

4.3.1.1 Overall Project Scope

This Alternative proposes the removal of TN, BOD, and TSS using two (2) parallel oxidation ditches. An oxidation ditch is a reactor with curved ends and internally configured channels that offer extended aeration time and contain different treatment zones and associated equipment. This is described in more detail below.

A new headworks facility and emergency overflow lift station would be proposed upstream of the oxidation ditches, similar to the SBR plant design (Alternative 2). This alternative would require the installation of two (2) new secondary clarifiers and two (2) aerobic digesters. A RAS pump station and associated piping would be required to route activated sludge back to the front of the plant. Allowance has been made for the expansion of the existing drying beds for sludge drying. The proposed configuration would require an intermediate lift station downstream of the headworks and a sludge pump station downstream of the digesters. Associated equipment, earthworks, pond lining, utilities, electrical, and controls are included in the conceptual design.

All ponds would be reused or abandoned in alignment with the SBR plant design (Alternative 2). All other existing facilities would be abandoned, demolished, or reused as needed per the annotated layout in Appendix I (Sheet C3.0).

4.3.1.1 Treatment Basis for Design

This alternative uses Xylem Evoqua's Orbal system as a basis for the conceptual oxidation ditch design. The Orbal system diverges from a traditional oxidation ditch by being comprised of multiple concentric rings or channels to optimize aeration and improve efficiency. An example is depicted in Figure 4-1. The Orbal plant conceptualized for BAWA would be comprised of two (2) cast-in-place concrete reactors. Each reactor would contain three (3) rings equipped with mechanical disc aerators to facilitate constant mixing and provide aeration. Wastewater would circulate through each of the channels sequentially to promote prolonged contact between effluent and microorganisms. Treated effluent would then discharge under pressure from the Orbals into their respective secondary clarifiers. A RAS pump station and associated piping would be required to route activated sludge back to the front of the plant. Additional piping pumping to/from the system will be required, as well as controls and electrical upgrades. Other oxidation ditches and Orbal plants closest to the BAWA Plants are listed below:

- Carson City
- Water Resource Recovery Facility, Nevada (~6.0 MGD)
- Dry Creek WWTP, Roseville, CA (~9.5MGD, Orbal)



Figure 4-1. Example Orbal System, ADWF = 0.5 MGD (Xylem Evoqua, 2025)

4.3.2 Design Criteria

The Orbal system conceptually designed for BAWA includes two (2) concrete oxidation ditches operating in parallel that meet the estimated AAF of 2.45 MGD for the 30 year planning horizon. The influent wastewater strength and effluent wastewater targets in Section 2.4.2 set the combined Plant's design criteria. Parameters for an Oxidation Ditch designed specifically for BAWA are summarized in Table 4.3. A secondary clarifier and aerobic digester for each oxidation ditch is also included (design parameters provided in Table 4.4 and Table 4.5 respectively).

Table 4.3: Oxidation Ditch Design Parameters

Description	Value	Units
Oxidation Ditch Quantity	2	each
Oxidation Ditch Size (each)	124 L x 100 W	ft x ft
Side Water Depth	12	ft
Total buildout footprint	12,400	ft
MLSS	3,000	mg/l
Total SRT (each)	10.3	days
Total SOR	6,432	lb/day

Table 4.4: Secondary Clarifier Design Parameters

Description	Value	Units
Tank Quantity	2	each
Tank Diameter	70	ft
Overall Footprint	3,850	sf
Sidewater Depth	14	ft
Hydraulic Loading Rate	318	gpd/sf
SRT (each)	28.7	days

Table 4.5: Aerobic Digester Parameters

Description	Value	Units
Digester Tank Quantity	2	each
Tank Diameter	20	ft
Sidewater Depth	15	ft
Total AOR ¹	2,280	lb/day

¹ AOR was used in lieu of available Standard Oxygen Rate (SOR) data. AOR differs SOR in that it does not account for transfer inefficiencies and losses. The SOR represents a higher air requirement to achieve the AOR.

4.3.3 Map / Land Requirements

A conceptual layout that maps the infrastructure proposed in Alternative 3 is provided in Appendix I (Sheet C3.0). This includes key proposed infrastructure and abandonment or demolition of existing facilities. The new facilities total over 33,125 sf of land. Similar to the SBR system (Alternative 2), the proposed oxidation ditch, clarifier, and digesters would be constructed at the high point of the combined existing properties. This alternative would require the demolition of the District's existing drying beds and possibly the existing digester facility. There are no anticipated land acquisition requirements to accommodate this alternative.

4.3.4 Environmental Impacts

This alternative is expected to have similar environmental impacts to an SBR (Alternative 2). It would require utility crossings under an existing dry-wash drainage channel with temporary drainage diversion and erosion control during construction. All other proposed facilities would be built on previously disturbed land, minimizing environmental impact. Construction-related disturbances, such as dust, are expected to be minor, and overall, the project would have a positive environmental impact by improving effluent discharge quality.

4.3.5 Potential Construction Issues

Interconnection of the influent pipes for each Plant would need to be completed to maximize the combined treatment facilities proposed in this alternative. This was contemplated for the recommended project (Section 6.0).

The oxidation ditches, secondary clarifiers, and digesters require construction using curved cast-in-place concrete. This requires custom-built formwork and is more labor intensive, increasing

construction costs and complexities. The Orbal design specifically requires multiple curved channels, adding to the complexity of this alternative's construction.

The oxidation ditches, secondary clarifiers, and aerobic digesters are proposed to be located in place of the District's existing sludge drying beds. Sludge drying would need to be accommodated under an expanded facility at the City's drying beds in advance of the oxidation ditches' construction.

Maintaining both the City and District's operations effectively while construction progresses is critical. These concerns necessitate careful planning and coordination to ensure that construction activities do not disrupt plant operations or regulatory compliance. The existing separate Plant facilities would assist with maintaining partial treatment by diverting flows across different facilities during construction. The joint Plants' property is large enough to accommodate construction staging, specialty equipment, and contractor field operations.

4.3.6 Operational Considerations

Operational considerations for an Orbal oxidation ditch for BAWA are as follows:

- Oxidation ditches require a Grade III certified wastewater treatment operator for plants designed to treat less than 5.0 MGD (California State Water Resources Control Board, 2024).
- The maximum annual electrical consumption is estimated to be 1,181,308 kWh (including equipment for the oxidation ditch, secondary clarifier, and digestion from the Orbal basis for design).
- One of the main maintenance components for the Orbal system is the inspection and cleaning of the system's disc aerators. The Orbal-specific equipment does not require drainage of the channels to perform this. Disc replacement could be needed every 10-15 years.
- Channel cleaning would need to be completed periodically, though the Orbal allows for individual channel isolation, thus making drainage and cleaning simpler.
- Oxidation ditches are known to reliably recover from system load shocking due to their long SRT.
- Oxidation ditches reduce the need for primary clarification and do not require upstream equalization. For this alternative, primary clarification is assumed to be removed from the treatment process flow to maximize the influent carbon source available to the denitrification process.
- Oxidation ditches require secondary clarification downstream, as well as RAS pumping, and WAS digestion. At BAWA, this would increase the number of structures and amount of equipment to maintain and operate. It would also increase the SCADA controls and electrical scope.
- WAS from an oxidation ditch can be relatively well stabilized during the treatment process, thus aerobic digestion could be contemplated at a reduced scope. This alternative includes aerobic digestion designed specifically for the Orbal system.
- This system could be built in two phases to coincide with anticipated growth. System redundancy during the first phase will be afforded by one of the existing lagoons. System redundancy at full buildout is provided by the two parallel systems.

4.3.7 Sustainability Considerations

Sustainability considerations for an oxidation ditch are listed as follows:

- An oxidation ditch would be relatively adaptable to be retrofitted with tertiary treatment systems that can cater to higher effluent reuse classifications.
- An oxidation ditch would contribute to water conservation for the community by discharging secondary clarified effluent to the existing flood-irrigated fields. This is an important source of groundwater recharge to the associated aquifer.
- An oxidation ditch would improve the quality of discharge received by the aquifer, thus improving its long-term water quality.
- Oxidation ditches are sustainably designed to absorb system shocks and peaking such that the quality of effluent discharged is minimally affected.
- The Orbal system is inherently designed to be energy-efficient by incorporating multiple optimized aeration rings.
- This alternative would incorporate green infrastructure initiatives by implementing low-impact design measures where possible to manage drainage and sediment within the facility.

4.3.8 Cost Estimate

An itemized construction cost estimate for the oxidation ditch alternative is provided in Appendix J and summarized below. Costs presented are for budgetary planning purposes, commensurate with an AACE Class 5 estimate. Lifecycle costs are discussed in Section 5.0.

Alternative 4: Ox. Ditch = \$ 48,663,000 (includes 10% mark-up for design and permitting)

Some of the major cost components within this estimate are summarized below:

- Equipment + Install = \$ 4,317,000
- Structures + Liners = \$ 9,286,000
- Lift Stations + Piping = \$ 3,461,000
- Electrical + Controls = \$ 7,251,000
- Headworks = \$ 2,450,000

Estimated costs may differ significantly from actual construction costs. These costs reflect the engineer's impression of materials, equipment, labor, etc. at the time of the estimate (2024/2025) based on experience and judgment in applying presently available data.

4.4 Alternative 4: Extended Aeration – Lagoon Based

4.4.1 Description

4.4.1.1 Overall Project Scope

This alternative proposes the removal of TN, BOD, and TSS from the combined plants' effluent using a lagoon-based extended aeration system. Extended aeration utilizes a controlled, low dissolved oxygen (DO) environment to simultaneously facilitate nitrification and denitrification. This alternative would include the conversion of City Pond 1 into three (3) parallel extended

aeration basins, each equipped with mixers and aerators. Each basin would be abutted with an integral concrete secondary clarifier. The system selected as the basis for the design of BAWA is described below.

Upstream of the extended aeration system, a new consolidated underground headworks facility and pre-equalization basin would be required along with a new emergency overflow lift station. Emergency flows would be pumped to the existing District aerated pond for temporary storage and subsequent gravity return of flows to the system. No digestion of WAS would be required (see below for the basis of design discussion), though sludge would need to be pumped to an expanded drying bed facility. The proposed configuration is expected to require two (2) intermediate lift stations; one downstream of the headworks and another downstream of the equalization basin. Associated equipment, earthworks, pond lining, utilities, electrical, and controls are included in the conceptual design.

All other ponds in the system would be abandoned and decommissioned, with two (2) left in place for emergency flow storage and overflow. The remaining existing facilities at the plants would be abandoned, demolished, or reused as needed, per the annotated layout in Appendix I (Sheet C4.0).

4.4.1.2 Treatment Basis for Design

This alternative uses Parkson's Biolac WaveOx system as a basis for design. A schematic diagram is provided in Figure 4-2. WaveOx combines an extended aeration process (low dissolved oxygen (DO)) with alternating zones by using suspended aeration chains to supply fine bubble-diffused oxygen and mixing. The equipment can mix, aerate, and/or perform both functions simultaneously as needed. This system allows aerobic and anoxic zones to be created and alternated on/off to assist with nitrification and denitrification. By alternating these zones in series in an extended aeration environment, internal recycling is not required. TN is proposed to be reduced by up to 80% at optimal conditions.

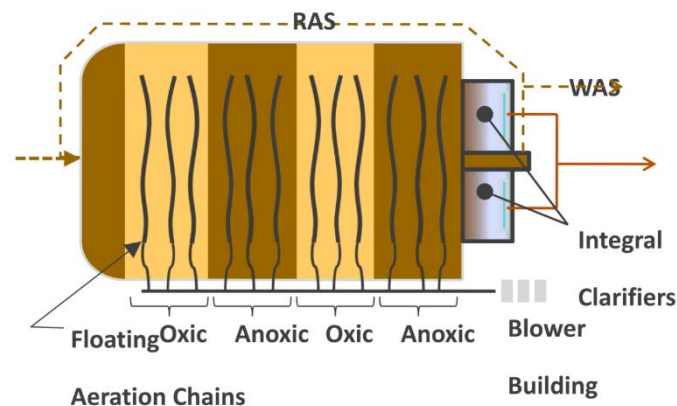


Figure 4-2. Biolac WaveOx Example System Schematic (Parkson, 2024)

The Biolac design for BAWA proposes three (3) parallel WaveOx basins, each with its own integral secondary clarifier and RAS pumping equipment. Sludge is stabilized within the Biolac system according to Parkson, thus additional digestion of waste sludge is not required.

Other Biolac WaveOx plants closest to the BAWA Plants are listed below:

- Silver Springs WWTP, Nevada (~0.6 MGD)
- Tuolumne County Community Service District, California (~2.5 MGD)
- Rosamond Community Service District, Kern County, California (~0.92 MGD)

4.4.2 Design Criteria

The three (3) basin Biolac system was conceptually sized for an AAF of 2.45 MGD, estimated for the end of the 30-year planning horizon. The influent wastewater strength and effluent wastewater targets in Section 2.4.2 set the system's treatment design criteria. Parameters specific to the Biolac basis for design are summarized in Table 4.6.

Table 4.6: Lagoon Based Extended Aeration (Biolac) Design Parameters

Description	Value	Units
Pre-Equalization Basin Size	85 L x 45 W	ft x ft
Pre-Equalization Basin Depth	15	ft
Pre-Equalization Peak Storage Time	4	hours
Pre-Equalization Volume	0.42	MG
Influent Alkalinity ¹	350	mg/L as CaCO ₃
HDPE Lined Biolac Basins Quantity	3	each
Biolac Basin Size (each)	187 L x 123 W	ft x ft
Biolac Basin Depth	13	ft
Biolac Basin Liquid Depth	10	ft
Biolac Basin Liquid Volume (each)	1.29	MG
Basin Side Slope	1.5:1.0	H:V
Total Biolac Buildout Footprint	2.56	ac
SRT	23-35	days
RAS Flow Rate	3.68	MGD
MLSS	3,000 ¹	mg/l
Estimated Standard Oxygen Rate ²	229	lb/hr per basin
Estimated Airflow ²	1,471	Std. Cubic Feet per Min. (SCFM)
¹ Assumption from Parkson.		
² Accounts for oxygen credit from denitrification.		

Table 4.7: Secondary Clarifier Design Parameters

Description	Value	Units
Integral Clarifier Quantity	3	each
Rectangular Clarifier Size (each)	95 L x 23 W	ft x ft
Sidewater Depth	10	ft
Hydraulic Loading Rate	373	gpd/sf
Estimated SRT	17.5	days

4.4.3 Map / Land Requirements

A conceptual layout that maps the items proposed under Alternative 4 is provided in Appendix I (Sheets C4.0 and C4.1). This includes key proposed infrastructure and abandonment or demolition of existing facilities. The Biolac basins and integral clarifiers would be built within the footprint of the City's existing Pond 1, requiring no additional land, though spanning approximately 2.56 acres. The pre-equalization basin would require 3,825 SF of land at the Plant and the new headworks facility could require 3,500 SF. Three (3) lift stations are proposed, though their footprints are not expected to exceed approximately 100 SF each. The District's existing aerated pond would be repurposed within its existing extent to act as an emergency overflow basin. All infrastructure would be located on either the City or District's existing property. There are no anticipated land acquisition requirements to accommodate this alternative.

4.4.4 Environmental Impacts

There is an existing dry-wash channel dedicated to storm drainage for the Plant that discharges southwest to an intermittent stream. Installation of utilities crossing this dry wash would be required for this alternative. Upstream temporary diversion of drainage would be required and erosion and sediment control measures implemented during construction. No permanent modifications to the channel are proposed. The new combined headworks facility and pre-equalization basin would require the use of some undeveloped areas of the City's existing plant. There are no known environmental resources or drainage features in these areas. The majority of the proposed infrastructure is planned to be built on previously disturbed land (i.e. within the City's Pond 1 extent). The anticipated environmental impacts for these areas are minimal. Any disturbance to the environment would be primarily related to construction activities, such as dust production. An overall improvement to the environment would be the outcome of this project, considering the higher standard of treated effluent being discharged.

4.4.5 Potential Construction Issues

Interconnection of the influent pipes for each Plant would need to be completed to maximize the combined treatment facilities proposed in this alternative. This was contemplated for the recommended project (Section 6.0).

City Pond 1 and the District's aerated pond would need to be dewatered, sludge removed, and relined. Additionally, effluent from both Plants would need to be redirected to one of the unused ponds (for example, City Pond 2) during construction. Maintaining operations effectively while construction progresses is critical. The joint capacity and facilities across both WWTPs are expected to assist with this. The joint Plants' property is also large enough to accommodate construction staging, specialty equipment, and contractor field operations.

4.4.6 Operational Considerations

Operational considerations for a Biolac WaveOx system for BAWA is as follows:

- Biolac WaveOx basins are classified as 'activated sludge plants' (California State Water Resources Control Board, 2024), requiring a Grade III certified operator (for plants under 5.0 MGD).
- The three (3) basin configuration allows for redundancy during cleaning and repairs.

- The proposed system would consume approximately 2,277,171 kWh annually to operate.
- WaveOx systems have no moving parts below the water surface, making maintenance of equipment easier.
- A WaveOx system would require less intensive operation than typical mechanical plants as it utilizes fewer mechanical components to achieve extended aeration.
- This alternative's performance is more likely to be influenced by the external environment due to its exposure and lower capacity for responsive operational control.
- Periodic sludge removal may still be required within the basins.
- Inspection and eventual replacement of the basins' HDPE liners would need to be considered.

4.4.7 Sustainability Considerations

Sustainability considerations for this alternative are provided below:

- The plant would contribute to water conservation for the community by discharging secondary clarified effluent to the existing flood-irrigated fields. This is an important source of groundwater recharge to the associated aquifer.
- An WaveOx system would improve the quality of discharge received by the aquifer, thus improving its long-term water quality.
- WaveOx systems are sustainably designed to absorb system shocks and peaking such that the quality of effluent discharged is minimally affected.
- The WaveOx system is inherently designed to be energy-efficient by incorporating multiple optimized aeration rings.
- This alternative would incorporate green infrastructure initiatives by implementing low-impact design measures where possible to manage drainage and sediment within the facility.

4.4.8 Cost Estimate

An itemized cost estimate for the Biolac alternative is provided in Appendix J and summarized below. Costs presented are for budgetary planning purposes, commensurate with an AACE Class 5 estimate. Lifecycle costs are discussed in Section 5.0.

Alternative 4: Biolac = \$ 38,809,000 (includes 10% mark-up for design and permitting)

Some of the major cost components within this estimate are summarized below:

- Equipment + Install = \$ 3,727,000
- Structures + Liners = \$ 6,184,000
- Dewatering/ Sludge Removal = \$ 3,277,000
- Lift Stations + Piping = \$ 3,531,000
- Electrical + Controls = \$ 3,527,000
- Headworks = \$ 2,450,000

Estimated costs may differ significantly from actual construction costs. These costs reflect the engineer's impression of materials, equipment, labor, etc. at the time of the estimate (2024/2025) based on experience and judgment in applying presently available data.

4.5 Alternative 5: Extended Aeration – Mechanical Plant

4.5.1 Description

4.5.1.1 Overall Project Scope

Alternative 5 presents a mechanical, common-wall plant designed to reduce BOD, TSS, and TN from the theoretical combined plant via extended aeration. The system operates continuously with sequential reactions with alternating aerated and mixing basins. This approach facilitates simultaneous nitrification/denitrification within the same system. The mechanical plant selected as the basis for design for BAWA is described below.

A new headworks facility and emergency overflow lift station would be proposed upstream, similar to Alternatives 2 and 3. The proposed configuration is expected to require one (1) intermediate lift located downstream of the headworks. Digestion, clarification, and RAS pumping are included within the common-wall plant described below. Sludge would be pumped to an expanded drying bed facility. Associated equipment, earthwork, utilities, electrical, and controls are included in the conceptual design.

All ponds in the system would be reused or abandoned similar to Alternatives 2 and 3. The remaining existing facilities at the plants would be abandoned, demolished, or reused as needed, as shown in the annotated layout in Appendix I (Sheet C5.0).

4.5.1.2 Treatment Basis for Design

The basis of design for this mechanical plant is an AeroMod SEQUOX® system. The proprietary SEQUOX® process consists of several treatment stages facilitated within various chambers of a common-wall plant, as shown in Figure 4-3. The various chambers in relation to are described as follows:

1. Anoxic/Anaerobic Tank – Influent wastewater enters an anoxic 'Selector Tank' where it mixes with RAS from the clarifiers. This chamber can be equipped with BIO-P equipment for the removal of phosphorus, though this would not be included in Alternative 5.
2. First Stage Aeration – Mixed liquor flows into parallel 'First Stage Aeration' basins, where aeration/mixing is alternated in 2-hour cycles. During peak loading, the system can activate aeration within both basins if needed.
3. Second Stage Aeration – Flow continues into the 'Second Stage Aeration' basins, where aeration is also cycled every 2 hours, but in the opposite pattern of the first stage. This ensures efficient nitrification and denitrification, eliminating the need for extra pumps or mixers.
4. Clarification – Flow enters the 'ClarAtor' clarifier to settle out solids from the effluent. Biomass is returned to the Selector Tank, and clarified effluent is discharged.
5. Sludge Management – Solids are removed to an Aerobic Digester or Aerated Sludge Holding Tank, while supernatant is returned to the aeration process over a fixed weir.

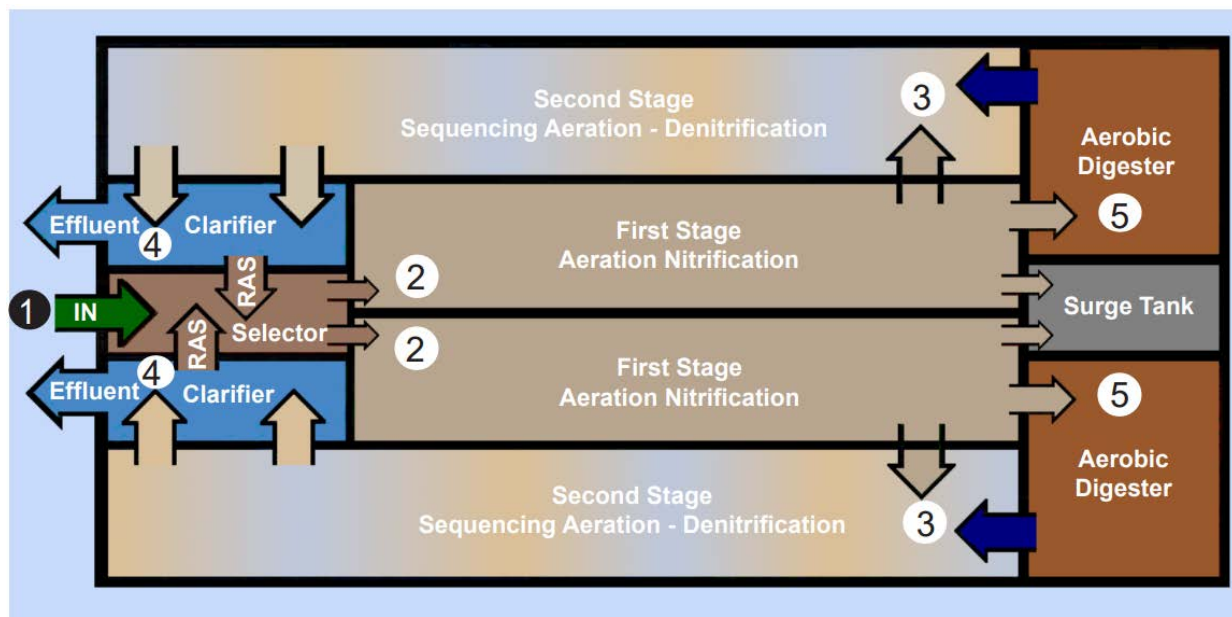


Figure 4-3: AeroMod SEQUOX® Process Diagram (Aeromod, 2024)

4.5.2 Design Criteria

The combined plant's design criteria are based on the influent wastewater strength and effluent wastewater targets detailed in Section 2.4.2. Parameters designed specifically for BAWA are summarized in Table 4.8. The design includes one (1) rectangular concrete reactor with two (2) parallel operating trains. It is designed to handle flows ranging from approximately 1.0 MGD to 5.0 MGD, all in a single construction phase. This encompasses both existing and 30-year planning horizon flows under both average and peak conditions. No upstream equalization would be required.

Table 4.8: Mechanical Plant Extended Aeration Design Parameters

Description	Value	Units
Concrete Reactors Quantity	1	each
Reactor Size	209 L x 135 W	ft x ft
Tank Wall Height	18	ft
Maximum Liquid Depth	16	ft
Total Footprint	28,077	sf
MLSS	3,681	mg/l
Estimated SRT ¹	18	days
Total AOR	219	lb/day

¹ SRT was based on the aeration tank Mean Cell Residence Time (MCRT) provided by AeroMod. While MCRT and SRT are closely related metrics in extended aeration systems, MCRT includes all suspended solids, whereas SRT specifically accounts for biomass (activated sludge) retention.

4.5.3 Map /Land Requirements

A conceptual layout that maps the items proposed under Alternative 5 is provided in Appendix I (Sheet C5.0). This includes key proposed infrastructure and abandonment or demolition of existing facilities. The SEQUOX® plant would require a footprint of 28,077 square feet which includes BNR, clarification, and digestion in a single facility. The new headworks, lift stations, and ancillary facilities would mimic those described in Alternatives 2 and 3 and be located on either the City or District's existing property. There are no anticipated land acquisition requirements to accommodate this alternative.

4.5.4 Environmental Impacts

This alternative is expected to have similar environmental impacts to Alternatives 2 and 3. It would require utility crossing under an existing dry-wash drainage channel with temporary drainage diversion and erosion control during construction. All other proposed facilities would be built on previously disturbed land, minimizing environmental impact. The anticipated environmental impacts for these areas are minimal. Construction related disturbances are expected to be minor. An overall improvement to the environment would be the outcome of this project, considering the higher standard of treated effluent being discharged.

4.5.5 Potential Construction Issues

Interconnection of the influent pipes for each Plant would need to be completed to maximize the combined treatment facilities proposed in this alternative. This was contemplated for the recommended project (Section 6.0).

Maintaining operations effectively while construction progresses is critical to ensure that construction activities do not disrupt plant operations or regulatory compliance. The joint capacity and facilities across both WWTPs would assist with this. The joint Plants' property is large enough to accommodate construction staging, specialty equipment, and contractor field operations.

4.5.6 Operational Considerations

Operational considerations for a SEQUOX® mechanical plant for BAWA are as follows:

- SEQUOX® is classified as an 'activated sludge plant' (California State Water Resources Control Board, 2024), requiring a Grade III certified operator (for plants under 5.0 MGD).
- The maximum electrical consumption at buildout is estimated to be 894,980 kWh annually.
- Due to this system being able to treat such a large range of flows, expansion for growth as it occurs will not be necessary. This design utilizes a 'knob-turn' approach to account for changes in loads and flows.
- The primary operator function utilizes SCADA, thus much of the operations are automated.
- The SEQUOX® system has no moving parts below the water surface, reducing operational and maintenance challenges which is an important benefit for facilities in rural areas.

- The SEQUOX® system uses a compact common-wall design, minimizing piping, pumping, and land space requirements. Routine maintenance involves washing down the clarifiers once per week.
- While this alternative proposes just one common-wall reactor, redundancy is afforded by the integral parallel channels. This affords simple management of flows during maintenance and cleaning.

4.5.7 Sustainability Considerations

Sustainability considerations for the SEQUOX® extended aeration mechanical plant are as follows:

- The SEQUOX® system has built-in capabilities to accommodate phosphorus removal, eliminating the need to construct an additional, external, dedicated structure. This makes this alternative the most readily adaptable to cater to higher effluent reuse classifications.
- The SEQUOX® system has the lowest energy consumption of all the alternatives, contributing to the Plant's overall energy conservation.
- This alternative would contribute to water conservation for the community by discharging secondary clarified effluent to the existing flood-irrigated fields. This is an important source of groundwater recharge to the associated aquifer.
- This alternative would improve the quality of discharge received by the aquifer, thus improving its long-term water quality.
- This alternative would incorporate green infrastructure initiatives by implementing low-impact design measures where possible to manage drainage and sediment within the facility.

4.5.8 Cost Estimate

An itemized construction cost estimate for this alternative is provided in Appendix J and summarized below. Costs presented are for budgetary planning purposes, commensurate with an AACE Class 5 estimate. Lifecycle costs are discussed in Section 5.0.

Alternative 5: Extended Aeration - Mechanical Plant = \$ 50,747,000 (includes 10% mark-up for design and permitting)

Some of the major cost components within this estimate are summarized below:

- Equipment + Install = \$ 7,440,000
- Structures + Liners = \$ 7,093,000
- Lift Stations + Piping = \$ 2,396,000
- Electrical + Controls = \$ 7,535,000
- Headworks = \$ 2,450,000

Estimated costs may differ significantly from actual construction costs. These costs reflect the engineer's impression of materials, equipment, labor, etc. at the time of the estimate (2024/2025) based on experience and judgment in applying presently available data.

4.6 Alternative 6: Surface Water Discharge

4.6.1 Description

4.6.1.1 Overall Project Scope

This alternative provides scope and considerations related to changing the effluent discharge receiving body from a groundwater source to surface water. The nearest surface water source to the BAWA plants is a tributary of Bishop Creek (Creek), shown in Figure 4-4. A conceptual development of this alternative's design assumes that this Creek will serve as the receiving body.

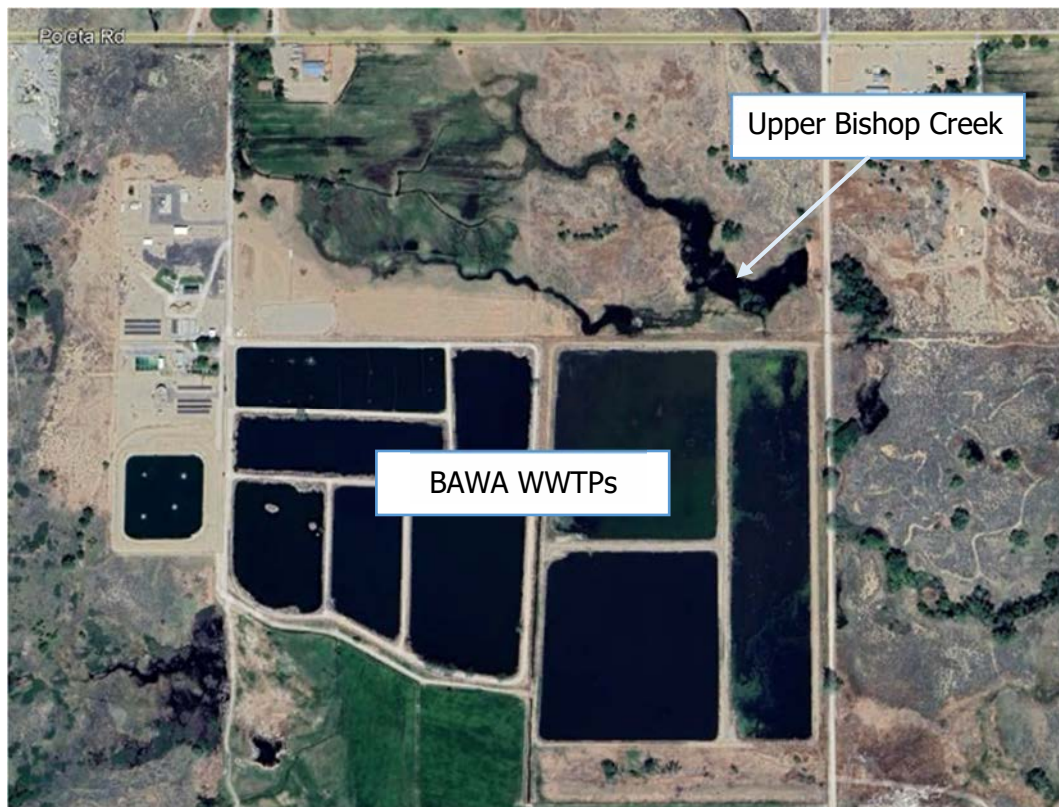


Figure 4-4. Surface Water Discharge – Bishop Creek

Under this alternative, treated effluent would be diverted away from the flood irrigation fields to the south and instead be routed north-east to the Creek. Regulations under the Clean Water Act would require the plant to obtain a National Pollution Discharge Elimination System (NPDES) permit, administered by the Lahontan Board. NPDES permitting would introduce additional requirements to remove total phosphorus (TP), fecal coliforms, and TDS, in addition to a much higher quality effluent for BOD, TN, and TSS.

The upstream BNR system was based on Alternative 5 (Aeromod SEQUOX®) for this analysis, though adds AeroMod's 'BIO-P' fermentation equipment into the first SEQUOX® chamber for phosphorus removal. This alternative would also require tertiary treatment via filtration for TP and TSS removal, followed by disinfection. It would also include construction of a painted metal

structure to house filtration equipment, along with a concrete open channel ultra-violet (UV) disinfection system and housing structure. In addition to these facilities, chemical additions, a rapid mixing tank, and a flocculation tank would also be required. These facilities are described below. A concrete discharge structure would be required to distribute and manage flows leaving the Plant, discharging into the Creek.

4.6.1.2 Treatment Basis for Design

The first stage of TP removal could be facilitated within the SEQUOX® BIO-P fermentation chamber. Downstream of this, tertiary treatment via filtration would be required for further TP and TSS reduction. The basis of design for filtration utilized an Aqua Aerobic AquaDisk media filtration system. The AquaDisk filtration system uses rotating vertical disks covered with woven polyester cloth to filter wastewater. As water flows over the disks, contaminants and particles are trapped in the cloth, leaving cleaner water behind. Included in this system would be a concrete pad and housing structure, backwash pumps, and automated controls.

Disinfection of the filtered effluent would be required downstream of filtration, prior to discharge to the Creek. The basis of design for disinfection utilized a Trojan UV3000 Plus open channel system. An open-channel configuration was selected instead of chlorination to avoid subsequent de-chlorination requirements. Additionally, it allows for easier maintenance compared to a closed-vessel system, and there is enough available footprint at the plants. The Trojan UV system would include 4-8 UV lamps and sensors along with associated electrical and control systems. The equipment would be housed within two (2) concrete cast-in-place channels. One channel will handle current flows, with the option to replicate or retrofit additional lamps to accommodate growth.

Only one (1) wastewater discharge NPDES permit is currently active in the Lahontan Region. This is at the Victorville Valley Water Reclamation Facility.

4.6.2 Design Criteria

The design criteria for the BNR process to treat BOD₅, TSS, and TN would become more stringent than other alternatives, as this option involves effluent discharge to surface water. To meet these stricter limits, the SEQUOX® process would be modified to enhance treatment intensity. Additionally, new criteria for TP, fecal coliform, and TDS would be required for surface water discharge from the plant.

Target effluent criteria for TP can vary significantly depending on the characteristics of the receiving surface water. Currently, the Lahontan Basin Plan has not established specific criteria for Bishop Creek, so the Water Quality Objectives for 'Intake 2' were used as a reference, estimating a TP target of 0.1 mg/L (as orthophosphate). However, this value is subject to change once an NPDES permit is pursued, prompting Lahontan to conduct an investigation into the creek's characteristics. Additionally, mixing credits could influence the plant's discharge limits if a mixing structure, such as a cascading weir or flow dissipator, is implemented to reduce point-source loading.

As a reference for potential effluent limits in a surface water discharge permit, the Victor Valley Wastewater Reclamation Facility in the Lahontan Region was used as an example. This facility discharges to the Mojave River and is subject to the following effluent limits:

- BOD₅: 10 mg/L
- Fecal Coliform: 20 MPN/100mL
- TSS: 10 mg/L
- TN: 10 mg/L
- TDS: 460 mg/L

The AquaAerobic AquaDisk system would conform to the following design criteria:

- For 1.07 MGD average flow, one (1) 4-Disk AquaDisk filter in a painted steel tank
- For 2.45 MGD average flow two (2) 4-Disk AquaDisk filters in a painted steel tank
- The enclosure is anticipated to be 11 feet long and 7.75 feet wide for each 4-AquaDisk filter package

There are no significant footprint limitations if the channel configuration is optimized. Preliminary sizing criteria for the Trojan UV300 Plus disinfection system would be as follows:

- Concrete Channels' Footprint: Future ADWF (2.45 MGD)
- Two (2) concrete channels
- Each channel: 48 ft long x 7 ft wide x 8.5 ft tall
- UV Lamps (each channel): 12 lamps

4.6.3 Map / Land Requirements

A conceptual layout that maps the items proposed under Alternative 6 is provided in Appendix I. This includes key proposed infrastructure and abandonment or demolition of existing facilities. The BNR plant footprint and associated infrastructure from Alternative 5 is assumed to apply to this alternative. The AquaDisk filtration facility could require up to 300 sf of additional land within the existing properties. The UV disinfection facility could require up to 336 sf.

The proposed concrete stream discharge structure would require approximately 1,000 sf adjacent to the Creek. This is presently outside of the Bishop and District owned properties. The land would need to be acquired by BAWA, the City, or the District, to accommodate this alternative.

4.6.4 Environmental Impacts

This alternative would pose the highest risk of impacting the environment, due to wastewater discharge being diverted to the surface water body as opposed to the flood irrigation fields. Under this alternative, treated effluent would mix with the Creek water. This would introduce a new point source pollution to the receiving body. The point source pollutants would be treated to the satisfaction of NPDES administering agencies to mitigate against any adverse effects. However, if these measures fail, the Creek would receive an influx of fecal coliform and nutrients that would negatively affect the Creek's water quality. The water body can become depleted of oxygen, killing aquatic life. Pollution of surface water can have secondary effects on downstream habitats and wildlife that rely on the water source.

The BNR, tertiary, and disinfection facilities required for this alternative would be built on previously disturbed land, minimizing environmental impact. Construction related disturbances, such as dust production and temporary stormwater and erosion control measures, are expected

to be minor in these areas. Containment of chemicals used for these facilities would be managed to prevent spills to the environment.

A concrete discharge structure constructed adjacent to the stream zone, within presently undisturbed land, would be required to distribute plant discharge into the Creek and promote mixing. Disturbance to the stream environment during construction would be mitigated with best management practices and coordination with the regulatory authority.

While this alternative provides the highest standard of discharged treated effluent compared to the other alternatives, disturbance to the stream zone during construction and subsequent risk of adverse environmental impacts remains significant.

4.6.5 Potential Construction Issues

Interconnection of the influent pipes for each Plant would need to be completed to maximize the combined treatment facilities proposed in this alternative. This was contemplated for the recommended project (Section 6.0).

The effluent from both Plants would need to be redirected to one of the unused ponds (for example, City Pond 3) during construction. Maintaining operations effectively while construction progresses is critical. The joint capacity and facilities across both WWTPs are expected to assist with this. The joint Plants' property is also large enough to accommodate construction staging, specialty equipment, and contractor field operations.

Construction of the concrete stream discharge structure should be planned to minimize environmental impact on the stream. Best management practices (BMPs), such as silt fencing and other erosion control measures, should be implemented to prevent sedimentation and water quality degradation. A minor stream diversion may be necessary to maintain flow during construction, ensuring minimal disruption to aquatic life and downstream users. Proper scheduling and restoration efforts should also be considered to protect the natural habitat.

4.6.6 Operational Considerations

Operational considerations for the upstream BNR system are discussed in Section 4.5.6. Operational considerations for the Surface Water Discharge alternative are listed below:

- The AquaDisc cloth media filters would require regular backwashing using either a high-pressure washing system or a suction stream to prevent clogging and prolong service life.
- The filter discs would require periodic cleaning to remove the buildup of biomass.
- Filter discs could require replacement every 7-10 years.
- Freezing is a concern for the filter discs. The filtration facility would therefore need to be placed in a heated structure or be equipped with heat tracing and insulation.
- The maximum electrical consumption at buildout is 16,331 annual kwh
- Close monitoring of pressure differentials would be required for the filtration system to prevent clogging.
- The UV disinfection system requires lamp replacement after 12,000 hours. The lamp sleeve should be replaced if scratched or scrubbed, and the lamp holder must be replaced if damaged by moisture or electrical short. Monthly cleaning of the water level sensors to remove debris and algae is required.

- The maximum annual electrical consumption at buildout is 339,625 kWh (140,160 kWh of which is attributed by the disinfection and filtration facilities).

4.6.7 Sustainability Considerations

Sustainability considerations for Surface Water Discharge are as follows:

- The mechanical extended aeration alternative promotes water and energy efficiency through improved designs and practices in the new facility. However, compared to other alternatives, energy usage will be greater due to the added UV disinfection system and the additional heating required for the cloth filter facility.
- The City and District's existing solar panels will be preserved as part of this project. Additionally, the site will be graded to prevent runoff, ensuring that water is contained and efficiently managed within the facility.
- The new facility will optimize energy costs by using energy efficient pumps, efficient motors, and other methods to ensure that this project is sustainable.

4.6.8 Cost Estimate

An itemized construction cost estimate for this alternative is provided in Appendix J and summarized below. Costs presented are for budgetary planning purposes, commensurate with an AACE Class 5 estimate. Lifecycle costs are discussed in Section 5.0.

Alternative 6: Surface Water Discharge = \$ 64,650,000 includes 10% mark-up for design and permitting)

Some of the major cost components within this estimate are summarized below:

- Equipment + Install = \$ 9,716,000
- Structures + Liners = \$ 7,553,000
- Lift Stations + Piping = \$ 5,088,000
- Electrical + Controls = \$ 11,275,000¹²
- Headworks = \$ 2,450,000

Estimated costs may differ significantly from actual construction costs. These costs reflect the engineer's impression of materials, equipment, labor, etc. at the time of the estimate (2024/2025) based on experience and judgment in applying presently available data.

4.7 Alternative 7: Lagoon Based MLE

This alternative proposed a lagoon-based Modified Ludzack – Ettinger (MLE) system designed to remove TN from the system in addition to performing its existing function to remove BOD using the facilities' lagoons. In an MLE process, nitrification and denitrification occur in separate aerobic

¹² An additional 10% applied to the electrical + controls cost component in this alternative to account for the need for disinfection and filter.

and anoxic zones respectively, utilizing internal recycling of wastewater (or mixed liquor) between the different zones.

Influent wastewater is received by the MLE system, typically in an anoxic zone, to optimize the use of BOD as a carbon source for bacteria to convert nitrate into nitrogen gas (denitrification). This process requires mechanical mixing to promote effective contact between the bacteria and the mixed liquor. It also yields oxygen and alkalinity to a downstream aerobic zone. Once wastewater is transferred to an aerobic zone, bacteria convert ammonia to nitrates and nitrites in the presence of oxygen supplied by both aeration as well as oxygen that is returned from denitrification. This process also consumes alkalinity returned from denitrification (supplementary alkalinity can be required at times). Given these processes require consistent interaction to occur, an internal recycle pumping system up to four (4) times the influent flow rate is required. An MLE process is capable of removing up to 80% of TN from wastewater. In addition to the internal MLE recycle pumping, secondary clarification is required along with activated sludge wasting and return.

The existing lagoons' configuration was assessed for viable reuse in an MLE conversion. The most feasible ponds for reuse from an operational standpoint are the City's Ponds 1-6. These lagoons are six (6) feet deep on average while covering an average of 5 acres each. The lagoons are relatively shallow compared to their relatively large footprint. Other lagoons the Plants follow this design. Reused lagoons would need to be re-graded, re-lined, and baffled to facilitate anoxic and aerobic zones.

Shallow ponds are problematic for an MLE. This is mainly because, as depth decreases, the transfer of oxygen from a diffused aerator to the water column also decreases. Thus, for shallow ponds, oxygen transfer efficiency is low. Additionally, where shallow ponds span large footprints, more equipment is required to be installed per square foot of treatment area for both mixing and aeration. More equipment requires more maintenance, ongoing parts replacement, and drives up energy consumption. Considerations for the pond reuse issues are as follows:

- The ponds could be deepened their footprints reduced. This would result in a loss of gravity flow capability at the Plant. BAWA would need to install several additional intermediate and effluent pump stations to implement this solution.
- Installing new surface aerators and mixers could allow for the most cost effective treatment in shallow ponds. However, they are less reliable for effective nitrification/denitrification, as mixing/aerating the full water column is not efficient.

The practicalities of implementing a lagoon based MLE are low. This alternative was discussed with BAWA and a consensus was reached where it was deemed technically infeasible. This alternative is unable to meet BAWA's long-term needs within their agreed practical limits of implementation and operation. As such, this alternative was not evaluated further.

5.0 SELECTION OF AN ALTERNATIVE

5.1 Life Cycle Cost Analysis

A Life Cycle Cost (LCC) analysis was performed in accordance with USDA Guidelines to compare the capital costs of each technically viable alternative with their operation and maintenance (O&M) costs over varying timelines. Alternatives 1 and 7 were deemed technically infeasible (see Section 4.0) and therefore excluded from the LCC analysis. O&M costs included electricity use, equipment replacement costs, and frequency. Personnel requirements were also considered. Each alternative has a slightly varied useful life based on the design life of the various project components. These range from 26 years to 31 years. Given this, and for consistency, the LCC analysis considers a 30-year loan term to align with the PER's planning horizon. All costs were calculated in 2025 dollars and were assumed to have zero salvage value at the end of the loan term. All LCCs utilized a real discount of 2.3% over the 30-year loan term. This was based on an inflation rate of 2.1% and a projected interest earned rate of 4.4% (WhiteHouse, 2025).

The LCCs for each viable alternative are summarized in Figure 5-1. As shown, the total lifecycle costs for Alternatives 2 through 5 are fairly similar, with some intrinsic variances discussed further below. Alternative 6, which is approximately \$10 Million more expensive than its counterparts.

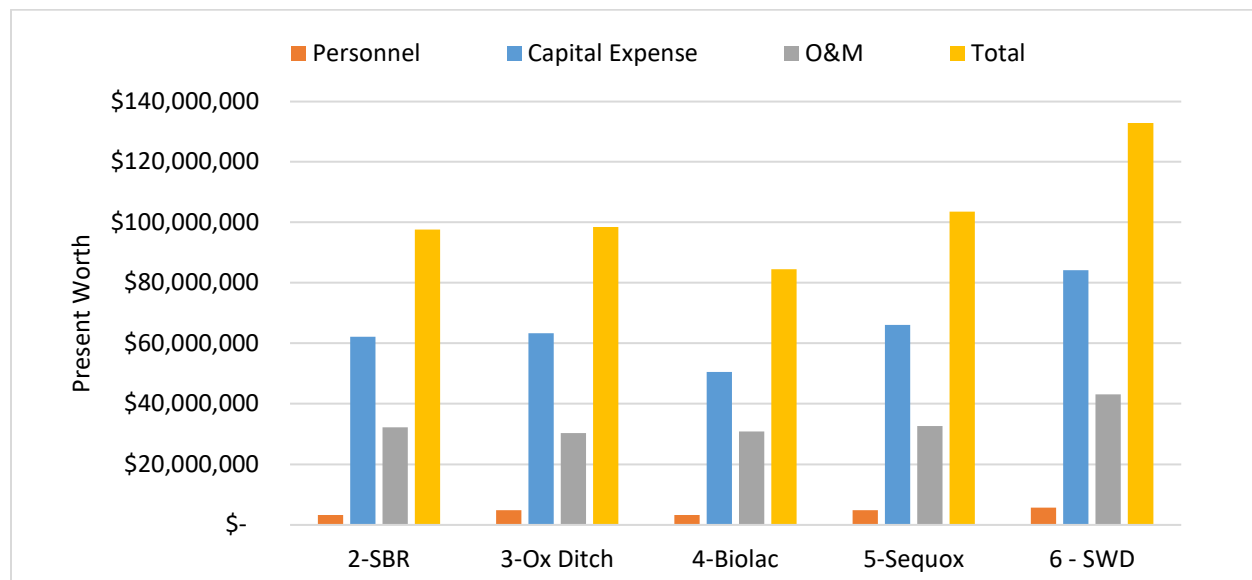


Figure 5-1: Combined WWTP Alternatives¹³ 30-Year Present Worth

- Alternative 2: Sequencing Batch Reactor

The capital cost of the SBR was the second lowest behind Biolac and approximately on par with the Oxidation Ditch. As noted in Section 4.2.5, SBRs are highly automated, allowing the facility to be operated by two (2) staff members. Overall O&M costs fell in the mid-range, however the electricity costs alone for an SBR were on the higher end due to significant aeration and mixing requirements and heavy reliance on SCADA controls.

¹³ Excludes technically infeasible alternatives: Alternative 1 and Alternative 7.

Offsetting this, annual repair and replacement costs were moderate, as SBRs have higher equipment costs than Biolac and Oxidation Ditches but lower than SEQUOX® and the components associated with the Surface Water Discharge alternative.

- Alternative 3: Oxidation Ditch

The capital cost for an Oxidation Ditch was in the mid-range of the alternatives. This was primarily due to additional concrete structures (secondary clarifiers and digesters) compared to other alternatives and curved-wall concrete basin design. It was assumed that three (3) staff members would be needed to operate the facility to keep up with routine maintenance of the digestion and clarification facilities. O&M costs for the oxidation ditch were the lowest compared to the other alternatives. Electricity costs were in the mid-range, reflecting the continuous flow system with constant low DO aeration. The replacement cost was in the low to mid-range for the oxidation ditch, since the actual equipment needed for the facility was lower than the SBR and SEQUOX® systems.

- Alternative 4: Extended Aeration - Lagoon Based

The capital cost for Biolac was the lowest compared to the other alternatives. Due to its relatively simple operation, it is expected to require only two (2) staff members. O&M costs for the Biolac system fell in the mid-range, though electrical costs were roughly double the other alternatives, primarily due to aeration technology that is air intensive. Repair and maintenance costs are the lowest due to the low cost of equipment.

- Alternative 5: Extended Aeration – Mechanical Plant

The SEQUOX® system was on the higher end due to the amount of concrete and mechanical parts associated with the facility. The system would be relatively automated, needing additional staff for routine cleaning and maintenance. It is anticipated that the system would need three (3) staff members to operate, which is comparable to the oxidation ditch, but more than Biolac or an SBR. The SEQUOX® electricity costs were the lowest due to its intermittent aeration. The replacement cost was at the higher end with the higher equipment cost.

- Alternative 6: Surface Water Discharge

The Surface Water Discharge alternative was based on the same BNR system as Alternative 5 (SEQUOX®) with additional tertiary treatment for TP removal and disinfection. Although the SEQUOX® system is relatively automated, the additional cloth-media filter and UV disinfection system add complexity. It is anticipated that the facility would require 3.5 staff members. The O&M is high primarily due to the repair and replacement costs. The electrical consumption is relatively low for this system.

5.2 Benefit Cost Analysis

This benefit cost analysis (BCA) analyzes the suitability of each alternative for BAWA to consolidate the WWTPs based on both monetary and non-monetary factors. Monetary factors include capital costs and annual O&M expenses from the LCC analysis. Non-monetary factors evaluate the advantages and disadvantages presented by each alternative that cannot be captured in a monetary value.

The below non-monetary criteria were coordinated with BAWA based on relevance to this project over the course of its design life.

- Reliability:
Considers the alternative's design life, robustness for reducing maintenance requirements, and ease and frequency of replacing parts. An alternative receiving a score of 0 is not reliable, whereas a score of 10 is highly reliable and has less frequent maintenance needs to remain operationally effective.
- Operations:
Evaluates the level of attention and process control required by operators, as well as the certification level necessary for operation. A score of 0 indicates that the alternative is difficult to operate and, when the system is not functioning correctly, repairing and troubleshooting the system is difficult. It also represents a system that requires a high degree of certification for operation. Conversely, a score of 10 represents an easily controlled system that is manageable to troubleshoot without requiring a high level of operator certification.
- Future Adaptability:
Considers how easily the alternative can be modified to meet future needs, such as unforeseen growth or a higher effluent reuse clarification (i.e. tertiary treatment). A score of 0 indicates that an alternative cannot be easily adapted in the future to accommodate an elevated effluent reuse classification, whereas a score of 10 indicates that an alternative is more adaptable.
- Permit Compliance:
Assesses how reliably the alternative would be able to meet anticipated future effluent permit limits. This includes stricter permit limits for BOD and new permit limits for both TN and TSS at a minimum. An alternative that has a permit compliance score of 0 is unable to achieve the anticipated limits, whereas a score of 10 is anticipated to achieve permit limits relatively consistently.
- Constructability:
Evaluates the potential for construction challenges presented by each alternative. Construction challenges may include pouring complex cast-in-place concrete designs, complex SCADA integration, intensive electrical scope, the ability to keep the Plant online during construction, and the availability of specialty equipment. A constructability score of 0 represents major constructability issues, and a score of 10 represents minimal constructability issues.

The importance of each monetary and non-monetary assessment criteria was weighed by key BAWA stakeholders for input to the BCA. Stakeholders weighed criteria on a scale of 0 to 5, where 0 indicates that the criterion is not important and 5 indicates that the criteria is of significant importance. The weighted importance of each criterion is provided in Table 5.1.

Table 5.1: Importance / Weighting of BCA Assessment Criteria

Criteria	Importance Weighting (Scale: 0 - 5)	Importance Weighting (Percentage)
Reliability	5.0	100%
Ease of Operation	5.0	100%
Future Adaptability	3.2	64%
Permit Compliance	5.0	100%
Constructability	3.6	72%
Capital Cost	3.8	76%
Life Cycle Cost	4.4	88%

Each alternative was scored on a scale of 1 to 10 based on their expected performance against the assessment criteria. The scores and criteria weightings were then combined to provide a total weighted average score for each alternative, and the results were ranked. The BCA only evaluated technically viable alternatives, thus excluding Alternative 1 and Alternative 7. The BCA evaluation matrix is provided in Table 5.2.

Table 5.2: Combined WWTP Alternatives BCA Matrix.

Criteria		Reliability	Operations	Future Adaptability	Permit Compliance	Constructability	Capital Expense	O&M Costs	Total Weighted Score	
Weighting		100%	100%	64%	100%	72%	76%	88%	/100	Rank
Alternatives		Score /10								
2	SBR	8.0	6.0	8.0	10.0	7.0	9.0	9.4	82.1	2
3	Oxidation Ditch	7.0	8.0	7.0	10.0	5.0	8.9	10.0	81.0	3
4	Extended Aeration: Lagoon	7.0	10.0	4.0	8.0	6.0	10.0	9.0	78.9	4
5	Extended Aeration: Mechanical	9.0	9.0	7.0	10.0	8.0	8.5	9.5	88.5	1
6	Surface Water Discharge	7.0	7.0	8.0	10.0	3.0	6.3	6.9	70.2	5

Alternative 2: Sequencing Batch Reactor

An SBR system is highly reliable (8/10) due to its batch processing within a single reactor, robust treatment capabilities, and widely available replacement parts. However, the system requires a Level IV Operator Certification, which is higher than all other alternatives (except for Alternative 6: Surface Water Discharge). This resulted in score of a 6/10 for Operations. The system performed well in terms of Future Adaptability (8/10), offering flexibility for modifications, such as adding reactors to address growth or adding tertiary treatment to address changing effluent water quality requirements. Given its ability to meet the anticipated effluent permit limits, the SBR alternative received a 10/10 for Permit Compliance. Constructability (7/10) is moderate due to the significant amount of concrete required for construction. In terms of Capital Expenses (9/10) and O&M Costs (9.4/10) the SBR was priced reasonably compared to other alternatives.

Alternative 3: Oxidation Ditch

An Oxidation Ditch offers strong Reliability (7/10) similar to the SBR, with parts that are not easily available to replace. Operationally (8/10), it is simple to manage and requires a Level III Operator Certification (compared to Level IV for an SBR), though it includes an external clarifier and digester, which increases operator attention compared to alternatives like Biolac and SEQUOX®, which have integral clarifiers. Future Adaptability (7/10) is relatively feasible with the large range of flows able to be accommodated by the system and the ease of adding tertiary treatment downstream. Given its ability to meet the anticipated effluent permit limits, the Oxidation Ditch alternative received a 10/10 for Permit Compliance. Constructability (5/10) is more challenging due to the multi-channel curved concrete design of the Orbal and its additional clarifiers and digesters. Capital expenses (8.9/10) are moderate, while O&M costs (10/10) are the lowest among the alternatives due to moderate electricity costs and low to mid-range replacement costs.

Alternative 4: Extended Aeration – Lagoon Based

The Biolac system had a moderate Reliability score (7/10) due to periodic liner maintenance and sludge removal required within the ponds. Operationally (10/10) this facility requires relatively little oversight of controls compared to the other alternatives and requires a Level III operator certification. Future Adaptability (4/10) is limited as major system modifications, such as a mechanical plant conversion, could be required. Permit compliance capabilities (8/10) are strong, but Biolac scored the lowest of all alternatives. This is because this system is the most exposed to the environment of all alternatives and equipped with the least controls to counter the effects. It is therefore more susceptible to fluctuations in treatment efficiency and thus effluent quality. Constructability (6/10) is moderate, requiring dewatering and sludge removal of Pond 1 along with re-grading and installing new liners. Capital Expenses were the lowest of all alternatives, therefore scoring the highest (10/10). O&M costs were moderately high compared to the other alternatives (9/10), primarily due to energy costs associated with the continuous aeration of the ponds.

Alternative 5: Extended Aeration – Mechanical

The SEQUOX® scored highly in Reliability (9/10) and Operations (9/10) due to its lack of moving parts below the water surface and efficient use of equipment, making it simple to maintain. With minimal moving parts, replacement frequency and complexities are reduced, making this system well-suited for rural areas with limited resources. The SEQUOX® requires a Level III Operator Certification which is on par with Biolac and an Oxidation Ditch. Future Adaptability (7/10) for this

alternative was lower than other alternatives, as expanding the system would require constructing an entirely new basin. However, the current design accommodates a large range of flows, making this unlikely to occur. Given its ability to meet the anticipated effluent permit limits, the SEQUOX® alternative received a 10/10 for Permit Compliance. Constructability (8/10) was scored the highest since it requires less concrete compared to the SBR and Oxidation Ditch. Capital expenses (8.5/10) were on the higher end. O&M costs (9.5/10) were in the low to mid-range due to high equipment replacement costs and low electricity costs.

Alternative 6: Surface Water Discharge

The Surface Water Discharge system had a moderate Reliability score (7/10) due to the need for frequent replacement of components, such as the cloth media filter and UV disinfection lamps. Operationally (7/10), this alternative is more complex, requiring additional TP removal and disinfection facilities, along with a Level IV Operator Certification. Future Adaptability (8/10) is comparable to other systems, though expansion requires additional facilities. Given its ability to meet the anticipated effluent permit limits, the Surface Water Discharge alternative received a 10/10 for Permit Compliance. However, it scored the lowest in Constructability (3/10). This was primarily due to land acquisition requirements and the construction of additional pumping and discharge structures to release effluent into Bishop Creek. Capital Expenses (6.3/10) and O&M costs (6.9/10) were the highest among the alternatives due to the number of facilities required.

5.3 Recommended Alternative

As shown in Figure 5-1, the LCCs for Alternatives 2 through 5 were comparable, while Alternative 6 presented the highest LCC. The BCA enabled comparison of the alternatives beyond monetary criteria to determine the best fit alternative for BAWA's needs, ensuring that the recommended alternative aligns with key operational and regulatory requirements.

Based on the BCA evaluation, **the SEQUOX® system (Alternative 5) presented as the highest ranking alternative**, excelling in the most critical areas, including Reliability (9/10), Operations (9/10), and Permit Compliance (10/10).

The SBR (Alternative 2) and Oxidation Ditch (Alternative 3) also presented as strong alternatives second to the SEQUOX®. However, an SBR requires a higher Operator certification level than all alternatives other than the Surface Water Discharge alternative. This resulted in an Oxidation Ditch narrowly surpassing an SBR. While the Biolac system (Alternative 4) was viable, it performed less effectively across most of the criteria. Surface Water Discharge (Alternative 6) performed the worst overall, scoring lowest or second lowest in more than half of the criteria. No Action (Alternative 1) and a Lagoon-Based MLE (Alternative 7) were deemed technically infeasible and were not assessed in the LCC or BCA.

6.0 PROPOSED PROJECT (NEW EXTENDED AERATION MECHANICAL PLANT)

6.1 Project Description

The recommended alternative (as described in Section 5.3) is for the construction of a new extended aeration mechanical plant and ancillary facilities. The conceptual design for the Plant was based on an Aeromod SEQUOX® system. The SEQUOX® system consists of several activated sludge treatment stages facilitated within various chambers of a common-wall basin. The preliminary project design assumed that all facilities will be newly provided with this project, with minimal reuse of existing infrastructure.

The scope of proposed infrastructure is as follows:

- New headworks (including screening and grit removal)
- New lift station and pumping equipment
- New Aeromod SEQUOX® extended aeration basin (including clarifiers and digesters)
- Expanded sludge drying beds
- Modifications and lining for the District's existing aerated pond
- Modifications and lining for the City's existing Pond 4
- Demo existing City digesters
- Demo existing District drying beds
- Electrical upgrades
- SCADA controls
- Associated gravity and pressure piping, valves, and appurtenances

The proposed Plant's process flow is provided in Figure 6-1. A conceptual layout of the proposed facilities is provided in Appendix I.

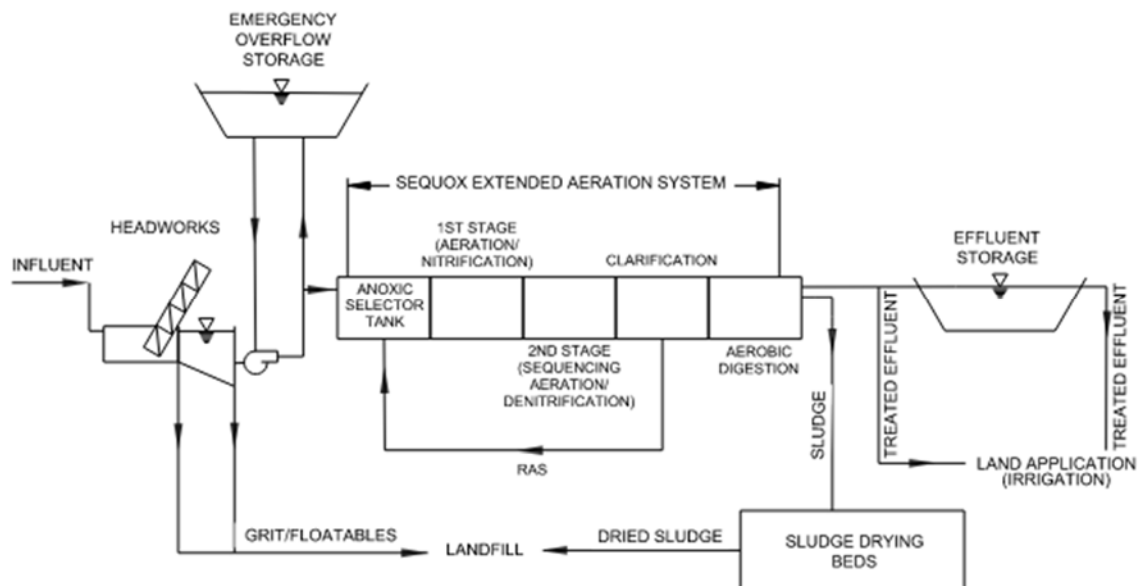


Figure 6-1: Extended Aeration – Mechanical Treatment Process Flow Diagram

An analysis of the existing electrical system is recommended in conjunction with this project to ensure sufficient electrical supply is provided for the new Plant. Prior to the construction of new facilities, the interconnection of the influent pipes would also need to be completed. While this was not included in the proposed project design, several options were contemplated in reference to the Interconnection Feasibility Study (R.O. Anderson Engineering, Inc., 2009). Due to the underground headworks facility proposed for the project, the gravity flow of both influent pipes separately into a common underground headworks facility is likely the most viable option. This would need to be verified in a hydraulic analysis during design development.

6.2 Estimated Project Schedule

The proposed schedule is shown in Table 6.1 can be implemented at BAWA's discretion. The schedule assumes acceptance by the Board for the proposed project. The schedule also assumes that commissioning for design and funding acquisition will commence in September 2025. Dates are provisional and will be refined as funding allocations are secured and the project proceeds. This project schedule provisionally estimates that the new Plant could be commissioned in August 2030. Note that funding acquisition presents the largest unknown factor in this schedule, with possible variations of -3 months up to +18 months. Also, note that substantial equipment procurement lead times are anticipated due to the mechanical plant configuration.

Table 6.1: Expected Project Duration

Item	Duration	Start Date	End Date
Planning and Design Phase: Total = 24 months			
Funding Acquisition	6 months	September 2025	February 2026
Engineering Design	18 months	November 2025	April 2027
Project Permitting	3 months	May 2027	July 2027
Advertisement for Bids	1 month	August 2027	August 2027
Bid Review / Contract Award	1 month	September 2027	September 2027
Typical Construction Phase: Total = 36 months			
Notice to Proceed	1 month	September 2027	October 2027
Submittals / Procurement	6 months	October 2027	March 2028
Substantial Completion	28 months	April 2028	July 2030
Final Completion	1 month	July 2030	August 2030
Training and Startup	2 weeks	August 2030	August 2030
Plant Commissioning	N/A	August 2030	

6.3 Project Financing

BAWA intends¹⁴ to fund the project externally through federal loans. Rate study updates should be conducted for both the City and District to account for the financial impacts of the project. Since the proposed SEQUOX® system has the ability to handle a full range of flows from existing to buildout, phasing will not be necessary. Actual project costs may vary, and construction cost estimates will become more refined with reduced contingency as the design progresses. A

¹⁴ Per discussion with BAWA Administrators on February 26th, 2025

summary of overall project costs is provided in Table 6.2. A breakdown of costs is provided in Section 6.6

Table 6.2: Summary of Provisional Estimate for Overall Project Costs

Project Cost Component	Cost Estimate
Construction Subtotal	\$31,325,000
Contingency (35%)	\$10,964,000
Construction Total	\$42,289,000
Engineering Services During Construction (10%)	\$4,229,000
Total Construction Phase Cost	\$46,518,000
Design and Permitting (10%)	\$4,229,000
Total Project Cost	\$50,747,000

6.4 Permit Requirements

Prior to bidding, design packages should be submitted to the Lahontan Regional Water Control Board for review, approval, and permitting. Permits and approvals anticipated to be required for the project are as follows:

- Lahontan Regional Control Board:
 - Approval of final plans and specifications
 - Discharge permit amendment
 - Storm Water Pollution Prevention Plan required for ground disturbance exceeding one (1) acre
 - Approval of updated O&M Manual

6.5 Sustainability Considerations

As discussed in Section 4.5.7, the SEQUOX® system enhances sustainability by enabling phosphorus removal without requiring additional structures, making it highly adaptable for higher effluent reuse classifications. It supports water conservation by discharging secondary clarified effluent to flood-irrigated fields, contributing to groundwater recharge and improving aquifer water quality. Additionally, it integrates green infrastructure through low-impact design measures for drainage and sediment management.

6.6 Total Project Cost Estimate (Engineer's Opinion of Probable Cost)

A Class 5 engineer's opinion of probable construction cost (OPCC) and total project costs is presented in Table 6.3 for the proposed project. The OPCC presented includes construction phase costs, construction engineering services, design, and permitting. It should be noted that the presented opinions of probable costs are strictly conceptual and may differ significantly from actual construction costs. These costs reflect the engineer's impression of material, equipment, labor, etc. at the time of the estimate based on experience and judgment in applying presently available data. The engineer has no control over the cost of labor, materials, equipment, competitive bidding practices, market conditions, tariffs, costs associated with funding packages, inflation, etc. Thus, the engineer cannot warrant that the actual project costs will not vary from the OPCC.

Assuming a 35% contingency and an additional 10% for engineering services during construction, the total project costs (construction and non-construction costs) are estimated at \$50.7 million for the proposed project.

Table 6.3: Provisional (AACE Class 5) Estimate of Proposed Project Costs

Item	Description	Qyt.	Unit	Unit Price	Amount
1	Mob/Demob/Erosion Control/General Conditions	10%	LS	\$2,163,000	\$2,163,000
2	Electrical and Controls	35%	LS	\$7,535,000	\$7,535,000
3	Earthwork	5,200	CY	\$19	\$97,000
4	SEQUOX® Equipment Supply and Install	1	LS	\$7,440,000	\$7,440,000
5	Cast in Place Concrete SEQUOX®	1	LS	\$3,404,000	\$3,404,000
6	Digester Cost including concrete and equipment	1	LS	\$890,000	\$890,000
7	Piping for SEQUOX®	1	LS	\$851,000	\$851,000
8	Sludge Drying Bed Concrete	2,153	CY	\$1,300	\$2,799,000
9	Sludge Pump Station to Drying Beds	1	LS	\$148,800	\$149,000
10	Lift station Headworks to SEQUOX®	1	LS	\$733,000	\$733,000
11	Lift Station Headworks to Emergency Overflow	1	LS	\$743,000	\$743,000
12	Demolition	8,265	SF	\$110	\$909,000
13	Headworks	1	LS	\$2,450,000	\$2,450,000
14	Overflow Pond HDPE Liner	1	LS	\$3	\$391,000
15	18" PVC SDR35 DR17 Gravity Pipe	1,777	LF	\$215	\$383,000
16	4" PVC C900 DR18 Pressure Pipe	653	LF	\$55	\$36,000
17	12" PVC C900 DR18 Pressure Pipe	2,120	LF	\$166	\$352,000
Construction Cost Subtotal					\$31,325,000
Contingency (35%)					\$10,964,000
Construction Total					\$42,289,000
Engineering Services During Construction (10%)					\$4,229,000
Total Construction Phase Cost					\$40,125,000
Design and Permitting (10%)					\$4,229,000
Total Project Cost					\$50,747,000

6.7 Annual Operating Budget

The City and District WWTPs currently function as separate entities, each maintaining their own enterprise sewer funds. Both contribute \$152,700 annually to the BAWA Fund to cover legal fees, insurance, service agreements, and administrative supplies. However, most treatment-related expenses, including propane, gas, energy, labor, and services and supplies, are managed independently of BAWA. Since consolidation mechanisms for a combined Plant are not yet defined between the City and District, the below discussion for Plant income, O&M, and debts assumes they will continue operating as separate entities.

6.7.1 Income

City of Bishop

The City has several sources of income to fund program services. Sewer service collection makes up the majority of these revenues. Revenues from sewer service collection come from the City's ratepayers, which consist of residential and commercial users. Rates charged to customers are dependent on customer class. A detailed discussion of the rate schedule is outlined in Section 2.5. In 2024, the City sewer fees totaled approximately \$1.4 million. The City also receives income from late fees, interest earnings, capacity fees, and other revenues. Table 6.4 provides a list of income sources and the amount of money generated from each source in 2024.

Table 6.4: City Income Sources FY 2024

Revenue Source	Amount
Capacity Fee & Other	\$19,926
Sewer Fee	\$1,411,829
Non-Operating Revenue	\$192,400
Total Revenue	\$1,624,155

Eastern Sierra Community Service District

The District has several sources of income to fund program services. Sewer Sales make up the majority of these revenues. Revenues from sewer service collection come from the District's ratepayers, which consist of residential and commercial users. Rates charged to customers are dependent on customer class. A detailed discussion of the rate schedule is outlined in Section 2.5. In FY 2024, the ESCSD sewer service collection totaled approximately \$1.1 million. The District also receives income from capacity fees and other revenues. Table 6.4 provides a list of income sources and the amount of money generated from each source in 2024.

Table 6.5: District Income Sources FY 2024

Revenue Source	Amount
Sewer Sales	\$1,133,241
Other	\$121,220
Capacity Fees	\$3,633
Total Revenue	\$1,258,094

6.7.2 Annual O&M Costs

This section will analyze the FY 2025 budget to estimate the anticipated annual O&M expenses as a result of the proposed project. The O&M expenses include electricity consumption, staff wages, and periodic parts replacement. After the plant is consolidated, the City and District are expected to share energy costs equally.

City of Bishop

The itemized comparison between the 2025 approved budget and the projected budget, based on the recommended alternative, is presented in Table 6.6. This expenditure data helps assess the City's current financial position. The 2025 budget, available on the City's website, is used in this analysis to illustrate how costs could evolve once the proposed project is implemented. Since the project is expected to increase repair, maintenance, and electricity expenses over long-term operation, the future projections have been adjusted accordingly. In FY 2025, the total estimated expenditures were \$1.6 million. The repair and maintenance costs in the form of depreciation are anticipated to increase from \$150 thousand to \$766 thousand, and the electricity costs are anticipated to increase from \$23 thousand to \$168 thousand, resulting in projected annual expenses of \$2.3 million.

Table 6.6: City FY 2025 Vs. Projected Annual O&M Budget

Expense	FY 2025 Expenditures	Future Projection ¹
Salaries & Wages	\$251,640	\$251,640
Benefits	\$377,791	\$377,791
002-051-52006 Recruitment	\$3,000	\$3,000
002-051-52010 Utilities	\$23,250	\$167,789
002-051-52012 Office Supplies & Postage	\$7,300	\$7,300
002-051-52013 Communications	\$2,200	\$2,200
002-051-52014 Meetings & Travel	\$5,000	\$5,000
002-051-52015 Professional Services	\$133,000	\$133,000
002-051-52017 Waste Fees	\$5,310	\$5,310
002-051-52018 Special Department Supplies	\$50,000	\$50,000
002-051-52019 Misc. Dues & Subscriptions	\$2,600	\$2,600
002-051-52024 Property Taxes	\$640	\$640
002-051-52045 IT	\$2,700	\$2,700
002-051-53020 Vehicle Operation	\$26,000	\$26,000
002-051-55023 Small Claims	\$100	\$100
002-051-55024 Rentals	\$2,000	\$2,000
002-051-55100 City Cost Plan	\$194,357	\$194,357
002-051-55101 Refunds	\$2,000	\$2,000
002-051-55102 BAWA	\$152,700	\$152,700
002-051-56025 Depreciation	\$150,908	\$766,612
002-051-56027 Capital Improvement	\$115,724	\$115,724
002-051-57000 Lease Principal	\$6,284	\$6,284
002-051-59999 Transfer Out	\$100,000	\$100,000
Total	\$1,614,504	\$2,374,747
1 - All expenses are subject to inflation. The cost escalations shown do not account for inflationary increases and only reflect cost increases directly resulting from the WWTP upgrade.		

Eastern Sierra CSD

The itemized comparison between the FY 2025 approved budget and the future projected budget, based on the recommended alternative, is presented in Table 6.7. This expenditure data helps assess the District's current financial position. The FY 2025 budget, provided by the District, is used in this analysis to illustrate how costs will evolve once the proposed project is implemented. Since the project is expected to increase repair, maintenance, and electricity over long-term operation, the future projections have been adjusted accordingly. In FY 2025, the total estimated expenditures were \$1.6 million. The repair and maintenance costs in the form of depreciation are anticipated to increase from \$175 thousand to \$790 thousand, and the electricity costs are anticipated to increase from \$21 thousand to \$166 thousand, resulting in projected annual expenses of \$2.4 million.

Table 6.7: District FY 2025 Vs. Projected Annual O&M Budget

Expense	FY 2025 Expenditures	Future Projection¹
Sewage Collection	\$31,300	\$31,300
Salary And Wages	\$193,216	\$193,216
Benefits	\$225,332	\$225,332
42060 Gas, Oil-Trucks	\$6,000	\$6,000
42090 Office Expense-Plant	\$4,000	\$4,000
42091 Fees-State Required-St	\$30,000	\$30,000
42100 Operating Supplies-Plant	\$400	\$400
42150 Repair & Maint-Plant	\$133,000	\$133,000
42181 Safety Equipment/Supplies	\$7,500	\$7,500
Electricity	\$21,500	\$166,039
42192 Telephone	\$2,500	\$2,500
42193 Dumpster	\$1,500	\$1,500
42194 Mobilfone	\$1,500	\$1,500
42195 Propane	\$38,000	\$38,000
42196 Alarm-Plant	\$1,000	\$1,000
42200 Joint Powers Authority Contribution	\$152,700	\$152,700
Sewage Disposal	\$17,000	\$17,000
Administration	\$601,568	\$601,568
Depreciation	\$175,000	\$790,704
Total	\$1,643,016	\$2,403,259

1 - All expenses are subject to inflation. The cost escalations shown do not account for inflationary increases and only reflect cost increases directly resulting from the WWTP upgrade.

6.7.3 Debt Repayments and Reserves

As of the time this report was written, external funding has not been secured; however, it is anticipated that the City or District could obtain a 40-year loan with a 3.875% interest rate. Based on a capital cost of \$50,747,000, the estimated annual payment would be \$2,517,011.

City of Bishop

The City currently maintains sufficient cash reserves to cover at least 30 days of operating expenses. To meet loan requirements set by the funding agency, the City may also need to keep a reserve equivalent to its share of one year's debt service.

Eastern Sierra CSD

The District maintains an O&M fund to ensure it can meet its O&M obligations, with a minimum target of six months' worth of O&M expenses. Additionally, the equipment and capital cost replacement fund supports the repair, replacement, and expansion of essential facilities, with a minimum target of five years' worth of capital improvement costs, and an expansion fund made up of collected Capacity Fees. To meet loan requirements set by the funding agency, the District may also need to keep a reserve equivalent to its share of one year's debt service.

7.0 CONCLUSIONS AND RECOMMENDATIONS

This PER was prepared for BAWA to assess alternatives for combining the City of Bishop's and ESCSD's adjacent WWTPs into a single facility. While the Plants sufficiently manage BOD removal under their separate discharge permits, their effluent discharges to the same groundwater source. Emerging challenges with aging infrastructure and the shared discharge resource have presented key drivers for Plant consolidation. Key outcomes of this project would be simpler regulation and treatment troubleshooting, enhanced effluent quality, support for future growth, and better aquifer management.

Based on the findings of this PER, an extended aeration mechanical plant (Alternative 5) was presented as the most suitable solution for combining the Plants. An AeroMod SEQUOX® system was used as a basis for the proposed project's conceptual design. This system can effectively handle both current and potential future treatment targets and flows within a single construction phase. The SEQUOX® system allows for simple maintenance and replacement of components, which minimizes downtime and reduces long-term operational costs. Additionally, the system demonstrates relatively low electrical consumption and capital expenditure when compared to other alternatives, contributing to its cost-effectiveness over the project's lifecycle. The detailed design of ancillary facilities, control systems, and necessary electrical upgrades will be developed in subsequent stages of the design process.

Additional recommendations to implement the proposed project are as follows, should BAWA pursue funding and develop a detailed Plant design:

- Prior to the construction of new Plant facilities, interconnection of the upstream influent pipes for each Plant will need to be completed. This will require a hydraulic analysis during design development. Based upon the existing conditions and site layouts evaluated, the recommended interconnection is to route the District's main influent trunk line north to a new confluence manhole where it will comeingle with the City's flows upstream of the proposed headworks facilities. Because the new headworks can be set at a lower elevation than the existing facilities, it will be possible to get sufficient fall on the main trunklines for both entities to ensure self cleansing line velocities and flow capacities. The City has a current design for the replacement of its main trunk line that may need to be reevaluated to include a lower invert elevation at the treatment plant to maintain both capacity and self cleansing velocities while accommodating the confluence manhole to join with District flows. These improvements can be established and further vetted during design development.
- Effluent disposal alternatives were not considered under the scope of this report, which focused primarily on the consolidated treatment process. Presently, effluent disposal occurs via surface flood irrigation of pasture land, with effluent being comingled from both entities. Alternatives for enhanced efficiency irrigation, including pressurized irrigation (via pivots or sprinkler arrays) may be necessary in the future, however, these costs are not included in this report. Depending on BAWA's preferred method of effluent disposal, availability of lands, and environmental/cultural resource mitigation, the cost of enhanced efficiency irrigation could be on the order of \$5M to \$10M in construction costs not currently reflected in the OPCCs presented in this report.
- The combined Plant should be modeled for hydraulic and organic loading under several conditions: average annual daily flows and loads, maximum month daily flows and loads, peak daily flows, and peak hourly wet weather and dry weather flows. This will

- likely require additional flow monitoring and constituent sampling to be conducted prior to design commencement. Daily composite sampling of influent characteristics for both plants should occur for at least one to three months. Sampling should include BOD, COD, TSS, Total Kjeldahl Nitrogen (TKN), Ammonia, Alkalinity, and pH.
- Headworks equipment manufacturers and vendors should be solicited for proposals.
 - Expansion of the drying beds will require a detailed evaluation for accurate sizing.
 - The design of the AeroMod SEQUOX® system should be evaluated by system engineers and equipment manufacturers during each stage of the system design.
 - The project will need to be permitted and designed in conformance with the LRWQCB, not excluding the abandonment and decommissioning of any existing facilities.
 - An electrical system analysis is recommended to evaluate the current systems of the plant. Potential upgrades may be needed as the plants are consolidated into a single system. If the current electrical service is insufficient to serve the consolidated plant's electrical load, this could result in substantially higher electrical costs than those presented in this report. Similarly, this report assumes that the City's existing SCADA system can be expanded to accommodate the additional processes associated with the proposed treatment. If a new SCADA system is required, this will increase the cost of the plant.
 - It is recommended that operational staff are equipped with any training and resources needed to accommodate an anticipated Level III Plant Certification prior to the commissioning of the proposed project for operations.

The conversion of these plants into a single SEQUOX® extended aeration plant will create a more resilient and adaptable system capable of addressing future regulatory requirements and growth in population, ensuring that wastewater treatment remains reliable and efficient.

8.0 REFERENCES

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APPENDICES

Appendix A: Environmental Resources

Appendix B: NDEP Current Discharge Permits

Appendix C: Existing Site Photos

Appendix D: Existing Plant Map

Appendix E: Existing System Performance Calculations

Appendix F: DMR Data Charts

Appendix G: 2023/24 Sewer Enterprise Fund Balance Sheet

Appendix H: 2023/24 Rate Study

Appendix I: Alternatives Analysis Layouts

Appendix J: Lifecycle Costs Analysis

Appendix A: Environmental Resources

National Flood Hazard Layer FIRMMette



Figure A.1

118°22'47"W 37°21'37"N



0 250 500 1,000 1,500 2,000 Feet

1:6,000

118°22'9"W 37°21'8"N

Basemap Imagery Source: USGS National Map 2023

Legend

SEE FIS REPORT FOR DETAILED LEGEND AND INDEX MAP FOR FIRM PANEL LAYOUT

SPECIAL FLOOD HAZARD AREAS		Without Base Flood Elevation (BFE) Zone A, V, A99
		With BFE or Depth Zone AE, AO, AH, VE, AR
		Regulatory Floodway
OTHER AREAS OF FLOOD HAZARD		0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile Zone X
		Future Conditions 1% Annual Chance Flood Hazard Zone X
		Area with Reduced Flood Risk due to Levee. See Notes. Zone X
		Area with Flood Risk due to Levee Zone D
OTHER AREAS		NO SCREEN Area of Minimal Flood Hazard Zone X
		Effective LOMRs
		Area of Undetermined Flood Hazard Zone D
GENERAL STRUCTURES		Channel, Culvert, or Storm Sewer
		Levee, Dike, or Floodwall
OTHER FEATURES		20.2 Cross Sections with 1% Annual Chance Water Surface Elevation
		17.5 Cross Sections with 1% Annual Chance Water Surface Elevation
		Coastal Transect
		Base Flood Elevation Line (BFE)
		Limit of Study
		Jurisdiction Boundary
		Coastal Transect Baseline
		Profile Baseline
MAP PANELS		Digital Data Available
		No Digital Data Available
		Unmapped



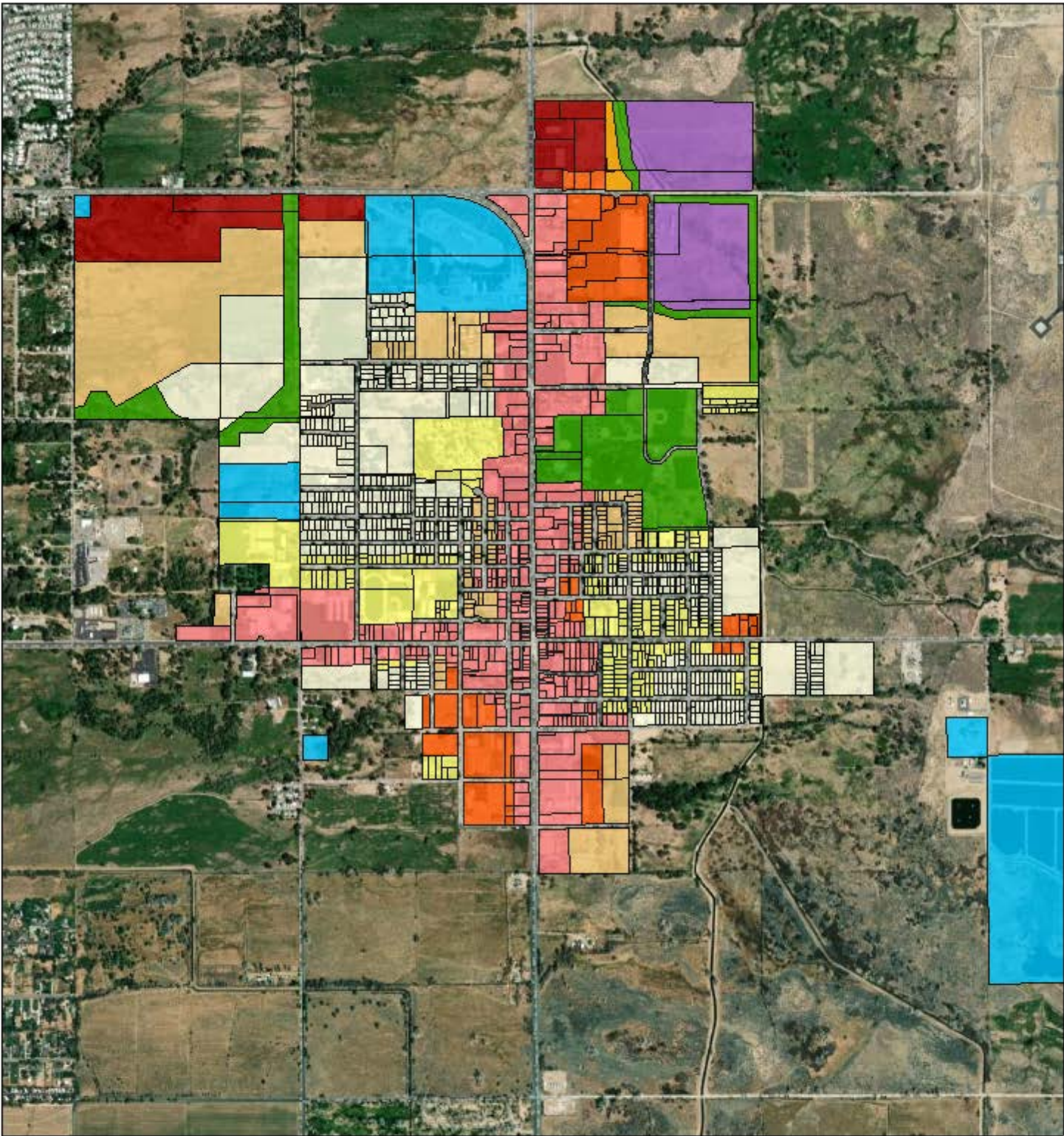
The pin displayed on the map is an approximate point selected by the user and does not represent an authoritative property location.

This map complies with FEMA's standards for the use of digital flood maps if it is not void as described below. The basemap shown complies with FEMA's basemap accuracy standards

The flood hazard information is derived directly from the authoritative NFHL web services provided by FEMA. This map was exported on **1/1/2025 at 1:11 AM** and does not reflect changes or amendments subsequent to this date and time. The NFHL and effective information may change or become superseded by new data over time.

This map image is void if the one or more of the following map elements do not appear: basemap imagery, flood zone labels, legend, scale bar, map creation date, community identifiers, FIRM panel number, and FIRM effective date. Map images for unmapped and unmodernized areas cannot be used for regulatory purposes.

City of Bishop Zoning



12/18/2024, 4:57:37 PM

Zoning	R-3	C-H BP
A-R	R-3-P	O-P
R-1	R-M	M-1
R-2	C-1	O-S
R-2000	C-2	P
R-2000-P	C-H	Street Centerlines

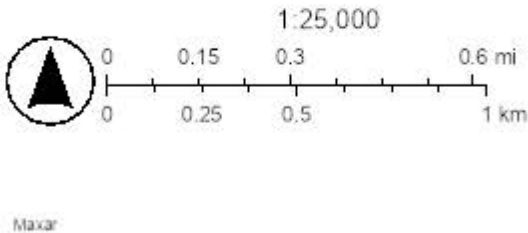


Figure A.2

Figure A.3: Land Use Map

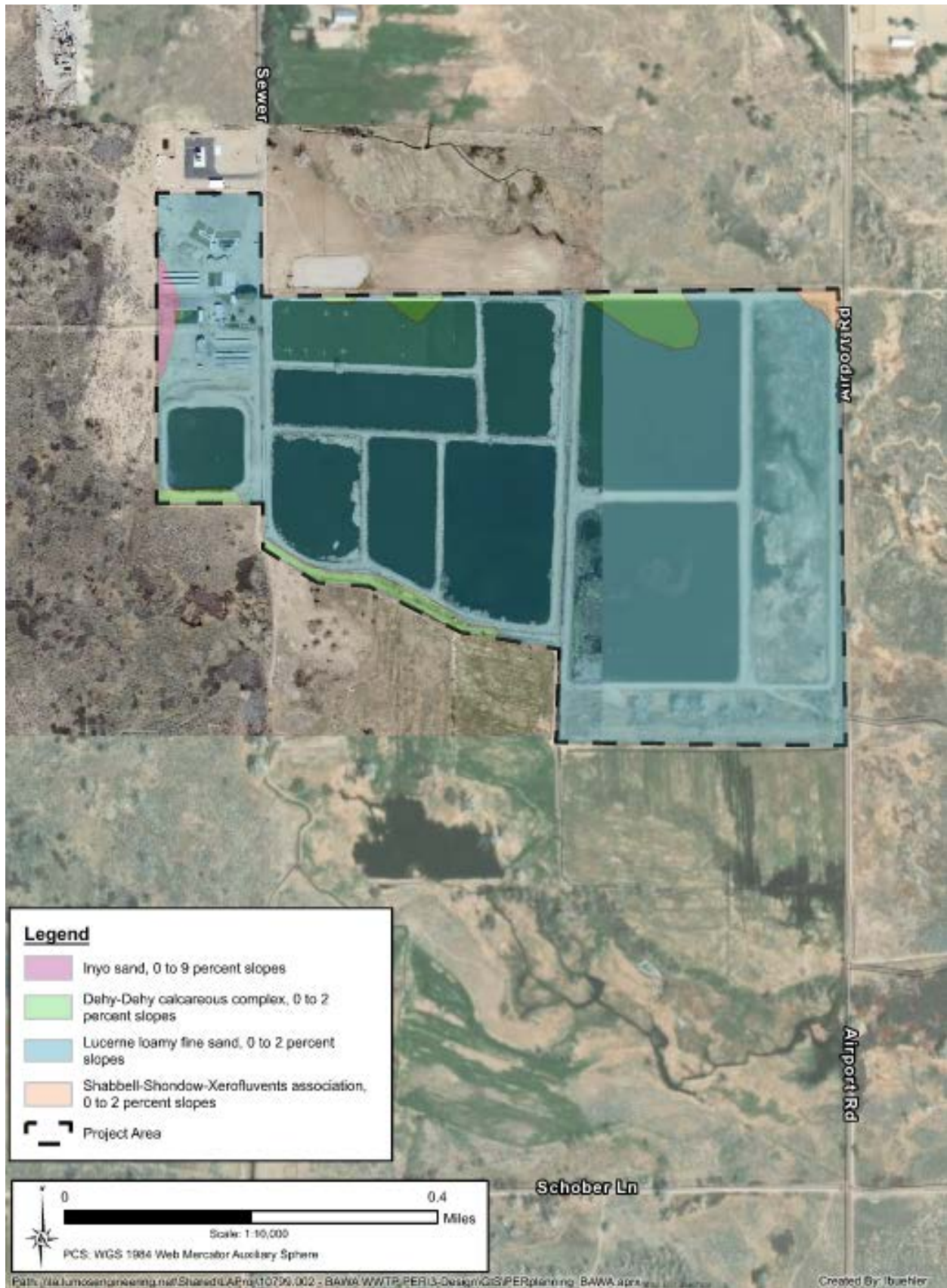
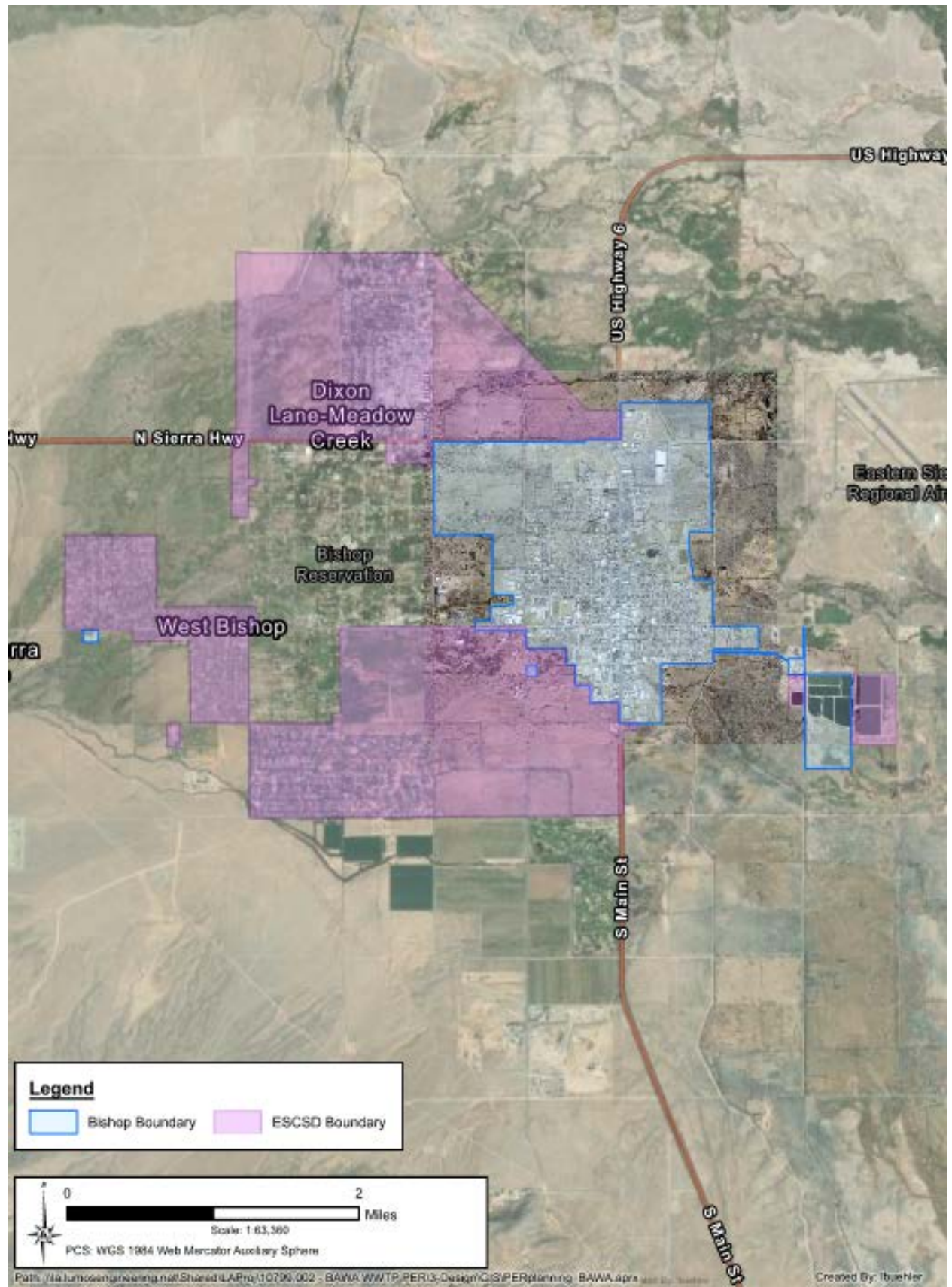


Figure A.4: Vicinity Map



Appendix B NDEP Discharge Permits (Current and Draft)

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LAHONTAN REGION

BOARD ORDER NO. 6-94-025
WDID NO. 6B140101001

UPDATED WASTE DISCHARGE REQUIREMENTS

FOR

CITY OF BISHOP
SEWAGE TREATMENT FACILITY

Inyo County_____

The California Regional Water Quality Control Board, Lahontan Region (Regional Board) finds:

1. Discharger

For the purposes of this Order, the City of Bishop is referred to as the "Discharger," and the City of Bishop's waste treatment and disposal facility is referred to as the "Facility."


2. Permit History

The Regional Board previously established waste discharge requirements for the Facility under Board Order No. 6-80-55, which was adopted on August 14, 1980, and revised by Board Order No. 6-85-122 on October 10, 1985.

3. Reason for Action

The Regional Board is updating waste discharge requirements for the Facility as part of a statewide program to periodically review and update waste discharge requirements. The purpose of this Order is to incorporate changes in regulations and regulatory policies (since the adoption of Board Order No. 6-85-122) which apply to operation of the Facility.

4. Facility Location

The Facility is located approximately 1.0 mile (1.6 km) east of the City of Bishop on East Line Street, within Section 8, T7S, R33E, MDB&M as shown on Attachment "A" which is made part of this Order.

5. Discharge Description

The Facility serves the City of Bishop which has a population of approximately 4,000. Wastewater treatment is provided by a primary clarifier, a clay-lined, aerated lagoon and two clay-lined oxidation ponds. The Facility collects, treats, and disposes of an average of 0.82 mgd of domestic wastewater. The Facility has a design capacity of 1.6 mgd.

6. Authorized Disposal Sites

Treated effluent is discharged to oxidation ponds or to pasture land. Mr. Donald Tatum currently uses treated effluent from the Facility to flood irrigate a 125-acre pasture site for non-milking animals located south of the oxidation ponds. The oxidation ponds and the pasture irrigation land are the only authorized disposal sites. Milking animals will be precluded from using the irrigation site.

7. Sludge Treatment and Disposal

Sludge from the primary clarifier is treated by two anaerobic digesters and is discharged to drying beds. Sludge from the drying beds is used on the irrigation site as a fertilizer and soil conditioner.

8. Site Hydrology

Depth to groundwater in the vicinity of the Facility is less than 10 feet (3.1 meters). The quality of the groundwater is excellent for most beneficial uses with total filterable residue concentrations in the range of 150 to 400 mg/l.

9. Receiving Waters

The receiving waters are the groundwaters of the Upper Owens Subunit of the Owens Hydrologic Unit.

10. South Lahontan Basin Plan

The Regional Board adopted a Water Quality Control Plan for the South Lahontan Basin on May 8, 1975 and this Order implements the Plan as amended.

11. Beneficial Uses

The beneficial uses of the groundwaters of the Upper Owens Subunit of the Owens Hydrologic Unit as set forth and defined in the Water Quality Control Plan for the South Lahontan Basin are:

- a. Municipal and domestic supply
- b. Agricultural supply
- c. Freshwater replenishment

12. Reclamation Regulations

The California Department of Health Services (DHS) has established state-wide regulations for the use of reclaimed domestic wastewater. In accordance with Section 13523 of the California Water Code, the Board consulted with and received the recommendations of the State DHS which are incorporated within this Order.

13. California Environmental Quality Act Compliance

This project involves the continued operation and maintenance of an existing Facility and, as such, is exempt from the provisions of the California Environmental Quality Act (Public Resources Code, Section 21000, et seq.) in accordance with Title 14, California Code of Regulations, Chapter 3, Section 15301.

14. Notification of Interested Parties

The Regional Board has notified the Discharger and interested parties of its intent to update waste discharge requirements for the discharge.

15. Consideration of Public Comments

The Regional Board, in a public meeting, heard and considered all comments pertaining to the discharge.

IT IS HEREBY ORDERED that the Discharger shall comply with the following:

I. DISCHARGE SPECIFICATIONS

A. Effluent/Discharge Limitations

1. The average flow of wastewater to the treatment and disposal facilities shall not exceed 1.6 million gallons per day (mgd).
2. The maximum instantaneous flowrate of wastewater to the treatment and disposal facilities shall not exceed 4.8 mgd.
3. All wastewater made available to the authorized disposal/reclamation sites shall not contain concentrations of parameters in excess of the following limits:

<u>Parameter</u>	<u>Units</u>	<u>Mean</u> ¹	<u>Maximum</u>
BOD ²	mg/l	50.0	----
MBAS ³	mg/l	1.0	2.0

4. All wastewater made available to the authorized disposal/reclamation sites shall have a pH of not less than 6 pH units nor more than 9 units.

¹ The arithmetic mean of lab results for effluent samples collected in a period of 30 consecutive days

² Biochemical Oxygen Demand (5 day, 20° C) for an unfiltered sample

³ Methylene Blue Active Substances

5. All wastewater made available to the authorized disposal/reclamation sites shall have a dissolved oxygen concentration not less than 1.0 mg/l.

B. Receiving Water Limitations

The discharge of waste shall not cause the presence of the following substances or conditions in ground waters of the Upper Owens Subunit of the Owens Hydrologic Unit:

1. Any perceptible color, odor, taste or foaming.
2. Coliform organisms attributable to human wastes.
3. Toxic substances in concentrations that individually, collectively, or cumulatively cause detrimental physiological responses in human, plants, animals, or aquatic life.
4. Identifiable chlorinated hydrocarbons, organophosphates, carbamates, and other pesticide and herbicide groups, in summations, in excess of the lowest detectable levels.
5. Concentrations of chemical constituents in excess of the maximum contaminant levels or secondary maximum contaminant levels based upon drinking water standards specified by the more restrictive of the California Code of Regulations, Title 22, Division 4, Chapter 15, or 40 CFR, Part 141.

C. Reclamation Requirements

1. All effluent made available for reclamation shall comply with standard Department of Health Services regulations as specified in Chapter 3, Division 4, Title 22 of the California Code of Regulations.
2. Reclaimed water used for spray irrigation of fodder, fiber and seed crops shall contain not more than 0.5 ml/l/hour of settleable solids.
3. The irrigation sites shall be graded to prevent persistent ponding of wastewater which is capable of promoting the breeding of mosquitoes.
4. The irrigation site shall be properly fenced and posted to restrict public access and warn of the presence of sewage.
5. Wastewater to be utilized for the irrigation of pasture to which milking cows or goats have access the wastewater shall at all times be adequately disinfected and oxidized. The wastewater shall be considered adequately disinfected if, at some location in the treatment

process, the median number of coliform organisms does not exceed 23/100 ml, as determined from the bacteriological results of the last weekly period for which analyses have been completed.

D. General Requirements and Prohibitions

1. There shall be no discharge, bypass, or diversion of raw or partially treated sewage, sewage sludge, grease, or oils from the collection, transport, treatment, or disposal facilities to adjacent land areas or surface waters.
2. Surface flow or visible discharge of sewage or sewage effluent at/or from the authorized disposal/reclamation sites to adjacent land areas or surface waters is prohibited.
3. The vertical distance between the liquid surface elevation and the lowest point of a pond dike or the invert of an overflow structure shall not be less than 1.5 feet.
4. The discharge shall not cause a pollution as defined in Section 13050 of the California Water Code, or a threatened pollution.
5. Neither the treatment nor the discharge shall cause a nuisance as defined in Section 13050 of the California Water Code.
6. The discharge of wastewater except to the authorized disposal/reclamation sites is prohibited.
7. The integrity of the facultative pond liners and dikes shall be maintained throughout the life of the ponds and shall not be diminished as the result of any maintenance or cleaning operation.
8. The Discharger shall comply with all existing Federal and State laws and regulations that apply to sewage sludge use and disposal practices.

II. PROVISIONS

A. Rescission of Waste Discharge Requirements

Regional Board Order No. 6-85-122 is hereby rescinded.

B. Operator Certificates

The Discharger's wastewater treatment plant shall be supervised by persons possessing a wastewater treatment plant operator certificate of appropriate grade pursuant to Chapter 3, Subchapter 4, Title 23, California Code of Regulations.

C. Standard Provisions

The Discharger shall comply with the Standard Provisions for Waste Discharge Requirements, dated July 1, 1993, in Attachment "B" which is made part of this Order.

D. Monitoring and Reporting

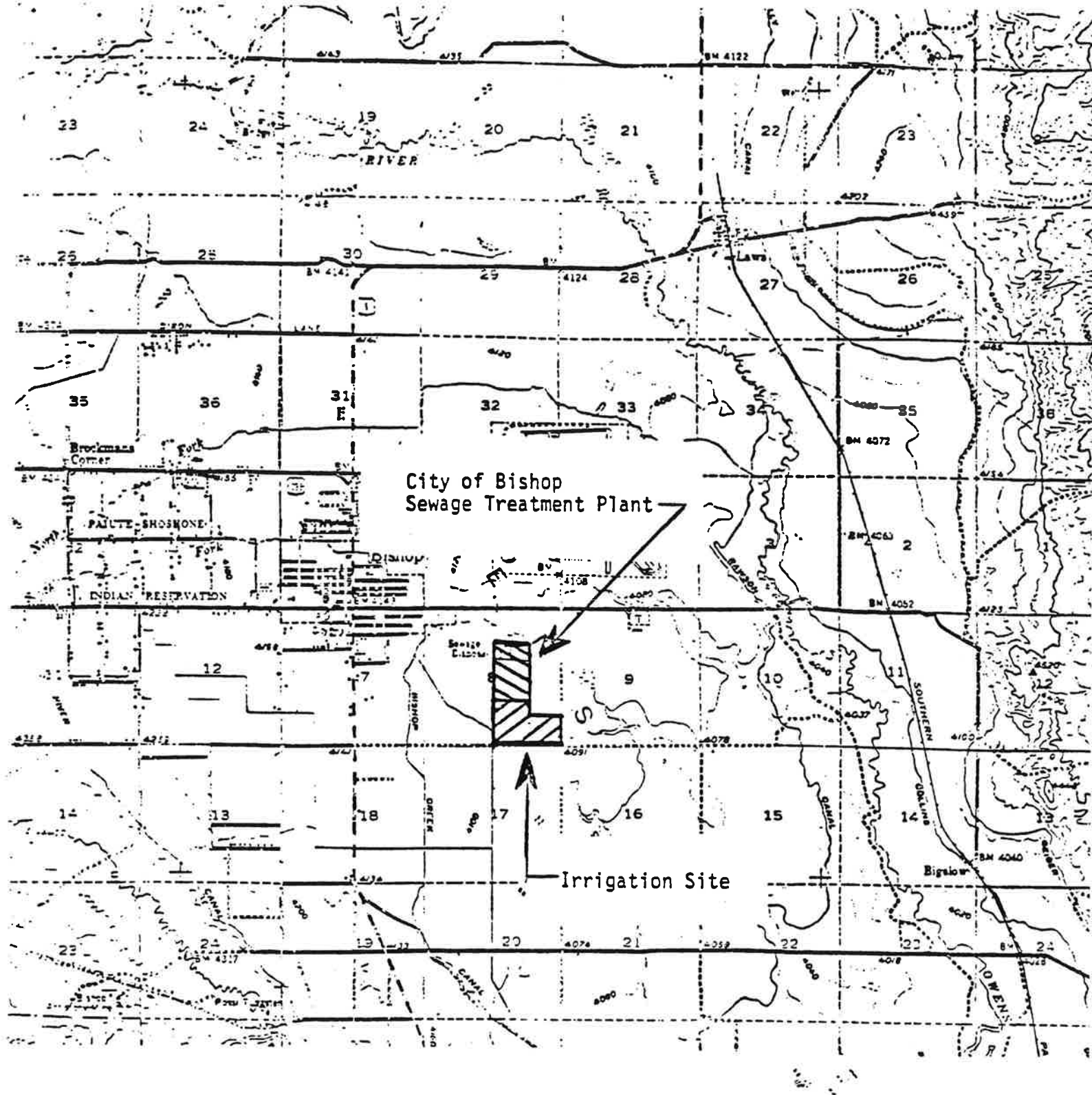
Pursuant to the California Water Code § 13267(b), the Discharger shall comply with Monitoring and Reporting Program No. 94-025 as specified by the Regional Board Executive Officer.

I, Harold J. Singer, Executive Officer, do hereby certify that the foregoing is a full, true, and correct copy of an Order adopted by the California Regional Water Quality Control Board, Lahontan Region, on February 10, 1994.



HAROLD J. SINGER
EXECUTIVE OFFICER

Attachments: A. Location Map
B. Standard Provisions for Waste Discharge Requirements



ATTACHMENT "A"

CITY OF BISHOP
SEWAGE TREATMENT PLANT

East of Bishop - Inyo County

Portion of Section 8, T17S, R33E, MDB&M

USGS Bishop 15 Minute Quadrangle

Attachment "B"

STANDARD PROVISIONS
FOR WASTE DISCHARGE REQUIREMENTS

1. Inspection and Entry

The discharger shall permit Regional Board staff:

- a. to enter upon premises in which an effluent source is located or in which any required records are kept;
- b. to copy any records relating to the discharge or relating to compliance with the waste discharge requirements;
- c. to inspect monitoring equipment or records; and
- d. to sample any discharge.

2. Reporting Requirements

- a. Pursuant to California Water Code 13267(b), the discharger shall immediately notify the Board by telephone whenever an adverse condition occurred as a result of this discharge; written confirmation shall follow within two weeks. An adverse condition includes, but is not limited to, spills of petroleum products or toxic chemicals, or damage to control facilities that could affect compliance.
- b. Pursuant to California Water Code Section 13260(c), any proposed material change in the character of the waste, manner or method of treatment or disposal, increase of discharge, or location of discharge, shall be reported to the Board at least 120 days in advance of implementation of any such proposal. This shall include, but not limited to, all significant soil disturbances.
- c. The owners/discharger of property subject to waste discharge requirements shall be considered to have a continuing responsibility for ensuring compliance with applicable waste discharge requirements in the operations or use of the owned property. Pursuant to 13260(c), any change in the ownership and/or operation of property subject to the waste discharge requirements shall be reported to the Board. Notification of applicable waste discharge requirements shall be furnished in writing to the new owners and/or operators and a copy of such notification shall be sent to the Board.
- d. If a discharger becomes aware that any information submitted to the Board is incorrect, the discharger shall immediately notify the Board, in writing and correct that information.
- e. Reports required by the waste discharge requirements, and other information requested by the Board, must be signed by a duly authorized representative of the discharger.

- f. If the discharger becomes aware that their waste discharge requirements (or permit) is no longer needed (because the project will not be built or the discharge will cease) the discharger shall notify the Regional Board in writing and request that their waste discharge requirements (or permit) be rescinded.

3. Right to Revise Waste Discharge Requirements

The Board reserves the privilege of changing all or any portion of the waste discharge requirements upon legal notice to and after opportunity to be heard is given to all concerned parties.

4. Duty to Comply

Failure to comply with the waste discharge requirements may constitute a violation of the California Water Code and is grounds for enforcement action or for permit termination, revocation and reissuance, or modification.

5. Duty to Mitigate

The discharger shall take all reasonable steps to minimize or prevent any discharge in violation of the waste discharge requirements which has a reasonable likelihood of adversely affecting human health or the environment.

6. Proper Operation and Maintenance

The discharger shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) that are installed or used by the discharger to achieve compliance with the waste discharge requirements. Proper operation and maintenance includes adequate laboratory control, where appropriate, and appropriate quality assurance procedures. This provision requires the operation of backup or auxiliary facilities or similar systems that are installed by the discharger, when necessary to achieve compliance with the conditions of the waste discharge requirements.

7. Waste Discharge Requirement Actions

The waste discharge requirements may be modified, revoked and reissued, or terminated for cause. The filing of a request by the discharger for waste discharge requirement modification, revocation and reissuance, termination, or a notification of planned changes or anticipated noncompliance, does not stay any of the waste discharge requirements conditions.

8. Property Rights

The waste discharge requirements do not convey any property rights of any sort, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights,

nor any infringement of federal, state or local laws or regulations.

9. Enforcement

The California Water Code provides for civil liability and criminal penalties for violations or threatened violations of the waste discharge requirements including imposition of civil liability or referral to the Attorney General.

10. Availability

A copy of the waste discharge requirements shall kept and maintained by the discharger and be available at all times to operating personnel.

11. Severability

Provisions of the waste discharge requirements are severable. If any provision of the requirements is found invalid, the remainder of the requirements shall not be affected.

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General public access shall be effectively excluded from disposal/treatment facilities.

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Providing there is no material change in the operation of the facility, this Order may be transferred to a new owner or operation. The owner/operator must request the transfer in writing and receive written approval from the Board's Executive Officer.

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- a. "Surface waters" as used in this Order, include, but are not limited to, live streams, either perennial or ephemeral, which flow in natural or artificial water courses and natural lakes and artificial impoundments of waters. "Surface waters" does not include artificial water courses or impoundments used exclusively for wastewater disposal.
- b. "Ground waters" as used in this Order, include, but are not limited to, all subsurface waters being above atmospheric pressure and the capillary fringe of these waters.

15. Storm Protection

- a. All facilities used for collection, transport, treatment, storage, or disposal of waste shall be adequately protected against overflow, washout, inundation, structural damage or a significant reduction in efficiency resulting from a storm or flood having a recurrence interval of once in 100 years.

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LAHONTAN REGION

MONITORING AND REPORTING PROGRAM NO. 94-025
WDID NO. 6B140101001

FOR

CITY OF BISHOP
SEWAGE TREATMENT PLANT

Inyo County

I. MONITORING

A. Flow Monitoring

The following shall be recorded in a permanent log book:

1. The total volume, in million gallons, of wastewater flow to the treatment facility for each day.
2. The total volume, in million gallons, of wastewater flow to the treatment facility for each month.
3. The average flow rate, in million gallons per day (mgd), of wastewater to the treatment facility calculated for each month.
4. The maximum instantaneous flow rate, in million gallons per day (mgd), of wastewater to the treatment facility that occurs each day.
5. The total volume, in million gallons, of wastewater flow to the reclamation sites for each month.
6. The freeboard (distance from the top of the lowest part of the dike to the wastewater surface in the pond) measured each month in each surface impoundment (SI). If a surface impoundment does not contain wastewater, indicate that it is empty.

B. Plant Influent Monitoring

Beginning immediately, grab samples of the influent shall be collected and analyzed to determine the magnitude of the following parameters:

<u>Parameter</u>	<u>Units</u>	<u>Frequency</u>
BOD ¹	mg/l	monthly

¹Biochemical Oxygen Demand (5 day, 20° C) of an unfiltered sample

C. Plant Effluent Monitoring

Beginning immediately, grab samples of the secondary effluent from wastewater treatment facilities shall be collected prior to chlorination and analyzed to determine the magnitude of the following parameters and the parameters listed.

<u>Parameter</u>	<u>Units</u>	<u>Frequency</u>
pH		monthly
BOD	mg/l	monthly
COD ²	mg/l	quarterly
Methylene Blue Active Substances	mg/l	quarterly
Total Filterable Residue	mg/l	quarterly

D. Ground Water Monitoring

1. Groundwater samples shall be taken from monitoring wells Nos. 1, 3 and 4. Prior to sampling a well, a minimum of three (3) volumes in the casing shall be pumped or bailed.

<u>Parameter</u>	<u>Units</u>	<u>Frequency</u>
Nitrate-Nitrogen	mg/l as N	quarterly
Methylene Blue Active Substances	mg/l	quarterly
Total Filterable Residue	mg/l	quarterly

2. The depth to ground water in each well shall be measured and recorded each time a monitoring well is sampled.

E. Sludge Monitoring

1. By January 1, 1995, the Discharger shall submit a Sludge Management Plan for approval by the Executive Officer. The Discharger shall submit subsequent annual reports summarizing disposal of sludge in accordance with the provisions of the plan with the last quarterly report of the calendar year.
2. The Discharger shall report to the Regional Board all information necessary to comply with U.S. Environmental Protection Agency Sludge Management Regulations contained in Section 503 of the Federal Clean Water Act.

²Chemical Oxygen Demand of an unfiltered sample

F. Sampling and Analysis Methods

1. The Discharger shall comply with the attached General Provisions for Monitoring and Reporting, which is made part of this Monitoring and Reporting Program.

II. REPORTING


A. General Provisions

The Discharger shall comply with the "General Provisions for Monitoring and Reporting", dated July 1, 1993, which is attached to and made part of this Monitoring and Reporting Program.

B.. Submittal Periods

Beginning on March 15, 1994, and continuing quarterly thereafter, a monitoring report of the previous quarter, including the preceding information, shall be submitted to the Regional Board. The reporting of Nitrate Nitrogen shall commence in the quarterly report for December 15, 1994, and continue quarterly thereafter.

Ordered by:


HAROLD J. SINGER
EXECUTIVE OFFICER

Dated: Feb 10, 1994

Attachment: General Provisions for Monitoring and Reporting

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LAHONTAN REGION

GENERAL PROVISIONS FOR MONITORING AND REPORTING

1. SAMPLING AND ANALYSIS

- a. All analyses shall be performed in accordance with the current edition(s) of the following documents:
 - i. Standard Methods for the Examination of Water and Wastewater
 - ii. Methods for Chemical Analysis of Water and Wastes, EPA
- b. All analyses shall be performed in a laboratory certified to perform such analyses by the California State Department of Health Services or a laboratory approved by the Executive Officer. Specific methods of analysis must be identified on each laboratory report.
- c. Any modifications to the above methods to eliminate known interferences shall be reported with the sample results. The method used shall also be reported. If methods other than USEPA approved methods or Standard Methods are used, the exact methodology must be submitted for review and must be approved by the Executive Officer prior to use.
- d. The discharger shall establish chain-of-custody procedures to ensure that specific individuals are responsible for sample integrity from commencement of sample collection through delivery to an approved laboratory. Sample collection, storage and analysis shall be conducted in accordance with an approved Sampling and Analysis Plan (SAP). The most recent version of the approved SAP shall be kept at the facility.
- e. The discharger shall calibrate and perform maintenance procedures on all monitoring instruments and equipment to ensure accuracy of measurements, or shall ensure that both activities will be conducted. The calibration of any wastewater flow measuring device shall be recorded and maintained in the permanent log book.
- f. A grab sample is defined as an individual sample collected in fewer than 15 minutes.
- g. A composite sample is defined as a combination of no fewer than eight individual samples obtained over the specified sampling period at equal intervals. The volume of each individual sample shall be proportional to the discharge flow rate at the time of sampling. The sampling period shall equal the discharge period, or 24 hours, whichever period is shorter.

2. OPERATIONAL REQUIREMENTS

a. Sample Results

Pursuant to California Water Code Section 13267(b), a copy of all sample results shall be available to the plant operator and/or Board staff for inspection. The results shall be retained for a minimum of three years.

b. Operational Log

i. Pursuant to California Water Code Section 13267(b), an operation and maintenance log shall be maintained at the facility.

ii. All monitoring and reporting data shall be recorded in a permanent log book.

3. REPORTING

- a. For every item where the requirements are not met, the discharger shall submit a statement of the actions undertaken or proposed which will bring the discharge into full compliance with requirements at the earliest time and submit a timetable for correction.
- b. The discharger shall maintain all sampling and analytical results, including strip charts; date, exact place, and time of sampling; date analyses were performed; sample collector's name; analyst's name; analytical techniques used; and results of all analyses. Such records shall be retained for a minimum of three years. This period of retention shall be extended during the course of any unresolved litigation regarding this discharge or when requested by the Regional Board.
- c. The discharger shall provide a brief summary of any operational problems and maintenance activities to the Board with each monitoring report. Any modifications or additions to, or any major maintenance conducted on, or any major problems occurring to the wastewater conveyance system, treatment facilities, or disposal facilities shall be included in this summary.
- d. Monitoring reports shall be signed by:
 - i. In the case of a corporation, by a principal executive officer at least of the level of vice-president or his duly authorized representative, if such representative is responsible for the overall operation of the facility from which the discharge originates;
 - ii. In the case of a partnership, by a general partner;
 - iii. In the case of a sole proprietorship, by the proprietor;

- iv. In the case of a municipal, state or other public facility, by either a principal executive officer, ranking elected official, or other duly authorized employee.
- e. Monitoring reports are to include the following:
 - i. Name and telephone number of individual who can answer questions about the report.
 - ii. The Monitoring and Reporting Program Number.
 - iii. WDID Number.
 - iv. By January 30 of each year, the discharger shall submit an Annual Report to the Board with the following information:
 - (1) The compliance record and corrective actions taken or planned which may be needed to bring the discharge into full compliance with the discharge requirements.
 - (2) Graphical and tabular data for the monitoring data obtained for the previous year.
- f. Modifications
 - i. This Monitoring and Reporting Program may be modified at the discretion of the Regional Board Executive Officer.

4. NONCOMPLIANCE

- a. Any person failing or refusing to furnish technical or monitoring reports or falsifying any information provided therein, is guilty of a misdemeanor and may be liable civilly in an amount of up to one thousand dollars (\$1,000) for each day of violation under Section 13268 of the Water Code.

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LAHONTAN REGION

BOARD ORDER NO. 6-94-024
WDID NO. 6B140108001

UPDATED WASTE DISCHARGE REQUIREMENTS
FOR

EASTERN SIERRA COMMUNITY SERVICES DISTRICT
SEWAGE TREATMENT FACILITY

Inyo County_____

The California Regional Water Quality Control Board, Lahontan Region (Regional Board) finds:

1. Discharger

For the purposes of this Order, the Eastern Sierra Community Service District is referred to as the "Discharger," and the Eastern Sierra Community Service District's waste treatment and disposal facility is referred to as the "Facility."

2. Permit History

The Regional Board previously established waste discharge requirements for the Facility under Board Order No. 6-80-57, which was adopted on August 14, 1980, and revised by Board Order No. 6-85-123 on October 10, 1985.

3. Reason for Action

The Regional Board is updating waste discharge requirements for the Facility as part of a statewide program to periodically review and update waste discharge requirements. The purpose of this Order is to incorporate changes in regulations and regulatory policies (since the adoption of Board Order No. 6-85-123) which apply to operation of the Facility.

4. Facility Location

The Facility is located approximately 1.0 mile (1.6 km) east of the City of Bishop on East Line Street., within Section 8, T7S, R33E, MDB&M as shown on Attachment "A" which is made part of this Order.

5. Discharge Description

The Facility serves much of the outlying area surrounding the City of Bishop. Wastewater treatment is provided by an aerated grit chamber, primary clarifier, clay-lined, aerated lagoon and three percolation ponds. The Facility collects, treats, and disposes of an average of 0.67 mgd of domestic wastewater. The Facility has a design capacity of 0.85 mgd.

6. Authorized Disposal Sites

Treated effluent is discharged to percolation ponds or to pasture land. Mr. Donald Tatum currently uses treated effluent from the Facility to flood irrigate a 60-acre pasture site for non-milking animals located south of the percolation ponds. The percolation ponds and the pasture irrigation land are the only authorized disposal sites.

7. Sludge Treatment and Disposal

Sludge from the primary clarifiers is treated by an anaerobic digester and is discharged to drying beds. Sludge from the drying beds is disposed of at an authorized landfill.

8. Site Hydrology

Depth to groundwater in the vicinity of the Facility is less than 10 feet (3.1 meters). The quality of the groundwater is excellent for most beneficial uses with total filterable residue concentrations in the range of 150 to 400 mg/l.

9. Receiving Waters

The receiving waters are the groundwaters of the Upper Owens Subunit of the Owens Hydrologic Unit.

10. South Lahontan Basin Plan

The Regional Board adopted a Water Quality Control Plan for the South Lahontan Basin on May 8, 1975 and this Order implements the Plan as amended.

11. Beneficial Uses

The beneficial uses of the groundwaters of the Upper Owens Subunit of the Owens Hydrologic Unit as set forth and defined in the Water Quality Control Plan for the South Lahontan Basin are:

- a. Municipal and domestic supply
- b. Agricultural supply
- c. Freshwater replenishment

12. Reclamation Regulations

The California Department of Health Services (DHS) has established state-wide regulations for the use of reclaimed domestic wastewater. In accordance with Section 13523 of the California Water Code, the Board consulted with and received the recommendations of the DHS which are incorporated within this Order.

13. California Environmental Quality Act Compliance

This project involves the continued operation and maintenance of an existing Facility and, as such, is exempt from the provisions of the California Environmental Quality Act (Public Resources Code, Section 21000, et seq.) in accordance with Title 14, California Code of Regulations, Chapter 3, Section 15301.

14. Notification of Interested Parties

The Regional Board has notified the Discharger and interested parties of its intent to update waste discharge requirements for the discharge.

15. Consideration of Public Comments

The Regional Board, in a public meeting, heard and considered all comments pertaining to the discharge.

IT IS HEREBY ORDERED that the Discharger shall comply with the following:

I. DISCHARGE SPECIFICATIONS

A. Effluent/Discharge Limitations

1. The average flow of wastewater to the treatment and disposal facilities shall not exceed 0.85 mgd.
2. The maximum instantaneous flowrate of wastewater to the treatment and disposal facilities shall not exceed 2.4 mgd.
3. All wastewater made available to the authorized disposal/reclamation sites shall not contain concentrations of parameters in excess of the following limits:

<u>Parameter</u>	<u>Units</u>	<u>Mean¹</u>	<u>Maximum</u>
BOD ²	mg/l	50.0	----
MBAS ³	mg/l	1.0	2.0

4. All wastewater made available to the authorized disposal/reclamation sites shall have a pH of not less than 6 pH units nor more than 9 units.

¹ The arithmetic mean of lab results for effluent samples collected in a period of 30 consecutive days

² Biochemical Oxygen Demand (5 day, 20° C) for an unfiltered sample

³ Methylene Blue Active Substances

5. All wastewater made available to the authorized disposal/reclamation sites shall have a dissolved oxygen concentration not less than 1.0 mg/l.

B. Receiving Water Limitations

The discharge of waste shall not cause the presence of the following substances or conditions in ground waters of the Upper Owens Subunit of the Owens Hydrologic Unit:

1. Any perceptible color, odor, or taste.
2. Coliform organisms attributable to human wastes;
3. Toxic substances in concentrations that individually, collectively, or cumulatively cause detrimental physiological responses in human, plants, animals, or aquatic life;
4. Identifiable chlorinated hydrocarbons, organophosphates, carbamates, and other pesticide and herbicide groups, in summations, in excess of the lowest detectable levels.
5. Concentrations of chemical constituents in excess of the maximum contaminant levels or secondary maximum contaminant levels based upon drinking water standards specified by the more restrictive of the California Code of Regulations, Title 22, Division 4, Chapter 15, or 40 CFR, Part 141.

C. Reclamation Requirements

1. All effluent made available for reclamation shall comply with standard Department of Health Services regulations as specified in Chapter 3, Division 4, Title 22 of the California Code of Regulations.
2. Reclaimed water used for spray irrigation of fodder, fiber and seed crops shall contain not more than 0.5 ml/l/hour of settleable solids.
3. The irrigation sites shall be graded to prevent persistent ponding of wastewater which is capable of promoting the breeding of mosquitoes.
4. The irrigation site shall be properly fenced and posted to restrict public access and warn of the presence of sewage.
5. Wastewater to be utilized for the irrigation of pasture to which milking cows or goats have access the wastewater shall at all times be adequately disinfected and oxidized. The wastewater shall be considered adequately disinfected if, at some location in the treatment process, the median number of coliform organisms does not exceed

23/100 ml, as determined from the bacteriological results of the last weekly period for which analyses have been completed.

D. General Requirements and Prohibitions

1. There shall be no discharge, bypass, or diversion of raw or partially treated sewage, sewage sludge, grease, or oils from the collection, transport, treatment, or disposal facilities to adjacent land areas or surface waters.
2. Surface flow or visible discharge of sewage or sewage effluent at/or from the authorized disposal/reclamation sites to adjacent land areas or surface waters is prohibited.
3. The vertical distance between the liquid surface elevation and the lowest point of a pond dike or the invert of an overflow structure shall not be less than 1.5 feet.
4. The discharge shall not cause a pollution or a threatened pollution as defined in Section 13050 of the California Water Code.
5. Neither the treatment nor the discharge shall cause a nuisance as defined in Section 13050 of the California Water Code.
6. The discharge of wastewater except to the authorized disposal/reclamation sites is prohibited.
7. The integrity of the facultative pond liners and dikes shall be maintained throughout the life of the ponds and shall not be diminished as the result of any maintenance or cleaning operation.
8. The Discharger shall comply with all existing Federal and State laws and regulations that apply to sewage sludge use and disposal practices.

II. PROVISIONS

A. Rescission of Waste Discharge Requirements

Board Order No. 6-85-123 is hereby rescinded.

B. Operator Certificates

The Discharger's wastewater treatment plant shall be supervised by persons possessing a wastewater treatment plant operator certificate of appropriate grade pursuant to Chapter 3, Subchapter 4, Title 23, California Code of Regulations.

C. Standard Provisions

The Discharger shall comply with the Standard Provisions for Waste Discharge Requirements, dated July 1, 1993, in Attachment "B" which is made part of this Order.

D. Monitoring and Reporting

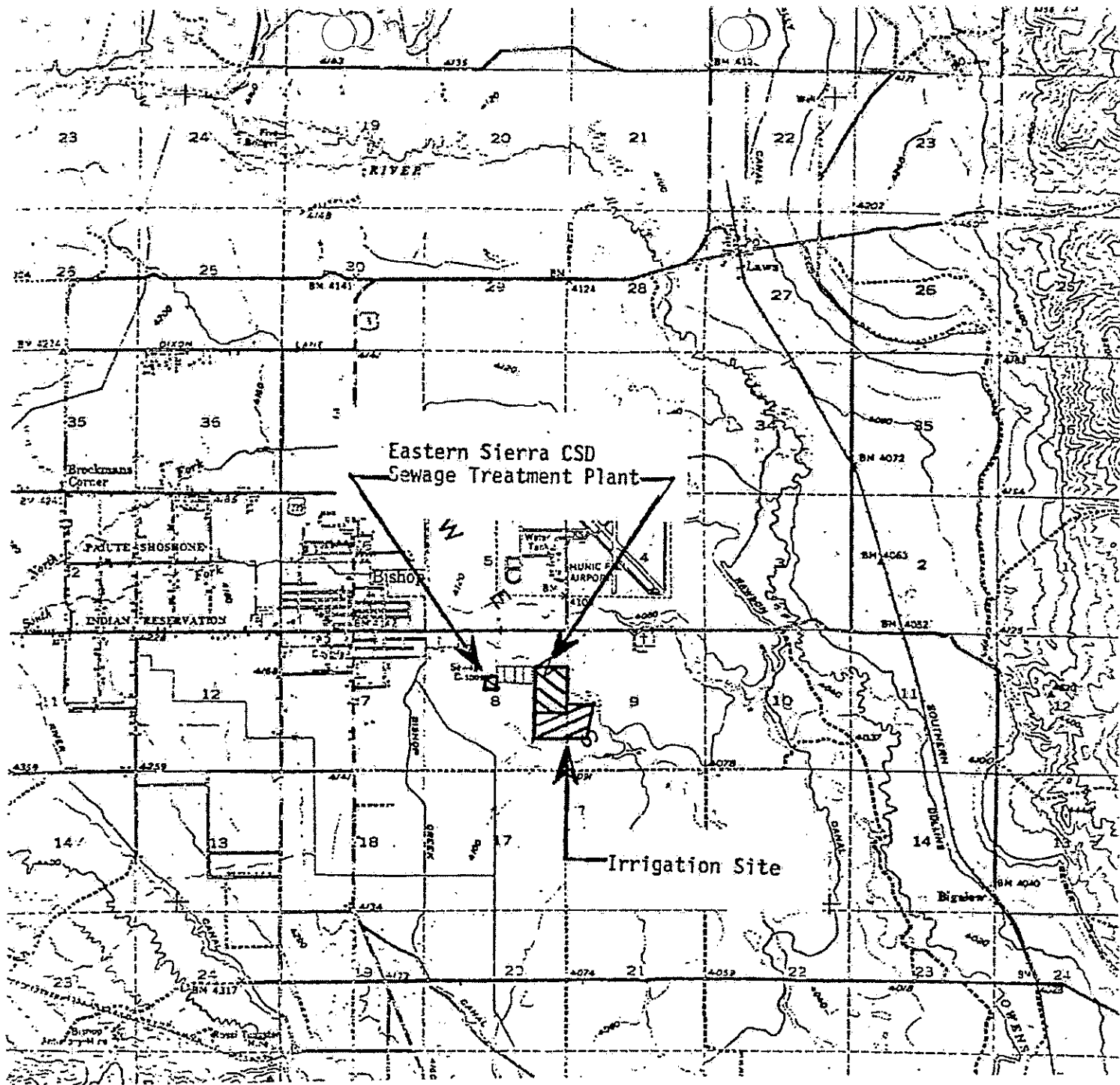
Pursuant to the California Water Code Section 13267(b), the Discharger shall comply with Monitoring and Reporting Program No. 94-024 as specified by the Regional Board Executive Officer.

I, Harold J. Singer, Executive Officer, do hereby certify that the foregoing is a full, true, and correct copy of an Order adopted by the California Regional Water Quality Control Board, Lahontan Region, on February 10, 1994.



HAROLD J. SINGER
EXECUTIVE OFFICER

Attachments: A. Location Map
B. Standard Provisions for Waste Discharge Requirements



RASS Hyatt

Ready - map (on R.) ATTACHMENT "A"

EASTERN SIERRA COMMUNITY SERVICE DISTRICT
SEWAGE TREATMENT PLANT

East of Bishop - Inyo County

Portion of Sections 8 and 9, T17S, R33E, MDB&M

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CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LAHONTAN REGION

MONITORING AND REPORTING PROGRAM NO. 94-024
WDID NO. 6B140108001

FOR

EASTERN SIERRA COMMUNITY SERVICES DISTRICT
SEWAGE TREATMENT FACILITY

Inyo County

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5. The total volume, in million gallons, of wastewater flow to the reclamation sites for each month.
6. The freeboard (distance from the top of the lowest part of the dike to the wastewater surface in the pond) measured each month in each surface impoundment (SI). If a surface impoundment does not contain wastewater, indicate that it is empty.

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<u>Parameter</u>	<u>Units</u>	<u>Frequency</u>
pH		monthly
BOD	mg/l	monthly
COD ²	mg/l	quarterly
Methylene Blue Active Substances	mg/l	quarterly
Total Filterable Residue	mg/l	quarterly

D. Ground Water Monitoring

1. Groundwater samples shall be taken from monitoring well Nos. 2, 3 and 5. Prior to sampling a well, a minimum of three (3) volumes in the casing shall be pumped or bailed.

<u>Parameter</u>	<u>Units</u>	<u>Frequency</u>
Nitrate -Nitrogen	mg/l as N	quarterly
Methylene Blue Active Substances	mg/l	quarterly
Total Filterable Residue	mg/l	quarterly

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F. Sampling and Analysis Methods

1. The Discharger shall comply with the attached General Provisions for Monitoring and Reporting, dated February 10, 1994 which is made part of this Monitoring and Reporting Program.

II. REPORTING

A. General Provisions

The Discharger shall comply with the "General Provisions for Monitoring and Reporting", dated July 1, 1993, which is attached to and made part of this Monitoring and Reporting Program.

B.. Submittal Periods

Beginning on March 15, 1994, and continuing quarterly thereafter, a monitoring report of the previous quarter, including the preceding information, shall be submitted to the Regional Board. The reporting of Nitrate Nitrogen shall commence in the quarterly report for December 15, 1994, and continue quarterly thereafter.

Ordered by:


HAROLD J. SINGER
EXECUTIVE OFFICER

Dated: Feb 10, 1994

Attachment: General Provisions for Monitoring and Reporting

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
LAHONTAN REGION

GENERAL PROVISIONS FOR MONITORING AND REPORTING

1. SAMPLING AND ANALYSIS

- a. All analyses shall be performed in accordance with the current edition(s) of the following documents:
 - i. Standard Methods for the Examination of Water and Wastewater
 - ii. Methods for Chemical Analysis of Water and Wastes, EPA
- b. All analyses shall be performed in a laboratory certified to perform such analyses by the California State Department of Health Services or a laboratory approved by the Executive Officer. Specific methods of analysis must be identified on each laboratory report.
- c. Any modifications to the above methods to eliminate known interferences shall be reported with the sample results. The method used shall also be reported. If methods other than USEPA approved methods or Standard Methods are used, the exact methodology must be submitted for review and must be approved by the Executive Officer prior to use.
- d. The discharger shall establish chain-of-custody procedures to ensure that specific individuals are responsible for sample integrity from commencement of sample collection through delivery to an approved laboratory. Sample collection, storage and analysis shall be conducted in accordance with an approved Sampling and Analysis Plan (SAP). The most recent version of the approved SAP shall be kept at the facility.
- e. The discharger shall calibrate and perform maintenance procedures on all monitoring instruments and equipment to ensure accuracy of measurements, or shall ensure that both activities will be conducted. The calibration of any wastewater flow measuring device shall be recorded and maintained in the permanent log book.
- f. A grab sample is defined as an individual sample collected in fewer than 15 minutes.
- g. A composite sample is defined as a combination of no fewer than eight individual samples obtained over the specified sampling period at equal intervals. The volume of each individual sample shall be proportional to the discharge flow rate at the time of sampling. The sampling period shall equal the discharge period, or 24 hours, whichever period is shorter.

2. OPERATIONAL REQUIREMENTS

a. Sample Results

Pursuant to California Water Code Section 13267(b), a copy of all sample results shall be available to the plant operator and/or Board staff for inspection. The results shall be retained for a minimum of three years.

b. Operational Log

- i. Pursuant to California Water Code Section 13267(b), an operation and maintenance log shall be maintained at the facility.
- ii. All monitoring and reporting data shall be recorded in a permanent log book.

3. REPORTING

- a. For every item where the requirements are not met, the discharger shall submit a statement of the actions undertaken or proposed which will bring the discharge into full compliance with requirements at the earliest time and submit a timetable for correction.
- b. The discharger shall maintain all sampling and analytical results, including strip charts; date, exact place, and time of sampling; date analyses were performed; sample collector's name; analyst's name; analytical techniques used; and results of all analyses. Such records shall be retained for a minimum of three years. This period of retention shall be extended during the course of any unresolved litigation regarding this discharge or when requested by the Regional Board.
- c. The discharger shall provide a brief summary of any operational problems and maintenance activities to the Board with each monitoring report. Any modifications or additions to, or any major maintenance conducted on, or any major problems occurring to the wastewater conveyance system, treatment facilities, or disposal facilities shall be included in this summary.
- d. Monitoring reports shall be signed by:
 - i. In the case of a corporation, by a principal executive officer at least of the level of vice-president or his duly authorized representative, if such representative is responsible for the overall operation of the facility from which the discharge originates;
 - ii. In the case of a partnership, by a general partner;
 - iii. In the case of a sole proprietorship, by the proprietor;

- iv. In the case of a municipal, state or other public facility, by either a principal executive officer, ranking elected official, or other duly authorized employee.
- e. Monitoring reports are to include the following:
 - i. Name and telephone number of individual who can answer questions about the report.
 - ii. The Monitoring and Reporting Program Number.
 - iii. WDID Number.
 - iv. By January 30 of each year, the discharger shall submit an Annual Report to the Board with the following information:
 - (1) The compliance record and corrective actions taken or planned which may be needed to bring the discharge into full compliance with the discharge requirements.
 - (2) Graphical and tabular data for the monitoring data obtained for the previous year.
- f. Modifications
 - i. This Monitoring and Reporting Program may be modified at the discretion of the Regional Board Executive Officer.

4. NONCOMPLIANCE

- a. Any person failing or refusing to furnish technical or monitoring reports or falsifying any information provided therein, is guilty of a misdemeanor and may be liable civilly in an amount of up to one thousand dollars (\$1,000) for each day of violation under Section 13268 of the Water Code.

Appendix C Existing Site Photos

City Of Bishop



City Digester



Discharge Area



Headworks



Grit Removal Chamber



Primary Clarifier



Sludge Drying Beds



City Pond 1



City Pond 2



City Pond 3



City Pond 4



City Pond 5



City Pond 6

Eastern Sierra Community Service District



Headworks



Aerated Grit Chamber



Primary Clarifier



Digester



Sludge Drying Beds



Existing Pressure and Storage Tank



Aerated Lagoon



Solar Arrays



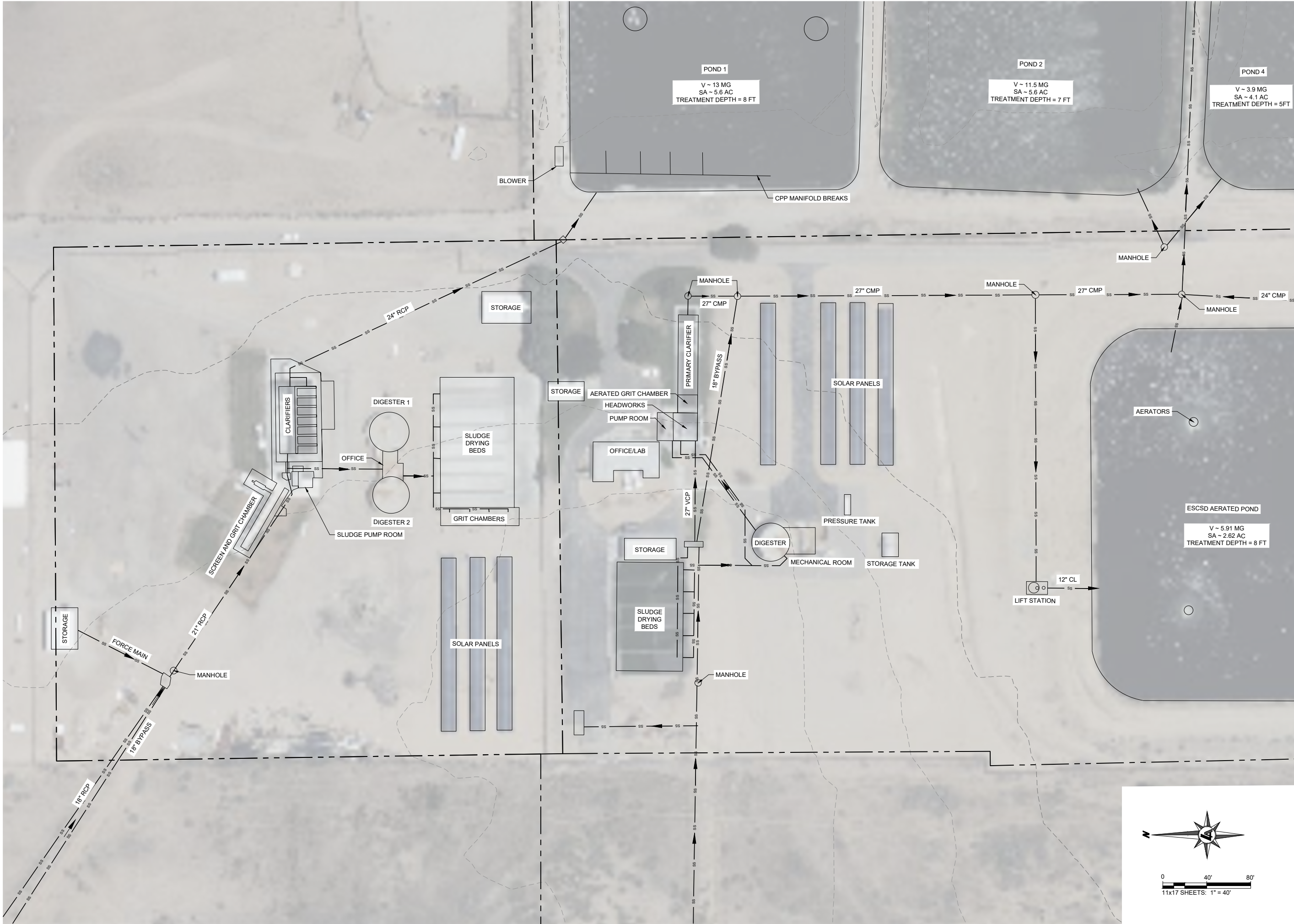
Distribution Box



Percolation Ponds

Appendix D Existing Plant Map

C:\Users\LBuehler\AppData\Local\Temp\AcPublish_70868\10799.002 EXISTING.dwg BAWA Existing WWP.
02/19/2025 10:40 am lbuehler



950 SANDHILL ROAD, SUITE 100
RENO, NV 89521
TEL: 775.827.6111

WWW.LUMOSINC.COM
INFO@LUMOSINC.COM

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CITY OF BISHOP
**PRELIMINARY ENGINEERING REPORT
BAWA WASTE WATER TREATMENT PLANT
EXISTING FACILITIES**
CALIFORNIA
BISHOP

REV	DATE	DESCRIPTION	BY

BAR IS 1 INCH ON ORIGINAL DRAWING

0 1"
IF NOT ONE INCH ON THIS SHEET,
ADJUST SCALES ACCORDINGLY

C1.0

DRAWN BY: LB
DESIGNED BY: KT
CHECKED BY: CE
JOB NO.: 10799.002

**PRELIMINARY
NOT FOR CONSTRUCTION
MARCH 2025**

\\lumos\engineering\one\Shore\LAPro\10799 002 - BAWA WWTP PER 3-Design\DWG\Civil\Exhibits\10799 002 EXISTING.dwg,BAWA Existing Pond Layout, 02/26/2025 01:31 pm buehler



950 SANDHILL ROAD, SUITE 100
RENO, NV 89521
TEL: 775.827.6111
WWW.LUMOSINC.COM
INFO@LUMOSINC.COM

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CITY OF BISHOP

PRELIMINARY ENGINEERING REPORT
BAWA WASTE WATER TREATMENT PLANT
EXISTING FACILITIES

BISHOP
CALIFORNIA

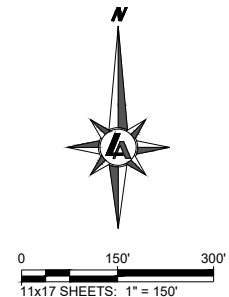
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BAR IS 1" INCH ON ORIGINAL DRAWING
0 1"
IF NOT ONE INCH ON THIS SHEET,
ADJUST SCALES ACCORDINGLY

C1.1

DRAWN BY: LB
DESIGNED BY: KT
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JOB NO.: 10799.002

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MARCH 2025



Appendix E: Existing System Performance Calculations

EXISTING MICROBIAL KINETICS ANALYSIS
Bishop WWTP
City of Bishop

10799.020
12/28/2024



Existing System Summary	Value	Unit
No. Parallel Treatment Trains	1	-
No. Cells in Series, n	3	-

Influent Wastewater Flows	Existing1	Projected2	Unit	Notes
Plant Total Average Daily Flow (ADF)	0.51	1.24	MGD	Governs treatment criteria
Treatment Train ADF (3 Trains)	0.17	0.41	MGD	
Plant Total Peak Hour (PH) Flow	N/A		MGD	Governs storage/hydraulic capacity
Treatment Train PH (3 Trains)	N/A		MGD	

Existing Treatment Ponds	Treatment Volume (MG)	Theoretical HRT (days)	
		Existing Average*	Projected Growth
Pond 1	22.16605245	22.3	53.6
Pond 2	12.91963601	22.2	31.3
Pond 3	9.246416434	8.7	22.4
Pond 4	15.42541572	6.7	37.3
Pond 5	11.54466407	8.5	27.9
Pond 6	3.880751646	18.3	9.4

* Averaged from time series DMR data 2020-2024

EXISTING MICROBIAL KINETICS ANALYSIS
Bishop WWTP
City of Bishop

10799.020
12/28/2024



Existing Pond Data from As-Built Drawings

Existing Treatment Ponds	Treatment Volume (MG)	Treatment Surface Area (ac)	Treatment Depth (ft)
Pond 1	12.92	5.59	8.00
Pond 2	9.25	4.78	6.50
Pond 3	11.54	5.62	7.00
Pond 4	3.88	4.14	3.00
Pond 5	4.96	3.32	5.00
Pond 6	10.61	6.89	5.00
Pond 2 (Storage)			N/A
Primary Ponds Total			N/A
Secondary Ponds Total			N/A
Treatment Total (1,3,4)			N/A
Plant Total (1-6)	53.16	30.34	N/A

Existing System Summary	Value	Unit
No. Parallel Treatment Trains	0	treatment trains
No. Cells in Series, n	4	cells
Min. Individual Pond Vol. (Pond 1A/B)	12.92	MG
Min. Series Vol. (Pond 1)	12.92	MG

Existing HRT Performance Metrics	Prescribed Treatment Function	Existing Theoretical HRT (days)	Unit
Pond 1	Partial Mix Aerated	22.28	days
Pond 2	Partial Mix Aerated	22.20	days
Pond 3	Partial Mix Aerated	8.69	days
Pond 4	Partial Mix Aerated	6.69	days
Pond 5	Partial Mix Aerated	8.55	days
Pond 6	Partial Mix Aerated	18.30	days

Primary Pond HRT Average	Partial Mix Aerated		days
Secondary Pond HRT Average	Partial Mix Aerated		days
Treatment Train HRT Average	Partial Mix Aerated	53.17	days

Existing BOD Loading Metrics	Average	90th Percentile	Unit
Plant Influent BOD Concentration	154.2	257	mg/l
Plant Influent Mean Monthly Flow 2023	0.96	1.04	MGD
Treatment Train Influent BOD Loading	757.7	1,312	lb/d
Plant Influent BOD Loading	758	1,312	lb/d
Plant BOD Removal	74%	90%	
Plant Surface Aereal Loading	25.0	43	lb/ac-d
Plant Effluent BOD Concentration	37.3	62	mg/l

*Based on NDEP BWPC Draft Discharge Permit, As-Built Design Criteria, recommended guidelines set out in Metcalf and Eddy and NDEP WTS-5, and Sewer Master Plan.

Microbial Kinetics Equation for First Order Reaction: Partial Mix Model

$\frac{C_e}{C_0} = \frac{1}{[1 + (kt/n)]^n} \quad (3-3)$ <p>Where:</p> <p>C_e = effluent BOD₅ concentration in cell n, mg/L C_0 = influent BOD₅ concentration, mg/L k = first order reaction rate constant /d = 0.276 day⁻¹ at 20° C (assumed to be constant in all cells) t = total hydraulic residence time in pond system, d n = number of cells in the series</p>	
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Microbial Kinetics Equation for First Order Reaction: Plug Flow Model

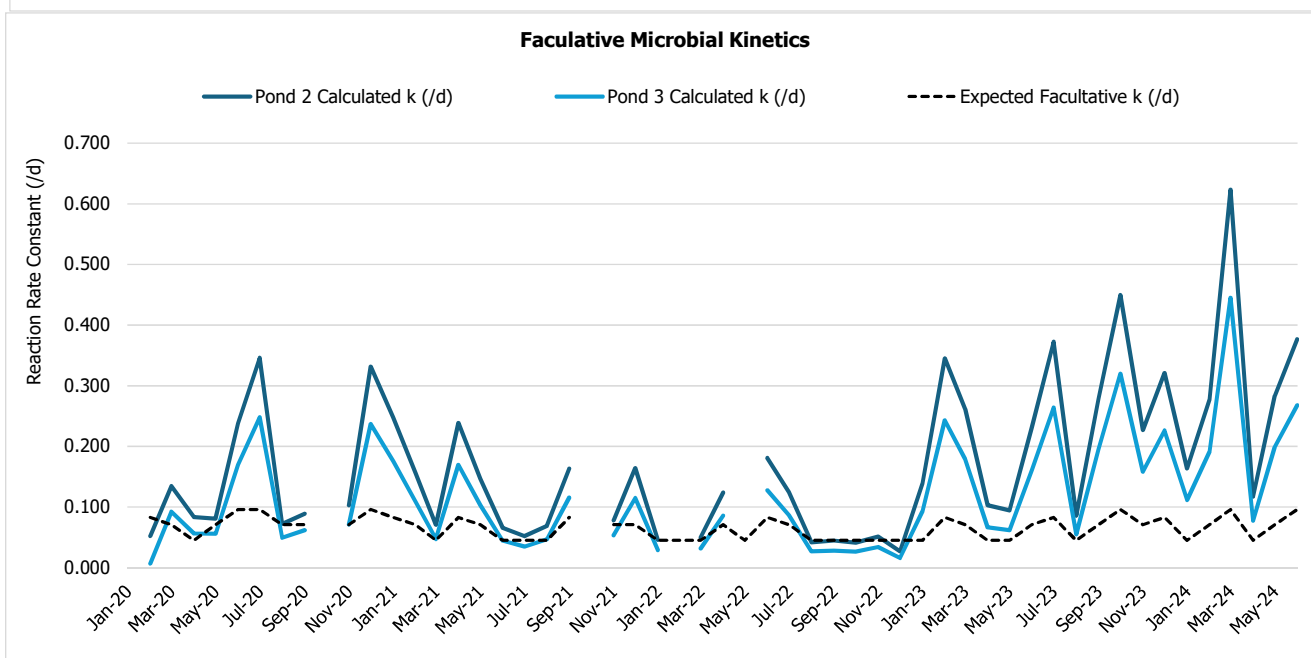
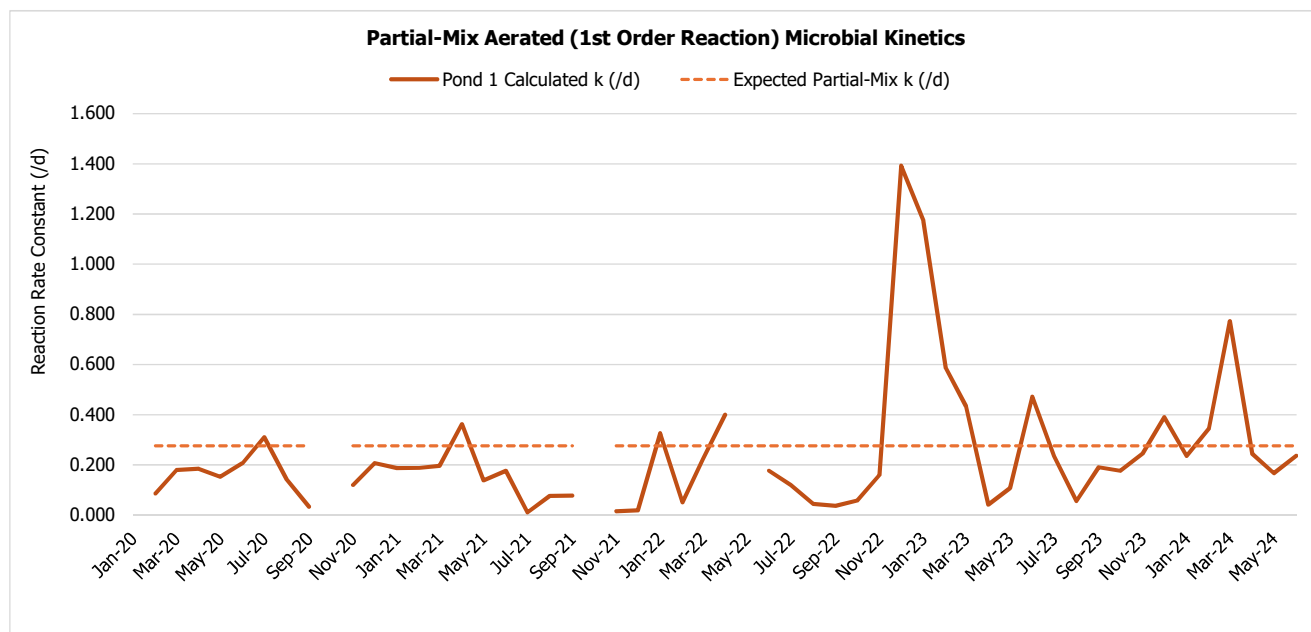
$C_e/C_0 = e^{-K_p t}$ <p>C_e=effluent BOD₅ (mg/l) C_0=influent BOD₅ (mg/l) K_p=reaction rate, day⁻¹ t = hydraulic detention time (days)</p>	<p>Variation of Kp with loading</p> <table> <tr> <th>Loading (lbs/ac-d)</th><th>Kp (20°C)</th></tr> <tr> <td>19.6</td><td>0.045</td></tr> <tr> <td>40.15</td><td>0.071</td></tr> <tr> <td>59.8</td><td>0.083</td></tr> <tr> <td>80.3</td><td>0.096</td></tr> </table>	Loading (lbs/ac-d)	Kp (20°C)	19.6	0.045	40.15	0.071	59.8	0.083	80.3	0.096
Loading (lbs/ac-d)	Kp (20°C)										
19.6	0.045										
40.15	0.071										
59.8	0.083										
80.3	0.096										

Existing Pond Data from As-Built Drawings

Existing Individual Ponds	Vol (MG)	Surf. Area (Acres)	BOD Treatment?	Function
Pond 1	12.92	5.59	Yes	Partial-Mix Aerated
Pond 2	9.25	4.78	Yes	Facultative
Pond 3	11.54	5.62	Yes	Facultative
Pond 4	3.88	4.14	No	Facultative
Pond 5	4.96	3.32	No	Facultative
Pond 6	10.61	6.89	No	Facultative

System Criteria	Value	Unit	Notes
Number of Cells in Series, n	1	cells	
Min. Individual Pond Volume	3.88	MG	
Min. Series Volume	33.71	MG	Ponds 1-3
No. Parallel Series	0		
Seasonal Cold Temps	42.8	°F	
Seasonal Cold Temps	6	°C	From the 2005 record set
Temp Adjusted Kpm	0.148	/day	
Existign System Average, k	0.243	/day	
Design Rate Constant, k	0.276	/day at 20°C	

Row Labels	Average of Pond 1 Calculated k (/d)	Average of Pond 2 Calculated k (/d)	Average of Pond 3 Calculated k (/d)	Reaction Rate - Temperature Adjustment:
January	0.180	0.097	0.069	<p>Variation of Kpm w\ Temp.</p> <p>$K_{pm}(temp) = K_{pm20°C} (1.036)^{T-20}$</p> <p>T= temperature in Celsius</p> <p>NOTE: Use Kpm20°C(0.276 d⁻¹) as a cold temp design maximum.</p>
February	0.127	0.103	0.069	
March	0.167	0.132	0.096	
April	0.112	0.087	0.062	
May	0.082	0.096	0.069	
June	0.119	0.120	0.088	
July	0.082	0.116	0.085	
August	0.049	0.050	0.035	
September	0.054	0.087	0.063	
October	0.075	0.130	0.095	
November	0.073	0.076	0.054	
December	0.139	0.114	0.084	
Grand Total	0.108	0.100	0.072	
Temp Adjusted Kpm	0.066	0.061	0.044	
Max	1.393	0.623	0.445	
Min	0.010	0.027	0.007	



PONDS EXCESS STORAGE CAPACITY
BAWA WWTP PER
CITY OF BISHOP

10799.002
31-Dec-24



Rainfall Data	Intensity (in/h)	Depth (in)	Notes
100 yr 24 hours	0.187	4.49	NOAA Atlas 14

Peak Hour Flows	Value	Unit	Notes
Max Month Q	2.65	MGD	From DMR Data 2020 - 2024
Peak Hour Q	5.3	MGD	Assumed Wet Weather Peaking Factor of 2.0
Peak Hour t	3	hours	Estimate
Peak Hour V	0.66	MG	

Existing Pond Volumes

Pond	Treatment Volume (MG)	Treatment Water Depth (FT)	Freeboard (FT)	Total Pond Volume (MG)	Wet Weather Storage (MG)	Wet Weather Storage (Days)
City Pond 1	12.9	8.0	2.0	16.7	3.7	0.7
City Pond 2	9.2	6.5	2.0	12.4	3.2	0.6
City Pond 3	11.5	7.00	2.0	15.3	3.8	0.7
City Pond 4	3.9	3.0	6.0	12.7	8.8	1.7
City Pond 5	5.0	5.0	5.0	10.9	5.9	1.1
City Pond 6	10.6	5.0	6.0	25.1	14.4	2.7
Aerated District Pond	5.9	8.0	2.0	7.7	1.8	0.3
Percolation Pond 1	0.0	5.3	5.3	23.1	23.1	4.3
Percolation Pond 2	0.0	5.3	5.3	23.2	23.2	4.4
Percolation Pond 3	0.0	5.3	5.3	24.9	24.9	4.7
Total	59.1			171.9	112.8	21.3

Existing Excess Storage Capacity

Pond	Pond Surface Area (ac)	100 yr Storm Storm Vol (ac-ft)	100 yr Storm Additional Vol. Storm Vol (MG)	Peak Hour Addt'l Vol (MG)	Total Addt'l Storage Required (MG)	Capacity OK?
City Pond 1	5.59	2.09	0.71	0.07	0.78	OK
City Pond 2	4.78	1.79	0.61	0.07	0.68	OK
City Pond 3	5.62	2.10	0.72	0.07	0.78	OK
City Pond 4	4.14	1.55	0.53	0.07	0.60	OK
City Pond 5	3.32	1.24	0.42	0.07	0.49	OK
City Pond 6	6.89	2.58	0.88	0.07	0.95	OK
Aerated District Pond	2.62	0.98	0.33	0.07	0.40	OK
Percolation Pond 1	13.91	5.20	1.78	0.07	1.84	OK
Percolation Pond 2	13.41	5.02	1.71	0.07	1.78	OK
Percolation Pond 3	14.44	5.40	1.85	0.07	1.91	OK
Total	74.72	22.55	7.70	0.60	8.30	

Summary Excess Storage Capacity

Excess Storage Capacity	112.8 MG
Excess Storage Capacity	21.3 Days
Peak Hour Additional Volume	-0.6 MG
Storm Additional Volume	-7.7 MG
Excess Storage Balance	125.8 MG



Existing System Summary	Value	Unit
No. Parallel Treatment Trains	1	-
No. Cells in Series, n	1	-

Influent Wastewater Flows	Existing1	Projected2	Unit	Notes
Plant Total Average Daily Flow (ADF)	0.51	1.02	MGD	Governs treatment criteria
Treatment Train ADF (3 Trains)	0.17	0.34	MGD	
Plant Total Peak Hour (PH) Flow	N/A		MGD	Governs storage/hydraulic capacity
Treatment Train PH (3 Trains)	N/A		MGD	

Existing Treatment Ponds	Treatment Volume (MG)	Theoretical HRT (days)	
		Existing Average*	Projected Growth
Pond 1	5.91	10.2	17.4
Pond 2	23.05	0.0	67.8
Pond 3	23.15	0.0	68.1
Pond 4	24.94	0.0	73.3

* Averaged from time series DMR data 2020-2024

EXISTING MICROBIAL KINETICS ANALYSIS
ESCSD WWTP
ESCSD

10799.020
12/28/2024



Existing Pond Data from As-Built Drawings

Existing Treatment Ponds	Treatment Volume (MG)	Treatment Surface Area (ac)	Treatment Depth (ft)
Pond 1	5.91	2.62	8.00
Pond 2	23.05	13.91	6.50
Pond 3	23.15	13.41	7.00
Pond 4	24.94	14.44	3.00

Pond 2 (Storage)			N/A
Primary Ponds Total			N/A
Secondary Ponds Total			N/A
Treatment Total (1,3,4)			N/A
Plant Total (1-6)	77.06	44.38	N/A

Existing System Summary	Value	Unit
No. Parallel Treatment Trains	0	treatment trains
No. Cells in Series, n	4	cells
Min. Individual Pond Vol. (Pond 1A/B)	5.91	MG
Min. Series Vol. (Pond 1)	5.91	MG

Existing HRT Performance Metrics	Prescribed Treatment Function	Existing Theoretical HRT (days)	Unit
Pond 1	Partial Mix Aerated	10.19	days
Pond 2	Evaporation		days
Pond 3	Evaporation		days
Pond 4	Evaporation		days

Primary Pond HRT Average	Partial Mix Aerated		days
Secondary Pond HRT Average	Partial Mix Aerated		days
Treatment Train HRT Average	Partial Mix Aerated	10.19	days
Average BOD Loading (lb/ac/day)	149.5648317		

Existing BOD Loading Metrics	Average	90th Percentile	Unit
Plant Influent BOD Concentration	213.8	310	mg/l
Plant Influent Mean Monthly Flow 2023	0.66	0.98	MGD
Treatment Train Influent BOD Loading	1196.5	2,335	lb/d
Plant Influent BOD Loading	1,197	2,335	lb/d
Plant BOD Removal	75%	86%	
Plant Surface Aereal Loading	27.0	53	lb/ac-d
Plant Effluent BOD Concentration	49.0	74	mg/l

*Based on NDEP BWPC Draft Discharge Permit, As-Built Design Criteria, recommended guidelines set out in Metcalf and Eddy and NDEP WTS-5, and Sewer Master Plan.

Microbial Kinetics Equation for First Order Reaction: Partial Mix Model

$$\frac{C_e}{C_o} = \frac{1}{[1 + (kt/n)]^n} \quad (3-3)$$

Where:

C_n = effluent BOD₅ concentration in cell n , mg/L
 C_o = influent BOD₅ concentration, mg/L
 k = first order reaction rate constant /d
 = 0.276 day⁻¹ at 20° C (assumed to be constant in all cells)
 t = total hydraulic residence time in pond system, d
 n = number of cells in the series

Existing Pond Data from As-Built Drawings

Existing Individual	Vol (MG)	BOD Treatment?
Pond 1	5.91	Yes
Pond 2	23.05	No
Pond 3	23.15	No
Pond 4	24.94	No

System Criteria	Value	Unit	Notes
Number of Cells in Series, n	1	cells	
Min. Individual Pond Volume	5.91	MG	
Min. Series Volume	5.91	MG	Ponds 1-3
No. Parallel Series	0		
Seasonal Cold Temps	42.8	°F	
Seasonal Cold Temps	6	°C	From the 2005 record set
Temp Adjusted Kpm	0.244	/day	at 6 degrees
Existign System Average, k	0.400	/day	at 20 degrees
Design Rate Constant, k	0.276	/day at 20°C	

Row Labels	Sum of Calculated k (/d)
January	0.421
February	0.399
March	0.486
April	0.327
May	0.191
June	0.346
July	0.191
August	0.115
September	0.126
October	0.087
November	0.171
December	0.325
Grand Total	3.186

Reaction Rate - Temperatue Adjustment:

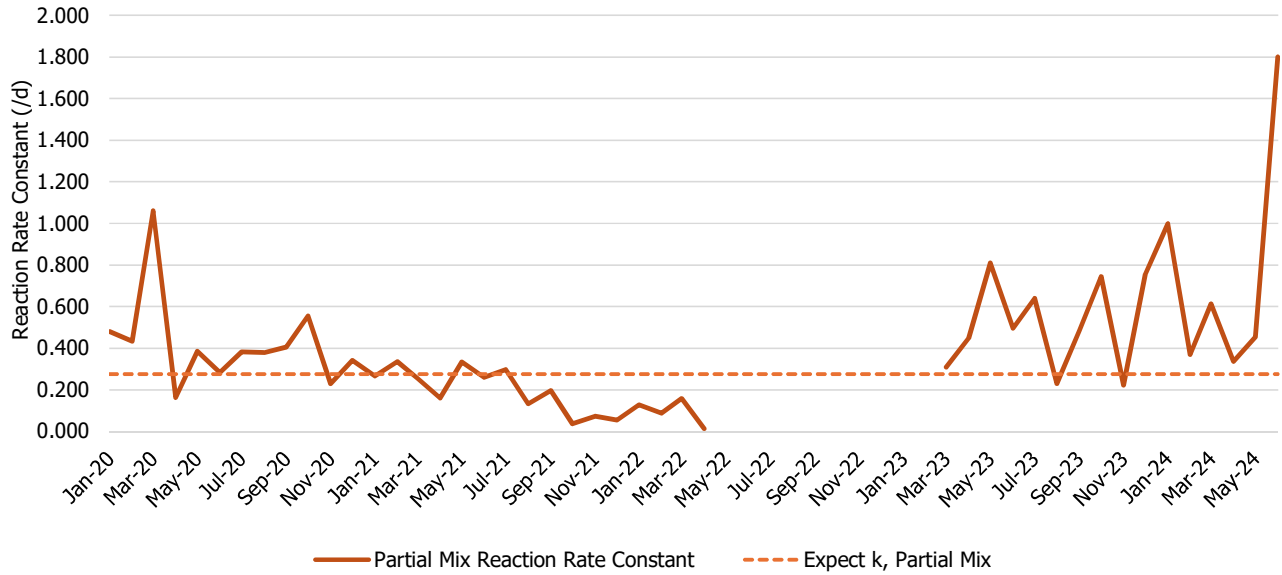
Variation of Kpm w\ Temp.

$$Kpm(temp) = Kpm20^{\circ}C (1.036)^{T-20}$$

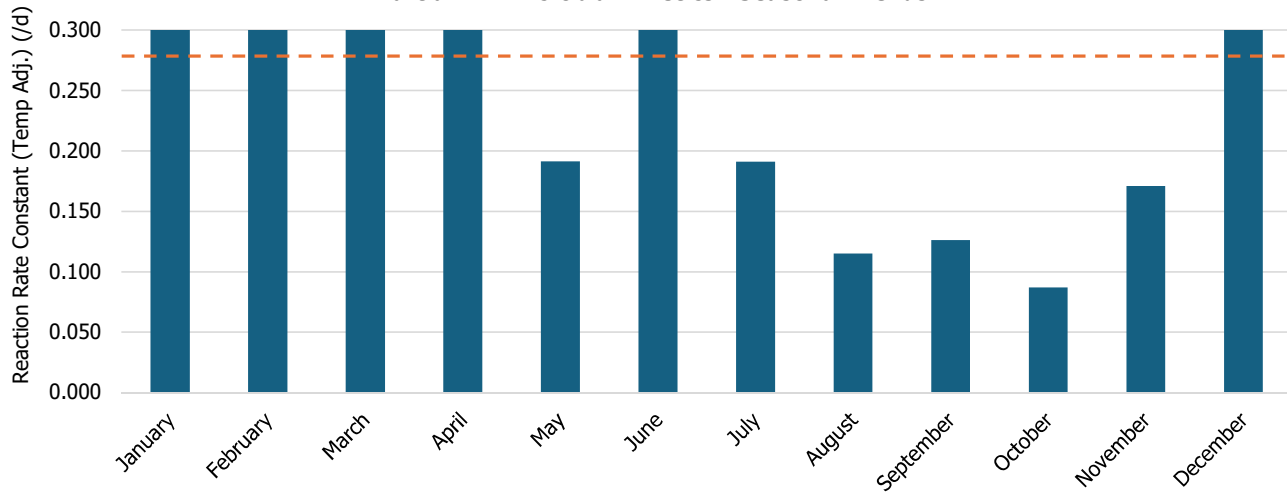
T= temperature in Celsius

NOTE: Use Kpm20°C (0.276 d⁻¹)
 as a cold temp design
 maximum.

Partial Mix Microbial Kinetics (First Order)

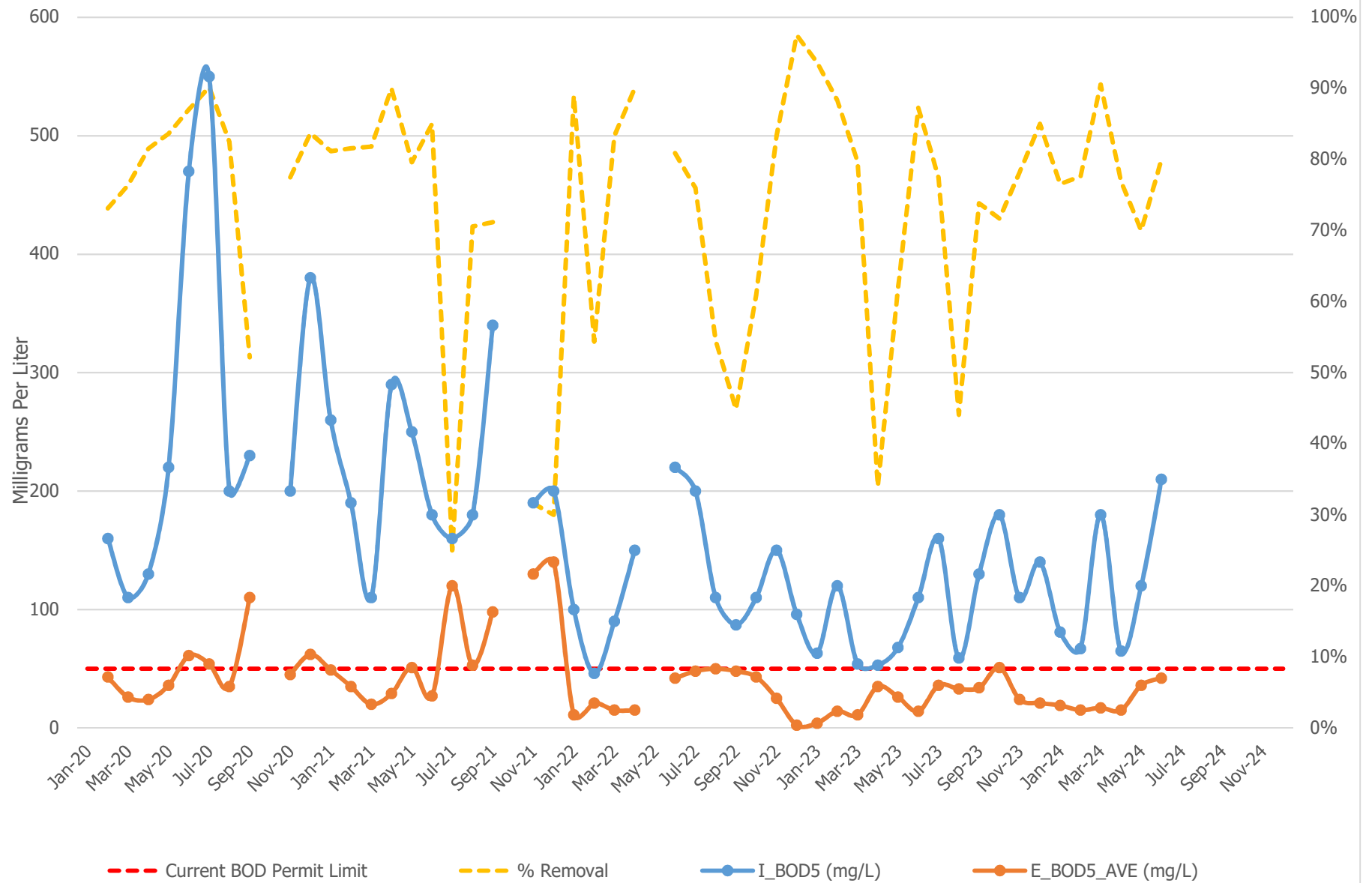


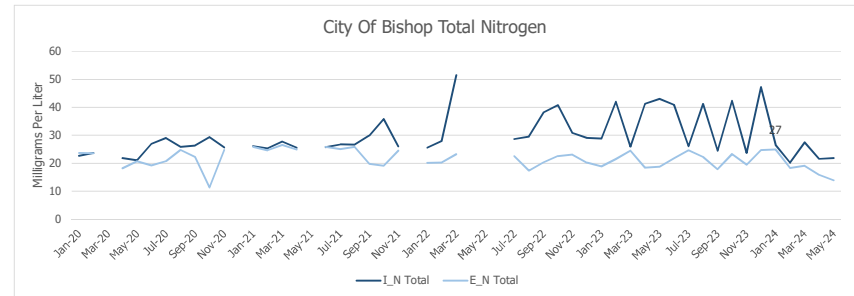
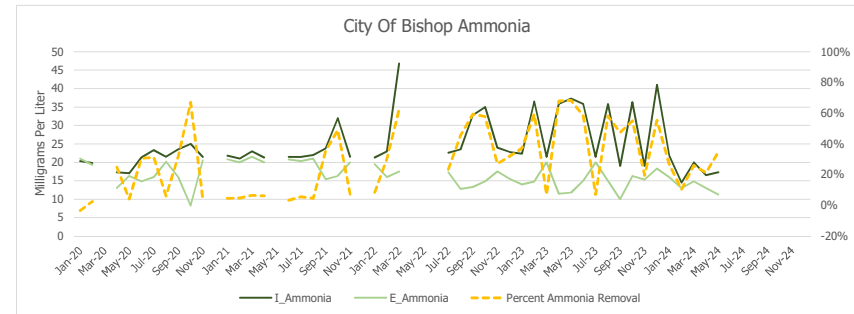
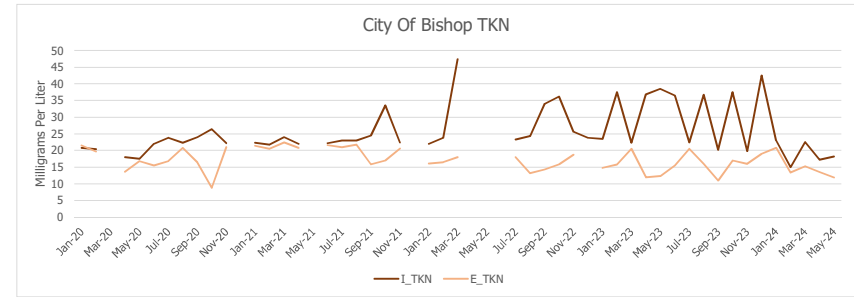
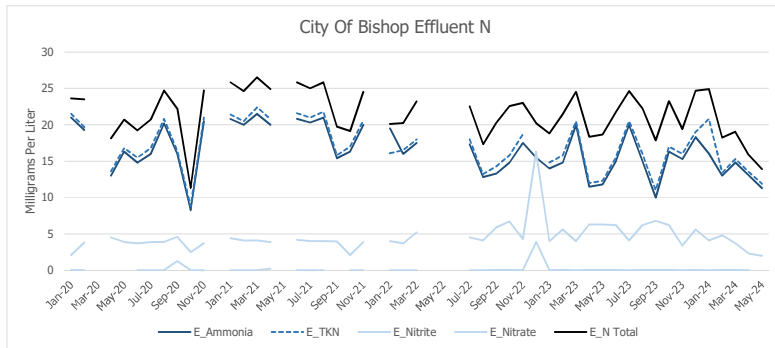
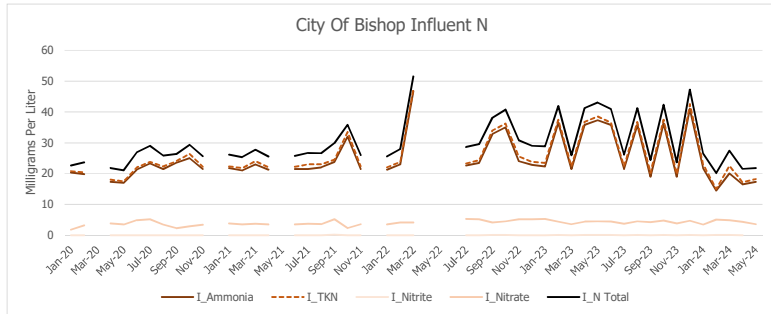
Partial Mix Microbial Kinetics - Seasonal Trends



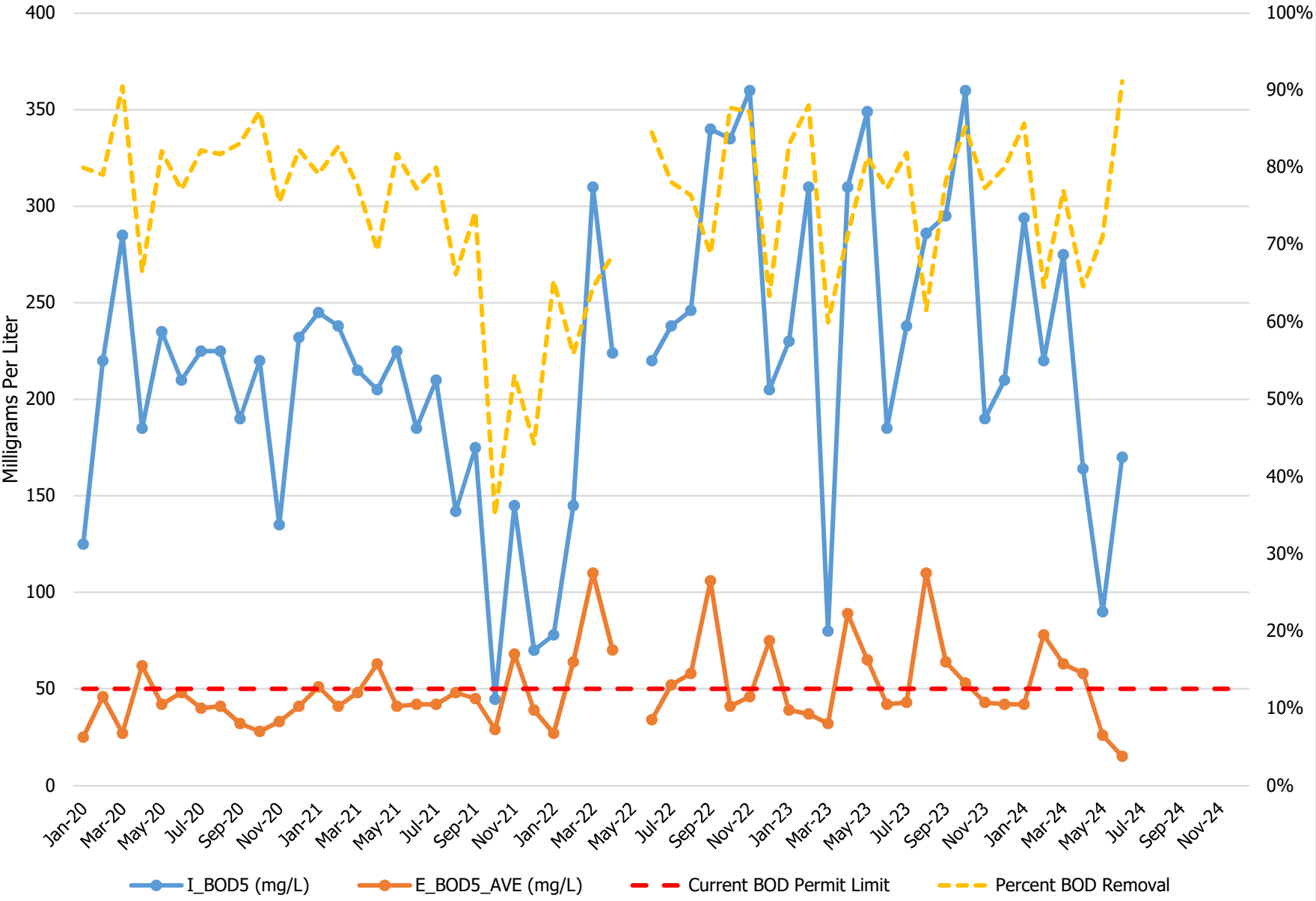
Appendix F: DMR Data Charts

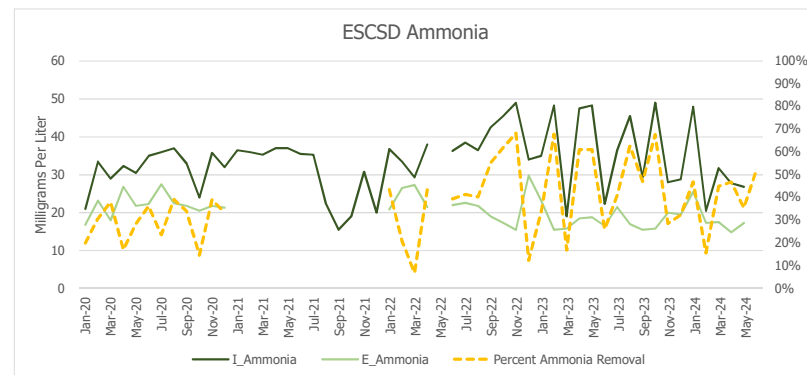
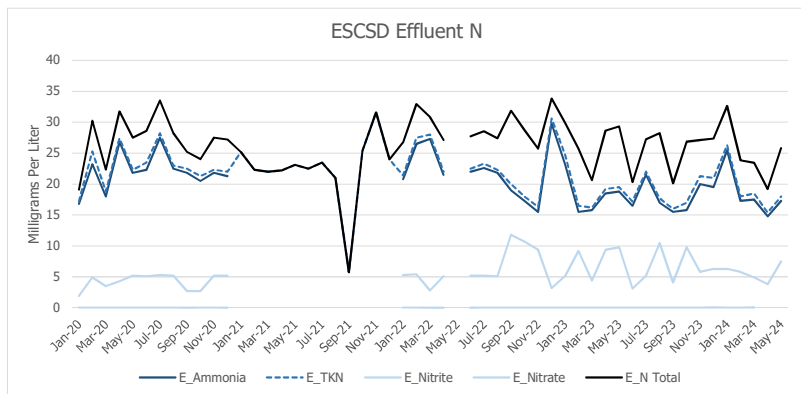
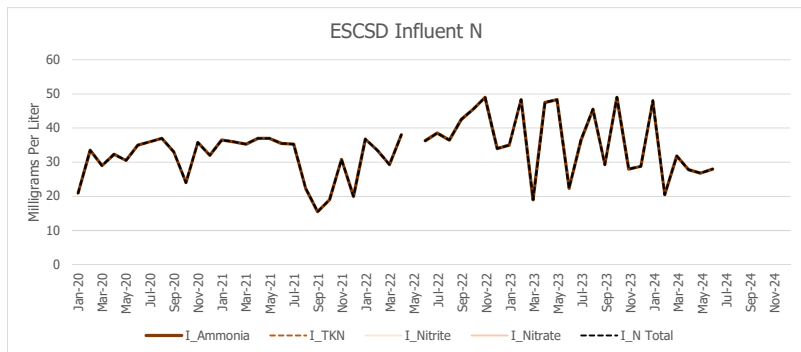
Bishop BOD



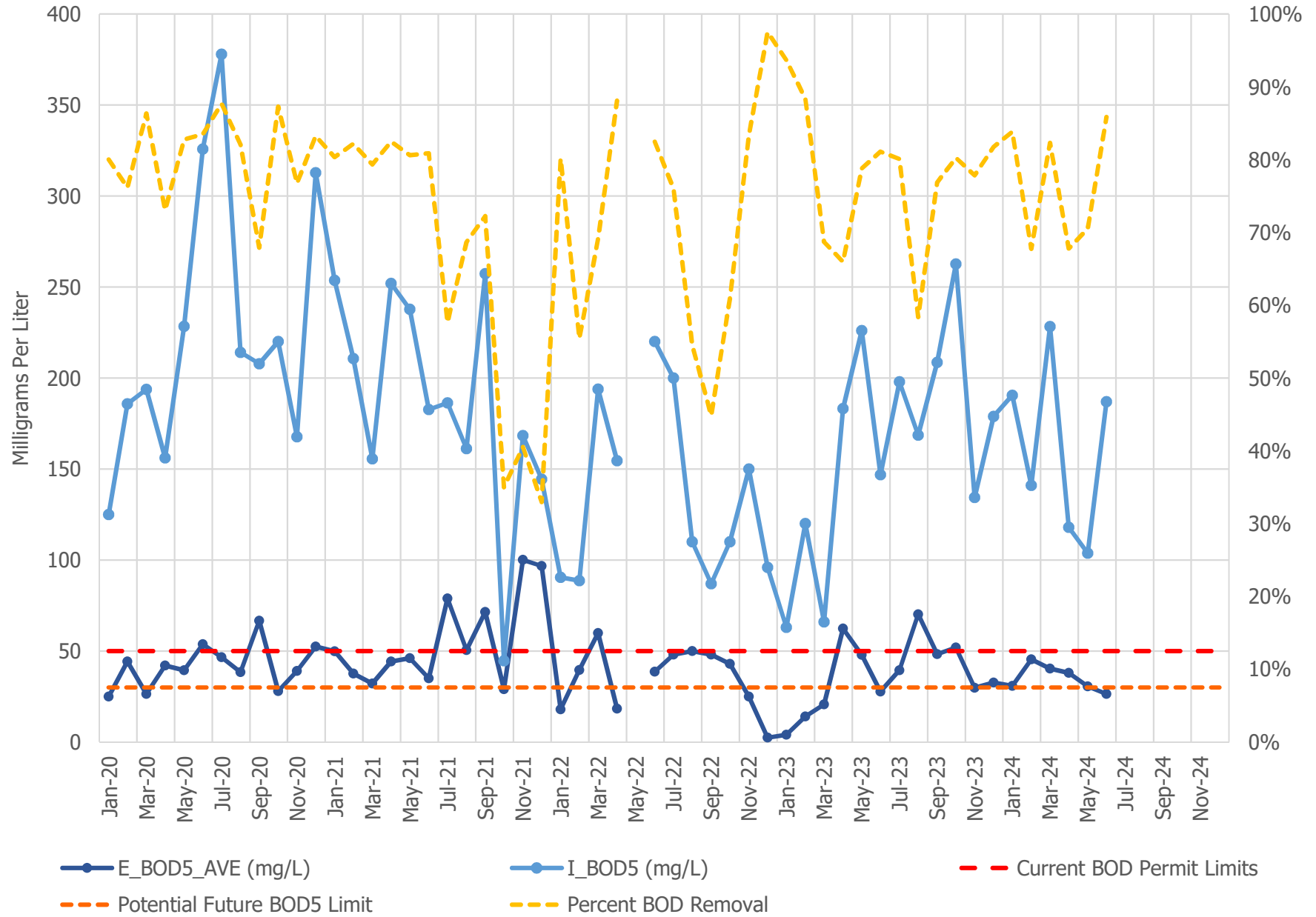


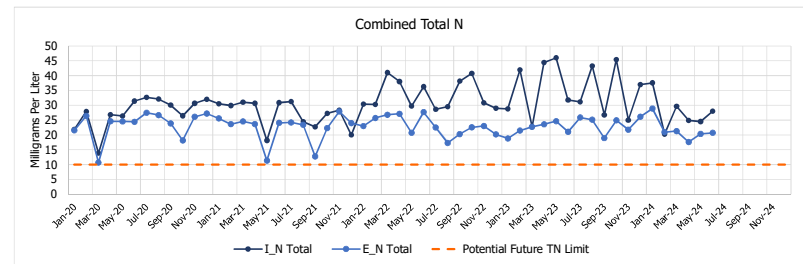
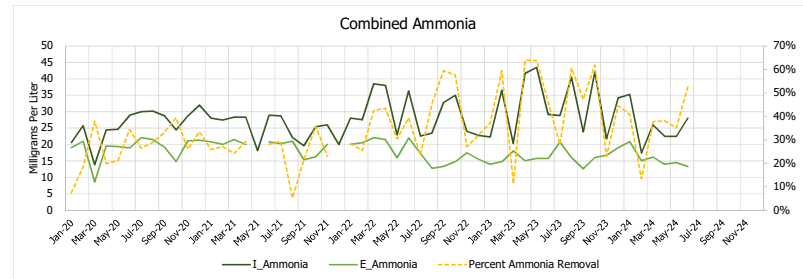
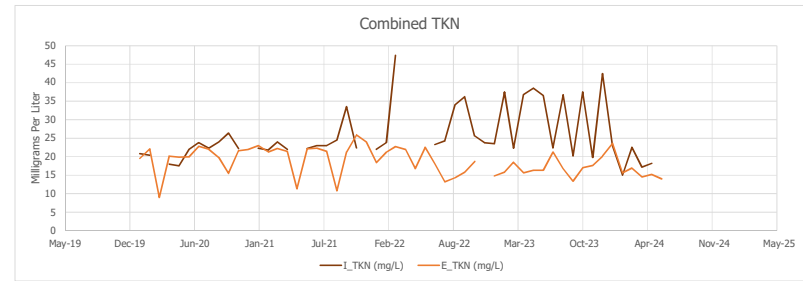
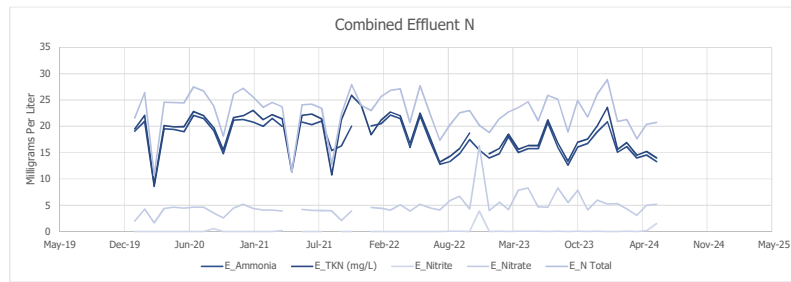
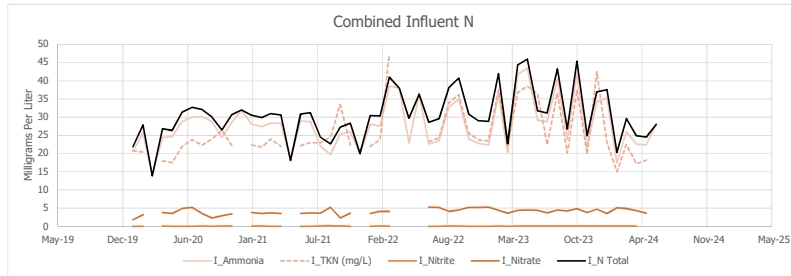
ESCSD BOD





Combined BOD





Appendix G: 2023/24 Sewer Enterprise Fund Balance Sheet

CITY OF BISHOP
FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2023

CITY OF BISHOP

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LARRY BAIN, CPA

An Accounting Corporation

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Bishop, California

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information and the fiduciary fund of the City of Bishop, California, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City of Bishop as of June 30, 2023, and the changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Bishop and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3–8, the budgetary comparison for the General fund and Measure A on pages 45–47, the City's Employees' Retirement System Schedule of the City's Proportionate Share of the Net Pension Liability and the Retirement System Schedule of the City's Contributions on pages 48–49 and as the City's Other Postemployment Benefits (OPEB) Plan Schedule of Changes in the City's Net OPEB Liability and Related Ratios on page 50, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

The combining and individual fund financial statements and schedules on pages 52 to 57 are presented for purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves and other additional procedures in accordance with accounting standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

{Signature on File}

Larry Bain, CPA,
An Accounting Corporation

November 2, 2023

City of Bishop
Required Supplementary Information
Management's Discussion and Analysis (Unaudited)
June 30, 2023

This section of the City of Bishop's annual financial report provides an analysis of the City's financial performance during the fiscal year ended June 30, 2023. This information is presented in conjunction with the audited basic financial statements, which follows this section.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2023

- The City's total assets were \$42.90 million as of June 30, 2023. Of this total, \$30.56 million are governmental assets and \$12.34 million are business type assets.
- At June 30, 2023, the City's governmental funds reported combined fund balances of \$16.59 million. Approximately 64% of the combined fund balances, \$10.68 million, is available to meet the City's current and future needs (assigned and unassigned fund balance).
- At the close of the fiscal year, the unassigned fund balance for the general fund was \$10.68 million or 107% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements and notes to the basic financial statements. This report also includes additional required supplementary information in addition to the basic financial statements.

REQUIRED FINANCIAL STATEMENTS

Government-Wide Financial Statements are designed to provide readers with a broad overview of City finances, in a manner similar to a private-sector business.

The Statements of Net Position include information on the City's assets and liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statements of Activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public protection, public works and facilities, and community development. The business-type activities are water, sewer and the Sunrise Mobile Home Park.

City of Bishop
Required Supplementary Information
Management's Discussion and Analysis (Unaudited)
June 30, 2023

Fund Financial Statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and to demonstrate finance-related legal compliance. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as of balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changed in fund balances provide a reconciliation to facilitate comparison between governmental funds and governmental activities.

Proprietary Funds – The City charges customers for the services it provides. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are identical to the business type activities that are reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds.

The City of Bishop maintains three individual enterprise funds. The City uses enterprise funds to account for its water and sewer enterprises as well as the low-income senior mobile home park operated by the City. The funds provide the same type of information as the government-wide financial statements, only more in detail. The proprietary fund financial statements provide separate information for the water sewer and mobile home park, all of which are considered major funds of the City.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's budgetary comparative information for the general fund and the major special revenue fund. Also the funding progress of the City's pension is presented as required supplementary information. The final item included in this report is a report on internal control

City of Bishop
Required Supplementary Information
Management's Discussion and Analysis (Unaudited)
June 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

	June 30, 2023			June 30, 2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and other assets	\$ 19,594,788	\$ 5,391,790	\$ 24,986,578	\$ 16,178,977	\$ 4,461,328	\$ 20,640,305
Capital Assets-net	10,965,733	6,951,920	17,917,653	10,791,631	7,201,461	17,993,092
Total Assets	30,560,521	12,343,710	42,904,231	26,970,608	11,662,789	38,633,397
Deferred Outflows	5,715,112	2,001,610	7,716,722	4,212,794	1,668,372	5,881,166
Liabilities						
Current/non current	17,529,663	5,735,326	23,264,989	11,639,178	4,531,415	16,170,593
Deferred Inflows	2,253,047	618,932	2,871,979	5,596,586	1,518,698	7,115,284
Net Position						
Net investment in capital assets	10,965,733	6,951,920	17,917,653	10,791,631	7,201,461	17,993,092
Restricted	1,259,006	364,979	1,623,985			
Unrestricted	4,268,184	674,163	4,942,347	3,156,007	79,586	3,235,593
Total Net Position	\$ 16,492,923	\$ 7,991,062	\$ 24,483,985	\$ 13,947,638	\$ 7,281,047	\$ 21,228,685

The Condensed Statement of Net Position presents the City's governmental and business activities in total for the years ending June 30, 2023 and June 30, 2022.

Net position increased \$3.26 million for year ending June 30, 2023. This is attributed to greater revenue than expenditures.

City of Bishop
Required Supplementary Information
Management's Discussion and Analysis (Unaudited)
June 30, 2023

Change in Net Position

The statement of activities identifies the various revenue and expense items which affect the change in net position, highlights of which were noted above.

	Fiscal Year Ending June 30, 2023			Fiscal Year Ending June 30, 2022		
	Governmental Activities	Business-type Activities	Totals	Governmental Activities	Business-type Activities	Totals
Governmental Activities:						
Charges for services	\$ 880,001	\$ 2,672,027	\$ 3,552,028	\$ 760,135	\$ 2,722,162	\$ 3,482,297
Capital grants and contributions	54,166	6,313	60,479	37,935	29,281	67,216
Operating grants	793,421		793,421	1,334,502	4,404	1,338,906
General Revenue:						
Property taxes	1,475,882		1,475,882	1,528,330		1,528,330
Sales and use tax	5,064,451		5,064,451	5,204,104		5,204,104
Other revenue	4,403,746		4,403,746	3,833,310	37,673	3,870,983
Investment income	397,336	163,782	561,118	73,614	11,915	85,529
Total revenue	13,069,003	2,842,122	15,911,125	12,771,930	2,805,435	15,577,365
Expenses:						
General government	1,724,947		1,724,947	1,572,474		1,572,474
Public Safety	5,526,025		5,526,025	3,794,174		3,794,174
Public Works	1,714,556		1,714,556	1,588,447		1,588,447
Community development/recreation	1,551,982		1,551,982	1,109,825		1,109,825
Interest on debt	6,208		6,208	981		981
Business-type activities:						
Water		997,902	997,902		920,444	920,444
Sewer		971,341	971,341		858,841	858,841
Mobile Home Park		162,864	162,864		156,770	156,770
Total expenses	10,523,718	2,132,107	12,655,825	8,065,901	1,936,055	10,001,956
Change in net position	2,545,285	710,015	3,255,300	4,706,029	869,380	5,575,409
Net Position:						
Net position - beginning	13,947,638	7,281,047	21,228,685	9,006,888	6,411,667	15,418,555
Prior period adjustment				234,721		234,721
Net position - Ending	\$ 16,492,923	\$ 7,991,062	\$ 24,483,985	\$ 13,947,638	\$ 7,281,047	\$ 21,228,685

City of Bishop
Required Supplementary Information
Management's Discussion and Analysis (Unaudited)
June 30, 2023

FINANCIAL ANALYSIS OF THE FUND STATEMENTS

As noted earlier the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The general government functions are contained in the general, special revenue, debt service and capital project funds. The focus of the City's governmental funds is to provide information on near-term inflow, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

At June 30, 2023, the City's governmental funds (general, special revenue, and capital projects) reported combined fund balances of \$16.59 million, a 25% increase over the prior year. The increase was mainly due to an increase in tourism related revenue for sales tax and transient occupancy tax, and an increase in interest earnings. Of the combined fund balances, \$10.68 million (64%) is considered unassigned and available for General Fund appropriation.

Proprietary Funds

The proprietary funds include the Water and Sewer funds which account for the City's water and sewer utilities and the Sunrise Mobile Home Park fund which accounts for a City-owned low-income senior mobile home park.

At June 30, 2023, the City's proprietary funds reported a combined ending net position of \$7.99 million, a 9.8% net increase over the prior year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The capital assets of the City are those assets used in the performance of City functions. Investment in capital assets includes land, buildings, site improvements, equipment, and infrastructure.

As of June 30, 2023 the City's investment in capital assets totaled \$17.92 million net of accumulated depreciation.

CAPITAL ASSETS

	June 30, 2023			June 30, 2022		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Land	\$ 341,105	\$ 481,056	\$ 822,161	\$ 341,105	\$ 481,056	\$ 822,161
Construction in progress	111,599	20,605	132,204	77,050	1,116,226	1,193,276
Buildings	5,241,249	335,633	5,576,882	5,168,595	335,633	5,504,228
Site improvements	785,401		785,401	774,327		774,327
Equipment	4,492,519	1,931,147	6,423,666	4,219,331	1,900,311	6,119,642
Infrastructure	13,459,705	14,309,195	27,768,900	13,361,735	13,189,274	26,551,009
Less: accumulated depreciation	(13,800,010)	(10,125,716)	(23,925,726)	(13,217,999)	(9,821,039)	(23,039,038)
Leased assets	375,913		375,913	68,884		68,884
Less: accumulated amortization	(41,748)		(41,748)	(1,397)		(1,397)
Total Capital Assets	\$ 10,965,733	\$ 6,951,920	\$ 17,917,653	\$ 10,791,631	\$ 7,201,461	\$ 17,993,092

Additional detail is presented in Note 6 of the financial statements.

City of Bishop
Required Supplementary Information
Management's Discussion and Analysis (Unaudited)
June 30, 2023

LONG-TERM Debt

At June 30, 2023, the City's long-term debt totaled \$0.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The 2023-24 fiscal year budget is based on \$14,326,966 in total revenue. The City remains fiscally conservative as it continues to analyze macro-economic factors and assess the effects that macro-economic factors could have on the financial performance of the City. Although sales tax and transient occupancy tax revenues increased during the 2022-23 fiscal year, the trend throughout the prior five years contains high levels of variance. Gas prices remain high and the City is not certain that the traveling public will visit Bishop at the same rate experienced in the 2022-23 fiscal year. Due to these listed factors, revenues are budgeted conservatively and expenditures are budgeted based on recent trends and actual needs for the 2023-24 fiscal year. The budget reflects the City's commitment to investing in the City's infrastructure and financial future, including funding for road maintenance projects and park equipment replacement. Additionally, the City has increased its annual contribution to its OPEB plan with the intention of responsibly planning for unfunded liabilities.

ADDITIONAL FINANCIAL INFORMATION

This financial report is designed to provide the City's customers, investors and other interested parties with an overview of the City's financial operations and financial condition. Should the reader have questions regarding the information included in this report or wish to request additional financial information, please contact the Finance Department at the City of Bishop, 377 West Line Street, Bishop, California 93514.

CITY OF BISHOP
STATEMENT OF NET POSITION
JUNE 30, 2023

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 10,169,671	\$ 4,949,347	\$ 15,119,018
Restricted cash and investments	1,075,981		1,075,981
Accounts receivables	2,146,558	14,536	2,161,094
Interest receivable	65,216	43,945	109,161
Due from other governments	47,124		47,124
Prepaid expenses	144,622	18,983	163,605
Leases receivable	109,449		109,449
Total current assets	13,758,621	5,026,811	18,785,432
Non Current Assets			
Restricted investment in Section 115 Trust	1,259,006	364,980	1,623,986
Loans receivable	3,396,803		3,396,803
Leases receivable	1,180,358		1,180,358
Capital assets:			
Land	341,105	481,056	822,161
Construction in progress	111,599	20,605	132,204
Buildings	5,241,249	335,633	5,576,882
Site improvements	883,371		883,371
Equipment	4,492,519	1,931,147	6,423,666
Infrastructure	13,361,735	14,309,195	27,670,930
Less: accumulated depreciation	(13,800,010)	(10,125,716)	(23,925,726)
Leased assets	375,913		375,913
Less: accumulated amortization	(41,748)		(41,748)
Total capital assets	10,965,733	6,951,920	17,917,653
Total non current assets	16,801,900	7,316,900	24,118,800
Total assets	30,560,521	12,343,711	42,904,232
Deferred Outflows of Resources			
Deferred outflows-OPEB	1,703,208	292,374	1,995,582
Deferred outflows-pensions	4,011,904	1,709,236	5,721,140
Total deferred outflows of resources	5,715,112	2,001,610	7,716,722
Liabilities			
Current liabilities:			
Accounts payable	248,145	13,091	261,236
Accrued salary and benefits payable	65,024	9,540	74,564
Deposit liability	9,910		9,910
Deferred revenue-uneamed	69,077	1,390	70,467
Due within one year	233,758	37,472	271,230
Total current liabilities	625,914	61,493	687,407
Liabilities-due in more than one year:			
Customer deposits		8,827	8,827
Compensated absences	133,940	32,686	166,626
Leases	241,753		241,753
Net pension liability	11,038,361	4,681,312	15,719,673
OPEB liability	5,489,695	951,009	6,440,704
Total liabilities due in more than one year	16,903,749	5,673,834	22,577,583
Total liabilities	17,529,663	5,735,327	23,264,989
Deferred Inflows of Resources			
Deferred inflows-leases	1,289,807		1,289,807
Deferred inflows-OPEB	400,515	69,542	470,057
Deferred inflows-pensions	562,725	549,390	1,112,115
Total deferred inflows of resources	2,253,047	618,932	2,871,979
Net Position			
Net investment in capital assets	10,965,733	6,951,920	17,917,653
Restricted for investment in Section 115 Trust	1,259,006	364,980	1,623,986
Unrestricted	4,268,184	674,162	4,942,345
Total net position	\$ 16,492,923	\$ 7,991,062	\$ 24,483,985

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
STATEMENT OF ACTIVITIES
JUNE 30, 2023

Functions/programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental Activities:							
General government	\$ 1,724,947	\$ 274,312	\$ -	\$ -	\$ (1,450,634)	\$ -	\$ (1,450,634)
Public safety	5,526,025	49,293	7,052	524,023	(4,945,657)		(4,945,657)
Public works	1,714,556	359,669	47,114	120,146	(1,187,627)		(1,187,627)
Community services/recreation	1,551,982	196,726		149,252	(1,206,004)		(1,206,004)
Interest expense	6,208				(6,208)		(6,208)
Total governmental activities	10,523,718	880,001	54,166	793,421	(8,796,130)		(8,796,130)
Business-type Activities:							
Water	997,902	1,130,878				132,976	132,976
Sewer	971,341	1,398,653	6,313			433,625	433,625
Mobile home park	162,864	142,496				(20,368)	(20,368)
Total business-type activities	2,132,107	2,672,027	6,313			546,233	546,233
Total government	\$ 12,655,823	\$ 3,552,028	\$ 60,479	\$ 793,421	(8,796,130)	546,233	(8,249,897)
General Revenues:							
Taxes:							
Property taxes					1,475,882		1,475,882
Sales and use tax					5,064,451		5,064,451
Transient occupancy tax					3,696,623		3,696,623
Franchise tax					54,804		54,804
Motor vehicle in lieu tax					379,674		379,674
Other taxes					236,773		236,773
Gain (loss) on sale of capital assets					4,541		4,541
Insurance refund					31,331		31,331
Investment income					397,336	163,782	561,118
Total general revenues and special items					11,341,415	163,782	11,505,197
Change in net position					2,545,285	710,015	3,255,299
Net position - beginning					13,947,638	7,281,047	21,228,685
Net position - ending					\$ 16,492,923	\$ 7,991,062	\$ 24,483,985

The notes to the financial statements are an integral part of this statement

**CITY OF BISHOP
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2023**

		Special Revenue			
		Funds		Other	Total
		Home Fund		Nonmajor	Governmental
	General	Willow Street	Measure A	Funds	Funds
<u>Assets</u>					
Cash and investments	\$ 8,848,393	\$ 81,121	\$ 1,240,157	\$ -	\$ 10,169,671
Restricted cash and investments	1,255,692			1,079,293	2,334,985
Receivables					
Accounts	2,127,428	-		19,130	2,146,558
Interest	63,254			1,962	65,216
Due from other governments				47,114	47,114
Loan interest		997,122			997,122
Prepaid expense	120,310			24,312	144,622
Due from other funds	319,010				319,010
Loans/notes receivable		2,220,000		179,681	2,399,681
Total assets	<u>\$ 12,734,087</u>	<u>\$ 3,298,243</u>	<u>\$ 1,240,157</u>	<u>\$ 1,351,492</u>	<u>\$ 18,623,980</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>					
<u>Liabilities</u>					
Accounts payable	\$ 246,980	\$ -	\$ -	\$ 1,165	\$ 248,145
Accrued salary and benefits payable	63,934			1,090	65,024
Deposit liability	9,910				9,910
Due to other funds				319,000	319,000
Total liabilities	<u>320,824</u>			<u>321,255</u>	<u>642,079</u>
<u>Deferred Inflows of Resources</u>					
Deferred revenue-uneared	22,433			46,645	69,078
Deferred revenue-unavailable	339,963				339,963
Unavailable revenue-loans		977,940			977,940
Total deferred inflows of resources	<u>362,396</u>	<u>977,940</u>		<u>46,645</u>	<u>1,386,981</u>
<u>Fund Balances</u>					
Restricted	1,255,692	2,320,303		179,681	3,755,676
Nonspendable	120,310				120,310
Assigned for special revenue funds			1,240,157	704,203	1,944,360
Assigned for capital projects funds				90,827	90,827
Unassigned	10,674,865			8,881	10,683,746
Total fund balances	<u>12,050,867</u>	<u>\$ 2,320,303</u>	<u>1,240,157</u>	<u>983,592</u>	<u>16,594,919</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,734,088</u>	<u>\$ 3,298,243</u>	<u>\$ 1,240,157</u>	<u>\$ 1,351,492</u>	<u>\$ 18,623,979</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2023

Fund balances of governmental funds	\$ 16,594,919
Amounts reported for governmental activities in the statement of net position are different because:	
Capital and lease assets, net of accumulated depreciation and amortization, are not current financial resources and are not included in the governmental funds.	10,965,733
Certain revenues received after sixty days from the end of the fiscal year are recorded as deferred revenue in the funds and as revenues in the government wide statement.	1,317,904
Certain amounts have been recorded as OPEB, and pension liability, deferred outflows and deferred inflows of resources that are not due and payable and not reported in the funds.	(12,017,937)
Some liabilities, including long-term debt, compensated absences and accrued interest are not due and payable in the current period and therefore are not reported in the funds.	<u>(367,696)</u>
Net position of governmental activities	\$ <u><u>16,492,923</u></u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Special Revenue				
	Major Funds		Other	Total	
	Home Funds		Nonmajor	Governmental	
	Willow Street	Measure A	Funds	Funds	
General					
Revenues					
Taxes	\$ 9,937,940	\$ -	\$ 783,381	\$ -	\$ 10,721,321
Licenses and permits	288,889				288,889
Intergovernmental	601,965		366,213		968,178
Fines, forfeitures and penalties	11,817				11,817
Charges for current services	329,845				329,845
Use of money and property	412,082	19,182	8,067		439,331
Other	216,513				216,513
Total revenues	11,799,051	19,182	783,381	374,280	12,975,893
Expenditures					
Current:					
General government	1,621,396				1,621,396
Public ways and facilities/ transportation	904,773		92,654		997,427
Public safety	4,704,154		164,747		4,868,900
Community development	1,381,488				1,381,488
Lease principal	7,350		72,941		80,291
Lease interest	2,712		3,496		6,208
Capital outlay	732,396		247,536		979,932
Total expenditures	9,354,269		581,374		9,935,643
Excess (deficiency) of revenues over expenditures	2,444,781	19,182	783,381	(207,094)	3,040,251
Other Financing Sources (Uses)					
Leases	307,029				307,029
Sale of property	4,541				4,541
Operating transfers in	750,000		11,555		761,555
Operating transfers out	(11,555)		(750,000)		(761,555)
Total other financing sources (uses)	1,050,015		(750,000)	11,555	311,570
Net change in fund balances	3,494,796	19,182	33,381	(195,539)	3,351,820
Fund balances, beginning of fiscal year	8,556,071	2,301,121	1,206,776	1,179,131	13,243,099
Fund balances, end of fiscal year	\$ 12,050,867	\$ 2,320,303	\$ 1,240,157	\$ 983,592	\$ 16,594,919

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
RECONCILIATION OF GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Net change in fund balances - total governmental funds	\$ 3,351,820
Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of revenues, expenditures and changes in fund balances because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities. The costs of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:	
Cost of assets capitalized	979,896
Depreciation expense	(765,476)
Amortization expense	(40,351)
Certain revenues received after sixty days from the end of the fiscal year are recorded as deferred revenue in the funds and as revenues in the government-wide statement.	88,567
Changes in pension expense benefits reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.	(648,268)
Changes in other pension expense benefits reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.	(263,860)
Changes in finance lease expense reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.	80,291
Other financing sources for finance leases reported in the fund financial statements are reported as lease liabilities in the statement of net position	(307,029)
Changes in compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.	69,695
Change in net position of governmental activities	\$ <u>2,545,285</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Major Funds		Non Major Fund	Total
	Water	Sewer	Mobile Home Park	Business-type Activities
Current Assets:				
Cash and investments	\$ 2,309,241	\$2,250,297	\$ 389,809	\$ 4,949,347
Receivables				
Accounts	4,641	8,311	1,584	14,536
Interest	20,505	19,976	3,464	43,945
Prepaid expense	10,166	7,637	1,180	18,983
Total current assets	2,344,553	2,286,221	396,037	5,026,811
Non Current Assets				
Restricted investment in Section 115 Trust	154,464	199,451	11,065	364,980
Capital Assets:				
Nondepreciable capital assets:				
Land	67,324	88,882	324,850	481,056
Construction in progress		20,605		20,605
Depreciable capital assets				
Building	88,879	121,035	125,719	335,633
Equipment	1,101,615	829,532		1,931,147
Infrastructure	8,189,913	6,119,282		14,309,195
Less accumulated depreciation	(5,489,237)	(4,510,760)	(125,719)	(10,125,716)
Total capital assets (net of accumulated depreciation)	3,958,494	2,668,576	324,850	6,951,920
Total non current assets	4,112,958	2,868,027	335,915	7,316,900
Total assets	6,457,511	5,154,248	731,952	12,343,711
Deferred Outflows of Resources				
Deferred outflows-OPEB	144,281	144,281	3,812	292,374
Deferred outflows-pensions	854,618	854,618		1,709,236
Total deferred outflows of resources	998,899	998,899	3,812	2,001,610
Liabilities				
Current liabilities:				
Accounts payable	6,121	6,317	653	13,091
Accrued payroll	5,200	3,778	562	9,540
Deferred revenue-unearned		1,390		1,390
Compensated absences	18,736	18,736		37,472
Total current liabilities	30,057	30,221	1,215	61,493
Noncurrent liabilities:				
Customer deposits	4,136	4,691		8,827
Compensated absences	21,354	11,332		32,686
Net pension liability	2,340,656	2,340,656		4,681,312
OPEB liability	465,650	465,650	19,709	951,009
Total noncurrent liabilities	2,831,796	2,822,329	19,709	5,673,834
Total liabilities	2,861,853	2,852,550	20,924	5,735,327
Deferred Inflows of Resources				
Deferred inflows-OPEB	33,985	33,985	1,572	69,542
Deferred inflows-pensions	274,695	274,695		549,390
Total deferred inflows of resources	308,680	308,680	1,572	618,932
Net Position:				
Net investment in capital assets	3,958,494	2,668,576	324,850	6,951,920
Restricted for investment in Section 115 Trust	154,464	199,451	11,065	364,980
Unrestricted (deficit)	172,919	123,890	377,353	674,162
Total net position	\$ 4,285,877	\$2,991,917	\$ 713,268	\$ 7,991,062

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Major Funds		Non Major Fund	Total
	Water	Sewer	Mobile Home Park	Business-type Activities
Operating Revenues				
Charges for services	\$ 1,111,494	\$ 1,376,877	\$ -	\$ 2,488,371
Rent			102,496	102,496
Utility reimbursement			39,940	39,940
Other income	19,384	21,776	60	41,220
Total operating revenues	1,130,878	1,398,653	142,496	2,672,027
Operating Expenses				
Salaries and benefits	559,027	495,596	83,414	1,138,037
Services and supplies	260,030	349,913	79,450	689,393
Depreciation expense	178,845	125,832		304,677
Total operating expenses	997,902	971,341	162,864	2,132,107
Operating income (loss)	132,976	427,312	(20,368)	539,920
Non-Operating Revenues (Expenses)				
Interest income	76,473	75,921	11,388	163,782
Intergovernmental-ESCSD		6,313		6,313
Total non-operating revenues (expenses)	76,473	82,234	11,388	170,095
Change in net position	209,449	509,546	(8,980)	710,015
Net position, beginning of fiscal year	4,076,428	2,482,371	722,248	7,281,047
Net position, end of fiscal year	\$ 4,285,877	\$ 2,991,917	\$ 713,268	\$ 7,991,062

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
JUNE 30, 2023

	Major Funds		Non Major Fund	Total
	Water	Sewer	Mobile Home Park	Business-type Activities
Cash Flows from Operating Activities				
Cash received from customers	\$ 1,124,601	\$ 1,397,558	\$ 142,496	\$ 2,664,655
Cash payments to suppliers	(262,299)	(353,641)	(79,623)	(695,563)
Cash payments to employees	(569,916)	(495,267)	(85,223)	(1,150,406)
Net cash provided by (used for) operating activities	<u>292,386</u>	<u>548,650</u>	<u>(22,350)</u>	<u>818,686</u>
Cash Flows from Capital and Related Financing Activities				
Purchase of fixed assets	(17,621)	(37,515)		(55,136)
Intergovernmental-ESCS		6,313		6,313
Net cash provided by (used for) capital and related financing activities	<u>(17,621)</u>	<u>(31,202)</u>	<u>-</u>	<u>(48,823)</u>
Cash Flows from Investing Activities:				
Interest income	<u>55,966</u>	<u>55,944</u>	<u>7,925</u>	<u>119,835</u>
Net cash provided by investing activities	<u>55,966</u>	<u>55,944</u>	<u>7,925</u>	<u>119,835</u>
Net increase (decrease) in cash and cash equivalents	330,731	573,392	(14,425)	889,698
Cash and cash equivalents, beginning of fiscal year	<u>2,132,974</u>	<u>1,876,356</u>	<u>415,299</u>	<u>4,424,629</u>
Cash and cash equivalents, end of fiscal year	<u>\$ 2,463,705</u>	<u>\$ 2,449,748</u>	<u>\$ 400,874</u>	<u>\$ 5,314,327</u>
Reconciliation of Cash and Cash Equivalents:				
Cash and investments	\$ 2,309,241	\$ 2,250,297	\$ 389,809	\$ 4,949,347
Restricted cash and investments	<u>154,464</u>	<u>199,451</u>	<u>11,065</u>	<u>364,980</u>
Total cash and cash equivalents	<u>\$ 2,463,705</u>	<u>\$ 2,449,748</u>	<u>\$ 400,874</u>	<u>\$ 5,314,327</u>
Reconciliation of Operating Income to Net Cash				
Provided by (Used For) Operating Activities	\$ 132,976	\$ 427,312	\$ (20,368)	\$ 539,920
Adjustments to operating income:				
Depreciation	178,845	125,832		304,677
(Increase) decrease in accounts receivable	3,438	9,665		13,103
Increase (decrease) in prepaid expense	(5,402)	(4,064)	(457)	(9,923)
Increase (decrease) in accounts payable	3,134	336	283	3,753
Increase (decrease) in accrued payroll	(8,788)	(6,278)	(1,709)	(16,775)
Increase (decrease) in customer deposits	(9,716)	(12,150)		(21,866)
Deferred revenue-unearned		1,390		1,390
Increase in OPEB	(173,448)	(163,299)	(16)	(336,763)
Increase (decrease) pension	165,582	165,582	(83)	331,081
Increase (decrease) in compensated absences	5,765	4,324		10,089
Net cash provided by (used for) operating activities	<u>\$ 292,386</u>	<u>\$ 548,650</u>	<u>\$ (22,350)</u>	<u>\$ 818,686</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023

	Custodial Funds					
	<u>Bond & Trust</u>	<u>Canine Donations</u>	<u>Broadband Consortium</u>	<u>PARS-ARS Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Totals</u>
<u>Assets</u>						
Cash and investments	\$ 27,445	\$ 8,013	\$ -	\$ 2,268,364	\$ 5,026,088	\$ 7,329,910
Due from others			10,000			10,000
Total assets	<u>27,445</u>	<u>8,013</u>	<u>10,000</u>	<u>2,268,364</u>	<u>5,026,088</u>	<u>7,339,910</u>
<u>Liabilities</u>						
Due to others	<u>35,649</u>					<u>35,649</u>
Total liabilities	<u>35,649</u>					<u>35,649</u>
<u>Net Position</u>						
Held in trust for benefits	<u>(8,204)</u>	<u>8,013</u>	<u>10,000</u>	<u>2,268,364</u>	<u>5,026,088</u>	<u>7,304,261</u>
Total net position	<u><u>\$ (8,204)</u></u>	<u><u>\$ 8,013</u></u>	<u><u>\$ 10,000</u></u>	<u><u>\$ 2,268,364</u></u>	<u><u>\$ 5,026,088</u></u>	<u><u>\$ 7,304,261</u></u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023

	Custodial Funds					
	Bond & Trust	Canine Donations	Broadband Consortium	PARS-ARS Trust Fund	OPEB Trust Fund	Totals
Additions:						
Contributions	\$ 542	\$ -	\$ -	\$ 167,771	\$ 257,270	\$ 425,583
Investment gains				75,503	675,444	750,947
Total additions	542			243,274	932,714	1,176,530
Deductions						
Investment losses						-
Distributions				(381,387)		(381,387)
Administrative costs				(8,522)	(20,456)	(28,978)
Total deductions				(389,909)	(20,456)	(410,365)
Change in net position	542			(146,635)	912,258	766,165
Net position beginning of year	(8,746)	8,013	10,000	2,414,999	4,113,830	6,538,096
Net position end of year	<u>\$ (8,204)</u>	<u>\$ 8,013</u>	<u>\$ 10,000</u>	<u>\$ 2,268,364</u>	<u>\$ 5,026,088</u>	<u>\$ 7,304,261</u>

The notes to the financial statements are an integral part of this statement

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 1: Summary of Significant Accounting Policies

The City of Bishop, California (the City) was incorporated in 1903, as a municipal corporation operating under the general laws of the State of California. The City operates under a Council-Manager form of government and provides the following services: general government, public works, public safety and parks and recreation.

The accounting policies of the City of Bishop, California conform to accounting principles generally accepted in the United States of America, as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

The City has defined its reporting entity in accordance with generally accepted accounting principles, which provides guidance for determining which governmental activities, organizations and functions should be included in the reporting entity. In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The primary criterion for including a potential component unit within the reporting entity is the governing body's financial accountability. A primary governmental entity is financially accountable if it appoints a voting majority of a component unit's governing body and it is able to impose its will on the component unit, or if there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable if a component unit is fiscally dependent on the primary governmental entity regardless of whether the component unit has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

Based upon the aforementioned oversight criteria, the City has no component units.

B. Basis of Accounting

The government-wide, proprietary and agency fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenue from sales tax is recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or as a reservation of fund balance. The City considers property taxes available if they are collected within sixty-days after year-end.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as compensated absences and claims and judgments are recorded only when payment is due. General capital acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financial sources.

When applicable, the City reports deferred revenue on its combined balance sheet. Deferred revenue arises when a potential revenue source does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has legal claim to them, as when grant monies are received prior to the occurrences of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has legal claim to the resources, deferred revenue is removed from the combined balance sheet and revenue is recognized.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 1: Summary of Significant Accounting Policies

B. Basis of Accounting (Continued)

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

C. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the City) and its blended component units. These statements include the financial activities of the overall government, except for fiduciary activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function. Program revenues include 1) charges paid by the recipient of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net position are available, unrestricted resources are used only after the restricted resources are depleted.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in separate columns. All remaining governmental and enterprise funds are separately aggregated and reported as non-major funds.

The City reports the following major governmental funds:

General Fund - This fund accounts for all the financial resources not required to be accounted for in another fund. This fund consists primarily of general government type activities.

The Home Funds Willow Street Special Revenue Fund - was established to account for funds received by the City and loaned to Developers for the sole purpose of building affordable housing on Willow Street.

The Measure A Fund - was established to account for the City's portion of a County-Wide tax that can be used for general operations and capital additions of the City.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation (Continued)

The City reports the following major enterprise funds.

Water and Sewer Funds - account for the operation of the City's water and sewer utilities. Activities of these funds include administration, operation and maintenance of the water and sewer systems and billing and collection activities. The Funds also accumulate resources for, and payment of long-term debt principal and interest. All costs are financed through charges made to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the Funds.

The City also reports the following Fiduciary Fund type:

Agency Funds - are used to account for assets held by the City in an agency capacity for individuals, local law enforcement agencies or developers and fiduciary assets held in trust for post-retirement benefits.

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

E. Cash Equivalents

For the purpose of the statement of cash flows, the City considers cash and cash equivalents as short term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Restricted cash and unrestricted pooled cash and investments held by the City are considered cash equivalents for purposes of the combined statement of cash flow's because the City's cash management pool and funds invested by the City possess the characteristics of demand deposit accounts.

F. Fixed Assets

Capital assets, recorded at historical cost or estimated historical cost if actual historical cost is not available, are reported in governmental activities column of the government-wide financial statements. Contributed fixed assets are valued at their estimated fair market value. Capital assets include land, buildings and building improvements and equipment. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized, as projects are constructed.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

F. Fixed Assets (Continued)

Depreciation is recorded in the government-wide financial statements on the straight-line basis over the useful life of the assets as follows:

<u>Assets</u>	<u>Useful Life</u>
Buildings	20-30 years
Building improvements	10-15 years
Site improvements	15-20 years
Equipment and machinery	3-20 years
Infrastructure	30-45 years

G. Property Tax

Inyo County is responsible for assessing, collecting and distributing property taxes in accordance with enabling legislation. Revenue received is based on an allocation factor calculated by the County under the provisions of Proposition 13 plus a percentage of the increase in market value in specific areas. The City's property tax is levied each July 1 on the assessed values as of the prior January 1 for all real and personal property located in the City. Property sold after the assessment date (January 1) is reassessed and the amount of property tax levied is prorated.

Secured property taxes are due in two equal installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Unsecured property tax is levied on July 1 and due on July 31 and becomes delinquent on August 31.

Based on a policy by the County called the Teeter Plan, 100% of the allocated taxes are transmitted by the County to the City, eliminating the need for an allowance for uncollectable. The County, in return, receives all penalties and interest on the related delinquent taxes.

H. Balance Sheet Classifications

Certain resources are classified as restricted assets as their use is restricted for specific purposes by bond agreements, lease agreements, trust agreements, grant agreements, City Charter provisions, or other requirements. Governmental fund types' restricted assets are for grant and bond agreements. Proprietary fund types' restricted assets are for renewal and replacement of equipment and security deposits.

I. Fund Equity

The unassigned fund balances for governmental funds represent the amount available for budgeting future operations. Unrestricted net position for proprietary funds represents the net position available for future operations.

Restrictions of fund balances of governmental funds are established to either (1) satisfy legal covenants that require a portion of fund balance to be segregated or (2) identify the portion of the fund balance that is not appropriable for future expenditures.

Restricted net position for proprietary funds represent the net position legally identified for specific purposes.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

J. Deferred Inflows of Resources

The City recorded deferred revenue for funds earned as of fiscal year end, but not reimbursed within sixty days after fiscal year end (unavailable.) The amount of the deferred revenue reported in the fund financial statements was \$1,386,981. Included in the deferred revenue balance is \$977,940 interest for the workforce housing loan receivable that will be repaid in future years. The City also received \$69,078 advanced funds for certain projects that is recorded as deferred revenue-uneared. \$1,317,903 of the fund financial statement deferred revenue has been recognized as revenue in the statement of net position under the required full accrual method of accounting. Note 1 M. has additional information regarding deferred inflows and deferred outflows for pensions reported in the government-wide financial statements.

K. Intergovernmental Revenues

Federal and state governments reimburse the City for costs incurred on certain fixed asset construction projects under capital grant agreements. Amounts claimed under such grants are credited to intergovernmental revenues if the project is being administered by a Capital Project Fund. Additionally, the City receives reimbursement from federal and state governments for other programs, such as housing and rehabilitation grants. These reimbursements are recorded in the fund administering the program as intergovernmental revenues with the related program costs included in expenditures.

The respective grant agreements generally require the City to maintain accounting records and substantiating evidence to determine if all costs incurred and claimed are proper and that the City is in compliance with other terms of the grant agreements. These records are subject to audit by the appropriate government agency. Any amounts disallowed will reduce future claims or be directly recovered from the City.

L. Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform to the presentation of the current year financial statements.

M. Pensions

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

N. GASB Statement No. 87 Leases

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases* (GASB Statement No. 87), to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Implementation of this Statement had a significant effect on the City's financial statements for the year ended June 30, 2023.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 1: Summary of Significant Accounting Policies (Continued)

GASB 87 Leases (Continued)

A. *Lessor*

The City acts as the lessor for renting City owned buildings to other governmental entities. The City recognizes leases receivable and deferred inflows of resources in the government-wide financial statements. Variable payments based on future performance of the lessee or usage of the underlying asset are not included in the measurement of the lease receivable.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources are initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term in a systematic and rational method.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses an estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the leases receivable.

Note 2: Cash and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and investments. Unless otherwise dictated by legal or contractual requirements, income earned or losses arising from the investment of pooled cash are allocated on a quarterly basis to the participating funds and component units based on their proportionate shares of the average quarterly cash balance.

The City maintains "restricted cash and investments". Monies restricted are for special revenue and capital project funds.

Cash and investments at June 30, 2023, consisted of the following:

Cash and investments	\$ 15,119,018
Restricted cash and investments	<u>2,699,967</u>
Cash and investments, statement of net position	17,818,984
Cash and investments, agency funds	<u>35,458</u>
Total cash and investments	<u><u>\$ 17,854,442</u></u>
Checking account	\$ 970,764
Imprest cash	340
Inyo county	506,691
Investment in Section 115 Trust	1,623,985
Local agency investment fund	<u>14,752,662</u>
Total cash and investments	<u><u>\$ 17,854,442</u></u>

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 2: Cash and Investments (Continued)

A. Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the **investment types** that are authorized for the City of Bishop by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address **interest rate risk, credit risk and concentration of credit risk**. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City investment policy.

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio	Investment in One Issuer
Investment pools authorized under CA			
Statutes governed by Government Code	N/A	None	\$40 million
U.S. Treasury Obligations	5 years	None	None
Bank Savings Accounts	N/A	25%	None
Federal Agencies	5 years	75%	None
Commercial Paper	180 days	20%	None
Negotiable Certificates of Deposit	180 days	20%	None
Re-Purchase Agreements	180 days	20%	None
Corporate Debt	5 years	25%	None

B. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of all investments. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investment maturity:

Investment Type	Totals	Remaining Maturity (in Months)	
		12 Months or Less	13-48 Months
County cash*	\$ 506,691	\$ 506,691	\$ -
Investment in Section 115 Trust*	1,623,985	1,623,985	-
State Investment Pool*	14,752,662	14,752,662	-
Totals	<u>\$ 16,883,338</u>	<u>\$ 16,883,338</u>	<u>\$ -</u>

*Not subject to categorization

C. Concentrations of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. There are no investments to one issuer exceeding those limits.

D. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment of collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; The California Government Code requires that a financial institution secured deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the City's deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 2: Cash and Investments (Continued)
Custodial Credit Risk (Continued)

At June 30, 2023, the City's deposits balance was \$1,244,963 and the carrying amount was \$970,764. The difference between the bank balance and the carrying amount was due to normal outstanding checks and deposits in transit. Of the bank balance all was covered by the Federal Depository Insurance or by collateral held in the pledging bank's trust department in the City's name.

E. Investment in State Investment Pool

LAIF is included in the State's Pooled Money Investment Account. The total amount invested by all public agencies in the State's Pooled Money Investment Account approximates \$176.44 billion. Of the \$176.44 billion managed by the State Treasurer, 100% is invested in non-derivative financial products and 2.78% is invested in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by state statute.

Investments are accounted for in accordance with the provisions of GASB Statement No. 31, which requires governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in fair value of investments in the year in which the change occurred. The City reports its investments at fair value based on quoted market information obtained from fiscal agents or other sources if the change is material to the financial statements.

Note 3: Loans Receivable

The City is participating in an affordable workforce housing loan program designed to construct low to moderate income housing. Under the terms of the loan the City is providing a 3% note to the developer, Bishop Pacific Associates. The maximum amount available under the loan is \$2,220,000. As of June 30, 2023 the City had loaned \$2,220,000 and there was accrued interest of \$977,940. The term of the note commenced on September 1, 2006 and will expire on the date that is fifty-five years after issuance of the date of completion, but no longer than fifty-eight years from the date of commencement. The source of the funding for the loan was a grant to the City from the State of California, Housing and Community Development, Home Funds program.

The City participates in an "Affordable Housing Loan Program" designed to encourage home ownership in the City limits. Under the program, loans were provided under favorable terms to homeowners who agree to spend these funds in accordance with the City's loan agreement terms. Although these loans are expected to be repaid in full, their balance in the governmental funds balance sheet. Mammoth Lakes Housing is administrating the loan program on behalf of the City. Notes receivable as reported in the statement of net position consist of the following: Mammoth Lakes Housing Loans \$179,681.

Note 4: Liability, Insured Programs and Workers Compensation Protection

A. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 124 California public entities and is organized under a joint powers agreement pursuant to California Government Code Section 6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other coverages. The Authority's pool began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a 9-member Executive Committee.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 4: Liability, Insured Programs and Workers Compensation Protection (Continued)

B. Primary Self-Insurance Programs Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$500,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$50 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: <https://cjpia.org/protection/coverage-programs>.

Primary Workers' Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$75,000 to \$200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2022-23 the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

C. Purchased Insurance

Pollution Legal Liability Insurance

The City of Bishop participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Bishop. Coverage is on a claims-made basis. There is a \$250,000 deductible.

Property Insurance

The City of Bishop participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Bishop property is currently insured according to a schedule of covered property submitted by the City of Bishop to the Authority. City of Bishop property currently has all-risk property insurance protection in the amount of \$31,133,028. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 4: Liability, Insured Programs and Workers Compensation Protection (Continued)

Earthquake and Flood Insurance

The City of Bishop purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of Bishop property currently has earthquake protection. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

Crime Insurance

The City of Bishop purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

D. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2022-23.

Note 5: Leases Receivable

The City derives a portion of its revenue from the rental of real property based on a fixed lease amount to other government organizations and to one cell tower provider. These leases are treated as finance leases for accounting purposes under Governmental Accounting Board Statement No. 87. The initial lease terms started as early as August 1, 2019 for periods between five and thirty years, and can be terminated by the lessee at any time and without cause by giving the City written notice of termination. Early termination is not expected. The rents range from \$955 to \$6,292 per month and increases by the consumer price index annually. The City has other leases that do not meet the definition of finance leases under GASB 87.

A summary of changes in lease receivable for the fiscal year ended June 30, 2023 is as follows:

	Balance 7/1/2022	Additions	Retirements/ Adjustments	Balance 6/30/2023	Due within One Year	Due in More Than One Year
Leases receivable	\$ 1,147,956	\$ 245,369	\$ (103,518)	\$ 1,289,807	\$ 109,448	\$ 1,180,359

Lease receivable are due in the upcoming years as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 109,448	\$ 36,961	\$ 146,410
2025	116,146	33,481	149,627
2026	59,576	30,590	90,166
2027	29,849	29,593	59,442
2028	31,091	28,757	59,848
2029-33	142,315	129,905	272,220
2034-2038	159,436	108,656	268,092
2039-2043	214,104	80,781	294,885
2044-2048	280,496	43,873	324,369
2049-2051	147,345	4,854	152,199
Total	\$ 1,289,807	\$ 527,452	\$ 1,817,259

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 6: Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance July 1, 2022	Additions	Retirements/ Adjustments	Balance June 30, 2023
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 341,105	\$ -	\$ -	\$ 341,105
Construction in progress	77,050	48,233	(13,684)	111,599
Capital assets, being depreciated and amortized:				
Buildings and improvements	5,168,595	103,108	(30,454)	5,241,249
Site improvements	774,327	11,074		785,401
Equipment	4,219,331	426,199	(153,011)	4,492,519
Infrastructure	13,361,735	97,970		13,459,705
Leased buildings and improvements	68,884	307,029		375,913
Total capital assets, being depreciated	23,592,872	945,380	(183,465)	24,354,787
Less accumulated depreciation for:				
Buildings and improvements	(4,663,501)	(67,345)	30,454	(4,700,392)
Site Improvements	(594,405)	(74,912)		(669,317)
Equipment	(3,420,790)	(135,654)	153,011	(3,403,433)
Infrastructure	(4,539,303)	(487,565)		(5,026,868)
Total accumulated depreciation	(13,217,999)	(765,476)	183,465	(13,800,010)
Less accumulated amortization for:				
Leased buildings and improvements	(1,397)	(40,351)		(41,748)
Total capital assets, being depreciated and amortized, net	10,373,476	139,553		10,513,029
Governmental activities capital assets, net	<u>\$ 10,791,631</u>	<u>\$ 187,786</u>	<u>\$ (13,684)</u>	<u>\$ 10,965,733</u>
Business-Type Activities				
Capital assets, not being depreciated:				
Land	\$ 481,056	\$ -	\$ -	\$ 481,056
Construction in progress	1,116,226		(1,095,621)	20,605
Capital assets, being depreciated:				
Buildings and improvements	335,633			335,633
Equipment	1,900,311	30,836		1,931,147
Infrastructure	13,189,274	1,119,921		14,309,195
Total capital assets, being depreciated	15,425,218	1,150,757		16,575,975
Less accumulated depreciation:	(9,821,039)	(304,677)		(10,125,716)
Total capital assets, being depreciated, net	5,604,179	846,080		6,450,259
Business- type activities capital assets, net	<u>\$ 7,201,461</u>	<u>\$ 846,080</u>	<u>\$ (1,095,621)</u>	<u>\$ 6,951,920</u>

Depreciation expense was charged to governmental fund functions/programs of the City as follows:

General government	\$ 28,306
Parks	56,802
Public Safety	173,795
Streets and roads	506,573
Total	<u>\$ 765,476</u>

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 7: Long-Term Liabilities

A summary of the changes in the City's long-term liabilities reported in the governmental activities column of the government-wide financial statements for the year ended June 30, 2023:

Governmental Activities:

	Balance July 1, 2022	Additions	Adjustments/ Retirements	Balance June 30, 2023	Due Within One Year
Compensated absences	\$ 386,742	\$ 296,520	\$ (366,215)	\$ 317,047	\$ 183,108
Net lease liability	65,665	307,030	(80,292)	292,403	50,650
OPEB liability (Note 10)	4,490,536	999,159		5,489,695	
Net pension liability (Note 9)	6,137,649	4,900,712		11,038,361	
Total	<u>\$ 11,080,592</u>	<u>\$ 6,503,421</u>	<u>\$ (446,507)</u>	<u>\$ 17,137,506</u>	<u>\$ 233,758</u>

A. Compensated Absences

City employees are granted vacation in varying amounts based on classification and length of service. Upon termination or retirement, the City is to pay 100% of the vacation time accrued and none of the accrued sick leave.

Governmental Funds – Governmental Funds record expenditures for compensated absences as they are taken by employees. A year-end accrual for compensated absences has not been made in the Governmental Funds as of June 30, 2023, because the City does not believe any of the available year-end resources will be required to fund the year-end compensated absences liability.

Proprietary Funds – Proprietary funds accrue a liability for unused compensated absences earned through year-end. An expense is recognized for the increase in liability from the prior year.

B. Net Lease Liability

The City has entered into lease arrangements as lessee with the Los Angeles Department of Water and Power to finance the use of 8 parking lots and the City park that expire at various times through FY 2049. The City also leases a copy machine and 4 police vehicles. The calculated borrowing rate used was 3%.

Principal and interest payments to maturity for these leases are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 50,650	\$ 7,972	\$ 58,622
2025	52,212	6,410	58,622
2026	53,801	4,822	58,623
2027	55,437	3,185	58,622
2028	29,271	1,782	31,053
2029-2033	14,377	6,623	21,000
2034-2038	16,702	4,298	21,000
2039-2043	13,266	1,734	15,000
2044-2048	5,488	512	6,000
2049	1,199		1,199
Total	<u>\$ 292,403</u>	<u>\$ 37,338</u>	<u>\$ 329,741</u>

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 7: Long-Term Liabilities (Continued)

Business-Type Activities:

A summary of the changes in the City's long-term business-type liabilities reported in the proprietary funds statement of net position and the business-type activities column of the government-wide financial statements for the year ended June 30, 2023:

	Balance July 1, 2022	Additions	Adjustments/ Retirements	Balance June 30, 2023	Due Within One Year
Compensated absences	\$ 60,066	\$ 85,034	\$ (74,942)	\$ 70,158	\$ 37,471
OPEB liability (Note 10)	1,217,340		(266,331)	951,009	
Net pension liability (Note 9)	3,187,578	1,493,735		4,681,313	
Total	<u>\$ 4,464,984</u>	<u>\$ 1,578,769</u>	<u>\$ (341,273)</u>	<u>\$ 5,702,480</u>	<u>\$ 37,471</u>

Note 8: Fund Balances – Governmental Funds

The City adopted a policy for GASB Statement No. 54, Fund Balance Reporting. GASB 54 establishes fund balance classifications that comprise a hierarchy based on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. While the classifications of fund balance in the City's various governmental funds were revised, the implementation of this standard had no effect on total fund balance. Detailed information on governmental fund-type, fund balances are as follows:

	General Fund	Measure A	Non-Major Special Revenue	Non-Major Capital Project
Restricted for:				
Petty cash	\$ 1,255,692	\$ -	\$ -	\$ -
Total restricted	<u>1,255,692</u>			
Nonspendable				
Prepaid expense	120,310			
Total nonspendable	<u>120,310</u>			
Committed				
Assigned to:				
Special Revenue Funds		1,240,157	704,203	
Capital Project Funds				90,827
Total assigned		<u>1,240,157</u>	<u>704,203</u>	<u>90,827</u>
Unassigned	10,674,865			
Total fund balance	<u>\$ 12,050,867</u>	<u>\$ 1,240,157</u>	<u>\$ 704,203</u>	<u>\$ 90,827</u>

Note 9: Defined Benefit Pension Cost-Sharing Employer Plan

a. Miscellaneous and Safety Pension Plans

A. General Information about the Pension Plans

The City has pension plans with the California Public Employees Retirement System ("CalPERS") and the Public Agency Retirement Services ("PARS"). Information about the pension plans follows.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 9: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

A. General Information about the Pension Plans (Continued)

California Public Employees Retirement System (CalPERS)

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the City’s separate Safety (police and fire) and Miscellaneous (all other) Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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

Funding Policy – Active plan members in the Plan are required to contribute 7.00% to 7.25% of their covered salary for the miscellaneous plans and 9% to 13% for public safety members. The City contributes the employee portion for miscellaneous and safety classic employee’s. The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration.

The Plans’ provisions and benefits in effect at June 30, 2023, are summarized as follows:

	Miscellaneous Tier 1	Miscellaneous Tier 2	PEPRA Miscellaneous Plan
	Prior to January 1, 2010	After January 1, 2010	On or after January 1, 2013
Hire date			
Benefit formula	2% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55	56-60	57-62
Monthly benefits , as a % of compensation	1.5% to 2%	1.5% to 2%	1% to 2%
Required employee contribution rates	7.00%	7.00%	7.25%
Required employer contribution rates	11.65%	9.81%	7.65%
	Safety Classic Tier 1	Safety Classic Tier 2	PEPRA Police Plan
	Prior to January 1, 2010	After January 1, 2010	On or after January 1, 2013
Hire date			
Benefit formula	3% @ 50	2.7% @ 57	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	45-50	52-57	52-57
Monthly benefits , as a % of compensation	2.5% to 3%	2.2% to 2.7%	2.2% to 2.7%
Required employee contribution rates	9.00%	9.00%	13.00%
Required employer contribution rates	25.48%	23.44%	13.44%

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 9: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

A. *General Information about the Pension Plans (Continued)*

For the year ended June 30, 2023, contributions recognized as part of pension expense for each Plan were as follows:

CalPERS Contributions-employer	\$ 1,374,769
Contributions-employee (paid by employer)	\$ 160,197

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

As of June 30, 2023, the City reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate share of Net pension liability
Miscellaneous Plans	\$ 5,308,730
Safety Plans	\$ 5,966,993

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2022, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2020 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability as of June 30, 2022 and 2023 was as follows:

	Miscellaneous Plans	Safety Plans
Proportion - June 30, 2022	0.12418%	0.07649%
Proportion - June 30, 2023	0.11345%	0.08684%
Change - Increase (Decrease)	-0.01073%	0.01034%

For the fiscal year-ended June 30, 2023, the City recognized CalPERS miscellaneous and safety pension expense of \$1,210,735. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 217,362	\$ -
Changes of assumptions	1,145,644.00	
Net difference between projected and actual earnings on pension plan investments	1,914,690	
Change in proportions	293,159	
Change in proportionate share of contributions		(1,112,115)
City contributions subsequent measurement date	1,374,769	
Total	<u>\$ 4,945,624</u>	<u>\$ (1,112,115)</u>

\$1,374,769 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 9: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period	
Ended June 30:	
2024	\$ 595,298
2025	451,706
2026	242,176
2027	1,169,560
2028	-
Thereafter	-

Actuarial Assumptions – The total pension liabilities in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.50%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	6.90%

Discount Rate – The discount rate used to measure the total pension liability was 6.90% for each cost-sharing multiple employer Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current cost sharing 6.90 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2022-23 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 9: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1-10 (1)(2)
Global equity-cap weighted	30.0%	4.45%
Global equity non-cap weighted	12.0%	3.84%
Private equity	13.0%	7.28%
Treasury	5.0%	27.00%
Mortgage backed securities	5.0%	50.00%
Investment grade corporates	10.0%	1.56%
High yield	5.0%	2.27%
Emerging market debt	5.0%	2.48%
Private debt	5.0%	3.57%
Real assets	15.0%	3.21%
Leverage	-5.0%	-0.59%

(1) An expected inflation of 2.30% used for this period

(2) Figures are based on the 2021-22 Asset Liability Management study.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate -1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate +1% (7.90%)
Misc Plan	\$ 8,626,109	\$ 5,308,730	\$ (2,579,350)
Safety Plan	\$ 9,333,852	\$ 5,966,993	\$ 3,215

b. City of Bishop Retirement Enhancement Plan

The PARS Retirement Enhancement Plan (“REP”) was implemented July 1, 2001 and closed to new participants hired after January 1, 2012. This plan is separate from CalPERS and is established as a 401 (a) Defined Benefit Plan. The REP is administered by PARS.

The REP provides a benefit equal to 1.00% of final average compensation for eligible miscellaneous employee service while employed at the City of Bishop.

Eligibility for the benefit is a) full-time Miscellaneous employee’s on or after July 1, 2001 and before July 1, 2012 b) retire directly from the City under CalPERS under a service retirement and remain retired under CalPERS c) Tier I-hired before January 1, 2010-age 55 with 10 or more years of full-time City service, Tier II-hired after January 1, 2010-age 60 with 10 or more years of full-time City service, Tier III-age 55 with no service requirements (2 employees). The plan is closed to employees hired on or after January 1, 2012.

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

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 9: Defined Benefit Pension Plans (Continued)

The City makes all contributions necessary to fund the benefits available under the REP. Employees are not permitted to make any contributions.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability - The June 30, 2023 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	July 1, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	5.00%
Inflation	2.50%
Projected Salary Increase	3.00%
Investment Rate of Return	5.00%

Discount Rate - The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per actuarial investment consulting practice as of June 30, 2023.

<u>Asset Class</u>	<u>Estimated Real Rate of Return</u>
60% Broad U.S. Equity	4.40%
40% U.S. Fixed	1.50%

A blended discount rate is generally required to be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate will often require that the actuary perform complex projects of future benefit payments and asset values. Alternative evaluations of projected solvency are allowed, if such evaluation can reliability be made.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 9: Defined Benefit Pension Plans (Continued)

Pension Plan Fiduciary Net Position - The following table shows the changes in net pension liability recognized over the measurement period.

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(c)=(a)-(b)
Balances at 6/30/2022	\$ 6,697,759	\$ 2,414,999	\$ 4,282,760
Changes for the year:			
Service cost	67,116		67,116
Interest	328,825		328,825
Amortization of expected and actual investment income			-
Difference between expected and actual experience			-
Amortization of expected and actual experience			-
Contribution-employer		167,771	(167,771)
Net investment income		75,504	(75,504)
Benefit payments	(381,387)	(381,387)	-
Administrative expense		(8,523)	8,523
Net changes	14,554	(146,635)	161,189
Balances at 6/30/2023	\$ 6,712,313	\$ 2,268,364	\$ 4,443,949

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the City of Bishop, calculated using the discount rate of 5%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4%) or 1 percentage point higher (6%) than the current rate.

	Discount Rate -1%	Current Discount Rate	Discount Rate +1%
	4%	5%	6%
Miscellaneous PARS Enhancement	\$ 5,306,280	\$ 4,443,949	\$ 3,724,992

Subsequent Events - There were no subsequent events that would materially affect the results presented in this disclosure.

Recognition of Gains and Losses - Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 9: Defined Benefit Pension Plans (Continued)

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

Deferred Outflows/(Inflows) of Resources - As of June 30, 2023, the City of Bishop has deferred outflows and deferred inflows of resources related to this pension plan as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 429,040	\$ -
Changes of assumptions	137,478	
Net difference between projected and actual earnings on pension plan investments	208,998	
Total	<u>\$ 775,516</u>	<u>\$ -</u>

Amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30:	
2024	\$ 391,702
2025	291,833
2026	91,981
2027	
2028	-

Note 10: Other Postemployment Benefits (OPEB)

General Information about the OPEB Plan

The City Council passed a resolution to establish health benefit vesting requirements for future retirees under public employees' medical and hospital care act, whereas for employees hired before 1/1/2010, the City contributes at retirement up to a maximum of 90% of the PERS Choice – Other Southern California plan. Those who retire directly from the City with at least 50 years in age and 5 years CalPERS service are eligible. Those hired on or after 1/1/2010 are subject to vesting on the PERS Choice Other Southern California plan, in the amount of 50% of the monthly premium for those with 10 years CalPERS service (none if under), grading up to 100% for those with 20 or more years CalPERS service. A minimum of 5 years of service with the City of Bishop is required.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 10: Post-Retirement Health Care Benefits (Continued)

The Bishop City Council passed ordinance No. 551, whereby Council members who retire directly from the City are at least 65 years of age and have at least 8 full years of service are eligible for benefits similar to those hired before 1/1/2010. The above requirements are waived for Council members who were on the Bishop City Council as of November 1, 2016. Council members who were on the City Council as of November 1, 2016, are entitled to medical benefits if they have served two full terms of seven and one half years on the Council as an elected official with the City, and having reached a minimum of 62 years of age at the time they leave the Council.

Plan Description

The City's Post-Retirement Healthcare Plan is a single employer defined benefit healthcare plan administered by CalPERS. CalPERS provides medical insurance benefits only to eligible retirees and their eligible dependents. The City approved post-retirement health insurance benefits for all of its employees under the Public Employees' Medical and Hospital Care Act (PEMHCA). The minimum age for receiving benefits is 50 and there is no cap. The plan also provides coverage for eligible family members. For employees who are eligible to participate in the plan the City will contribute the health benefit cost for the retiree and eligible family members up to 90% of the least expensive PERS plan, except as noted under the tier II plan. A retiree with less than the required years of service with the City will receive no benefit, unless they have previous employment qualifying them for CalPERS retirement, in which case they are eligible to receive the CalPERS minimum at the time of retirement. The CalPERS minimum is set by law. The retiree is on the same medical plan as the City's active employees, however monthly rates for coverage of covered active and retired employees are computed separately.

Funding Policy

The contribution requirement of plan members is established by the City Council. The 2022-23 fiscal year contribution was based on amortized funding over a 30 year period using entry age normal cost. For the fiscal year ending June 30, 2023 the City contributed \$246,191 towards the unfunded actuarial accrued liability (UAAL). The City chose the California Employers Retiree Benefit Trust (CERBT) as the trustee for the plan. The City also made the net contribution for fiscal year end June 30, 2023 directly to health insurance providers totalling \$563,595 that was not reimbursed by the CERBT. Plan members receiving benefits contributed 10% of the total premiums.

Employees Covered By Benefit Terms

At the reporting date of June 30, 2023 the following employees were covered by the benefit terms:

Retirees currently receiving benefit payments	55
Active employees	37
Total	<u>92</u>

Contributions

The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the actuarially determined contribution of the employer (ADC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The City chose a 30 year period to amortize the unfunded actuarial liability.

The contribution requirement of plan members is established by the City Council. The 2021-22 measurement period contribution was based on the actuarially determined contribution using entry age actuarial cost with normal costs calculated as a level percentage of payroll, as required by GASB 75. For the fiscal year ending June 30, 2021 valuation, the City contributed \$246,191 towards the net OPEB Liability (NOL). The City chose the CalPERS CERBT as the trustee for the plan. The City also paid the retiree premiums for fiscal year end June 30, 2021 valuation directly to health insurance providers totaling \$659,062 (including implicit subsidy associated with benefits paid). Plan members receiving benefits contributed 10% of the total premiums.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 10: Post-Retirement Health Care Benefits (Continued)

Net OPEB Liability: At June 30, 2023 the City reported a net OPEB liability of \$6,440,522. The net OPEB liability was measured from July 1, 2021 to June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation with a valuation date of June 30, 2021.

Actuarial Assumptions

The net OPEB liabilities in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	July 1, 2021
Measurement Date	July 1, 2021 to June 30, 2022
Actuarial Assumptions:	
Discount Rate	6.75%
Healthcare trend rates	5.20% to 4.00%
Salary increase	3.00%
Inflation rate	2.50%
Investment Rate of Return	6.75%

OPEB Assets

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global equity	57.00%	5.50%
U.S fixed income	27.00%	1.50%
TIPS	5.00%	1.20%
REIT's	8.00%	3.70%
Commodities	3.00%	0.60%
Total	<u>100.00%</u>	

The OPEB assets are held by CalPERS CERBT, the trustee for the OPEB assets. The OPEB assets are not FDIC insured there is no bank guarantee and the assets may lose value. The investments are in in strategy 1 which is the least conservative of the 3 risk levels offered by the trustee. The investment objective is to seek returns that reflect the broad investment performance of the financial markets through capital appreciation and investment income. There is no guarantee that the portfolio will achieve its investment objective.

The discount rate used to measure the total OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed the City's contributions will continue based upon the current OPEB funding policy. Based on those assumptions, the OPEB plans fiduciary net position was projected to be available to make future benefit payments for current members for all future years. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 10: Post-Retirement Health Care Benefits (Continued)

Changes in the Net OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position (i.e. fair value of Plan assets), and the net OPEB liability at June 30, 2023.

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(c)
Balances at 6/30/2022	\$ (10,208,914)	\$ 4,501,039	\$ (5,707,875)
Changes for the year:			
Service cost	(316,067)		(316,067)
Interest	(688,556)		(688,556)
Difference between expected and actual experience			-
Change in assumptions			-
Contribution-employer-prior year		905,253	905,253
Net investment income		(632,109)	(632,109)
Benefit payments	659,062	(659,062)	-
Administrative expense		(1,168)	(1,168)
Net changes	(345,561)	(387,086)	(732,647)
Balances at 6/30/2023	\$ (10,554,475)	\$ 4,113,953	\$ (6,440,522)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the City's share of the net OPEB liability if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease 5.75%	Discount Rate 6.75%	1% Increase 7.75%
Net OPEB liability (asset)	\$ 7,699,427	\$ 6,440,522	\$ 5,386,185

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (4.2% decreasing to 3%)	Discount Rate 5.2% decreasing to 4%	1% Increase (6.2% decreasing to 5%)
Net OPEB liability (asset)	\$ 5,198,218	\$ 6,440,522	\$ 7,947,680

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2023, the City recognized OPEB expense of \$853,189. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or methods. At June 30, 2023, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 10: Post-Retirement Health Care Benefits (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 13,180	\$ (20,698.0)
Changes in assumptions	261,522	(14,155)
Net difference between projected and actual earnings on retirement plan investments	798,102	(435,205)
District contributions subsequent to measurement date	922,777	
Totals	<u>\$ 1,995,581</u>	<u>\$ (470,058)</u>

\$922,777 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30,</u>	
2024	\$ (175,070)
2025	(172,770)
2026	(65,868)
2027	(189,038)
	<u>\$ (602,746)</u>

Note 11: Interfund Transactions

Operating transfers are transactions to allocate resources from one fund to another fund not contingent on the incurrence of specific expenditures in the receiving fund. Interfund transfers are generally recorded as operating transfers in and operating transfers out in the same accounting period.

Receivables and Payables

Balances representing lending/borrowing transactions between funds outstanding at the fiscal year end are reported as either “due from/due to other funds” (amounts due within one year), “advances to/from other funds” (non-current portions of interfund lending/borrowing transactions), or “loans to/from other funds” (long-term lending/borrowing transactions evidenced by loan agreements). Advances and loans to other funds are offset by a fund balance reserve in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources. Interfund transactions for the fiscal year ended June 30, 2023 are summarized as follows:

Fund Type	Due To Other Funds	Due From Other Funds	Operating Transfers In	Operating Transfers Out
General	\$ -	\$ 319,010	\$ 750,000	\$ 11,555
Special Revenue				750,000
Capital Projects	319,000		11,555	
Fiduciary Fund	10			
Total	<u>\$ 319,010</u>	<u>\$ 319,010</u>	<u>\$ 761,555</u>	<u>\$ 761,555</u>

City of Bishop
Notes to Financial Statements
June 30, 2023

Note 12: Revenue Limitations Imposed by California Proposition 218

Proposition 218, which was approved by the voters in November 1996, regulates the City's ability to impose, increase, and extend taxes and assessments. Any new increase or extended taxes and assessments subject to the provisions of Proposition 218, requires voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes and assessments are subject to voter initiative and may be rescinded in the future years by the voters.

Note 13: Economic Dependency

The City's general fund revenue relies heavily on tourism, which provides transient occupancy taxes and sales taxes. During the 2022-23 fiscal year the City collected \$3,521,431 in transient occupancy tax which accounted for 30% of general fund revenue. Tourism related spending also accounts for additional sales taxes generated at the City. Sales tax revenue was \$5,045,023 or 43% of general fund revenue for the 2022-23 fiscal year.

Because the tourism industry and related sales taxes account for a significant portion of the City's general fund revenues, a downturn in tourism could result in a substantial reduction in general fund revenues and the City may not have sufficient resources to pay all of its general fund obligations.

Note 14: Commitments and Contingencies

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

COVID 19

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of City of Bishop could potentially be adversely affected by this global pandemic. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. The City has not included any contingencies in the financial statements specific to this issue.

Note 15: Subsequent Events

The City has evaluated subsequent events through November 2, 2023, the date these financial statements were available for distribution.

City of Bishop

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
June 30, 2023**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Taxes				
Property - secured	\$ 550,608	\$ 550,608	\$ 603,451	\$ 52,843
Property - unsecured	44,000	44,000	55,855	11,855
Prior year and other	10,000	10,000	30,490	20,490
VLF swap	350,000	350,000	379,674	29,674
Sales tax	4,809,500	5,000,000	5,045,023	45,023
DWP water agreement	236,773	236,773	236,773	-
Transient occupancy	2,600,000	2,600,000	3,557,919	957,919
Sales tax - public safety	12,000	12,000	19,428	7,428
Real property transfer	6,000	6,000	9,327	3,327
Total taxes	8,618,881	8,809,381	9,937,940	1,128,557
Licenses and Permits				
Business licenses	60,000	60,000	69,280	9,280
Use permits	5,000	5,000	8,100	3,100
Building permits	79,546	79,546	148,849	69,303
SB 1186/ADA			5,616	5,616
Environmental fee	5,000	5,000	2,240	(2,760)
Electrical franchise	31,000	31,000	44,322	13,322
TV franchise	13,000	13,000	10,482	(2,518)
Total licenses and permits	193,546	193,546	288,889	95,343
Intergovernmental				
Motor vehicle fees	4,533	4,533		(4,533)
Homeowners	1,000	1,000	2,706	1,706
Reimbursement - highway sweeping	48,000	48,000	57,900	9,900
Reimbursement Hwy 6 trash	30,750	45,000	51,833	6,833
Fire department reimbursements	139,700	73,000	50,782	(22,218)
Reimbursement - Bishop Unified School District		8,500	9,940	1,440
Peace officers training	2,800	8,891	25,740	16,849
Dispatch contracts	1,200	1,200		(1,200)
Grants	552,464	567,464	403,064	(164,400)
Total intergovernmental	780,447	757,588	601,965	(155,623)
Fines, Forfeitures and Penalties				
Parking citations and tow fees	17,165	15,815	11,817	(3,998)
Total fines, forfeitures and penalties	17,165	15,815	11,817	(3,998)
Charges for Current Services				
Fingerprinting and public safety	25,000	25,000	25,516	516
After school program	80,000	110,000	107,603	(2,397)
Parks and recreation	141,850	144,818	196,726	51,908
Total charges for current services	246,850	279,818	329,845	50,027
Use of Money and Property				
Interest and investment income	5,000	5,000	306,722	301,722
Rent	109,810	113,000	105,360	(7,640)
Total use of money and property	114,810	118,000	412,082	294,080
Other				
Insurance refunds, reimbursements and dividends		95,135	151,944	56,809
Miscellaneous - all others	39,831	61,468	64,569	3,101
Total other	39,831	156,603	216,513	59,911
Total revenues	10,011,530	10,330,751	11,799,051	1,468,300

City of Bishop

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
June 30, 2023**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Total revenues (continued)	10,011,530	10,330,751	11,799,051	1,468,300
Expenditures				
General Government				
City Council	181,689	181,689	144,340	37,349
Administration - clerk	553,893	847,952	753,948	94,004
Finance	303,128	295,643	212,700	82,943
City treasurer	1,833	1,898	1,892	6
Legal service	175,000	240,000	167,721	72,279
IT	60,000	38,074	32,611	5,463
Insurance	387,382	401,000	308,086	92,914
Elections	4,151	98	98	
Total general government	1,667,076	2,006,354	1,621,396	384,957
Public Ways and Facilities/Transportation				
Building and grounds	143,588	134,513	129,842	4,671
Building	77,199	77,789	72,464	5,325
Planning	779,001	724,099	230,038	494,061
Street lighting, sweeping, maintenance	728,933	789,293	472,429	316,864
Total public ways and facilities/transportation	1,728,721	1,725,694	904,773	820,922
Public Safety				
Police	4,331,484	5,200,097	4,097,375	1,102,722
Fire	699,169	676,607	606,779	69,828
Total public safety	5,030,653	5,876,704	4,704,154	1,172,551
Community Development				
Parks and recreation	1,220,217	1,239,459	1,136,524	102,935
After school program	102,054	102,054	80,038	22,016
Community promotion	170,000	193,900	164,926	28,974
Total community development	1,492,271	1,535,413	1,381,488	153,926
Lease principal			7,350	(7,350)
Lease interest			2,712	(2,712)
Capital Outlay				
Leases			307,029	(307,029)
Capital outlay	566,800	595,964	425,365	170,599
Total capital outlay	566,800	595,964	732,396	(136,431)
Total expenditures	10,485,521	11,740,129	9,354,269	2,385,863
Excess (deficit) of revenues over expenditures	(473,991)	(1,409,378)	2,444,781	3,854,159
Other Financing Sources (Uses)				
Leases			307,029	307,029
Sale of property		41	4,541	4,500
Operating transfers in	750,000	750,000	750,000	
Operating transfers out		(330,555)	(11,555)	319,000
Total other financing sources (uses)	750,000	419,486	1,050,015	630,529
Changes in fund balances	\$ 276,009	\$ (989,892)	3,494,796	\$ 4,484,688
Fund balance, beginning of fiscal year			8,556,071	
Fund balance, end of fiscal year			\$ 12,050,867	

City of Bishop

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
MEASURE A-SPECIAL REVENUE FUND
June 30, 2023**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Taxes	\$ 690,000	\$ 690,000	\$ 783,381	\$ 93,381
Total revenues	<u>690,000</u>	<u>690,000</u>	<u>783,381</u>	<u>93,381</u>
Other Financing Sources (Uses)				
Operating transfers out	<u>(750,000)</u>	<u>(750,000)</u>	<u>(750,000)</u>	<u>-</u>
Excess (deficit) of revenues over (under) other financing sources (uses)	<u>\$ (60,000)</u>	<u>\$ (60,000)</u>	<u>33,381</u>	<u>\$ 93,381</u>
Fund balance, beginning of fiscal year			<u>1,206,776</u>	
Fund balance, end of fiscal year			<u>\$ 1,240,157</u>	

CITY OF BISHOP

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PLAN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2023**

<u>Reporting Date</u>	<u>City's proportion of the net pension liability (asset)</u>	<u>City's proportionate share of the net pension liability (asset)</u>	<u>City's covered-employee payroll</u>	<u>City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
<u>CalPERS-Miscellaneous Plan</u>					
6/30/2015	0.14844%	\$3,668,769	\$1,745,519	210.18%	79.76%
6/30/2016	0.11968%	\$3,283,463	\$1,710,487	191.96%	84.13%
6/30/2017	0.12048%	\$4,185,221	\$1,566,892	267.10%	80.32%
6/30/2018	0.12577%	\$4,957,924	\$1,741,040	284.77%	73.95%
6/30/2019	0.13088%	\$4,932,525	\$1,771,812	278.39%	74.43%
6/30/2020	0.10518%	\$4,211,943	\$1,839,471	228.98%	77.38%
6/30/2021	0.11024%	\$4,650,245	\$1,695,887	274.21%	76.65%
6/30/2022	0.12418%	\$2,357,973	\$1,787,347	131.93%	75.16%
6/30/2023	0.11345%	\$5,308,730	\$1,882,417	282.02%	84.19%
<u>CalPERS-Safety Plan</u>					
6/30/2015	0.10109%	\$3,791,760	\$1,111,418	341.16%	80.93%
6/30/2016	0.10674%	\$4,398,084	\$1,239,937	354.70%	80.12%
6/30/2017	0.10670%	\$5,526,383	\$1,140,397	484.60%	75.81%
6/30/2018	0.10628%	\$6,350,222	\$1,282,078	495.31%	70.17%
6/30/2019	0.10979%	\$6,350,222	\$1,233,863	514.66%	71.39%
6/30/2020	0.07822%	\$4,882,959	\$1,251,498	390.17%	77.72%
6/30/2021	0.08255%	\$5,499,753	\$1,172,131	469.21%	76.95%
6/30/2022	0.07649%	\$2,684,428	\$1,128,081	237.96%	75.42%
6/30/2023	0.08684%	\$5,966,993	\$1,184,419	503.79%	85.02%
<u>PARS Miscellaneous Single Employer Plan</u>					
6/30/2015*	NA	\$2,805,983	\$1,542,000	181.97%	52.45%
6/30/2016*	NA	\$2,579,156	\$1,020,118	252.83%	51.64%
6/30/2017*	NA	\$2,605,528	\$1,142,000	228.15%	52.62%
6/30/2018*	NA	\$2,615,457	\$1,047,401	249.71%	52.75%
6/30/2019*	NA	\$2,555,824	\$1,050,335	243.33%	54.26%
6/30/2020*	NA	\$2,411,591	\$1,014,025	237.82%	56.00%
6/30/2021*	NA	\$2,384,524	\$688,185	346.49%	56.21%
6/30/2022*	NA	\$4,282,760	\$752,320	569.27%	36.06%
6/30/2023*	NA	\$4,443,949	\$940,740	472.39%	33.79%

* Payroll is projected by actuary

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only information for those years for which information is available is presented.

CITY OF BISHOP

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
JUNE 30, 2023**

<u>Reporting Date</u>	<u>Contractually required contribution</u>	<u>to the contractually required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>City's covered-employee payroll</u>	<u>percentage of covered employee payroll</u>
<u>CalPERS-Miscellaneous Plans</u>					
6/30/2015	\$307,717	(\$307,717)	\$0	\$1,745,519	17.63%
6/30/2016	\$275,081	(\$275,081)	\$0	\$1,710,487	16.08%
6/30/2017	\$294,779	(\$294,779)	\$0	\$1,566,892	18.81%
6/30/2018	\$350,005	(\$350,005)	\$0	\$1,741,040	20.10%
6/30/2019	\$425,695	(\$425,695)	\$0	\$1,771,812	24.03%
6/30/2020	\$456,505	(\$456,505)	\$0	\$1,839,471	24.82%
6/30/2021	\$504,540	(\$504,540)	\$0	\$1,695,887	29.75%
6/30/2022	\$552,109	(\$552,109)	\$0	\$1,787,347	30.89%
6/30/2023	\$612,047	(\$612,047)	\$0	\$1,882,417	32.51%
<u>CalPERS-Safety Plans</u>					
6/30/2015	\$377,896	(\$377,896)	\$0	\$1,270,455	29.74%
6/30/2016	\$430,675	(\$430,675)	\$0	\$1,239,937	34.73%
6/30/2017	\$450,927	(\$450,927)	\$0	\$1,140,397	39.54%
6/30/2018	\$508,813	(\$508,813)	\$0	\$1,282,078	39.69%
6/30/2019	\$593,823	(\$593,823)	\$0	\$1,233,863	48.13%
6/30/2020	\$626,682	(\$626,682)	\$0	\$1,251,498	50.07%
6/30/2021	\$646,762	(\$646,762)	\$0	\$1,172,131	55.18%
6/30/2022	\$696,107	(\$696,107)	\$0	\$1,128,081	61.71%
6/30/2023	\$762,722	(\$762,722)	\$0	\$1,184,419	64.40%
<u>PARS Miscellaneous Single Employer Plan</u>					
6/30/2015 *	\$402,000	(\$238,126)	\$163,874	\$1,542,000	15.44%
6/30/2016 *	\$271,900	(\$234,903)	\$36,997	\$1,020,118	23.03%
6/30/2017*	\$242,039	(\$242,039)	\$0	\$1,142,000	21.19%
6/30/2018*	\$227,617	(\$227,617)	\$0	\$1,047,401	21.73%
6/30/2019*	\$222,671	(\$222,671)	\$0	\$1,050,335	21.20%
6/30/2020*	\$214,973	(\$203,082)	\$11,891	\$1,014,025	20.03%
6/30/2021*	\$145,895	(\$45,202)	\$100,693	\$688,185	6.57%
6/30/2022*	\$237,533	(\$42,917)	\$194,616	\$752,320	5.70%
6/30/2023*	\$167,771	(\$167,771)	\$0	\$940,740	17.83%

* Payroll is projected by actuary

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, only information for those years for which information is available is presented.

CITY OF BISHOP

REQUIRED SUPPLEMENTARY INFORMATION OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS JUNE 30, 2023

Total OPEB liability	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>
Service cost	\$ 316,067	\$ 271,736	\$ 247,177	\$ 256,310
Interest	688,555	637,890	620,592	606,072
Changes in benefit terms				
Differences between expected and actual experience		(39,516)		540,448
Changes of assumptions		499,268		(583,977)
Benefit payments**	<u>(659,062)</u>	<u>(666,980)</u>	<u>(606,171)</u>	<u>(590,486)</u>
Net change in total OPEB liability	<u>345,560</u>	<u>702,398</u>	<u>261,598</u>	<u>228,367</u>
Total OPEB liability-beginning (a).	<u>\$ 10,208,915</u>	<u>\$ 9,506,517</u>	<u>\$ 9,244,919</u>	<u>\$ 9,016,552</u>
Total OPEB liability-ending (b)	<u>\$ 10,554,475</u>	<u>\$ 10,208,915</u>	<u>\$ 9,506,517</u>	<u>\$ 9,244,919</u>
Plan fiduciary net position				
Contributions-employer **	\$ 905,253	\$ 728,833	\$ 855,843	\$ 661,790
Net investment income (loss)	(632,109)	963,409	115,101	179,763
Benefit payments	(659,062)	(666,980)	(606,171)	(590,486)
Administrative expenses	<u>(1,168)</u>	<u>(1,327)</u>	<u>(1,573)</u>	<u>(621)</u>
Net change in plan fiduciary net position	<u>(387,086)</u>	<u>1,023,935</u>	<u>363,200</u>	<u>250,446</u>
Plan fiduciary net position-beginning (c)	<u>4,501,039</u>	<u>3,477,104</u>	<u>3,113,904</u>	<u>2,863,458</u>
Plan fiduciary net position-ending (d)	<u>\$ 4,113,953</u>	<u>\$ 4,501,039</u>	<u>\$ 3,477,104</u>	<u>\$ 3,113,904</u>
Net OPEB liability-beginning (a)-(c)	\$ 5,707,876	\$ 6,029,413	\$ 6,131,015	\$ 6,153,094
Net OPEB liability-ending (b)-(d)	\$ 6,440,522	\$ 5,707,876	\$ 6,029,413	\$ 6,131,015
Plan fiduciary net position as a percentage of the total OPEB liability	39%	44%	37%	34%
Covered-employee payroll	\$ 3,144,755	\$ 2,715,795	\$ 2,938,754	\$ 3,175,934
District's net OPEB liability as a percentage of covered-employee payroll	205%	210%	205%	193%
Measurement date	6/30/2022	6/30/2021	6/30/2020	6/30/2019

* Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

**Amount includes implicit subsidy associated with benefits paid.

City of Bishop
Note to Required Supplementary Information
June 30, 2023

Budgets and Budgetary Accounting

As required by the laws of the State of California, the City prepares and legally adopts a final balanced operating budget. Public hearings were conducted on the proposed final budget to review all appropriations and the sources of financing. Because the final budget must be balanced, any shortfall in revenue requires an equal reduction in financing requirements.

Budgets for the general and special revenue funds are adopted on the modified accrual basis of accounting. The budgets for the general and special revenue funds are the only legally adopted budgets. Budgets for the debt service, capital project funds and proprietary funds are used for management and control purposes only.

At the fund level, actual expenditures cannot exceed budgeted appropriations. In order to accommodate operational changes that may result during the course of a budget year, management can modify in line items of a budget, not to exceed 20% of said line item, with the limitation that the overall departmental budget shall not be exceeded without Council approval.

The budgetary data presented in the accompanying financial statements includes all revisions approved by the City Council.

CITY OF BISHOP

Combining Balance Sheet Nonmajor Governmental Funds June 30, 2023

	Special Revenue Funds	Capital Project Funds	Total
<u>Assets</u>			
Restricted cash and investments	\$ 662,314	\$ 416,979	\$ 1,079,293
Accounts receivable	19,130		19,130
Interest receivable	1,962		1,962
Prepaid expense	24,312		24,312
Loans/notes receivable	179,681		179,681
Due from other governments		47,114	47,114
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 887,399</u>	<u>\$ 464,093</u>	<u>\$ 1,351,492</u>
<u>Liabilities and Fund Balances</u>			
Liabilities			
Accounts payable	\$ 46	\$ 1,119	\$ 1,165
Accrued wages	1,090		1,090
Due to other funds		319,000	319,000
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>1,136</u>	<u>320,119</u>	<u>321,255</u>
Deferred Inflows of Resources			
Deferred revenue-unearned	<u>2,379</u>	<u>44,266</u>	<u>46,645</u>
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	<u>2,379</u>	<u>44,266</u>	<u>46,645</u>
Fund Balances			
Restricted	179,681		179,681
Assigned	704,203	90,827	795,030
Unassigned (deficit)		8,881	8,881
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>883,884</u>	<u>99,708</u>	<u>983,592</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 887,399</u>	<u>\$ 464,093</u>	<u>\$ 1,351,492</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP

Combining Statement of Revenues, Expenditure and Changes in Fund Balances Nonmajor Governmental Funds June 30, 2023

	Special Revenue Funds	Capital Project Funds	Total
Revenues			
Intergovernmental	\$ 319,099	\$ 47,114	\$ 366,213
Use of money and property	8,067		8,067
	<u>327,166</u>	<u>47,114</u>	<u>374,280</u>
Total revenues			
Expenditures			
Current:			
Public ways and facilities/ transportation	91,099	1,555	92,654
Public safety	164,747		164,747
Lease principal	72,941		72,941
Lease interest	3,496		3,496
Capital outlay	199,303	48,233	247,536
	<u>531,586</u>	<u>49,788</u>	<u>581,374</u>
Total expenditures			
Excess (deficit) of revenues over expenditures before other financing sources (uses)	<u>(204,420)</u>	<u>(2,674)</u>	<u>(207,094)</u>
Other Financing Sources (Uses)			
Operating transfers in		11,555	11,555
Operating transfers out			
Total other financing sources (uses)		<u>11,555</u>	<u>11,555</u>
Net change in fund balances	<u>(204,420)</u>	<u>8,881</u>	<u>(195,539)</u>
Fund balances, beginning of fiscal year	<u>1,088,304</u>	<u>90,827</u>	<u>1,179,131</u>
Fund balances, end of fiscal year	<u>\$ 883,884</u>	<u>\$ 99,708</u>	<u>\$ 983,592</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP

Combining Balance Sheet Nonmajor Special Revenue Funds June 30, 2023

	Gas Tax	Traffic Safety	Public Safety	Asset Forfeiture	09-STBG 6407 Home Program	Totals
<u>Assets</u>						
Restricted cash and investments	\$ 343,818	\$ 8,141	\$ 179,748	\$ 2,507	\$ 128,100	\$ 662,314
Accounts receivable	19,130					19,130
Interest receivable			1,962			1,962
Prepaid expense	1,320		22,992			24,312
Note receivable					179,681	179,681
Total assets	<u>\$ 364,268</u>	<u>\$ 8,141</u>	<u>\$ 204,702</u>	<u>\$ 2,507</u>	<u>\$ 307,781</u>	<u>\$ 887,399</u>
<u>Liabilities, Deferred Revenue and Fund Balances</u>						
<u>Liabilities</u>						
Accounts payable	\$ 46	\$ -	\$ -	\$ -	\$ -	\$ 46
Accrued wage	1,090					1,090
Total liabilities	<u>1,136</u>					<u>1,136</u>
<u>Deferred Inflows of Resources</u>						
Deferred revenue-unearned	2,379					2,379
Total deferred inflows of resources	<u>2,379</u>					<u>2,379</u>
<u>Fund Balances</u>						
Restricted					179,681	179,681
Assigned	360,753	8,141	204,702	2,507	128,100	704,203
Total fund balances	<u>360,753</u>	<u>8,141</u>	<u>204,702</u>	<u>2,507</u>	<u>307,781</u>	<u>883,884</u>
Total liabilities, deferred revenue and fund balances	<u>\$ 364,268</u>	<u>\$ 8,141</u>	<u>\$ 204,702</u>	<u>\$ 2,507</u>	<u>\$ 307,781</u>	<u>\$ 887,399</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP

Combining Revenues, Expenditures, and Changes in Fund Balances Nonmajor Special Revenue Funds June 30, 2023

	Gas Tax	Traffic Safety	Public Safety	Asset Forfeiture	09-STBG 6407 Home Program	Totals
Revenues						
Intergovernmental	\$ 202,964	\$ -	\$ 100,000	\$ 16,135	\$ -	\$ 319,099
Use of money and property	253		7,814			8,067
Total revenues	203,217		107,814	16,135		327,166
Expenditures						
Current:						
Public ways and facilities/ transportation	91,099					91,099
Public safety			149,747	15,000		164,747
Lease principal			72,941			72,941
Lease interest			3,496			3,496
Capital outlay	86,470		112,833			199,303
Total expenditures	177,569		339,017	15,000		531,586
Excess (deficit) of revenues over expenditures	25,648		(231,203)	1,135		(204,420)
Fund balances, beginning of fiscal year	335,105	8,141	435,905	1,372	307,781	1,088,304
Fund balances, end of fiscal year	<u>\$ 360,753</u>	<u>\$ 8,141</u>	<u>\$ 204,702</u>	<u>\$ 2,507</u>	<u>\$ 307,781</u>	<u>\$ 883,884</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP

Combining Balance Sheet Nonmajor Capital Projects Funds June 30, 2023

	Spruce Street Stip Project	East Line Bridge Replacement	Valley Apt. CBBG Solar Project	Local Transportation Fund	Totals
<u>Assets</u>					
Restricted cash and investments	\$ -	\$ 281,886	\$ 18,121	\$ 116,972	\$ 416,979
Due from other governments		47,114			47,114
	<u>\$ -</u>	<u>\$ 329,000</u>	<u>\$ 18,121</u>	<u>\$ 116,972</u>	<u>\$ 464,093</u>
<u>Liabilities</u>					
Liabilities					
Accounts payable	\$ -	\$ 1,119	\$ -	\$ -	\$ 1,119
Due to other fund		319,000			319,000
		<u>320,119</u>			<u>320,119</u>
Deferred Inflows of Resources					
Deferred revenue-uneared				44,266	44,266
				<u>44,266</u>	<u>44,266</u>
Fund Balances					
Assigned			18,121	72,706	90,827
Unassigned (deficit)		8,881			8,881
		<u>8,881</u>	<u>18,121</u>	<u>72,706</u>	<u>99,708</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ 329,000</u>	<u>\$ 18,121</u>	<u>\$ 116,972</u>	<u>\$ 464,093</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP

**Combining Statement of Revenues, Expenditure, and
Changes in Fund Balance
Nonmajor Capital Projects Funds
June 30, 2023**

	Spruce Street Stip Project	East Line Bridge Replacement	Valley Apt. CBBG Solar Project	Local Transportation Fund	Totals
Revenues					
Intergovernmental	\$ -	\$ 47,114	\$ -	\$ -	\$ 47,114
Total revenues		47,114			47,114
Expenditures					
Current:					
Public ways and facilities/ Transportation	1,555				1,555
Capital outlay		48,233			48,233
Total expenditures	1,555	48,233			49,788
Excess (deficit) of revenues over expenditures	(1,555)	(1,119)			(2,674)
Other Financing Sources (Uses)					
Operating transfers in	1,555	10,000			11,555
Operating transfers out					-
Total other financing sources (uses)	1,555	10,000			11,555
Net change in fund balances		8,881			8,881
Fund balances, beginning of fiscal year			18,121	72,706	90,827
Fund balances, end of fiscal year	\$ -	\$ 8,881	\$ 18,121	\$ 72,706	\$ 99,708

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2024

CITY OF BISHOP

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LARRY BAIN, CPA

An Accounting Corporation

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Bishop, California

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information and the fiduciary fund of the City of Bishop, California, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the City of Bishop as of June 30, 2024, and the changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Bishop and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3–8, the budgetary comparison for the General fund and Measure A on pages 46–48, the City's Employees' Retirement System Schedule of the City's Proportionate Share of the Net Pension Liability and the Retirement System Schedule of the City's Contributions on pages 49–50 and as the City's Other Postemployment Benefits (OPEB) Plan Schedule of Changes in the City's Net OPEB Liability and Related Ratios on page 51, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

The combining and individual fund financial statements and schedules on pages 53 to 58 are presented for purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves and other additional procedures in accordance with accounting standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Larry Bain, CPA,
An Accounting Corporation
October 28, 2024

City of Bishop
Required Supplementary Information
Management's Discussion and Analysis (Unaudited)
June 30, 2024

This section of the City of Bishop's annual financial report provides an analysis of the City's financial performance during the fiscal year ended June 30, 2024. This information is presented in conjunction with the audited basic financial statements, which follows this section.

FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2024

- The City's total assets were \$47.94 million as of June 30, 2024. Of this total, \$34.72 million are governmental assets and \$13.22 million are business type assets.
- At June 30, 2024, the City's governmental funds reported combined fund balances of \$20.34 million. Approximately 56% of the combined fund balances, \$11.49 million, is available to meet the City's current and future needs (assigned and unassigned fund balance).
- At the close of the fiscal year, the unassigned fund balance for the general fund was \$11.52 million or 116% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements and notes to the basic financial statements. This report also includes additional required supplementary information in addition to the basic financial statements.

REQUIRED FINANCIAL STATEMENTS

Government-Wide Financial Statements are designed to provide readers with a broad overview of City finances, in a manner similar to a private-sector business.

The Statements of Net Position include information on the City's assets and liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statements of Activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public protection, public works and facilities, and community development. The business-type activities are water, sewer and the Sunrise Mobile Home Park.

City of Bishop
Required Supplementary Information
Management's Discussion and Analysis (Unaudited)
June 30, 2024

Fund Financial Statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and to demonstrate finance-related legal compliance. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as of balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate comparison between governmental funds and governmental activities.

Proprietary Funds – The City charges customers for the services it provides. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are identical to the business type activities that are reported in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds.

The City of Bishop maintains three individual enterprise funds. The City uses enterprise funds to account for its water and sewer enterprises as well as the low-income senior mobile home park operated by the City. The funds provide the same type of information as the government-wide financial statements, only more in detail. The proprietary fund financial statements provide separate information for water, sewer and mobile home park, all of which are considered major funds of the City.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other Information – In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the City's budgetary comparative information for the general fund and the major special revenue fund. Also the funding progress of the City's pension is presented as required supplementary information. The final item included in this report is a report on internal control.

City of Bishop
Required Supplementary Information
Management's Discussion and Analysis (Unaudited)
June 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS

	June 30, 2024			June 30, 2023		
	Governmental	Business-type	Total	Governmental	Business-type	Total
	Activities	Activities		Activities	Activities	
Current and other assets	\$ 23,497,817	\$ 6,214,088	\$ 29,711,905	\$ 19,594,788	\$ 5,391,790	\$ 24,986,578
Capital Assets-net	11,228,079	7,002,132	18,230,211	10,965,733	6,951,920	17,917,653
Total Assets	34,725,896	13,216,220	47,942,116	30,560,521	12,343,710	42,904,231
Deferred Outflows	6,636,338	1,975,588	8,611,926	5,715,112	2,001,610	7,716,722
Liabilities						
Current/non current	20,417,006	6,207,465	26,624,471	17,529,663	5,735,326	23,264,989
Deferred Inflows	2,232,410	670,215	2,902,625	2,253,047	618,932	2,871,979
Net Position						
Net investment in capital assets	11,228,079	7,002,132	18,230,211	10,965,733	6,951,920	17,917,653
Restricted	1,399,897	405,826	1,805,723	1,259,006	364,979	1,623,985
Unrestricted	6,084,842	906,170	6,991,012	4,268,184	674,163	4,942,347
Total Net Position	\$ 18,712,818	\$ 8,314,128	\$ 27,026,946	\$ 16,492,923	\$ 7,991,062	\$ 24,483,985

The Condensed Statement of Net Position presents the City's governmental and business activities in total for the years ending June 30, 2024, and June 30, 2023.

Net position increased \$2.54 million for year ending June 30, 2024. This is attributed to greater revenue than expenditures.

City of Bishop
Required Supplementary Information
Management's Discussion and Analysis (Unaudited)
June 30, 2024

Change in Net Position

The statement of activities identifies the various revenue and expense items which affect the change in net position, highlights of which were noted above.

	Fiscal Year Ending June 30, 2024			Fiscal Year Ending June 30, 2023		
	Governmental Activities	Business-type Activities	Totals	Governmental Activities	Business-type Activities	Totals
Governmental Activities:						
Charges for services	\$ 927,481	\$ 2,711,626	\$ 3,639,107	\$ 880,001	\$ 2,672,027	\$ 3,552,028
Capital grants and contributions	128,312	64,456	192,768	54,166	6,313	60,479
Operating grants	520,420		520,420	793,421		793,421
General Revenue:						
Property taxes	1,609,936		1,609,936	1,475,882		1,475,882
Sales and use tax	5,437,106		5,437,106	5,064,451		5,064,451
Other revenue	4,593,963	1,375	4,595,338	4,403,746		4,403,746
Investment income	709,979	295,375	1,005,354	397,336	163,782	561,118
Total revenue	13,927,197	3,072,832	17,000,029	13,069,003	2,842,122	15,911,125
Expenses:						
General government	2,031,808		2,031,808	1,724,947		1,724,947
Public Safety	6,013,175		6,013,175	5,526,025		5,526,025
Public Works	1,880,608		1,880,608	1,714,556		1,714,556
Community development/recreation	1,784,308		1,784,308	1,551,982		1,551,982
Interest on debt	14,474		14,474	6,208		6,208
Business-type activities:						
Water		1,343,793	1,343,793		997,902	997,902
Sewer		1,292,269	1,292,269		971,341	971,341
Mobile Home Park		152,095	152,095		162,864	162,864
Total expenses	11,724,373	2,788,157	14,512,530	10,523,718	2,132,107	12,655,825
Change in net position	2,202,824	284,675	2,487,499	2,545,285	710,015	3,255,300
Net Position:						
Net position - beginning	16,492,923	7,991,062	24,483,985	13,947,638	7,281,047	21,228,685
Prior period adjustment	17,069	38,391	55,460			
Net position - Ending	\$ 18,712,816	\$ 8,314,128	\$ 27,026,944	\$ 16,492,923	\$ 7,991,062	\$ 24,483,985

City of Bishop
Required Supplementary Information
Management's Discussion and Analysis (Unaudited)
June 30, 2024

FINANCIAL ANALYSIS OF THE FUND STATEMENTS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The general government functions are contained in the general, special revenue, debt service and capital project funds. The focus of the City's governmental funds is to provide information on near-term inflow, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

At June 30, 2024, the City's governmental funds (general, special revenue, and capital projects) reported combined fund balances of \$20.34 million, a 23% increase over the prior year. The increase was mainly due to an increase in tourism related revenue for sales tax and transient occupancy tax, as well as an increase in interest earnings. Of the combined fund balances, \$11.52 million (57%) is considered unassigned and available for General Fund appropriation.

Proprietary Funds

The City's proprietary funds include the Water and Sewer funds, which account for the City's water and sewer utilities, along with the Sunrise Mobile Home Park fund which accounts for a City-owned low-income senior mobile home park.

At June 30, 2024, the City's proprietary funds reported a combined ending net position of \$8.31 million, a 4% net increase over the prior year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The capital assets of the City are those assets used in the performance of City functions. Investment in capital assets includes land, buildings, site improvements, equipment, and infrastructure.

As of June 30, 2024, the City's investment in capital assets totaled \$18.23 million net of accumulated depreciation.

CAPITAL ASSETS

	June 30, 2024			June 30, 2023		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Land	\$ 386,105	\$ 481,056	\$ 867,161	\$ 341,105	\$ 481,056	\$ 822,161
Construction in progress	469,617	330,314	799,931	111,599	20,605	132,204
Buildings	5,252,243	335,633	5,587,876	5,241,249	335,633	5,576,882
Site improvements	797,401	-	797,401	785,401		785,401
Equipment	5,136,424	1,975,185	7,111,609	4,492,519	1,931,147	6,423,666
Infrastructure	13,459,705	14,313,816	27,773,521	13,459,705	14,309,195	27,768,900
Less: accumulated depreciation	(14,547,843)	(10,433,872)	(24,981,715)	(13,800,010)	(10,125,716)	(23,925,726)
Leased assets	375,913	-	375,913	375,913		375,913
Less: accumulated amortization	(101,486)	-	(101,486)	(41,748)		(41,748)
Total Capital Assets	\$ 11,228,079	\$ 7,002,132	\$ 18,230,211	\$ 10,965,733	\$ 6,951,920	\$ 17,917,653

Additional detail is presented in Note 6 of the financial statements.

City of Bishop
Required Supplementary Information
Management's Discussion and Analysis (Unaudited)
June 30, 2024

LONG-TERM DEBT

At June 30, 2024, the City's long-term debt totaled \$0.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The 2024-25 fiscal year budget is based on \$16,127,158 in total revenue. The City remains fiscally conservative as it continues to analyze macro-economic factors and assess the effects that macro-economic factors could have on the financial performance of the City. For example, and to help justify this approach, City investment returns tend to fluctuate based on, and correlate roughly to the Federal Funds Rate. Within the past five years, the City earned nearly no interest income during the COVID pandemic, and conversely, earned over \$1,000,000 in interest in FY 2023-24. This vast difference experienced within a short time period is a strong indicator of potential variance in City revenue. Furthermore, the City's two main sources of revenue, sales tax and transient occupancy tax, are heavily reliant upon tourism. There are numerous macro-economic factors that could quickly affect the ability of the general public to travel and spend discretionary dollars while traveling. Based on, but not limited only to the above analysis, the City is continuing to budget revenues conservatively while focusing on budgeting expenditures based on recent trends and actual needs for the upcoming year. Next year's budget reflects the City's commitment to investing in the City's infrastructure, including funding for roads projects, City Park facilities, and public safety improvements. Additionally, the City is intently focused on its financial health. To simplify the City's mindset with regard to its financial health, the City is operating while focused on preparedness for unforeseen variance, maximizing investment returns for both its cash and pension funds, and seeking the highest level of efficiency with regard to maintaining a balanced operating budget while leveraging assets to accomplish goals of improved infrastructure, public safety, economic development and community well-being. In theory, these practices should increase the City's total net position year over year and allow for maximum ability to execute larger projects and tasks at the most opportune times.

ADDITIONAL FINANCIAL INFORMATION

This financial report is designed to provide the City's customers, investors and other interested parties with an overview of the City's financial operations and financial condition. Should the reader have questions regarding the information included in this report, or wish to request additional financial information, please contact the Finance Department at the City of Bishop, 377 West Line Street, Bishop, California 93514.

CITY OF BISHOP
STATEMENT OF NET POSITION
JUNE 30, 2024

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 14,427,292	\$ 5,649,730	\$ 20,077,022
Restricted cash and investments	100,303		100,303
Accounts receivables	2,020,027	22,245	2,042,272
Interest receivable	144,799	72,645	217,443
Due from other governments	43,673	19,195	62,868
Prepaid expenses	624,201	25,252	649,452
Internal balances	(19,196)	19,196	-
Leases receivable	120,059		120,059
Total current assets	17,461,157	5,808,262	23,269,419
Non Current Assets			
Restricted investment in Section 115 Trust	1,399,897	405,826	1,805,723
Loans receivable	3,444,221		3,444,221
Leases receivable	1,192,540		1,192,540
Capital assets:			
Land	386,105	481,056	867,161
Construction in progress	469,617	330,314	799,931
Buildings	5,252,243	335,633	5,587,876
Site improvements	797,401		797,401
Equipment	5,136,424	1,975,185	7,111,609
Infrastructure	13,459,705	14,313,816	27,773,521
Less: accumulated depreciation	(14,547,843)	(10,433,872)	(24,981,715)
Leased assets	375,913		375,913
Less: accumulated amortization	(101,486)		(101,486)
Total capital assets	11,228,079	7,002,132	18,230,211
Total non current assets	17,264,737	7,407,958	24,672,695
Total assets	34,725,894	13,216,220	47,942,114
Deferred Outflows of Resources			
Deferred outflows-OPEB	2,479,223	423,552	2,902,775
Deferred outflows-pensions	4,157,115	1,552,036	5,709,151
Total deferred outflows of resources	6,636,338	1,975,588	8,611,926
Liabilities			
Current liabilities:			
Accounts payable	302,306	18,558	320,864
Accrued salary and benefits payable	133,777	13,199	146,976
Deposit liability	9,910		9,910
Deferred revenue-uneamed	149,203		149,203
Due within one year	248,404	46,768	295,172
Total current liabilities	843,600	78,525	922,125
Liabilities-due in more than one year:			
Customer deposits		30,701	30,701
Compensated absences	210,389	41,330	251,719
Capital leases	192,946	40,772	233,718
Leases-GASB 87	189,575		189,575
Net pension liability	12,364,183	4,874,012	17,238,195
OPEB liability	6,616,313	1,142,125	7,758,438
Total liabilities due in more than one year	19,573,406	6,128,940	25,702,346
Total liabilities	20,417,006	6,207,465	26,624,471
Deferred Inflows of Resources			
Deferred inflows-leases	1,312,599		1,312,599
Deferred inflows-OPEB	508,579	87,810	596,389
Deferred inflows-pensions	411,232	582,406	993,638
Total deferred inflows of resources	2,232,410	670,215	2,902,625
Net Position			
Net investment in capital assets	11,228,079	7,002,132	18,230,211
Restricted for investment in Section 115 Trust	1,399,897	405,826	1,805,723
Unrestricted	6,084,840	906,170	6,991,010
Total net position	\$ 18,712,816	\$ 8,314,128	\$ 27,026,944

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
STATEMENT OF ACTIVITIES
JUNE 30, 2024

Functions/programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental Activities:							
General government	\$ 2,031,808	\$ 330,079	\$ -	\$ 32,568	\$ (1,669,161)	\$ -	\$ (1,669,161)
Public safety	6,013,175	67,756	1,337	297,101	(5,646,981)		(5,646,981)
Public works	1,880,608	363,752	126,975	98,000	(1,291,881)		(1,291,881)
Community services/recreation	1,784,308	165,894		92,751	(1,525,663)		(1,525,663)
Interest expense	14,474				(14,474)		(14,474)
Total governmental activities	11,724,373	927,481	128,312	520,420	(10,148,160)		(10,148,160)
Business-type Activities:							
Water	1,343,793	1,135,508	18,000			(190,285)	(190,285)
Sewer	1,292,269	1,431,755	46,456			185,942	185,942
Mobile home park	152,095	144,363				(7,732)	(7,732)
Total business-type activities	2,788,157	2,711,626	64,456			(12,075)	(12,075)
Total government	\$ 14,512,530	\$ 3,639,107	\$ 192,768	\$ 520,420	(10,148,160)	(12,075)	(10,160,235)
General Revenues:							
Taxes:							
Property taxes					1,609,936		1,609,936
Sales and use tax					5,437,106		5,437,106
Transient occupancy tax					3,708,981		3,708,981
Franchise tax					58,742		58,742
Motor vehicle in lieu tax					423,385		423,385
Litigation					136,594		136,594
Other taxes					232,799		232,799
Gain (loss) on sale of capital assets					2,131	1,375	3,506
Insurance refund					31,331		31,331
Investment income					709,979	295,375	1,005,354
Total general revenues and special items					12,350,984	296,750	12,647,734
Change in net position					2,202,824	284,675	2,487,499
Net position - beginning					16,492,923	7,991,062	24,483,985
Prior period adjustment					17,069	38,391	55,460
Net position - ending					\$ 18,712,816	\$ 8,314,128	\$ 27,026,944

The notes to the financial statements are an integral part of this statement

**CITY OF BISHOP
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2024**

		Special Revenue			
		Funds		Other	Total
		Home Fund		Nonmajor	Governmental
	General	Willow Street	Measure A	Funds	Funds
<u>Assets</u>					
Cash and investments held by the City	\$ 11,566,730	\$ -	\$ 1,630,560	\$ 1,230,002	\$ 14,427,292
Restricted cash and investments	1,396,214	100,303		3,683	1,500,200
Receivables					
Accounts	2,002,380	-		17,647	2,020,027
Interest	141,994			2,805	144,799
Due from other governments				43,673	43,673
Loan interest		1,044,540			1,044,540
Prepaid expense	620,897			3,304	624,201
Due from other funds	187,890				187,890
Loans/notes receivable		2,220,000		179,681	2,399,681
Total assets	<u>\$ 15,916,105</u>	<u>\$ 3,364,843</u>	<u>\$ 1,630,560</u>	<u>\$ 1,480,795</u>	<u>\$ 22,392,303</u>
<u>Liabilities, Deferred Inflows of Resources and Fund Balances</u>					
<u>Liabilities</u>					
Accounts payable	\$ 246,105	\$ -	\$ -	\$ 56,202	\$ 302,306
Accrued salary and benefits payable	132,272			1,505	133,777
Deposit liability	9,910				9,910
Due to other funds	19,196			187,890	207,086
Total liabilities	<u>407,482</u>			<u>245,597</u>	<u>653,079</u>
<u>Deferred Inflows of Resources</u>					
Deferred revenue-uneared	25,410			123,794	149,204
Deferred revenue-unavailable	206,429				206,429
Unavailable revenue-loans		1,040,340			1,040,340
Total deferred inflows of resources	<u>231,839</u>	<u>1,040,340</u>		<u>123,794</u>	<u>1,395,973</u>
<u>Fund Balances</u>					
Restricted	1,396,214	2,324,503		179,681	3,900,398
Nonspendable-prepaid items	620,897			3,304	624,201
Committed					
Next years budget	1,738,598				1,738,598
Special revenue funds			1,630,560	892,032	2,522,592
Capital projects funds				63,614	63,614
Unassigned	11,521,076			(27,227)	11,493,849
Total fund balances	<u>15,276,784</u>	<u>\$ 2,324,503</u>	<u>1,630,560</u>	<u>1,111,404</u>	<u>20,343,251</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,916,105</u>	<u>\$ 3,364,843</u>	<u>\$ 1,630,560</u>	<u>\$ 1,480,795</u>	<u>\$ 22,392,303</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Fund balances of governmental funds	\$ 20,343,251
Amounts reported for governmental activities in the statement of net position are different because:	
Capital and lease assets, net of accumulated depreciation and amortization, are not current financial resources and are not included in the governmental funds.	11,228,079
Certain revenues received after sixty days from the end of the fiscal year are recorded as deferred revenue in the funds and as revenues in the government wide statement.	1,246,770
Certain amounts have been recorded as OPEB, and pension liability, deferred outflows and deferred inflows of resources that are not due and payable and not reported in the funds.	(13,453,544)
Some liabilities, including long-term debt, compensated absences and accrued interest are not due and payable in the current period and therefore are not reported in the funds.	<u>(651,740)</u>
Net position of governmental activities	\$ <u><u>18,712,816</u></u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	General	Special Revenue Major Funds		Other Nonmajor Funds	Total Governmental Funds
		Home Funds Willow Street	Measure A		
Revenues					
Taxes	\$ 10,464,829	\$ -	\$ 890,403	\$ -	\$ 11,355,232
Licenses and permits	291,643				291,643
Intergovernmental	462,901			564,955	1,027,856
Fines, forfeitures and penalties	148,146				148,146
Charges for current services	275,461				275,461
Use of money and property	748,043	4,200		9,041	761,284
Other	136,582				136,582
Total revenues	12,527,605	4,200	890,403	573,996	13,996,203
Expenditures					
Current:					
General government	1,889,882				1,889,882
Public ways and facilities/ transportation	995,013			108,655	1,103,668
Public safety	4,739,930			33,142	4,773,072
Community development	1,581,554			4,186	1,585,739
Lease principal	31,226			19,425	50,651
Lease interest	3,587			4,385	7,972
Principal expense	33,758			34,953	68,711
Interest expense	6,502			2,607	9,109
Capital outlay	651,895			406,453	1,058,348
Total expenditures	9,933,347			613,806	10,547,152
Excess (deficiency) of revenues over expenditures	2,594,258	4,200	890,403	(39,810)	3,449,051
Other Financing Sources (Uses)					
Proceeds of debt	148,724			167,620	316,343
Sale of property	2,131				2,131
Operating transfers in	500,000			27,213	527,213
Operating transfers out			(500,000)	(27,213)	(527,213)
Total other financing sources (uses)	650,855		(500,000)	167,620	318,474
Net change in fund balances	3,245,113	4,200	390,403	127,810	3,767,526
Fund balances, beginning of fiscal year	12,050,867	2,320,303	1,240,157	983,592	16,594,919
Prior period adjustment	(19,196)				(19,196)
Fund balances, end of fiscal year	\$ 15,276,784	\$ 2,324,503	\$ 1,630,560	\$ 1,111,402	\$ 20,343,249

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
RECONCILIATION OF GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Net change in fund balances - total governmental funds	\$ 3,767,526
Amounts reported for governmental activities in the statement of activities differs from the amounts reported in the statement of revenues, expenditures and changes in fund balances because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities. The costs of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:	
Cost of assets capitalized	1,058,348
Depreciation expense	(772,529)
Amortization expense	(59,738)
Certain revenues received after sixty days from the end of the fiscal year are recorded as deferred revenue in the funds and as revenues in the government-wide statement.	(71,134)
Changes in pension expense benefits reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.	(1,029,118)
Changes in other pension expense benefits reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.	(458,667)
Changes in finance lease expense reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.	50,651
Other financing sources for capital leases reported in the fund financial statements are reported as lease liabilities in the statement of net position	(316,343)
Changes in capital lease expense reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.	68,711
Changes in compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental funds.	(34,883)
Change in net position of governmental activities	\$ <u><u>2,202,824</u></u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Major Funds		Non Major Fund	Total
	Water	Sewer	Mobile Home Park	Business-type Activities
Current Assets:				
Cash and investments held by the City	\$ 2,450,036	\$2,810,798	\$ 388,896	\$ 5,649,730
Receivables				
Accounts	5,619	14,067	2,559	22,245
Interest	31,296	36,144	5,205	72,645
Due from other government		19,195		19,195
Due from other funds		19,196		19,196
Prepaid expense	12,456	11,758	1,038	25,252
Total current assets	2,499,407	2,911,159	397,697	5,808,263
Non Current Assets				
Restricted investment in Section 115 Trust	171,750	221,772	12,304	405,826
Capital Assets:				
Nondepreciable capital assets:				
Land	67,324	88,882	324,850	481,056
Construction in progress	185,121	136,593	8,600	330,314
Depreciable capital assets				
Building	88,879	121,035	125,719	335,633
Equipment	1,116,932	858,253		1,975,185
Infrastructure	8,194,534	6,119,282		14,313,816
Less accumulated depreciation	(5,652,867)	(4,655,286)	(125,719)	(10,433,872)
Total capital assets (net of accumulated depreciation)	3,999,923	2,668,759	333,450	7,002,132
Total non current assets	4,171,673	2,890,531	345,754	7,407,958
Total assets	6,671,080	5,801,690	743,451	13,216,221
Deferred Outflows of Resources				
Deferred outflows-OPEB	209,870	209,870	3,812	423,552
Deferred outflows-pensions	776,018	776,018		1,552,036
Total deferred outflows of resources	985,888	985,888	3,812	1,975,588
Liabilities				
Current liabilities:				
Accounts payable	1,754	15,127	1,677	18,558
Accrued payroll	7,032	5,855	312	13,199
Capital lease	5,618	4,213		9,831
Compensated absences	18,469	18,468		36,937
Total current liabilities	32,873	43,663	1,989	78,525
Noncurrent liabilities:				
Customer deposits	14,048	16,653		30,701
Compensated absences	26,255	15,075		41,330
Capital lease	23,297.84	17,473.88		40,772
Net pension liability	2,437,006	2,437,006		4,874,012
OPEB liability	561,244	561,191	19,690	1,142,125
Total noncurrent liabilities	3,061,851	3,047,399	19,690	6,128,940
Total liabilities	3,094,724	3,091,062	21,679	6,207,465
Deferred Inflows of Resources				
Deferred inflows-OPEB	43,119	43,119	1,572	87,810
Deferred inflows-pensions	291,203	291,203		582,406
Total deferred inflows of resources	334,322	334,322	1,572	670,216
Net Position:				
Net investment in capital assets	3,999,923	2,668,759	333,450	7,002,132
Restricted for investment in Section 115 Trust	171,750	221,772	12,304	405,826
Unrestricted (deficit)	56,249	471,663	378,258	906,170
Total net position	\$ 4,227,922	\$3,362,194	\$ 724,012	\$ 8,314,128

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

	Major Funds		Non Major Fund	Total
	Water	Sewer	Mobile Home Park	Business-type Activities
Operating Revenues				
Charges for services	\$ 1,116,101	\$ 1,411,829	\$ -	\$ 2,527,930
Rent			104,616	104,616
Utility reimbursement			40,030	40,030
Other income	19,407	19,926	(283)	39,050
Total operating revenues	1,135,508	1,431,755	144,363	2,711,626
Operating Expenses				
Salaries and benefits	886,834	801,268	70,874	1,758,976
Services and supplies	277,483	340,093	81,221	698,797
Depreciation expense	179,476	150,908		330,384
Total operating expenses	1,343,793	1,292,269	152,095	2,788,157
Operating income (loss)	(208,285)	139,486	(7,732)	(76,531)
Non-Operating Revenues (Expenses)				
Interest income	130,955	145,944	18,476	295,375
Connection fees	18,000	18,000		36,000
Gain on sale of assets	1,375			1,375
Intergovernmental-ESCSD		28,456		28,456
Total non-operating revenues (expenses)	150,330	192,400	18,476	361,206
Change in net position	(57,955)	331,886	10,744	284,675
Net position, beginning of fiscal year	4,285,877	2,991,917	713,268	7,991,062
Prior period adjustment		38,391		38,391
Net position, end of fiscal year	<u>\$ 4,227,922</u>	<u>\$ 3,362,194</u>	<u>\$ 724,012</u>	<u>\$ 8,314,128</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
JUNE 30, 2024

	Major Funds		Non Major Fund	Total
	Water	Sewer	Mobile Home Park	Business-type Activities
Cash Flows from Operating Activities				
Cash received from customers	\$ 1,144,442	\$ 1,436,571	\$ 143,388	\$ 2,724,401
Cash payments to suppliers	(284,140)	(335,404)	(80,055)	(699,599)
Cash payments to employees	(649,772)	(565,173)	(71,143)	(1,286,088)
Net cash provided by (used for) operating activities	<u>210,530</u>	<u>535,994</u>	<u>(7,810)</u>	<u>738,714</u>
Cash Flows from Capital and Related Financing Activities				
Purchase of fixed assets	(220,906)	(151,091)	(8,600)	(380,597)
Sale of fixed assets	1,375			1,375
Proceeds from capital lease	35,784	26,838		62,622
Capital lease expense	(6,868)	(5,151)		(12,019)
Connection fees	18,000	18,000		36,000
Intergovernmental-ESCS		28,456		28,456
Net cash provided by (used for) capital and related financing activities	<u>(172,615)</u>	<u>(82,948)</u>	<u>(8,600)</u>	<u>(264,163)</u>
Cash Flows from Investing Activities:				
Interest income	<u>120,166</u>	<u>129,776</u>	<u>16,736</u>	<u>266,678</u>
Net cash provided by investing activities	<u>120,166</u>	<u>129,776</u>	<u>16,736</u>	<u>266,678</u>
Net increase (decrease) in cash and cash equivalents	158,081	582,822	326	741,229
Cash and cash equivalents, beginning of fiscal year	<u>2,463,705</u>	<u>2,449,748</u>	<u>400,874</u>	<u>5,314,327</u>
Cash and cash equivalents, end of fiscal year	<u>\$ 2,621,786</u>	<u>\$ 3,032,570</u>	<u>\$ 401,200</u>	<u>\$ 6,055,556</u>
Reconciliation of Cash and Cash Equivalents:				
Cash and investments	\$ 2,450,036	\$ 2,810,798	\$ 388,896	\$ 5,649,730
Restricted cash and investments	<u>171,750</u>	<u>221,772</u>	<u>12,304</u>	<u>405,826</u>
Total cash and cash equivalents	<u>\$ 2,621,786</u>	<u>\$ 3,032,570</u>	<u>\$ 401,200</u>	<u>\$ 6,055,556</u>
Reconciliation of Operating Income to Net Cash Provided by (Used For) Operating Activities	\$ (208,285)	\$ 139,486	\$ (7,732)	\$ (76,531)
Adjustments to operating income:				
Depreciation	179,476	150,908		330,384
(Increase) decrease in accounts receivable	(978)	(5,756)	(975)	(7,709)
Increase (decrease) in prepaid expense	(2,290)	(4,121)	142	(6,269)
Increase (decrease) in accounts payable	(4,367)	8,811	1,023	5,467
Increase (decrease) in accrued payroll	1,832	2,077	(250)	3,659
Increase (decrease) in customer deposits	9,912	11,962		21,874
Deferred revenue-unearned		(1,390)		(1,390)
Increase in OPEB	39,139	39,085	(18)	78,206
Increase (decrease) pension	191,457	191,457		382,914
Increase (decrease) in compensated absences	4,634	3,475		8,109
Net cash provided by (used for) operating activities	<u>\$ 210,530</u>	<u>\$ 535,994</u>	<u>\$ (7,810)</u>	<u>\$ 738,714</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024

	Custodial Funds					
	<u>Bond & Trust</u>	<u>Canine Donations</u>	<u>Broadband Consortium</u>	<u>PARS-ARS Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Totals</u>
<u>Assets</u>						
Cash and investments	\$ 41,534	\$ 8,013	\$ -	\$ 2,308,714	\$ 6,438,746	\$ 8,797,007
Total assets	<u>41,534</u>	<u>8,013</u>	<u>-</u>	<u>2,308,714</u>	<u>6,438,746</u>	<u>8,797,007</u>
<u>Liabilities</u>						
Due to others	<u>47,695</u>					<u>47,695</u>
Total liabilities	<u>47,695</u>					<u>47,695</u>
<u>Net Position</u>						
Held in trust for benefits	<u>(6,161)</u>	<u>8,013</u>		<u>2,308,714</u>	<u>6,438,746</u>	<u>8,749,312</u>
Total net position	<u>\$ (6,161)</u>	<u>\$ 8,013</u>	<u>\$ -</u>	<u>\$ 2,308,714</u>	<u>\$ 6,438,746</u>	<u>\$ 8,749,312</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024

	Custodial Funds					
	<u>Bond & Trust</u>	<u>Canine Donations</u>	<u>Broadband Consortium</u>	<u>PARS-ARS Trust Fund</u>	<u>OPEB Trust Fund</u>	<u>Totals</u>
Additions:						
Contributions	\$ 2,043	\$ -	\$ -	\$ 274,046	\$ 708,771	\$ 984,860
Investment gains				163,860	734,432	898,292
Total additions	<u>2,043</u>			<u>437,906</u>	<u>1,443,203</u>	<u>1,883,152</u>
Deductions						
Investment losses						-
Distributions				(389,015)		(389,015)
Bad debt expense			(10,000)			(10,000)
Administrative costs				(8,541)	(30,545)	(39,086)
Total deductions			<u>(10,000)</u>	<u>(397,556)</u>	<u>(30,545)</u>	<u>(438,101)</u>
Change in net position	<u>2,043</u>		<u>(10,000)</u>	<u>40,350</u>	<u>1,412,658</u>	<u>1,445,051</u>
Net position beginning of year	(8,204)	8,013	10,000	2,268,364	5,026,088	7,304,261
Net position end of year	<u>\$ (6,161)</u>	<u>\$ 8,013</u>	<u>\$ -</u>	<u>\$ 2,308,714</u>	<u>\$ 6,438,746</u>	<u>\$ 8,749,312</u>

The notes to the financial statements are an integral part of this statement

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 1: Summary of Significant Accounting Policies

The City of Bishop, California (the City) was incorporated in 1903, as a municipal corporation operating under the general laws of the State of California. The City operates under a Council-Manager form of government and provides the following services: general government, public works, public safety and parks and recreation.

The accounting policies of the City of Bishop, California conform to accounting principles generally accepted in the United States of America, as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

The City has defined its reporting entity in accordance with generally accepted accounting principles, which provides guidance for determining which governmental activities, organizations and functions should be included in the reporting entity. In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The primary criterion for including a potential component unit within the reporting entity is the governing body's financial accountability. A primary governmental entity is financially accountable if it appoints a voting majority of a component unit's governing body and it is able to impose its will on the component unit, or if there is a potential for the component unit to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable if a component unit is fiscally dependent on the primary governmental entity regardless of whether the component unit has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board.

Based upon the aforementioned oversight criteria, the City has no component units.

B. Basis of Accounting

The government-wide, proprietary and agency fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or, for property tax revenues, in the period for which levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Revenue from sales tax is recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when both measurable and available. Measurable means the amount of the transaction can be determined and available means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Resources not available to finance expenditures and commitments of the current period are recognized as deferred revenue or as a reservation of fund balance. The City considers property taxes available if they are collected within sixty-days after year-end.

Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as compensated absences and claims and judgments are recorded only when payment is due. General capital acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financial sources.

When applicable, the City reports deferred revenue on its combined balance sheet. Deferred revenue arises when a potential revenue source does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has legal claim to them, as when grant monies are received prior to the occurrences of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has legal claim to the resources, deferred revenue is removed from the combined balance sheet and revenue is recognized.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 1: Summary of Significant Accounting Policies

B. Basis of Accounting (Continued)

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

C. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the City) and its blended component units. These statements include the financial activities of the overall government, except for fiduciary activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function. Program revenues include 1) charges paid by the recipient of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

When both restricted and unrestricted net position are available, unrestricted resources are used only after the restricted resources are depleted.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in separate columns. All remaining governmental and enterprise funds are separately aggregated and reported as non-major funds.

The City reports the following major governmental funds:

General Fund - This fund accounts for all the financial resources not required to be accounted for in another fund. This fund consists primarily of general government type activities.

The Home Funds Willow Street Special Revenue Fund - was established to account for funds received by the City and loaned to Developers for the sole purpose of building affordable housing on Willow Street.

The Measure A Fund - was established to account for the City's portion of a County-Wide tax that can be used for general operations and capital additions of the City.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

C. Basis of Presentation (Continued)

The City reports the following major enterprise funds.

Water and Sewer Funds - account for the operation of the City's water and sewer utilities. Activities of these funds include administration, operation and maintenance of the water and sewer systems and billing and collection activities. The Funds also accumulate resources for, and payment of long-term debt principal and interest. All costs are financed through charges made to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the Funds.

The City also reports the following Fiduciary Fund type:

Agency Funds - are used to account for assets held by the City in an agency capacity for individuals, local law enforcement agencies or developers and fiduciary assets held in trust for post-retirement benefits.

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

E. Cash Equivalents

For the purpose of the statement of cash flows, the City considers cash and cash equivalents as short term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

Restricted cash and unrestricted pooled cash and investments held by the City are considered cash equivalents for purposes of the combined statement of cash flow's because the City's cash management pool and funds invested by the City possess the characteristics of demand deposit accounts.

F. Fixed Assets

Capital assets, recorded at historical cost or estimated historical cost if actual historical cost is not available, are reported in governmental activities column of the government-wide financial statements. Contributed fixed assets are valued at their estimated fair market value. Capital assets include land, buildings and building improvements and equipment. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized, as projects are constructed.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

F. Fixed Assets (Continued)

Depreciation is recorded in the government-wide financial statements on the straight-line basis over the useful life of the assets as follows:

<u>Assets</u>	<u>Useful Life</u>
Buildings	20-30 years
Building improvements	10-15 years
Site improvements	15-20 years
Equipment and machinery	3-20 years
Infrastructure	30-45 years

G. Property Tax

Inyo County is responsible for assessing, collecting and distributing property taxes in accordance with enabling legislation. Revenue received is based on an allocation factor calculated by the County under the provisions of Proposition 13 plus a percentage of the increase in market value in specific areas. The City's property tax is levied each July 1 on the assessed values as of the prior January 1 for all real and personal property located in the City. Property sold after the assessment date (January 1) is reassessed and the amount of property tax levied is prorated.

Secured property taxes are due in two equal installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. Unsecured property tax is levied on July 1 and due on July 31 and becomes delinquent on August 31.

Based on a policy by the County called the Teeter Plan, 100% of the allocated taxes are transmitted by the County to the City, eliminating the need for an allowance for uncollectable. The County, in return, receives all penalties and interest on the related delinquent taxes.

H. Balance Sheet Classifications

Certain resources are classified as restricted assets as their use is restricted for specific purposes by bond agreements, lease agreements, trust agreements, grant agreements, City Charter provisions, or other requirements. Governmental fund types' restricted assets are for grant and bond agreements. Proprietary fund types' restricted assets are for renewal and replacement of equipment and security deposits.

I. Fund Equity

The unassigned fund balances for governmental funds represent the amount available for budgeting future operations. Unrestricted net position for proprietary funds represents the net position available for future operations.

Restrictions of fund balances of governmental funds are established to either (1) satisfy legal covenants that require a portion of fund balance to be segregated or (2) identify the portion of the fund balance that is not appropriable for future expenditures.

Restricted net position for proprietary funds represent the net position legally identified for specific purposes.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

J. Deferred Inflows of Resources

The City recorded deferred revenue for funds earned as of fiscal year end, but not reimbursed within sixty days after fiscal year end (unavailable.) The amount of the deferred revenue reported in the fund financial statements was \$1,395,973. Included in the deferred revenue balance is \$1,040,340 interest for the workforce housing loan receivable that will be repaid in future years. The City also received \$149,204 advanced funds for certain projects that is recorded as deferred revenue-uneared. \$1,246,769 of the fund financial statement deferred revenue has been recognized as revenue in the statement of net position under the required full accrual method of accounting. Note 1 M. has additional information regarding deferred inflows and deferred outflows for pensions reported in the government-wide financial statements.

K. Intergovernmental Revenues

Federal and state governments reimburse the City for costs incurred on certain fixed asset construction projects under capital grant agreements. Amounts claimed under such grants are credited to intergovernmental revenues if the project is being administered by a Capital Project Fund. Additionally, the City receives reimbursement from federal and state governments for other programs, such as housing and rehabilitation grants. These reimbursements are recorded in the fund administering the program as intergovernmental revenues with the related program costs included in expenditures.

The respective grant agreements generally require the City to maintain accounting records and substantiating evidence to determine if all costs incurred and claimed are proper and that the City is in compliance with other terms of the grant agreements. These records are subject to audit by the appropriate government agency. Any amounts disallowed will reduce future claims or be directly recovered from the City.

L. Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform to the presentation of the current year financial statements.

M. Pensions

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

N. GASB Statement No. 87 Leases

In June 2017, the Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases* (GASB Statement No. 87), to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Implementation of this Statement had a significant effect on the City's financial statements for the year ended June 30, 2024.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

GASB 87 Leases (Continued)

A. Lessor

The City acts as the lessor for renting City owned buildings to other governmental entities. The City recognizes leases receivable and deferred inflows of resources in the government-wide financial statements. Variable payments based on future performance of the lessee or usage of the underlying asset are not included in the measurement of the lease receivable.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources are initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term in a systematic and rational method.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses an estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the leases receivable.

Note 2: Cash and Investments

The City maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and investments. Unless otherwise dictated by legal or contractual requirements, income earned or losses arising from the investment of pooled cash are allocated on a quarterly basis to the participating funds and component units based on their proportionate shares of the average quarterly cash balance.

The City maintains "restricted cash and investments". Monies restricted are for special revenue and capital project funds.

Cash and investments at June 30, 2024, consisted of the following:

Cash and investments	\$ 20,077,022
Restricted cash and investments	<u>1,906,026</u>
Cash and investments, statement of net position	21,983,048
Cash and investments, agency funds	<u>49,546</u>
Total cash and investments	<u><u>\$ 22,032,594</u></u>
Checking account	\$ 693,712
Imprest cash	340
Inyo county	874,172
Investment in Section 115 Trust	1,805,722
CA CLASS	9,005,317
Local agency investment fund	<u>9,653,331</u>
Total cash and investments	<u><u>\$ 22,032,594</u></u>

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 2: Cash and Investments (Continued)

A. Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the **investment types** that are authorized for the City of Bishop by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address **interest rate risk, credit risk and concentration of credit risk**. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City investment policy.

Authorized Investment Type	Maximum Maturity	Percentage of Portfolio	Investment in One Issuer
Investment pools authorized under CA			
Statutes governed by Government Code	N/A	None	\$40 million
U.S. Treasury Obligations	5 years	None	None
Bank Savings Accounts	N/A	25%	None
Federal Agencies	5 years	75%	None
Commercial Paper	180 days	20%	None
Negotiable Certificates of Deposit	180 days	20%	None
Re-Purchase Agreements	180 days	20%	None
Corporate Debt	5 years	25%	None

B. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of all investments. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investment maturity:

Investment Type	Totals	Remaining Maturity (in Months)	
		12 Months or Less	13-48 Months
County cash*	\$ 874,172	\$ 874,172	\$ -
Investment in Section 115 Trust*	1,805,722	1,805,722	
California Class*	9,005,317	9,005,317	
State Investment Pool*	9,653,331	9,653,331	
Totals	<u>\$ 21,338,542</u>	<u>\$ 21,338,542</u>	<u>\$ -</u>

*Not subject to categorization

C. Concentrations of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. There are no investments to one issuer exceeding those limits.

D. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment of collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; The California Government Code requires that a financial institution secured deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the City's deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 2: Cash and Investments (Continued)
Custodial Credit Risk (Continued)

At June 30, 2024, the City's deposits balance was \$827,633 and the carrying amount was \$693,712. The difference between the bank balance and the carrying amount was due to normal outstanding checks and deposits in transit. Of the bank balance all was covered by the Federal Depository Insurance or by collateral held in the pledging bank's trust department in the City's name.

E. Investment in State Investment Pool

LAIF is included in the State's Pooled Money Investment Account. The total amount invested by all public agencies in the State's Pooled Money Investment Account approximates \$179.047 billion. Of the \$179.047 billion managed by the State Treasurer, 100% is invested in non-derivative financial products and 3.00% is invested in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by state statute.

Investments are accounted for in accordance with the provisions of GASB Statement No. 31, which requires governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in fair value of investments in the year in which the change occurred. The City reports its investments at fair value based on quoted market information obtained from fiscal agents or other sources if the change is material to the financial statements.

Note 3: Loans Receivable

The City is participating in an affordable workforce housing loan program designed to construct low to moderate income housing. Under the terms of the loan the City is providing a 3% note to the developer, Bishop Pacific Associates. The maximum amount available under the loan is \$2,220,000. As of June 30, 2024 the City had loaned \$2,220,000 and there was accrued interest of \$1,040,340. The term of the note commenced on September 1, 2006 and will expire on the date that is fifty-five years after issuance of the date of completion, but no longer than fifty-eight years from the date of commencement. The source of the funding for the loan was a grant to the City from the State of California, Housing and Community Development, Home Funds program.

The City participates in an "Affordable Housing Loan Program" designed to encourage home ownership in the City limits. Under the program, loans were provided under favorable terms to homeowners who agree to spend these funds in accordance with the City's loan agreement terms. Although these loans are expected to be repaid in full, their balance in the governmental funds balance sheet. Mammoth Lakes Housing is administering the loan program on behalf of the City. Notes receivable as reported in the statement of net position consist of the following: Mammoth Lakes Housing Loans \$179,681.

Note 4: Liability, Insured Programs and Workers Compensation Protection

A. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 124 California public entities and is organized under a joint powers agreement pursuant to California Government Code Section 6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other coverages. The Authority's pool began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a 9-member Executive Committee.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 4: Liability, Insured Programs and Workers Compensation Protection (Continued)

B. Primary Self-Insurance Programs Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$500,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$50 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: <https://cjpia.org/protection/coverage-programs>.

Primary Workers' Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$75,000 to \$200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2023-24 the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

C. Purchased Insurance

Pollution Legal Liability Insurance

The City of Bishop participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Bishop. Coverage is on a claims-made basis. There is a \$250,000 deductible.

Property Insurance

The City of Bishop participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Bishop property is currently insured according to a schedule of covered property submitted by the City of Bishop to the Authority. City of Bishop property currently has all-risk property insurance protection in the amount of \$31,133,028. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 4: Liability, Insured Programs and Workers Compensation Protection (Continued)

Earthquake and Flood Insurance

The City of Bishop purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of Bishop property currently has earthquake protection. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

Crime Insurance

The City of Bishop purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

D. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2023-24.

Note 5: Leases Receivable

The City derives a portion of its revenue from the rental of real property based on a fixed lease amount to other government organizations and to one cell tower provider. These leases are treated as finance leases for accounting purposes under Governmental Accounting Board Statement No. 87. The initial lease terms started as early as August 1, 2019 for periods between five and thirty years, and can be terminated by the lessee at any time and without cause by giving the City written notice of termination. Early termination is not expected. The rents range from \$965 to \$6,610 per month and increases by the consumer price index annually. The City has other leases that do not meet the definition of finance leases under GASB 87.

A summary of changes in lease receivable for the fiscal year ended June 30, 2024 is as follows:

	Balance 7/1/2023	Additions	Retirements/ Adjustments	Balance 6/30/2024	Due within One Year	Due in More Than One Year
Leases receivable	\$ 1,289,807	\$ 136,277	\$ (113,485)	\$ 1,312,599	\$ 124,095	\$ 1,188,504

Lease receivable are due in the upcoming years as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 124,095	\$ 37,286	\$ 161,381
2026	67,781	34,374	102,155
2027	38,469	33,201	71,671
2028	65,568	32,072	97,640
2029	43,231	30,001	73,232
2030-2034	200,341	131,329	331,669
2035-2039	173,743	103,014	276,757
2040-2044	225,499	74,974	300,473
2045-2049	292,161	38,360	330,521
2050-2051	81,711	2,862	84,573
Total	\$ 1,312,599	\$ 517,473	\$ 1,830,072

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 6: Capital Assets

Capital asset activity for the year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Additions	Retirements/ Adjustments	Balance June 30, 2024
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 341,105	\$ 45,000	\$ -	\$ 386,105
Construction in progress	111,599	321,754	36,264	469,617
Capital assets, being depreciated and amortized:				
Buildings and improvements	5,241,249	10,994		5,252,243
Site improvements	785,401	12,000		797,401
Equipment	4,492,519	668,601	(24,696)	5,136,424
Infrastructure	13,459,705			13,459,705
Leased buildings and improvements	375,913			375,913
Total capital assets, being depreciated	24,354,787	691,595	(24,696)	25,021,686
Less accumulated depreciation for:				
Buildings and improvements	(4,700,392)	(46,191)		(4,746,583)
Site Improvements	(669,317)	(14,902)		(684,219)
Equipment	(3,403,433)	(220,607)	24,696	(3,599,344)
Infrastructure	(5,026,868)	(490,829)		(5,517,697)
Total accumulated depreciation	(13,800,010)	(772,529)	24,696	(14,547,843)
Less accumulated amortization for:				
Leased buildings and improvements	(41,748)	(59,738)		(101,486)
Total capital assets, being depreciated and amortized, net	10,513,029	(140,672)		10,372,357
Governmental activities capital assets, net	<u>\$ 10,965,733</u>	<u>\$ 226,082</u>	<u>\$ 36,264</u>	<u>\$ 11,228,079</u>
Business-Type Activities				
Capital assets, not being depreciated:				
Land	\$ 481,056	\$ -	\$ -	\$ 481,056
Construction in progress	20,605	330,314	(20,605)	330,314
Capital assets, being depreciated:				
Buildings and improvements	335,633			335,633
Equipment	1,931,147	70,887	(26,849)	1,975,185
Infrastructure	14,309,195	4,621		14,313,816
Total capital assets, being depreciated	16,575,975	75,508	(26,849)	16,624,634
Less accumulated depreciation:	(10,125,716)	(330,384)	22,228	(10,433,872)
Total capital assets, being depreciated, net	6,450,259	(254,876)	(4,621)	6,190,762
Business- type activities capital assets, net	<u>\$ 6,951,920</u>	<u>\$ 75,438</u>	<u>\$ (25,226)</u>	<u>\$ 7,002,132</u>

Depreciation expense was charged to governmental fund functions/programs of the City as follows:

General government	\$ 19,161
Parks	53,093
Public Safety	195,475
Streets and roads	504,800
Total	<u>\$ 772,529</u>

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 7: Long-Term Liabilities

A summary of the changes in the City's long-term liabilities reported in the governmental activities column of the government-wide financial statements for the year ended June 30, 2024:

Governmental Activities:

	Balance July 1, 2023	Additions	Adjustments/ Retirements	Balance June 30, 2024	Due Within One Year
Compensated absences	\$ 317,047	\$ 317,960	\$ (283,079)	\$ 351,928	\$ 141,540
Capital lease A		114,883	(22,977)	91,906	22,977
Capital lease B		201,460	(45,734)	155,726	31,709
Net lease liability	292,403		(50,650)	241,753	52,178
OPEB liability (Note 10)	5,489,695	1,126,618		6,616,313	
Net pension liability (Note 9)	11,038,361	1,325,822		12,364,183	
Total	<u>\$ 17,137,506</u>	<u>\$ 3,086,743</u>	<u>\$ (402,440)</u>	<u>\$ 19,821,809</u>	<u>\$ 248,404</u>

A. Compensated Absences

City employees are granted vacation in varying amounts based on classification and length of service. Upon termination or retirement, the City is to pay 100% of the vacation time accrued and none of the accrued sick leave.

Governmental Funds – Governmental Funds record expenditures for compensated absences as they are taken by employees. A year-end accrual for compensated absences has not been made in the Governmental Funds as of June 30, 2024, because the City does not believe any of the available year-end resources will be required to fund the year-end compensated absences liability.

Proprietary Funds – Proprietary funds accrue a liability for unused compensated absences earned through year-end. An expense is recognized for the increase in liability from the prior year.

B. Capital Leases

Capital Lease A: In July 2023 the City took possession of twelve tasers, body cameras and video evidence storage for the police department. The total liability incurred to purchase the equipment was \$114,889 financed through Axon Enterprise Inc. The 5 year lease terms begin with the first lease in July 2023 and ends in July 2027. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024, are as follows:

Year Ending June 30,	Principal
2025	\$ 22,977
2026	22,977
2027	22,977
2028	22,975
Total	<u>\$ 91,906</u>

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 7: Long-Term Liabilities (Continued)

Capital Lease B: On August 18, 2023 the City took possession of four trucks for the public works department and two truck to be used for public safety. The total liability incurred to purchase the vehicles was \$264,082 financed through Enterprise Fleet Management. The calculated interest rate was between 7.45% and 8.70%. The 5 year lease terms begin with the first lease in September 2023 and end on December 2028. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024, are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 31,709	\$ 12,075	\$ 43,784
2026	34,529	9,256	43,784
2027	37,600	6,185	43,784
2028	40,944	2,840	43,784
2029	10,943	170	11,114
Totals	<u>\$ 155,726</u>	<u>\$ 30,526</u>	<u>\$ 186,251</u>

C. Net Lease Liability

The City has entered into lease arrangements as lessee with the Los Angeles Department of Water and Power to finance the use of 8 parking lots and the City park that expire at various times through FY 2049. The City also leases a copy machine and 4 police vehicles. The calculated borrowing rate used was 3%.

Principal and interest payments to maturity for these leases are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 52,178	\$ 6,444	\$ 58,622
2026	53,765	4,858	58,622
2027	55,399	3,224	58,623
2028	29,235	1,818	31,051
2029	2,664	1,536	4,201
2030-2034	14,567	6,433	21,000
2035-2039	16,887	4,113	21,000
2040-2044	10,586	1,679	12,265
2044-2049	5,336	664	6,000
2050	1,137	35	1,172
Total	<u>\$ 241,753</u>	<u>\$ 30,803</u>	<u>\$ 272,557</u>

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 7: Long-Term Liabilities (Continued)

Business-Type Activities:

A summary of the changes in the City's long-term business-type liabilities reported in the proprietary funds statement of net position and the business-type activities column of the government-wide financial statements for the year ended June 30, 2024:

	Balance July 1, 2023	Additions	Adjustments/ Retirements	Balance June 30, 2024	Due Within One Year
Compensated absences	\$ 70,158	\$ 81,982	\$ (73,873)	\$ 78,267	\$ 36,937
Capital lease		62,620	(12,017)	50,603	9,831
OPEB liability (Note 10)	951,009	191,116		1,142,125	
Net pension liability (Note 9)	4,681,313	192,699		4,874,012	
Total	<u>\$ 5,702,480</u>	<u>\$ 528,417</u>	<u>\$ (85,890)</u>	<u>\$ 6,145,007</u>	<u>\$ 46,768</u>

Capital Lease: On August 18, 2023 the City took possession of four trucks for the public works department and two truck to be used for public safety. The total liability incurred to purchase the vehicles was \$264,082 financed through Enterprise Fleet Management. The calculated interest rate was between 7.45% and 8.70%. The 5 year lease terms begin with the first lease in September 2023 and end on December 2028. Principal and interest payments to maturity for these leases are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 9,831	\$ 3,439	\$ 13,270
2026	10,589	2,681	13,270
2027	11,406	1,864	13,270
2028	12,285	985	13,270
2029	6,491	142	6,633
Totals	<u>\$ 50,603</u>	<u>\$ 9,110</u>	<u>\$ 59,714</u>

Note 8: Fund Balances – Governmental Funds

The City adopted a policy for GASB Statement No. 54, Fund Balance Reporting. GASB 54 establishes fund balance classifications that comprise a hierarchy based on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. While the classifications of fund balance in the City's various governmental funds were revised, the implementation of this standard had no effect on total fund balance. Detailed information on governmental fund-type, fund balances are as follows:

	General Fund	Measure A	Non-Major Special Revenue	Non-Major Capital Project
Restricted for:				
Section 115 trust	\$ 1,396,214	\$ -	\$ -	\$ -
Total restricted	<u>1,396,214</u>			
Nonspendable				
Prepaid expense	620,897		3,304	
Total nonspendable	<u>620,897</u>		<u>3,304</u>	
Committed to:				
Next years budget	1,738,598			
Special Revenue Funds		1,630,560	892,032	
Capital Project Funds				63,614
Total committed	<u>1,738,598</u>	<u>1,630,560</u>	<u>892,032</u>	<u>63,614</u>
Unassigned	11,521,076			(27,227)
Total fund balance	<u>\$ 15,276,784</u>	<u>\$ 1,630,560</u>	<u>\$ 892,032</u>	<u>\$ 36,387</u>

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 9: Defined Benefit Pension Cost-Sharing Employer Plan

a. Miscellaneous and Safety Pension Plans

A. General Information about the Pension Plans

The City has pension plans with the California Public Employees Retirement System (“CalPERS”) and the Public Agency Retirement Services (“PARS”). Information about the pension plans follows.

California Public Employees Retirement System (CalPERS)

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the City’s separate Safety (police and fire) and Miscellaneous (all other) Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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

Funding Policy – Active plan members in the Plan are required to contribute 7.00% to 7.25% of their covered salary for the miscellaneous plans and 9% to 13% for public safety members. The City contributes the employee portion for miscellaneous and safety classic employee’s. The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration.

The Plans’ provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous Tier 1	Miscellaneous Tier 2	PEPRA Miscellaneous Plan
	Prior to January 1, 2010	After January 1, 2010	On or after January 1, 2013
Hire date			
Benefit formula	2% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-55	56-60	57-62
Monthly benefits , as a % of compensation	1.5% to 2%	1.5% to 2%	1% to 2%
Required employee contribution rates	7.00%	7.00%	8.00%
Required employer contribution rates	13.00%	11.11%	7.91%
	Safety Classic Tier 1	Safety Classic Tier 2	PEPRA Police & Fire Plans
	Prior to January 1, 2010	After January 1, 2010	On or after January 1, 2013
Hire date			
Benefit formula	3% @ 50	2.7% @ 57	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	45-50	52-57	52-57
Monthly benefits , as a % of compensation	2.5% to 3%	2.2% to 2.7%	2.2% to 2.7%
Required employee contribution rates	9.00%	9.00%	13.75%
Required employer contribution rates	28.30%	25.21%	14.48%

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 9: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

A. *General Information about the Pension Plans (Continued)*

For the year ended June 30, 2024, contributions recognized as part of pension expense for each Plan were as follows:

CalPERS Contributions-employer	\$	1,353,242
Contributions-employee (paid by employer)	\$	148,018

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

As of June 30, 2024, the City reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate share of Net pension liability
Miscellaneous Plans	\$ 5,868,103
Safety Plans	\$ 7,084,058

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2023, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability as of June 30, 2023 and 2024 was as follows:

	Miscellaneous Plans	Safety Plans
Proportion - June 30, 2023	0.11345%	0.08684%
Proportion - June 30, 2024	0.11735%	0.09477%
Change - Increase (Decrease)	0.00390%	0.00794%

For the fiscal year-ended June 30, 2024, the City recognized CalPERS miscellaneous and safety pension expense of \$1,826,679. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 728,846	\$ -
Changes of assumptions	767,719.00	
Net difference between projected and actual earnings on pension plan investments	1,919,550	
Change in proportions	493,489	
Change in proportionate share of contributions		(839,664)
City contributions subsequent measurement date	1,353,242	
Total	<u>\$ 5,262,846</u>	<u>\$ (839,664)</u>

\$1,353,242 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 9: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period	
Ended June 30:	
2025	\$ (855,789)
2026	(622,952)
2027	(1,536,872)
2028	(54,327)
2029	-
Thereafter	-

Actuarial Assumptions – The total pension liabilities in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.50%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	6.90%

Discount Rate – The discount rate used to measure the total pension liability was 6.90% for each cost-sharing multiple employer Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current cost sharing 6.90 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2023-24 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 9: Defined Benefit Pension Cost-Sharing Employer Plan (Continued)

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1-10 (1)(2)
Global equity-cap weighted	30.0%	4.45%
Global equity non-cap weighted	12.0%	3.84%
Private equity	13.0%	7.28%
Treasury	5.0%	27.00%
Mortgage backed securities	5.0%	50.00%
Investment grade corporates	10.0%	1.56%
High yield	5.0%	2.27%
Emerging market debt	5.0%	2.48%
Private debt	5.0%	3.57%
Real assets	15.0%	3.21%
Leverage	-5.0%	-0.59%

(1) An expected inflation of 2.30% used for this period

(2) Figures are based on the 2021-22 Asset Liability Management study.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the City’s proportionate share of the net pension liability would be if calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate -1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate +1% (7.90%)
Misc Plan	\$ 9,469,848	\$ 5,868,103	\$ 2,903,557
Safety Plan	\$ 10,951,651	\$ 7,084,058	\$ 3,922,032

b. City of Bishop Retirement Enhancement Plan

The PARS Retirement Enhancement Plan (“REP”) was implemented July 1, 2001 and closed to new participants hired after January 1, 2012. This plan is separate from CalPERS and is established as a 401 (a) Defined Benefit Plan. The REP is administered by PARS.

The REP provides a benefit equal to 1.00% of final average compensation for eligible miscellaneous employee service while employed at the City of Bishop.

Eligibility for the benefit is a) full-time Miscellaneous employee’s on or after July 1, 2001 and before July 1, 2012 b) retire directly from the City under CalPERS under a service retirement and remain retired under CalPERS c) Tier I-hired before January 1, 2010-age 55 with 10 or more years of full-time City service, Tier II-hired after January 1, 2010-age 60 with 10 or more years of full-time City service, Tier III-age 55 with no service requirements (2 employees). The plan is closed to employees hired on or after January 1, 2012.

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

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 9: Defined Benefit Pension Plans (Continued)

The City makes all contributions necessary to fund the benefits available under the REP. Employees are not permitted to make any contributions.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability - The June 30, 2024 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	July 1, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	5.00%
Inflation	2.50%
Projected Salary Increase	3.00%
Investment Rate of Return	5.00%

Discount Rate - The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per actuarial investment consulting practice as of June 30, 2024.

<u>Asset Class</u>	<u>Estimated Real Rate of Return</u>
60% Broad U.S. Equity	5.30%
40% U.S. Fixed	0.90%

A blended discount rate is generally required to be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate will often require that the actuary perform complex projects of future benefit payments and asset values. Alternative evaluations of projected solvency are allowed, if such evaluation can reliability be made.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 9: Defined Benefit Pension Plans (Continued)

Pension Plan Fiduciary Net Position - The following table shows the changes in net pension liability recognized over the measurement period.

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(c)=(a)-(b)
Balances at 6/30/2023	\$ 6,712,313	\$ 2,268,364	\$ 4,443,949
Changes for the year:			
Service cost	63,050		63,050
Interest	323,411		323,411
Amortization of expected and actual investment income			-
Difference between expected and actual experience	(24,354)		(24,354)
Amortization of expected and actual experience	(90,659)		(90,659)
Contribution-employer		274,046	(274,046)
Net investment income		163,859	(163,859)
Benefit payments	(389,015)	(389,015)	-
Administrative expense		(8,540)	8,540
Net changes	(117,567)	40,350	(157,917)
Balances at 6/30/2024	\$ 6,594,746	\$ 2,308,714	\$ 4,286,032

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the City of Bishop, calculated using the discount rate of 5%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4%) or 1 percentage point higher (6%) than the current rate.

	Discount Rate -1%	Current Discount Rate	Discount Rate +1%
	4%	5%	6%
Miscellaneous PARS Enhancement	\$ 3,743,199	\$ 4,286,032	\$ 4,916,388

Subsequent Events - There were no subsequent events that would materially affect the results presented in this disclosure.

Recognition of Gains and Losses - Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 9: Defined Benefit Pension Plans (Continued)

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

Deferred Outflows/(Inflows) of Resources - As of June 30, 2024, the City of Bishop has deferred outflows and deferred inflows of resources related to this pension plan as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 176,664	\$ (17,945)
Changes of assumptions	56,608	(66,801)
Net difference between projected and actual earnings on pension plan investments	213,034	(69,227)
Total	<u>\$ 446,306</u>	<u>\$ (153,973)</u>

Amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30:	
2025	\$ 262,307
2026	62,449
2027	(23,472)
2028	(8,951)
2029	-

Note 10: Other Postemployment Benefits (OPEB)

General Information about the OPEB Plan

The City Council passed a resolution to establish health benefit vesting requirements for future retirees under public employees' medical and hospital care act, whereas for employees hired before 1/1/2010, the City contributes at retirement up to a maximum of 90% of the PERS Choice – Other Southern California plan. Those who retire directly from the City with at least 50 years in age and 5 years CalPERS service are eligible. Those hired on or after 1/1/2010 are subject to vesting on the PERS Choice Other Southern California plan, in the amount of 50% of the monthly premium for those with 10 years CalPERS service (none if under), grading up to 100% for those with 20 or more years CalPERS service. A minimum of 5 years of service with the City of Bishop is required.

**City of Bishop
Notes to Financial Statements
June 30, 2024**

Note 10: Post-Retirement Health Care Benefits (Continued)

The Bishop City Council passed ordinance No. 551, whereby Council members who retire directly from the City are at least 65 years of age and have at least 8 full years of service are eligible for benefits similar to those hired before 1/1/2010. The above requirements are waived for Council members who were on the Bishop City Council as of November 1, 2016. Council members who were on the City Council as of November 1, 2016, are entitled to medical benefits if they have served two full terms of seven and one half years on the Council as an elected official with the City, and having reached a minimum of 62 years of age at the time they leave the Council.

Plan Description

The City's Post-Retirement Healthcare Plan is a single employer defined benefit healthcare plan administered by CalPERS. CalPERS provides medical insurance benefits only to eligible retirees and their eligible dependents. The City approved post-retirement health insurance benefits for all of its employees under the Public Employees' Medical and Hospital Care Act (PEMHCA). The minimum age for receiving benefits is 50 and there is no cap. The plan also provides coverage for eligible family members. For employees who are eligible to participate in the plan the City will contribute the health benefit cost for the retiree and eligible family members up to 90% of the least expensive PERS plan, except as noted under the tier II plan. A retiree with less than the required years of service with the City will receive no benefit, unless they have previous employment qualifying them for CalPERS retirement, in which case they are eligible to receive the CalPERS minimum at the time of retirement. The CalPERS minimum is set by law. The retiree is on the same medical plan as the City's active employees, however monthly rates for coverage of covered active and retired employees are computed separately.

Funding Policy

The contribution requirement of plan members is established by the City Council. The 2023-24 fiscal year contribution was based on amortized funding over a 30 year period using entry age normal cost. For the fiscal year ending June 30, 2024 the City contributed \$246,191 towards the unfunded actuarial accrued liability (UAAL). The City chose the California Employers Retiree Benefit Trust (CERBT) as the trustee for the plan. The City also made the net contribution for fiscal year end June 30, 2024 directly to health insurance providers totalling \$644,483 that was not reimbursed by the CERBT. Plan members receiving benefits contributed 10% of the total premiums.

Employees Covered By Benefit Terms

At the reporting date of June 30, 2024 the following employees were covered by the benefit terms:

Retirees currently receiving benefit payments	56
Active employees	40
Total	<u>96</u>

Contributions

The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the actuarially determined contribution of the employer (ADC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The City chose a 30 year period to amortize the unfunded actuarial liability.

The contribution requirement of plan members is established by the City Council. The 2022-23 measurement period contribution was based on the actuarially determined contribution using entry age actuarial cost with normal costs calculated as a level percentage of payroll, as required by GASB 75. For the fiscal year ending June 30, 2024 valuation, the City contributed \$227,270 towards the net OPEB Liability (NOL). The City chose the CalPERS CERBT as the trustee for the plan. The City also paid the retiree premiums for fiscal year end June 30, 2023 valuation directly to health insurance providers totalling \$733,907 (including implicit subsidy associated with benefits paid). Plan members receiving benefits contributed 10% of the total premiums.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 10: Post-Retirement Health Care Benefits (Continued)

Net OPEB Liability: At June 30, 2024 the City reported a net OPEB liability of \$7,759,476. The net OPEB liability was measured from July 1, 2022 to June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation with a valuation date of June 30, 2023.

Actuarial Assumptions

The net OPEB liabilities in the June 30, 2023 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	July 1, 2023
Measurement Date	July 1, 2022 to June 30, 2023
Actuarial Assumptions:	
Discount Rate	6.75%
Healthcare trend rates	5.50% to 4.00%
Salary increase	2.80%
Inflation rate	2.30%
Investment Rate of Return	6.75%

OPEB Assets

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global ex-U.S. Equity	60.00%	5.90%
U.S fixed income	35.00%	-0.90%
Cash Equivalents	5.00%	-0.60%
Total	<u>100.00%</u>	

The OPEB assets are held by CalPERS CERBT, the trustee for the OPEB assets. The OPEB assets are not FDIC insured there is no bank guarantee and the assets may lose value. The investments are in in strategy 1 which is the least conservative of the 3 risk levels offered by the trustee. The investment objective is to seek returns that reflect the broad investment performance of the financial markets through capital appreciation and investment income. There is no guarantee that the portfolio will achieve its investment objective.

The discount rate used to measure the total OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed the City's contributions will continue based upon the current OPEB funding policy. Based on those assumptions, the OPEB plans fiduciary net position was projected to be available to make future benefit payments for current members for all future years. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 10: Post-Retirement Health Care Benefits (Continued)

Changes in the Net OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position (i.e. fair value of Plan assets), and the net OPEB liability at June 30, 2024.

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(c)
Balances at 6/30/2023	\$ (10,554,475)	\$ 4,113,953	\$ (6,440,522)
Changes for the year:			
Service cost	(388,448)		(388,448)
Interest	(714,282)		(714,282)
Difference between expected and actual experience	(1,753,557)		(1,753,557)
Change in assumptions	(108,709)		(108,709)
Contribution-employer-prior year		991,177	991,177
Net investment income		675,012	675,012
Benefit payments	733,907	(733,907)	-
Administrative expense		(20,147)	(20,147)
Net changes	(2,231,089)	912,135	(1,318,954)
Balances at 6/30/2024	\$ (12,785,564)	\$ 5,026,088	\$ (7,759,476)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the City's share of the net OPEB liability if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease 5.75%	Discount Rate 6.75%	1% Increase 7.75%
Net OPEB liability (asset)	\$ 9,228,923	\$ 7,759,476	\$ 6,525,616

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (4.5% decreasing to 3%)	Discount Rate 5.5% decreasing to 4%	1% Increase (6.5% decreasing to 5%)
Net OPEB liability (asset)	\$ 6,426,453	\$ 7,759,476	\$ 9,361,772

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2024, the City recognized OPEB expense of \$1,361,295. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or methods. At June 30, 2024, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 10: Post-Retirement Health Care Benefits (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,336,043	\$ (11,289.0)
Changes in assumptions	225,474	
Net difference between projected and actual earnings on retirement plan investments	586,453	(585,099)
District contributions subsequent to measurement date	754,807	
Totals	<u>\$ 2,902,777</u>	<u>\$ (596,388)</u>

\$754,807 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30,</u>	
2025	\$ (542,426)
2026	(435,527)
2027	(558,694)
2028	(14,935)
	<u>\$ (1,551,582)</u>

Note 11: Interfund Transactions

Operating transfers are transactions to allocate resources from one fund to another fund not contingent on the incurrence of specific expenditures in the receiving fund. Interfund transfers are generally recorded as operating transfers in and operating transfers out in the same accounting period.

Receivables and Payables

Balances representing lending/borrowing transactions between funds outstanding at the fiscal year end are reported as either “due from/due to other funds” (amounts due within one year), “advances to/from other funds” (non-current portions of interfund lending/borrowing transactions), or “loans to/from other funds” (long-term lending/borrowing transactions evidenced by loan agreements). Advances and loans to other funds are offset by a fund balance reserve in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources. Interfund transactions for the fiscal year ended June 30, 2024 are summarized as follows:

<u>Fund Type</u>	Due To Other Funds	Due From Other Funds	Operating Transfers In	Operating Transfers Out
General	\$ 19,196	\$ 187,890	\$ 500,000	\$ -
Special Revenue				500,000
Capital Projects	187,890		27,213	27,213
Enterprise		19,196		
Total	<u>\$ 207,086</u>	<u>\$ 207,086</u>	<u>\$ 527,213</u>	<u>\$ 527,213</u>

City of Bishop
Notes to Financial Statements
June 30, 2024

Note 12: Revenue Limitations Imposed by California Proposition 218

Proposition 218, which was approved by the voters in November 1996, regulates the City's ability to impose, increase, and extend taxes and assessments. Any new increase or extended taxes and assessments subject to the provisions of Proposition 218, requires voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes and assessments are subject to voter initiative and may be rescinded in the future years by the voters.

Note 13: Prior Period Adjustment

Net position in the government wide statement of activities was increased \$36,264 to recognize the Whitney Alley improvement project as construction in progress. The cost was recorded as an expense in the prior fiscal year.

Note 14: Economic Dependency

The City's general fund revenue relies heavily on tourism, which provides transient occupancy taxes and sales taxes. During the 2023-24 fiscal year the City collected \$3,641,255 in transient occupancy tax which accounted for 29% of general fund revenue. Tourism related spending also accounts for additional sales taxes generated at the City. Sales tax revenue was \$5,421,564 or 43% of general fund revenue for the 2023-24 fiscal year.

Because the tourism industry and related sales taxes account for a significant portion of the City's general fund revenues, a downturn in tourism could result in a substantial reduction in general fund revenues and the City may not have sufficient resources to pay all of its general fund obligations.

Note 15: Commitments and Contingencies

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Note 16: Subsequent Events

On July 3, 2024 the City transferred \$9,000,000 to the California CLASS investment pool in order to take advantage of higher interest rates.

The City has evaluated subsequent events through October 28, 2024, the date these financial statements were available for distribution.

City of Bishop

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
June 30, 2024**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Taxes				
Property - secured	\$ 540,000	\$ 540,000	\$ 645,044	\$ 105,044
Property - unsecured	45,000	45,000	53,505	8,505
Prior year and other	31,000	35,000	18,376	(16,624)
VLF swap	350,000	350,000	423,385	73,385
Sales tax	5,000,000	5,000,000	5,421,564	421,564
DWP water agreement	232,799	232,799	232,799	-
Transient occupancy	2,750,000	3,300,000	3,641,255	341,255
Sales tax - public safety	10,000	15,000	15,542	542-
Real property transfer	8,500	8,500	13,359	4,859
Total taxes	8,967,299	9,526,299	10,464,829	938,529
Licenses and Permits				
Business licenses	62,000	62,000	67,880	5,880
Use permits	6,900	8,000	10,770	2,770
Building permits	94,550	111,200	154,131	42,931
SB 1186/ADA				
Environmental fee	3,500	1,000	120	(880)
Electrical franchise	32,000	32,000	48,849	16,849
TV franchise	10,000	10,000	9,893	(107)
Total licenses and permits	208,950	224,200	291,643	67,444
Intergovernmental				
Motor vehicle fees	3,700	3,700		(3,700)
Homeowners	1,000	2,200	2,608	408
Reimbursement - highway sweeping	53,000	53,000	53,000	(0)
Reimbursement Hwy 6 trash	45,000	45,000	45,000	
Fire department reimbursements	146,500	108,527	135,115	26,588
Reimbursement - Bishop Unified School District				
Peace officers training	18,000	9,500	10,736	1,236
Dispatch contracts	7,200	6,000		(6,000)
Grants	157,000	276,461	216,442	(60,019)
Total intergovernmental	431,400	504,388	462,901	(41,488)
Fines, Forfeitures and Penalties				
Parking citations and tow fees	12,765	8,930	11,552	2,622
Proceeds from litigation			136,594	
Total fines, forfeitures and penalties	12,765	8,930	148,146	2,622
Charges for Current Services				
Fingerprinting and public safety	25,000	23,500	25,986	2,486
After school program	98,000	92,000	83,581	(8,419)
Parks and recreation	174,060	158,115	165,894	7,779
Total charges for current services	297,060	273,615	275,461	1,846
Use of Money and Property				
Interest and investment income	11,000	220,000	634,342	414,342
Rent	137,000	140,750	113,701	(27,049)
Total use of money and property	148,000	360,750	748,043	387,292
Other				
Insurance refunds, reimbursements and dividends	31,331	31,331	36,555	5,224
Miscellaneous - all others	26,800	23,500	100,027	76,527
Total other	58,131	54,831	136,582	81,750
Total revenues	10,123,605	10,953,013	12,527,605	1,574,592

City of Bishop

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
June 30, 2024**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Total revenues (continued)	10,123,605	10,953,013	12,527,605	1,574,592
Expenditures				
General Government				
City Council	181,010	188,465	177,212	11,253
Administration - clerk	853,010	903,542	830,477	73,065
Finance	302,758	316,058	300,820	15,238
City treasurer	1,901	1,904	1,877	27
Legal service	157,997	233,997	226,659	7,338
IT	42,553	43,773	43,759	14
Insurance	304,430	306,454	307,593	(1,139)
Elections	1,500	1,700	1,485	215
Total general government	1,845,159	1,995,893	1,889,882	106,012
Public Ways and Facilities/Transportation				
Building and grounds	153,055	171,697	158,661	13,036
Building	122,863	152,130	124,521	27,609
Planning	329,855	292,726	188,449	104,277
Street lighting, sweeping, maintenance	837,979	538,600	523,382	15,218
Total public ways and facilities/transportation	1,443,752	1,155,153	995,013	160,140
Public Safety				
Police	4,467,352	4,519,543	4,353,418	166,125
Fire	696,913	500,894	386,512	114,382
Total public safety	5,164,265	5,020,437	4,739,930	280,508
Community Development				
Parks and recreation	1,338,269	1,465,135	1,323,912	141,223
After school program	104,758	78,850	72,521	6,329
Community promotion	181,000	172,100	185,121	(13,021)
Total community development	1,624,027	1,716,085	1,581,554	134,531
Lease principal	119,410	123,165	31,226	91,939
Lease interest			3,587	(3,587)
Principal expense			33,758	(33,758)
Interest expense			6,502	(6,502)
Capital outlay	1,549,317	1,513,675	651,895	861,780
Total expenditures	11,745,930	11,524,408	9,933,347	1,591,064
Excess (deficit) of revenues over expenditures	(1,622,325)	(571,395)	2,594,258	3,165,653
Other Financing Sources (Uses)				
Capital leases			148,724	148,724
Sale of property			2,131	2,131
Operating transfers in	500,000	500,000	500,000	
Operating transfers out	(150,000)	(150,000)		150,000
Total other financing sources (uses)	350,000	350,000	650,855	300,855
Changes in fund balances	\$ (1,272,325)	\$ (221,395)	3,245,113	\$ 3,466,508
Fund balance, beginning of fiscal year			12,050,867	
Prior period adjustment			(19,196)	
Fund balance, end of fiscal year			\$ 15,276,784	

City of Bishop

**REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
MEASURE A-SPECIAL REVENUE FUND
June 30, 2024**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Taxes	\$ 784,000	\$ 784,000	\$ 890,403	\$ 106,403
Total revenues	<u>784,000</u>	<u>784,000</u>	<u>890,403</u>	<u>106,403</u>
Other Financing Sources (Uses)				
Operating transfers out	<u>(500,000)</u>	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
Excess (deficit) of revenues over (under) other financing sources (uses)	<u>\$ 284,000</u>	<u>\$ 284,000</u>	<u>390,403</u>	<u>\$ 106,403</u>
Fund balance, beginning of fiscal year			<u>1,240,157</u>	
Fund balance, end of fiscal year			<u>\$ 1,630,560</u>	

CITY OF BISHOP

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE PLAN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2024**

<u>Reporting Date</u>	<u>City's proportion of the net pension liability (asset)</u>	<u>City's proportionate share of the net pension liability (asset)</u>	<u>City's covered-employee payroll</u>	<u>City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
<u>CalPERS-Miscellaneous Plan</u>					
6/30/2015	0.14844%	\$3,668,769	\$1,694,679	216.49%	79.76%
6/30/2016	0.11968%	\$3,283,463	\$1,742,705	188.41%	84.13%
6/30/2017	0.12048%	\$4,185,221	\$1,663,803	251.55%	80.32%
6/30/2018	0.12577%	\$4,957,924	\$1,714,172	289.23%	73.95%
6/30/2019	0.13088%	\$4,932,525	\$1,741,040	283.31%	74.43%
6/30/2020	0.10518%	\$4,211,943	\$1,771,812	237.72%	77.38%
6/30/2021	0.11024%	\$4,650,245	\$1,839,471	252.80%	76.65%
6/30/2022	0.12418%	\$2,357,973	\$1,695,887	139.04%	75.16%
6/30/2023	0.11345%	\$5,308,730	\$1,787,347	297.02%	84.19%
6/30/2024	0.11735%	\$5,868,103	\$1,882,417	311.73%	84.19%
<u>CalPERS-Safety Plan</u>					
6/30/2015	0.10109%	\$3,791,760	\$1,233,451	307.41%	80.93%
6/30/2016	0.10674%	\$4,398,084	\$1,249,583	351.96%	80.12%
6/30/2017	0.10670%	\$5,526,383	\$1,268,052	435.82%	75.81%
6/30/2018	0.10628%	\$6,350,222	\$1,341,548	473.35%	70.17%
6/30/2019	0.10979%	\$6,350,222	\$1,281,978	495.35%	71.39%
6/30/2020	0.07822%	\$4,882,959	\$1,233,863	395.75%	77.72%
6/30/2021	0.08255%	\$5,499,753	\$1,251,498	439.45%	76.95%
6/30/2022	0.07649%	\$2,684,428	\$1,172,131	229.02%	75.42%
6/30/2023	0.08684%	\$5,966,993	\$1,128,081	528.95%	85.02%
6/30/2024	0.09477%	\$7,084,058	\$1,184,419	598.10%	73.42%
<u>PARS Miscellaneous Single Employer Plan</u>					
6/30/2015*	NA	\$2,805,983	\$1,542,000	181.97%	52.45%
6/30/2016*	NA	\$2,579,156	\$1,020,118	252.83%	51.64%
6/30/2017*	NA	\$2,605,528	\$1,142,000	228.15%	52.62%
6/30/2018*	NA	\$2,615,457	\$1,047,401	249.71%	52.75%
6/30/2019*	NA	\$2,555,824	\$1,050,335	243.33%	54.26%
6/30/2020*	NA	\$2,411,591	\$1,014,025	237.82%	56.00%
6/30/2021*	NA	\$2,384,524	\$688,185	346.49%	56.21%
6/30/2022*	NA	\$4,282,760	\$752,320	569.27%	36.06%
6/30/2023*	NA	\$4,443,949	\$940,740	472.39%	33.79%
6/30/2024*	NA	\$4,286,032	\$895,156	478.80%	35.01%

* Payroll is projected by actuary

CITY OF BISHOP

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS
JUNE 30, 2024**

<u>Reporting Date</u>	<u>Contractually required contribution</u>	<u>to the contractually required contribution</u>	<u>Contribution deficiency (excess)</u>	<u>City's covered-employee payroll</u>	<u>percentage of covered employee payroll</u>
<u>CalPERS-Miscellaneous Plans</u>					
6/30/2015	\$307,717	(\$307,717)	\$0	\$1,694,679	18.16%
6/30/2016	\$275,081	(\$275,081)	\$0	\$1,742,705	15.78%
6/30/2017	\$294,779	(\$294,779)	\$0	\$1,663,803	17.72%
6/30/2018	\$350,005	(\$350,005)	\$0	\$1,714,172	20.42%
6/30/2019	\$425,695	(\$425,695)	\$0	\$1,741,040	24.45%
6/30/2020	\$456,505	(\$456,505)	\$0	\$1,771,812	25.76%
6/30/2021	\$504,540	(\$504,540)	\$0	\$1,839,471	27.43%
6/30/2022	\$552,109	(\$552,109)	\$0	\$1,695,887	32.56%
6/30/2023	\$612,047	(\$612,047)	\$0	\$1,787,347	34.24%
6/30/2024	\$600,809	(\$600,809)	\$0	\$1,882,417	31.92%
<u>CalPERS-Safety Plans</u>					
6/30/2015	\$377,896	(\$377,896)	\$0	\$1,233,451	30.64%
6/30/2016	\$430,675	(\$430,675)	\$0	\$1,249,583	34.47%
6/30/2017	\$450,927	(\$450,927)	\$0	\$1,268,052	35.56%
6/30/2018	\$508,813	(\$508,813)	\$0	\$1,341,548	37.93%
6/30/2019	\$593,823	(\$593,823)	\$0	\$1,281,978	46.32%
6/30/2020	\$626,682	(\$626,682)	\$0	\$1,233,863	50.79%
6/30/2021	\$646,762	(\$646,762)	\$0	\$1,251,498	51.68%
6/30/2022	\$696,107	(\$696,107)	\$0	\$1,172,131	59.39%
6/30/2023	\$762,722	(\$762,722)	\$0	\$1,128,081	67.61%
6/30/2024	\$752,433	(\$752,433)	\$0	\$1,184,419	63.53%
<u>PARS Miscellaneous Single Employer Plan</u>					
6/30/2015 *	\$402,000	(\$238,126)	\$163,874	\$1,542,000	15.44%
6/30/2016 *	\$271,900	(\$234,903)	\$36,997	\$1,020,118	23.03%
6/30/2017*	\$242,039	(\$242,039)	\$0	\$1,142,000	21.19%
6/30/2018*	\$227,617	(\$227,617)	\$0	\$1,047,401	21.73%
6/30/2019*	\$222,671	(\$222,671)	\$0	\$1,050,335	21.20%
6/30/2020*	\$214,973	(\$203,082)	\$11,891	\$1,014,025	20.03%
6/30/2021*	\$145,895	(\$45,202)	\$100,693	\$688,185	6.57%
6/30/2022*	\$237,533	(\$42,917)	\$194,616	\$752,320	5.70%
6/30/2023*	\$167,771	(\$167,771)	\$0	\$940,740	17.83%
6/30/2024*	\$274,046	(\$274,046)	\$0	\$895,156	30.61%

* Payroll is projected by actuary

CITY OF BISHOP

REQUIRED SUPPLEMENTARY INFORMATION OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS JUNE 30, 2024

	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Total OPEB liability							
Service cost	\$ 388,448	\$ 316,067	\$ 271,736	\$ 247,177	\$ 256,310	\$ 232,949	\$ 226,164
Interest	714,282	688,555	637,890	620,592	606,072	573,334	558,196
Changes in benefit terms							
Differences between expected and actual experience	1,753,557		(39,516)		540,448		
Changes of assumptions	108,709		499,268		(583,977)		
Benefit payments**	(733,907)	(659,062)	(666,980)	(606,171)	(590,486)	(565,091)	(555,279)
Net change in total OPEB liability	2,231,089	345,560	702,398	261,598	228,367	241,192	229,081
Total OPEB liability-beginning (a).	\$ 10,554,475	\$ 10,208,915	\$ 9,506,517	\$ 9,244,919	\$ 9,016,552	8,771,762	8,542,681
Total OPEB liability-ending (b)	\$ 12,785,564	\$ 10,554,475	\$ 10,208,915	\$ 9,506,517	\$ 9,244,919	\$ 9,012,954	\$ 8,771,762
Plan fiduciary net position							
Contributions-employer **	\$ 991,177	\$ 905,253	\$ 728,833	\$ 855,843	\$ 661,790	\$ 626,701	\$ 622,608
Net investment income (loss)	675,012	(632,109)	963,409	115,101	179,763	208,674	241,990
Benefit payments	(733,907)	(659,062)	(666,980)	(606,171)	(590,486)	(565,091)	(555,279)
Administrative expenses	(20,147)	(1,168)	(1,327)	(1,573)	(621)	(2,364)	(2,046)
Net change in plan fiduciary net position	912,135	(387,086)	1,023,935	363,200	250,446	267,920	307,273
Plan fiduciary net position-beginning (c)	4,113,953	4,501,039	3,477,104	3,113,904	2,863,458	2,595,538	2,288,265
Plan fiduciary net position-ending (d)	\$ 5,026,088	\$ 4,113,953	\$ 4,501,039	\$ 3,477,104	\$ 3,113,904	\$ 2,863,458	\$ 2,595,538
Net OPEB liability-beginning (a)-(c)	\$ 6,440,522	\$ 5,707,876	\$ 6,029,413	\$ 6,131,015	\$ 6,153,094	\$ 6,176,224	\$ 6,254,416
Net OPEB liability-ending (b)-(d)	\$ 7,759,476	\$ 6,440,522	\$ 5,707,876	\$ 6,029,413	\$ 6,131,015	\$ 6,149,496	\$ 6,176,224
Plan fiduciary net position as a percentage of the total OPEB liability	39%	39%	44%	37%	34%	32%	30%
Covered-employee payroll	\$ 3,192,825	\$ 3,144,755	\$ 2,715,795	\$ 2,938,754	\$ 3,175,934	\$ 3,324,357	\$ 3,023,018
District's net OPEB liability as a percentage of covered-employee payroll	243%	205%	210%	205%	193%	185%	204%
Measurement date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017

* Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

**Amount includes implicit subsidy associated with benefits paid.

City of Bishop
Note to Required Supplementary Information
June 30, 2024

Budgets and Budgetary Accounting

As required by the laws of the State of California, the City prepares and legally adopts a final balanced operating budget. Public hearings were conducted on the proposed final budget to review all appropriations and the sources of financing. Because the final budget must be balanced, any shortfall in revenue requires an equal reduction in financing requirements.

Budgets for the general and special revenue funds are adopted on the modified accrual basis of accounting. The budgets for the general and special revenue funds are the only legally adopted budgets. Budgets for the debt service, capital project funds and proprietary funds are used for management and control purposes only.

At the fund level, actual expenditures cannot exceed budgeted appropriations. In order to accommodate operational changes that may result during the course of a budget year, management can modify in line items of a budget, not to exceed 20% of said line item, with the limitation that the overall departmental budget shall not be exceeded without Council approval.

The budgetary data presented in the accompanying financial statements includes all revisions approved by the City Council.

CITY OF BISHOP

Combining Balance Sheet Nonmajor Governmental Funds June 30, 2024

	Special Revenue Funds	Capital Project Funds	Total
<u>Assets</u>			
Cash and investments held by the City	\$ 968,004	\$ 261,998	\$ 1,230,002
Restricted cash and investments	3,683		3,683
Accounts receivable	17,647		17,647
Interest receivable	2,805		2,805
Prepaid expense	3,304		3,304
Loans/notes receivable	179,681		179,681
Due from other governments		43,673	43,673
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 1,175,124</u>	<u>\$ 305,671</u>	<u>\$ 1,480,795</u>
<u>Liabilities and Fund Balances</u>			
Liabilities			
Accounts payable	\$ 19,075	\$ 37,128	\$ 56,202
Accrued wages	1,505		1,505
Due to other funds		187,890	187,890
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>20,580</u>	<u>225,018</u>	<u>245,597</u>
Deferred Inflows of Resources			
Deferred revenue-unearned	<u>79,527</u>	<u>44,266</u>	<u>123,794</u>
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	<u>79,527</u>	<u>44,266</u>	<u>123,794</u>
Fund Balances			
Restricted	179,681		179,681
Nonspendable-prepaid items	3,304		3,304
Committed:			
Capital projects		63,614	63,614
Public safety	313,167		313,167
Economic development	128,100		128,100
Public works programs	450,765		450,765
Unassigned (deficit)		(27,227)	(27,227)
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>1,075,017</u>	<u>36,387</u>	<u>1,111,404</u>
	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,175,124</u>	<u>\$ 305,671</u>	<u>\$ 1,480,795</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP

Combining Statement of Revenues, Expenditure and Changes in Fund Balances Nonmajor Governmental Funds June 30, 2024

	Special Revenue Funds	Capital Project Funds	Total
Revenues			
Intergovernmental	\$ 439,620	\$ 125,336	\$ 564,955
Use of money and property	9,041		9,041
	<u>448,661</u>	<u>125,336</u>	<u>573,996</u>
Total revenues			
Expenditures			
Current:			
Public ways and facilities/ transportation	108,654		108,655
Public safety	33,142		33,142
Community development	4,186		4,186
Lease principal	19,425		19,425
Lease interest	4,385		4,385
Principal expense	34,953		34,953
Interest expense	2,607		2,607
Capital outlay	217,796	188,657	406,453
	<u>425,148</u>	<u>188,657</u>	<u>613,806</u>
Total expenditures			
Excess (deficit) of revenues over expenditures before other financing sources (uses)	<u>23,513</u>	<u>(63,321)</u>	<u>(39,810)</u>
Other Financing Sources (Uses)			
Proceeds of debt	167,620		167,620
Operating transfers in		27,213	27,213
Operating transfers out		(27,213)	(27,213)
Total other financing sources (uses)	<u>167,620</u>	<u></u>	<u>167,620</u>
Net change in fund balances	<u>191,133</u>	<u>(63,321)</u>	<u>127,810</u>
Fund balances, beginning of fiscal year	<u>883,884</u>	<u>99,708</u>	<u>983,592</u>
Fund balances, end of fiscal year	<u><u>\$ 1,075,017</u></u>	<u><u>\$ 36,387</u></u>	<u><u>\$ 1,111,402</u></u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP

Combining Balance Sheet Nonmajor Special Revenue Funds June 30, 2024

	Gas Tax	Traffic Safety	Public Safety	Asset Forfeiture	09-STBG 6407 Home Program	Permanent Local Housing Allocation	Totals
<u>Assets</u>							
Cash and investments held by the City	\$ 422,799	\$ 8,141	\$ 324,136	\$ 5,301	\$ 128,100	\$ 79,527	\$ 968,004
Restricted cash and investments	3,683						3,683
Accounts receivable	17,647						17,647
Interest receivable			2,805				2,805
Prepaid expense	3,304						3,304
Note receivable					179,681		179,681
Total assets	<u>\$ 447,433</u>	<u>\$ 8,141</u>	<u>\$ 326,941</u>	<u>\$ 5,301</u>	<u>\$ 307,781</u>	<u>\$ 79,527</u>	<u>\$ 1,175,124</u>
<u>Liabilities, Deferred Revenue and Fund Balances</u>							
<u>Liabilities</u>							
Accounts payable	\$ -	\$ -	\$ 19,075	\$ -	\$ -	\$ -	\$ 19,075
Accrued wage	1,505						1,505
Total liabilities	<u>1,505</u>		<u>19,075</u>				<u>20,580</u>
<u>Deferred Inflows of Resources</u>							
Deferred revenue-uneared						79,527	79,527
Total deferred inflows of resources						<u>79,527</u>	<u>79,527</u>
<u>Fund Balances</u>							
Restricted					179,681		179,681
Nonspendable-prepaid items	3,304						3,304
Committed:							
Public safety			307,866	5,301			313,167
Economic development					128,100		128,100
Public works programs	<u>442,624</u>	<u>8,141</u>					<u>450,765</u>
Total fund balances	<u>445,928</u>	<u>8,141</u>	<u>307,866</u>	<u>5,301</u>	<u>307,781</u>		<u>1,075,017</u>
Total liabilities, deferred revenue and fund balances	<u>\$ 447,433</u>	<u>\$ 8,141</u>	<u>\$ 326,941</u>	<u>\$ 5,301</u>	<u>\$ 307,781</u>	<u>\$ 79,527</u>	<u>\$ 1,175,124</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP

Combining Revenues, Expenditures, and Changes in Fund Balances Nonmajor Special Revenue Funds June 30, 2024

	Gas Tax	Traffic Safety	Public Safety	Asset Forfeiture	09-STBG 6407 Home Program	Permanent Local Housing Allocation	Totals
Revenues							
Intergovernmental	\$ 209,501	\$ -	\$ 221,717	\$ 4,216	\$ -	\$ 4,186	\$ 439,620
Use of money and property	371		8,670				9,041
Total revenues	209,872		230,387	4,216		4,186	448,661
Expenditures							
Current:							
Public ways and facilities/ transportation	108,654						108,654
Public safety			31,720	1,422			33,142
Community development						4,186	4,186
Lease principal			19,425				19,425
Lease interest expense			4,385				4,385
Principal expense			34,953				34,953
Interest expense			2,607				2,607
Capital outlay	16,043		201,753				217,796
Total expenditures	124,697		294,843	1,422		4,186	425,148
Excess (deficit) of revenues over expenditures	85,175		(64,456)	2,794			23,513
Other Financing Sources (Uses)							
Proceeds of debt			167,620				167,620
Total other financing sources (uses)			167,620				167,620
Net change in fund balances	85,175		103,164	2,794			191,133
Fund balances, beginning of fiscal year	360,753	8,141	204,702	2,507	307,781		883,884
Fund balances, end of fiscal year	\$ 445,928	\$ 8,141	\$ 307,866	\$ 5,301	\$ 307,781	\$ -	\$ 1,075,017

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP

Combining Balance Sheet Nonmajor Capital Projects Funds June 30, 2024

	East Line Bridge Replacement	Valley Apt. CBBG Solar Project	Local Transportation Fund	Seibu To School Bike Path	Totals
<u>Assets</u>					
Cash and investments held by the City	\$ 154,118	\$ 18,121	\$ 89,759	\$ -	\$ 261,998
Due from other governments	43,673				43,673
Total assets	<u>\$ 197,791</u>	<u>\$ 18,121</u>	<u>\$ 89,759</u>	<u>\$ -</u>	<u>\$ 305,671</u>
<u>Liabilities</u>					
Liabilities					
Accounts payable	\$ 37,128	\$ -	\$ -	\$ -	\$ 37,128
Due to other fund	187,890				187,890
Total liabilities	<u>225,018</u>				<u>225,018</u>
Deferred Inflows of Resources					
Deferred revenue-uneared			44,266		44,266
Total deferred inflows of resources			<u>44,266</u>		<u>44,266</u>
Fund Balances					
Committed:					
Capital projects		18,121	45,493		63,614
Unassigned (deficit)	(27,227)				(27,227)
Total fund balances	<u>(27,227)</u>	<u>18,121</u>	<u>45,493</u>		<u>36,387</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 197,791</u>	<u>\$ 18,121</u>	<u>\$ 89,759</u>	<u>\$ -</u>	<u>\$ 305,671</u>

The notes to the financial statements are an integral part of this statement

CITY OF BISHOP

**Combining Statement of Revenues, Expenditure, and
Changes in Fund Balance
Nonmajor Capital Projects Funds
June 30, 2024**

	East Line Bridge Replacement	Valley Apt. CDBG Solar Project	Local Transportation Fund	Local Seibu To School Bike Path	Totals
Revenues					
Intergovernmental	\$ 107,549	\$ -	\$ -	\$ 17,787	\$ 125,336
Total revenues	107,549			17,787	125,336
Expenditures					
Current:					
Public ways and facilities/ Transportation					-
Capital outlay	143,657			45,000	188,657
Total expenditures	143,657			45,000	188,657
Excess (deficit) of revenues over expendit	(36,108)			(27,213)	(63,321)
Other Financing Sources (Uses)					
Operating transfers in				27,213	27,213
Operating transfers out			(27,213)		(27,213)
Total other financing sources (uses)			(27,213)	27,213	-
Net change in fund balances	(36,108)		(27,213)		(63,321)
Fund balances, beginning of fiscal year	8,881	18,121	72,706		99,708
Fund balances, end of fiscal year	\$ (27,227)	\$ 18,121	\$ 45,493	\$ -	\$ 36,387

The notes to the financial statements are an integral part of this statement

EASTERN SIERRA COMMUNITY SERVICE DISTRICT
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

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LARRY BAIN, CPA

An Accounting Corporation

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Eastern Sierra Community Service District
Bishop, CA

Opinion

We have audited the accompanying financial statements of the business-type activity and the fiduciary fund of Eastern Sierra Community Service District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Eastern Sierra Community Service District as of June 30, 2024, and the changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Eastern Sierra Community Service District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements are not affected by this missing information.

The required supplementary information other than MD&A, as listed in the table of contents as the District's Other Postemployment Benefits (OPEB) Plan Schedule of Changes in the District's Net OPEB Liability and Related Ratios on Page 22 is presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Larry Bain, CPA
An Accounting Corporation

November 13, 2024

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

STATEMENT OF NET POSITION JUNE 30, 2024

Assets

Current Assets

Cash and cash equivalents	\$ 2,742,387
Accounts receivable	73,429
Due from others	34,561
Interest receivable	31,261
Prepaid expense	32,586
Total current assets	<u>2,914,224</u>

Noncurrent Assets

Restricted cash and cash equivalents	<u>250,000</u>
--------------------------------------	----------------

Capital assets

Capital assets-not being depreciated	
Construction in progress	-

Depreciable capital assets	
Collection	4,167,412
Treatment	2,997,486
Disposal	29,504
General and administrative	156,251
Less accumulated depreciation	<u>(5,564,399)</u>
Right of use leased asset	101,202
Less accumulated amortization	<u>(33,432)</u>
Total capital assets-net	<u>1,854,024</u>
Total noncurrent assets	<u>2,104,024</u>
Total assets	<u>5,018,248</u>

Deferred Outflows of Resources

Deferred outflows-OPEB	<u>319,413</u>
Total deferred outflows of resources	<u>319,413</u>

Liabilities

Current Liabilities

Accounts payable	38,925
Customer deposits	135,474
Current lease liability	10,365
Total current liabilities	<u>184,764</u>

Long-Term Liabilities

Deposit liability	250,000
Compensated absences	127,625
Net OPEB liability	226,438
Lease liability	63,180
Total long-term liabilities	<u>667,243</u>
Total liabilities	<u>852,007</u>

Deferred Inflows of Resources

Deferred inflows-OPEB	<u>47,119</u>
Total deferred inflows of resources	<u>47,119</u>

Net Position

Net investment in capital assets	1,786,254
Restricted	250,000
Unrestricted	2,402,281
Total net position	<u>\$ 4,438,535</u>

The notes to the financial statements are an integral part of this statement

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

**STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

Operating revenue	
Sewer sales	\$ 1,133,241
Other	<u>7,193</u>
Total operating revenues	<u>1,140,434</u>
Operating expenses	
Collection	21,813
Treatment	664,122
Disposal	12,789
Administration and general	569,381
Depreciation	<u>171,825</u>
Total operating expenses	<u>1,439,930</u>
Operating income (loss)	<u>(299,496)</u>
Nonoperating revenue (expenses)	
Capacity fees	3,633
Insurance reimbursement	2,915
Interest income	113,484
Interest expense	(2,372)
Contributions to BAWA	<u>(26,207)</u>
Nonoperating revenues (expenses)	<u>91,453</u>
Increase (decrease) in net position	<u>(208,043)</u>
Net position, beginning of fiscal year	<u>4,646,578</u>
Net position, end of fiscal year	<u><u>\$ 4,438,535</u></u>

The notes to the financial statements are an integral part of this statement

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

STATEMENT OF CASH FLOWS

JUNE 30, 2024

Cash flows from operating activities:

Cash receipts from customers	\$ 1,231,452
Cash payments to suppliers for goods and services	(30,260)
Cash payments to employees for services	<u>(811,504)</u>
Net cash provided by (used in) operating activities	<u>389,688</u>

Cash flows from capital and related financing activities:

Additions to capital assets	(501,123)
Contributions to BAWA	(26,207)
Insurance reimbursement	2,915
Capacity fee	<u>3,633</u>
Net cash provided by (used in) capital and related financing activities	<u>(520,782)</u>

Cash flows from investing activities:

Interest received on investments	<u>105,004</u>
----------------------------------	----------------

Net increase (decrease) in cash and cash equivalents	(26,090)
Cash and cash equivalents, beginning of year	<u>3,018,477</u>
Cash and cash equivalents, end of year	<u><u>\$ 2,992,387</u></u>

Reconciliation of cash and cash equivalents to the balance sheet:

Cash and cash equivalents	\$2,742,387
Restricted cash and cash equivalents	<u>250,000</u>
Cash and cash equivalents, June 30	<u><u>\$2,992,387</u></u>

Reconciliation of operating income (loss) to

net cash provided by operating activities	
Operating Income (Loss)	\$ (299,496)

Adjustments to reconcile operating income (loss) to net cash provided by operating activities:

Depreciation	171,825
Changes in assets and liabilities:	
Accounts receivable	14,319
Prepaid expense	429,765
Accounts payables	18,631
Customer deposits	76,699
OPEB-GASB 75	(20,226)
Leases-GASB 87	(12,105)
Compensated absences	<u>10,276</u>
Net cash provided by (used in) operating activities	<u><u>\$ 389,688</u></u>

The notes to the financial statements are an integral part of this statement

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

	<u>PARS OPEB Trust Fund</u>
<u>Assets</u>	
Cash and investments	<u>\$ 946,100</u>
Total Assets	<u><u>\$ 946,100</u></u>
<u>Net Position</u>	
Held in trust for OPEB benefits	<u><u>\$ 946,100</u></u>

The notes to the financial statements are an integral part of this statement

EASTERN SIERRA COMMUNITY SERVICE DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	PARS OPEB Trust Fund
Additions:	
Employer contributions	\$ 31,418
Total contributions	<u>31,418</u>
Investment income (loss):	
Net adjustment to fair value of investments	<u>71,092</u>
Total additions (deductions)	<u>71,092</u>
Change in plan net position	<u>102,510</u>
Net Position:	
Held in trust for OPEB benefits:	
Beginning of fiscal year	<u>843,590</u>
End of fiscal year	<u><u>\$ 946,100</u></u>

The notes to the financial statements are an integral part of this statement

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1: Summary of Significant Accounting Policies

The Eastern Sierra Community Service District was formed by election and commenced operations on November 8, 1977. The District provides sewer services to a group of users within the District and to the Bishop Paiute Tribe by contract.

A. Fund Accounting

The accounting records of the District are organized on the generally accepted basis of accounting for an enterprise fund.

Enterprise Fund - Enterprise funds are used to account for the District's operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Board of Directors is that the costs (expenses, including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through user charges.

The District also reports the following fiduciary fund type:

The Fiduciary fund is used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Fiduciary funds use the "economic resources" measurement focus and the accrual basis of accounting.

PARS OPEB Trust Fund

Accounts for accumulation of resources associated with the District's other post-employment benefits (OPEB) trust fund used for administration of health insurance for retirees.

B. Basis of Accounting

The District uses economic resources based cost of service or capital maintenance concept. Under this concept, revenues and expenses are matched using the accrual basis of accounting.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

C. Accounts Receivable

Most billings for sewer services are sent quarterly and are reflected on the accrual basis of accounting. Such billings may become a lien on the property should no payments be made. Several commercial accounts are billed monthly.

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

D. Fixed Assets

Property, plant and equipment are stated at historical costs. When assets are retired or otherwise disposed of, the net book value, which is the difference between historical costs and related accumulated depreciation, is removed from the financial statements. Any gain or loss from the retirement or disposal of an asset is reflected in net income for the period. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets which range from 3 to 60 years.

Maintenance and repairs are charged to expense as incurred. Significant additions or improvements are capitalized and depreciated over the revised estimated useful lives. Costs incurred for major improvements or construction of assets are carried in construction in progress until the project is completed at which time costs related to the project are capitalized in the appropriate asset account.

E. Cash Equivalents

For purpose of the statement of cash flows, the District considers cash and cash equivalents as short term, highly liquid investments that are both readily convertible to known amounts of cash and so near maturity that they present insignificant risk of changes in value because of changes in interest rates.

F. Reporting Entity

The District's financial statements include the operations of all organizations for which the District Board of Directors exercises oversight responsibility. Oversight responsibility is demonstrated by financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

No operations of other entities met the aforementioned oversight criteria for inclusion or exclusion from the accompanying financial statements in accordance with GASB Statement 61.

G. Budgetary Reporting

The District prepares an annual operating and capital budget, which is approved and adopted by the Board of Directors. The budget serves as an approved plan to facilitate financial control and operational evaluation. California State law does not require formal adoption of appropriated budgets for enterprise funds.

H. Use of Estimates in the Preparation of Financial Statements:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

I. Estimated Insurance Liabilities

The District maintains a commercial package policy for general liability, auto liability and wrongful acts coverage that provides limits of liability of \$1,000,000 per occurrence and excess liability coverage of \$10,000,000 each occurrence.

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

J. Restricted Assets

Restricted assets are financial resources collected as a security deposit from the Bishop Paiute Tribe. These assets are for the benefit of a distinct group and as such are legally or contractually restricted.

K. Accrued Unbilled Revenue

During the year, metered sewer connections are read and bills rendered after the period of usage. Revenue for metered sewers, used but not yet billed, is accrued at fiscal year-end to match revenues with related expenses.

L. Net Position

Net position comprises the various net earnings from operating income, non-operating revenues and expenses and capital contributions. Net position is classified in the following three components:

Net Investment in Capital Assets-This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted- This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position-This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

M. GASB Statement No. 87-Leases

In June 2017, GASB issued Statement No. 87, *Leases* (GASB Statement No. 87), to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Implementation of this Statement had a significant effect on the District's financial statements for the year ended June 30, 2022.

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 1: Summary of Significant Accounting Policies (Continued)

M. GASB Statement No. 87-Leases (Continued)

Lessee

The District recognizes a lease liability and a right-to-use lease asset (lease asset) in the Statement of Net Position. The District recognizes lease liabilities with an initial, individual value of \$5,000 or more with a lease term greater than one year. Variable payments based on future performance of the lessee or usage of the underlying asset are not included in the measurement of the lease liability.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made.

Lease assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payments made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service. Lease assets are amortized using the straight-line method over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the State has determined is reasonably certain of being exercised. In this case, the lease asset is amortized over the useful life of the underlying asset.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure any lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported as right to use along with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

Note 2: Cash and Investments

Cash and investments are comprised of the following amounts as shown on the Financial Statements at June 30, 2024:

Cash and cash equivalents	\$ 2,742,387
Restricted cash and cash equivalents	250,000
Total	<u>\$ 2,992,387</u>

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2: Cash and Investments (Continued)

Cash at June 30, 2024, consisted of the following:

General checking	\$ 44,956
Payroll checking	3,353
General savings	9,780
Restricted cash-Tribe	250,000
Petty cash	150
Investment in the LAIF	2,684,148
Total cash and investments	<u>\$ 2,992,387</u>

A. Investments Authorized by the California Government Code and the Entity's Investment Policy

The table below identifies the **investment types** that are authorized for the Eastern Sierra Community Service District (District) by the California Government Code (or the District's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the District's investment policy, where more restrictive) that address **interest rate risk**, **credit risk** and **concentration of credit risk**. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the District, rather than the general provisions of the California Government Code or the District investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local agency bonds	5 years	None	None
U.S. treasury obligations	5 years	None	None
State of California obligations	5 years	None	None
U.S. agency securities	5 years	None	None
Banker's acceptances	180 days	40%	30%
Commercial paper	270 days	40%	10%
Negotiable CDs	5 years	30%	None
Repurchase agreements	1 years	None	None
Reverse repurchase agreements	92 days	20%	None
Medium term notes	5 years	30%	None
Mutual/money market funds	5 years *	20%	10%
Collateralized bank deposits	5 years	None	None
Mortgage pass-through securities	5 years	20%	15%
Time deposits	5 Years	None	None
Local Agency Investment Fund (LAIF)	5 years *	None	None

* The five year maximum maturity can be extended by the Board of Directors. Also, the maximum maturity can be extended if the funds are reserved for bond, COP or note payments to coincide with the required repayments.

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2: Cash and Investments (Continued)

B. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investment maturity:

Investment Type	Totals	Remaining Maturity (in Months)	
		12 Months or Less	13-48 Months
Local Agency Investment Fund	\$ 2,684,148	\$ 2,684,148	\$ -
Totals	\$ 2,684,148	\$ 2,684,148	\$ -

*Not subject to categorization

C. Concentrations of Credit Risk

The investment policy of the District contains limitations on the amount that can be invested in any one issuer. There are no investments to one issuer exceeding those limits.

D. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment of collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District's deposits by pledging first deed mortgage notes having a value of 150% of the secured public deposits.

At June 30, 2024, the District's deposits balance, including certificates of deposit, was \$326,267 and the carrying amount was \$308,089. The difference between the bank balance and the carrying amount was due to normal outstanding checks and deposits in transit. Of the bank balance, all was covered by the Federal Depository Insurance or covered by collateral held in the pledging bank's trust department in the District's name.

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 2: Cash and Investments (Continued)

E. Investment in State Investment Pool

LAIF is included in the State's Pooled Money Investment Account. The total amount invested by all public agencies in the State's Pooled Money Investment Account approximates \$179.047 billion. Of the \$179.047 billion managed by the State Treasurer, 100% is invested in non-derivative financial products and 3.00% is invested in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by state statute.

Investments are accounted for in accordance with the provisions of GASB Statement No. 31, which requires governmental entities to report certain investments at fair value in the balance sheet and recognize the corresponding change in fair value of investments in the year in which the change occurred. The District reports its investments at fair value based on quoted market information obtained from fiscal agents or other sources if the change is material to the financial statements.

Note 3: Receivables

Receivables at June 30, 2024, consisted of the following:

Accounts	<u>\$73,249</u>
Total	<u>\$73,249</u>

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectable.

Note 4: Property, Plant and Equipment

Property, plant and equipment at June 30, 2024, consisted of the following:

	<u>Balance</u> <u>July 1, 2023</u>	<u>Additions</u>	<u>Retirement/ Adjustments</u>	<u>Balance</u> <u>June 30, 2024</u>
Capital assets, not being depreciated:				
Construction in progress	\$ 47,180	\$ -	\$ (47,180)	\$ -
Capital assets, being depreciated and amortized:				
Sewage collection	4,109,759	57,653		\$ 4,167,412
Sewage treatment facility	2,541,397	456,089		2,997,486
Sewage disposal facility	29,504			29,504
General plant, lab and administration	78,291			78,291
Office equipment and furniture	31,670			31,670
Trucks	46,290			46,290
Right to use leased asset	101,202			101,202
Total capital assets, being depreciated/amortized	<u>6,938,113</u>	<u>513,742</u>	<u>-</u>	<u>7,451,855</u>
Less accumulated depreciation	<u>(5,403,869)</u>	<u>(160,530)</u>		<u>(5,564,399)</u>
Less accumulated amortization-leased assets	<u>(22,137)</u>	<u>(11,295)</u>		<u>(33,432)</u>
Governmental activities, capital assets, net	<u>\$ 1,559,287</u>	<u>\$ 341,917</u>	<u>\$ (47,180)</u>	<u>\$ 1,854,024</u>

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2024

Note 5: Long-Term Liabilities

Long-term liabilities consisted of the following at June 30, 2024

	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024
Compensated absences	\$ 117,349	\$ 10,276	\$ -	\$ 127,625
Net lease liability	83,278		(9,733)	73,545
Net OPEB liability (note 7)	67,135	159,303		226,438
Totals	<u>\$ 267,762</u>	<u>\$ 169,579</u>	<u>\$ (9,733)</u>	<u>\$ 427,608</u>

A. Compensated Absences

District employees accumulate earned but unused vacation and sick benefits that can be converted to cash at termination or retirement from employment. The district pays up to \$3,000 for the employee sick accrual or the full amount on a day for day basis if the employee retires and is eligible for pension benefits. The District accrued the full amount. The amount of the compensated absences at June 30, 2024 was \$127,625.

B. Net Lease Liability

On July 1, 2020 the District entered into a ten year lease agreement with the City of Bishop whereby the District will rent 677 square foot administrative office space from the City. The first years rent will be \$927.49 per month and will increase each year by approximately 3% reaching \$1,205.06 per month for the final lease period of July 1, 2029 to June 30, 2030. The calculated interest rate used was 3%.

Principal and interest payments to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 10,365	\$ 2,065	\$ 12,430
2026	11,092	1,744	12,836
2027	11,841	1,401	13,242
2028	12,610	1,038	13,648
2029	13,176	879	14,055
2029-2030	14,461	434	14,895
Total	<u>\$ 73,545</u>	<u>\$ 7,561</u>	<u>\$ 81,106</u>

Note 6: Defined Contribution Plan

The District contributes to a Money Pension Purchase Plan (MPPP), a single-employer plan, administered by 401 PLANS, Inc. The District's payroll for employees covered by the defined contribution plan for the fiscal year ended June 30, 2024 was \$481,757.

Full-time District employees over the age of 21 are eligible to participate in the defined contribution plan. Employees are fully vested in the plan upon participation with no vesting period requirement. The system provides retirement benefits for District employees. The benefit provision and all other requirements are established by statute and ordinance.

The District funded the plan at the rate of 17.5% of covered employees' compensation for the fiscal year ended June 30, 2024, as adopted by the Board of Directors. Employees are not required to contribute to the Plan. The District made the required 17.5% contribution of \$84,307 for the fiscal year ended June 30, 2024.

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 7: Other Postemployment Benefits (OPEB)

General Information about the OPEB Plan

Plan Description.

Eastern Sierra Community Service District's Post-Retirement Healthcare Plan is an agent multiple-employer defined benefit OPEB plan (agent OPEB plan) administered by Public Employees' Retirement System (PERS).

Benefits Provided

For employees hired before March 11, 2009 (tier I) the District provides medical benefits to eligible retirees and their eligible dependents. The District will also provide dental and vision insurance to retirees until age 65. Medical benefits are also paid to the surviving spouse of an eligible retiree. The District approved post-retirement health insurance benefits for all of its employees effective August 8, 2007 under the Public Employees' Medical and Hospital Care Act (PEMHCA). The District also approved paying PEMHCA minimum coverage to Board of Director members that meet the eligibility requirements. Retirement eligibility is determined based on a minimum of reaching age 55 with at least 8 years of employment with the District.

For tier I employees retiring with 8 or more years of service, the District will contribute the health benefit cost for the retirees and family members up to 100% of the greater of the Monthly PEMHCA Premiums, Other Southern California rates for PERS Gold and PERS Platinum.

For employee's hired after March 11, 2009 (tier II) the District will provide post-retirement health benefits to the employee only and no dental or vision coverage up to age 65, and after reaching age 65 the District will contribute an amount equal to the base contribution rate.

A retiree with less than 8 complete years of service with the District receives no benefit. The PERS minimum is set by law. The retiree is on the same medical plan as the District's active employees, however monthly rates for coverage of covered active and retired employees are computed separately.

Employees Covered By Benefit Terms

At the OPEB liability reporting date of June 30, 2024, the following employees were covered by the benefit terms:

Retirees currently receiving benefit payments	4
Active employees	10
Total	14

Contributions

The District's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the actuarially determined contribution of the employer (ADC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The District chose a 30 year period to amortize the unfunded actuarial liability.

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 7: Other Postemployment Benefits (OPEB) (Continued)

The contribution requirement of plan members is established by the District's Board of Directors. The 2023-24 fiscal year contribution was based on the actuarially determined contribution using entry age normal cost (same as CalPERS). For the fiscal year ending June 30, 2024, the District contributed \$31,418 towards the unfunded actuarial accrued liability (UAAL). The District chose the PARS Public Agencies Post-Retirement Health Care Plan Trust as the trustee for the plan. The District also paid the retiree premiums for fiscal year end June 30, 2023 directly to health insurance providers totaling \$47,440. Plan members receiving benefits contributed \$0 of the total premiums.

Net OPEB Asset: As of the June 30, 2024, the District reported a net OPEB liability of \$226,438. The net OPEB asset was measured from July 1, 2022 to June 30, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2023.

Actuarial Assumptions

The net OPEB asset in the July 1, 2023 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	July 1, 2023
Measurement Date	June 30, 2023
Actuarial Assumptions:	
Discount Rate	5.50%
Healthcare trend rates	4.00% to 5.50%
Salary increase	2.80%
Inflation rate	2.30%
Investment Rate of Return	5.50%

OPEB Assets

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>Asset Allocation</u>
Broad U.S. Equity	60.00%
U.S. Fixed Income	40.00%
Cash Equivalents	5.00%
Total	100.00%

The OPEB assets are held by US Bank, the trustee for the Public Agency Retirement Services (PARS). The OPEB assets are not FDIC insured there is no bank guarantee and the assets may lose value. The investment objective is for the Moderate Conservative High Mark Plus. The goal of the Moderate Conservative investment is to provide current income with capital appreciation as a secondary objective. It is expected that dividend and interest income will comprise a significant portion of the total return, with potential growth from capital appreciation. The portfolio will be allocated between equity and fixed income investments.

The discount rate used to measure the total OPEB liability was 6.5 percent. The projection of cash flows used to determine the discount rate assumed the District's contributions will continue based upon the current OPEB funding policy. Based on those assumptions, the OPEB plans fiduciary net position was projected to

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

Note 7: Other Postemployment Benefits (OPEB) (Continued)

be available to make projected future benefit payments for current members for all future years. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments determine the total OPEB liability.

Changes in the Net OPEB Liability

The table below shows the changes in the total OPEB liability, the Plan Fiduciary Net Position (i.e. fair value of Plan assets), and the net OPEB liability during the reporting period ending on June 30, 2024.

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB (Liability) Asset
	(a)	(b)	(c)
Balances at 6/30/2023	\$ (861,251)	\$ 794,116	\$ (67,135)
Changes for the year:			
Service cost	(14,922)		(14,922)
Interest	(31,463)		(31,463)
Difference between expected and actual experience	(101,735)		(101,735)
Changes in assumptions	(108,097)		(108,097)
Contribution-employer-prior year		61,440	61,440
Net investment income		38,141	38,141
Benefit payments	47,440	(47,440)	-
Administrative expense		(2,667)	(2,667)
Net changes	(208,777)	49,474	(159,303)
Balances at 6/30/2024	\$ (1,070,028)	\$ 843,590	\$ (226,438)

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the District's share of the net OPEB liability (asset) if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease 4.50%	Discount Rate 5.50%	1% Increase 6.50%
Net OPEB liability (asset)	\$ 358,760	\$ 226,438	\$ 115,858

Sensitivity of the net OPEB liability (asset) to changes in the healthcare cost trend rates. The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower of 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (4.50% decreasing to 3.00%)	Trend Rate (5.50% decreasing to 4.00%)	1% Increase (6.50% decreasing to 5.00%)
Net OPEB liability (asset)	\$ 109,096	\$ 226,438	\$ 368,553

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 7: Other Postemployment Benefits (OPEB) (Continued)

OPEB Expense and Deferred Outflows and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2024, the District recognized OPEB expense of \$58,629. OPEB expense represents the change in the net OPEB liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, and actuarial assumptions or methods. At June 30, 2024, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 80,540	\$ (2,938.0)
Changes in assumptions	93,374	-
Net difference between projected and actual earnings on retirement plan investments	114,081	(44,181)
District contributions subsequent to measurement date	31,418	-
Totals	<u>\$ 319,413</u>	<u>\$ (47,119)</u>

\$31,418 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability for the year ended June 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30,</u>	
2024	\$ 64,553
2025	58,671
2026	79,371
2027	38,281
Total	<u>\$ 240,876</u>

Note 8: Restricted Cash and Cash Equivalents

The composition of net position designated by management, included in unreserved net position, at June 30, 2024, is as follows:

Designated

Equipment and capital replacement (established by Resolution 2015-8)	\$ 1,239,726
O&M reserve (established by resolution 2015-8)	777,799
Expansion (established by resolution 2015-8)	<u>768,916</u>
Total Designated	<u>2,786,441</u>

Restricted

Tribal deposit liability	<u>250,000</u>
Total restricted and designated cash and investments	<u>\$ 3,036,441</u>

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 9: Economic Dependency

In past years, the District provided wastewater treatment and disposal for the Bishop Paiute Tribe Reservation (Tribe) under a contract that was signed between the Tribe and the County of Inyo in 1976. When the County transferred the Sewer System to the District in 1986, the District began discussions with the Tribe to sign a new agreement between the District and the Tribe. In November 2010 the new agreement was signed by both parties and in March 2011 the agreement was approved by the Bureau of Indian Affairs.

Per the agreement, the Tribe is billed by flow, using a formula that uses their proportionate share of operating and maintenance expenses according to their metered flow. For fiscal year 2023-24, the Tribe cost was \$266,165 for flow (service charges) and administration fees per the formula in the Agreement. The District's total 2023-24 billing for all customer service charges was \$1,133,241. The Tribes service charges represent 23.49% of the District total service charges.

The Tribe has purchased 315,000 gpd in capacity at the District's treatment plant. The District treatment plant's full capacity is 850,000 gpd. The Tribes purchased capacity represents 37.06% of the Districts total capacity.

Normally unpaid sewer charges are placed upon the secured real property tax roll resulting in a lien being placed on the property. Unpaid charges are then collected by the Inyo County Tax Collector. Non-payment results in the sale of lien property. This mechanism cannot be used to collect unpaid charges from the Tribe because the Tribal reservation land is not owned by the Tribe and the Tribe is considered a sovereign nation for some purposes and has certain immunities. One of the immunities limits States from exercising civil regulatory authority over Tribal land. Accordingly, the District may not place a lien on reservation lands for purposes of collecting unpaid sewer charges. Per the agreement between the District and the Tribe the Tribe has placed \$250,000 in an interest bearing account. The District can draw on those funds if payments owed by the Tribe are delinquent 90 calendar days or more and/or for a material breach of the agreement, as defined in the agreement.

Note 10: Joint Powers Agreement

As of June 25, 2020 the Eastern Sierra Community Service District and the City of Bishop formed the Bishop Area Wastewater Authority (JPA) under Article 1 through 4, Chapter 5, Division 7, Title 1 (commencing with section 6500) of the Government Code of the State of California ("Joint Exercise of Powers Act.") The purpose of forming the JPA are to enable the JPA to : 1) take all action necessary to operate, maintain, and improve both the existing irrigation system and create a new irrigation system; 2) acquire and/or lease additional land from City of Los Angeles DWP to increase acreage in the irrigable discharge area; 3) design and construct a diversion structure to alleviate capacity concerns; 4) pursue grant funding and financing options for future projects; 5) fund storage pond improvements; 6) construct additional monitoring wells; 7) incorporate existing Bishop acreage into an Authority-operated discharge area; 8) collectively interact with regulatory agencies with oversight over both Parties; and 9) study the consolidation of the two wastewater treatment plants. Nothing in the agreement impacts or transfers the ownership of the wastewater collection and treatment systems, treatment plants, or existing discharge acreage of either Party.

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Note 11: Commitments and Contingencies

Diversion Structure

During the 2021/22 fiscal year the District and the City of Bishop entered into an agreement where they will share the cost of a sewage diversion structure. The District transferred its share of the cost in the amount of \$112,952 during the 2021/22 fiscal year. The City will own the structure, however, The District and the City will share ongoing operation costs going forward, the amount of which is unknown.

Credit Line

The District has a credit line with UMPQUA Bank Visa card in the amount of \$50,000. The available balance at June 30, 2024 was \$46,889.

EASTERN SIERRA COMMUNITY SERVICE DISTRICT

**OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN SCHEDULE OF
CHANGES IN THE DISTRICT'S NET OPEB LIABILITY AND RELATED RATIOS
JUNE 30, 2024**

Last 10 Fiscal Years*

	Reporting Date						
	2018	2019	2020	2021	2022	2023	2024
Total OPEB liability							
Service cost	\$ 15,114	\$ 15,114	\$ 10,415	\$ 10,918	\$ 12,007	\$ 13,950	\$ 14,922
Interest	39,678	42,385	44,069	51,388	52,570	54,314	31,463
Changes in benefit terms							
Differences between expected and actual experience			88,349		(9,226)		101,735
Changes of assumptions			4,074		24,511		108,097
Benefit payments	(25,898)	(25,956)	(32,604)	(37,109)	(53,546)	(56,448)	(47,440)
Net change in total OPEB liability	28,894	31,543	114,303	25,197	26,316	11,816	208,777
Total OPEB liability-beginning (a).	623,182	652,076	683,619	797,922	823,119	849,435	861,251
Total OPEB liability-ending (b)	<u>\$ 652,076</u>	<u>\$ 683,619</u>	<u>\$ 797,922</u>	<u>\$ 823,119</u>	<u>\$ 849,435</u>	<u>\$ 861,251</u>	<u>\$ 1,070,028</u>
 Plan fiduciary net position (FNP)							
Contributions-employer	\$ 68,898	\$ 47,777	\$ 55,080	\$ 57,109	\$ 73,546	\$ 76,448	\$ 61,440
Net investment income	50,829	35,466	42,447	26,088	159,297	(100,995)	38,141
Benefit payments	(25,898)	(25,956)	(32,604)	(37,109)	(53,546)	(56,448)	(47,440)
Administrative expenses	(1,428)	(1,746)	(1,838)	(2,268)	(2,617)	(2,984)	(2,667)
Net change in plan fiduciary net position	92,401	55,541	63,085	43,820	176,680	(83,979)	49,474
Plan fiduciary net position-beginning (c)	446,568	538,969	594,510	657,595	701,415	878,095	794,116
Plan fiduciary net position-ending (d)	<u>\$ 538,969</u>	<u>\$ 594,510</u>	<u>\$ 657,595</u>	<u>\$ 701,415</u>	<u>\$ 878,095</u>	<u>\$ 794,116</u>	<u>\$ 843,590</u>
 Net OPEB liability-beginning (a)-(c)	\$ 176,614	\$ 113,107	\$ 89,109	\$ 140,327	\$ 121,704	\$ (28,660)	\$ 67,135
Net OPEB asset (liability)-ending (b)-(d)	\$ 113,107	\$ 89,109	\$ 140,327	\$ 121,704	\$ (28,660)	\$ 67,135	\$ 226,438
 Plan FNP as a percentage of the total OPEB liability	83%	87%	82%	85%	103%	92%	79%
 Covered-employee payroll	\$ 417,341	\$ 429,861	\$ 382,020	\$ 384,219	\$ 400,363	\$ 439,574	\$ 459,014
 District's net OPEB liability as a percentage of payroll	27%	21%	37%	32%	-7%	15%	49%

* Amounts presented above were determined as of June 30. Additional years will be presented as they become available.

Appendix H: 2023/24 Rate Study



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September 7, 2023

Jennifer Krafcheck
Executive Administrative Manager
Eastern Sierra Community Service District
301 West Line Street, Suite D
Bishop, California 93514

RE: Eastern Sierra Community Service District Draft Wastewater Rate Study

Bartle Wells Associates is pleased to submit this draft Wastewater Rate Study for your review. The study develops long-term financial projections and calculates wastewater rates designed to maintain the District's financial health. The recommended rates are designed to meet the District's operational and capital funding needs, comply with legal requirements, and be fair to all customers.

The proposed rates incorporate overall rate increases needed to maintain the wastewater enterprise's financial stability and meet future funding needs. Rate increases are phased in over five years, with consistent annual increases.

We enjoyed working with the District on this assignment and appreciate the ongoing assistance and input received throughout the project. Please contact us anytime if you have questions about the recommendations in this report or other related issues.

Sincerely,

BARTLE WELLS ASSOCIATES

Douglas Dove, PE, CIPFA
Principal/President

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1. Executive Summary

Introduction

The Eastern Sierra Community Service District (the “District”) retained Bartle Wells Associates (“BWA”) to conduct a long-range financial plan and sewer service charge update to ensure financial stability over the next five years (FY 2023/24 to FY 2027/28).

The District was formed in 1977 and its offices are located in Bishop, California. The District provides wastewater collection, treatment and disposal services for approximately 2,500 homes, an array of commercial facilities, and approximately 700 equivalent dwelling units in the Bishop Paiute Indian Community (the “Tribe”).

Despite not having increased rates since 2018, the District has been able to fund operations without taking on any long-term debt. The District faces cost inflation and the need to repair and replace aging infrastructure.

The District’s current Capital Improvement Program (CIP) includes over \$1.2 million in expenditures over the next 5 years (FY 2023/24 to FY 2027/28), not including the wastewater treatment plant upgrade anticipated in six to ten years. This program includes projects to replace and upgrade various components of its existing collection, treatment, disposal, and other facilities.

To keep the District financially solvent and to ensure that future capital projects are fully funded on a pay-as-you-go basis, this report recommends a set of rate increases. These increases will also allow the reserve accounts to maintain reasonable balances and will safeguard District customers against rate spikes.

Legal Authority

The statutory authority for levying wastewater rates is included in Health and Safety Code section 5471 which states: “...any entity shall have power, by an ordinance or resolution approved by a two-thirds vote of the members of the legislative body thereof, to prescribe, revise and collect, fees, tolls, rates, rentals, or other charges for services and facilities furnished by it, either within or without its territorial limits, in connection with its water, sanitation, storm drainage, or sewerage system.”

(California Health and Safety Code 5471)

Proposition 218

Proposition 218, the “Right to Vote on Taxes Act”, was approved by California voters in November 1996 and is codified as Articles XIIC and XIID of the California Constitution. Proposition 218 establishes requirements for imposing any new or increasing any existing property-related fees and charges.

The District must follow the procedural requirements of Proposition 218 for all wastewater rate increases. These requirements include:

- 1. Noticing Requirement:** The District must mail a notice of the proposed rate increases to all affected property owners. The notice must specify the amount of the fee, the basis upon which it was calculated, the reason for the fee, and the date/time/location of a public rate hearing at which the proposed rates will be considered/adopted.
- 2. Public Hearing:** The District must hold a public hearing prior to adopting the proposed rate increases. The hearing must be held not less than 45 days after the required notices are mailed.
- 3. Rate Increases Subject to Majority Protest:** At the public hearing, the proposed rate increases are subject to majority protest. If more than 50% of affected property owners submit written protests against the proposed rate increases, the increases cannot be adopted.

Proposition 218 also established several substantive requirements that apply to wastewater rates and charges, including:

1. **Cost of Service:** Revenues derived from the fee or charge cannot exceed the funds required to provide the service. In essence, fees cannot exceed the “cost of service.” Agencies may carry a prudent level of reserves and save cash for future projects or emergencies.
2. **Intended Purpose:** Revenues derived from the fee or charge can only be used for the purpose for which the fee was imposed.
3. **Proportional Cost Recovery:** The amount of the fee or charge levied on any customer shall not exceed the proportional cost of service attributable to that customer.
4. **Availability of Service:** No fee or charge may be imposed for a service unless that service is used by, or immediately available to, the owner of the property.
5. **General Government Services:** No fee or charge may be imposed for general governmental services where the service is available to the public at large.

Charges for water, wastewater, and refuse collection are exempt from additional voting requirements of Proposition 218, provided the charges do not exceed the cost of providing service and are adopted pursuant to procedural requirements of Proposition 218.

2. Current Wastewater Rates

The District serves approximately 2,592 accounts throughout its service area near the City of Bishop. The District also serves the Bishop Paiute Indian Community, which makes up about 30% of the treatment plant's wastewater flow. Most customers are single-family and mobile home residential units. The District's customer base (excluding the Tribe) is summarized in Table 1 below.

Table 1
Eastern Sierra Community Service District
User Summary

<u>Type of Customer</u>	<u>Number of Accounts</u>
<u>Residential</u>	
Single Family Dwellings	1,729
Trailers	35
Mobile Homes	702
Apartments	54
<u>Commercial</u>	
Laundromat (19 washers)	1
Service Station	1
Commercial	15
Professional Offices	12
Retail	23
Retail w/ Produce	1
Restaurants	7
RV Park	1
<u>Institutional</u>	
Churches	6
Schools	2
County Road Department Yard	2
<u>Industrial</u>	
Plastic Molding Firm	1
Total:	2,592

Source: E. Number of Users & Projected Income (3/21 email) & clarification emails (5/3/23)

Table 2 shows the District's current monthly wastewater rates. The District's last rate increase went into effect July 1, 2018. All customers are billed a monthly flat rate per equivalent dwelling unit (EDU).

Table 2
Eastern Sierra Community Service District
Current Rates

Category	Current Rates (as of July 1, 2018)
RESIDENTIAL (\$/month per Dwelling Unit)	
Single Family Dwelling	\$23.00
Multi-Family Dwelling	\$23.00
Trailers	\$23.00
Mobile Home	\$23.00
COMMERCIAL^{1 2}	
RV Park	
Manager's Quarters	\$23.00
Per Hook-Up Per Space	\$1.11
Restroom (per fixture unit)	\$5.79
Laundromat (per washer)	\$36.19
Laundromat (per washer)	\$36.19
Service Station	\$87.76
Commercial Offices	\$23.00
Restroom (per fixture unit)	\$5.79
Professional Offices	\$23.00
Restroom (per fixture unit)	\$5.79
Beauty Shop	\$28.95
Retail Store	\$23.00
Retail Store w/ Produce	\$44.14
Restaurant-Per Unit of Seating Capacity	\$3.15
Brewery ³	\$460.02
INDUSTRIAL^{1 2}	
Plastic Molding Firm	\$88.30
INSTITUTIONAL	
Church	\$44.14
School	\$23.00
School (per fixture unit)	\$5.79
County Road Department Yard	\$23.00

Note: An Equivalent Dwelling Unit (EDU) equals 200 gallons per day of Domestic Strength Wastewater, up to 250 mg/l Biochemical Oxygen Demand (BOD) and 250 mg/l Total Suspended Solids (TSS).

[1] Large new Commercial and Industrial customers should pretreat wastewater to a strength less than or equal to 250 mg/l BOD and 250 mg/l TSS.

[2] Commercial and Industrial monthly sewer service rates can be based on an EDU allocation rate structure of *No. of Billing Units x Equivalent Flow per Unit x Current Rate* with Equivalent Flow per Unit calculated as [Commercial Monthly Flow/200gpd].

[3] Based on an average usage of 5,000 gallons per day with pretreatment to reduce strength to less than or equal to 250 mg/l BOD and 250 mg/l TSS.

3. Wastewater Financial Plan

BWA developed a 5-year financial plan for the District's wastewater enterprise designed to fund operating and capital needs and maintain adequate fund reserves. The financial plan serves as a roadmap to fund operating and capital programs, maintain long-term financial health, and determine the revenue requirement for the wastewater rates.

Fund Balances

Table 3 shows the District's balances for each fund account.

Table 3
Eastern Sierra Community Service District
Fund Balances

Fund Account	6/30/22 Balance¹	3/31/23 Balance²	5/31/23 Balance³	6/30/23 Balance⁴
Operations & Maintenance Fund Account		\$719,623	\$724,492	\$724,492
Equipment & Capital Replacement Fund		\$1,703,425	\$1,714,949	\$954,582
Expansion Fund Account		<u>\$727,992</u>	<u>\$732,917</u>	<u>\$732,917</u>
Total Fund Balance	\$3,474,095	\$3,151,040	\$3,172,358	\$2,411,991

[1] Source: 2021-2022 ESCSD Financial Statements Audit - FINAL (3/21/23 email)

[2] Source: 2023-03-31 Financial Report (4/17/23 email)

[3] Source: 2023-06-14 Financial Report (6/15/23 email)

[4] Source: 2023-06-30 Financial Report (7/19/23 email)

The Operations and Maintenance (O&M) Fund ensures that the District is able to meet its O&M obligations. This account should have a target set at no less than six months of the District's O&M costs for each year.

The Equipment and Capital Replacement Fund supports the repair, replacement, and expansion of facilities that the District needs to provide quality service to its customers. This account target should be set at no less than five years of CIP costs.

The Expansion Fund Account is used for the purpose of expanding the wastewater treatment plant and collection system. There is no minimum fund target balance for this account.

Outstanding Debt Service

The District does not have any existing outstanding debt.

Capital Improvement Program

The District's capital improvement program (CIP) primarily consists of various projects and replacements to its collection system and treatment plant. The District also plans to upgrade its treatment plant within six to ten years. The District's CIP includes over \$1.2 million in expenditures over the next 5 years (FY2023-FY2027), not including the plant upgrade. Table 4 provides a summary below.

Table 4
Eastern Sierra Community Service District
Capital Improvement Program

	FY 2022-23	FY 2023/24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Collection System	\$230,000	\$225,000	\$0	\$0	\$225,000	\$0
Treatment Plant	0	83,000	295,000	18,500	0	0
Disposal	0	0	0	0	0	0
General Plant & Admin	0	0	0	18,000	0	0
Office Furniture & Equipment	0	0	0	7,000	0	0
Trucks	0	27,000	80,000	0	0	0
Other	218,214	0	0	0	0	250,000
Total ESCSD CIP Projects	\$448,214	\$335,000	\$375,000	\$43,500	\$225,000	\$250,000
Total 5-Year CIP Cost						\$1,228,500

Source: 2023-2024 Preliminary Budget to Board (6/15/23 email)

Operating Expenses

Table 5 shows the District's current and projected operating expenses. Operating costs are escalated by 5% per year for most items based on estimated cost inflation.

Table 5
Eastern Sierra Community Service District
Projected Operating and Capital Expenditures

Expense	Projected						
	2022/23 ¹	2023/24 ²	Cost Escalation	2024/25	2025/26	2026/27	2027/28
Sewage Collection	\$68,216	\$34,700	5%	\$36,435	\$38,257	\$40,170	\$42,178
Sewage Treatment	\$731,816	\$675,075	5%	\$708,829	\$744,270	\$781,484	\$820,558
Sewage Disposal	\$16,662	\$13,500	5%	\$14,175	\$14,884	\$15,628	\$16,409
Administration	\$473,713	\$508,541	5%	\$533,968	\$560,666	\$588,700	\$618,135
Total Operating Expenses	\$1,290,407	\$1,231,816		\$1,293,407	\$1,358,077	\$1,425,981	\$1,497,280
BAWA Joint Powers Authority Expenses ³	\$92,849	\$377,590		\$150,000	\$150,000	\$150,000	\$150,000
Total O&M Expenses	\$1,383,256	\$1,609,406		\$1,443,407	\$1,508,077	\$1,575,981	\$1,647,280
ESCSD Capital Improvement	\$448,214	\$335,000		\$375,000	\$43,500	\$225,000	\$250,000
Total Expenditures	\$1,831,470	\$1,944,406		\$1,818,407	\$1,551,577	\$1,800,981	\$1,897,280

[1] Source: Tribal Calcs - Budget and Actual Exp 2022-2023 draft (6/15/23 email)

[2] Source: 2023-2024 Preliminary Budget to Board (6/15/23 email)

[3] Annual BAWA operating and administrative costs (ESCSD share) estimated at \$150,000 beginning FY 24-25

Revenue Estimates

Table 6 provides an estimate of the charges made to the Tribe collected by the District. The projected rise in the total Tribe charge in FY 2023/24 is due to a significant single-year increase in a Bishop Area Wastewater Authority (BAWA) expense (see Table 5).

Table 6
Eastern Sierra Community Service District
Tribe Share of Cost

Tribe	FY 2021/22 Actual ¹	FY 2022/23 Budget	5-Year Projection				
			FY 2023/24 Budget	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
Sewage Collection O&M	\$12,503.05	\$5,635	\$2,866	\$3,010	\$3,160	\$3,318	\$3,484
Sewage Treatment O&M	704,307.88	824,665	1,052,665	858,829	894,270	931,484	970,558
Sewage Disposal O&M	<u>12,289.91</u>	<u>16,662</u>	<u>13,500</u>	<u>14,175</u>	<u>14,884</u>	<u>15,628</u>	<u>16,409</u>
Total O&M	729,100.84	846,962	1,069,031	876,014	912,314	950,430	990,451
Administration (10% of O&M)	72,910.08	84,696	106,903	87,601	91,231	95,043	99,045
30% of O&M	274,433.56	254,089	320,709	262,804	273,694	285,129	297,135
Unit Cost (assume 698 units)	393.17	364	459	377	392	408	426
Cost for 28 Non-Metered Units	11,008.80	10,193	12,865	10,542	10,979	11,438	11,919
Total Tribe Charge²	\$358,352.44	\$348,977	\$440,478	\$360,948	\$375,905	\$391,610	\$408,100

[1] Source: Tribe Cr-Dr Chgs Summary 2021-2022 - Final

[2] Total Tribe Charge = 30% O&M + Administration Cost + Cost for Non-Metered Units

Table 7 projects the District's revenues with the suggested rate increases over the next ten years. The revenue projection is not inclusive of the revenue collected from the Tribe charges shown in Table 6.

Table 7
Eastern Sierra Community Service District
10-Year District Revenue Projection (Does Not Include Tribe Revenues)

	Current	5-Year Projection					Extended Projection				
	Annual Income	2023/24 ⁴	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Residential											
Single Family Dwelling	\$477,200	\$529,070	\$684,678	\$788,417	\$912,904	\$1,037,391	\$1,089,261	\$1,143,724	\$1,200,910	\$1,260,956	\$1,324,003
Multi-Family Dwelling ¹	\$14,900	16,520	21,378	24,617	28,504	32,391	34,011	35,711	37,497	39,372	41,340
Trailers ¹	\$9,700	10,754	13,917	16,026	18,557	21,087	22,141	23,248	24,411	25,631	26,913
Mobile Home ¹	<u>\$193,800</u>	<u>214,865</u>	<u>278,061</u>	<u>320,191</u>	<u>370,748</u>	<u>421,304</u>	<u>442,370</u>	<u>464,488</u>	<u>487,712</u>	<u>512,098</u>	<u>537,703</u>
Total Residential	\$695,600	\$771,209	\$998,035	\$1,149,252	\$1,330,713	\$1,512,174	\$1,587,783	\$1,667,172	\$1,750,530	\$1,838,057	\$1,929,960
Commercial											
RV Park											
Manager's Quarters	\$300	\$333	\$430	\$496	\$574	\$652	\$685	\$719	\$755	\$793	\$832
Per Hook-Up Per Space ²	\$26,300	29,159	37,735	43,452	50,313	57,174	60,033	63,034	66,186	69,495	72,970
Restroom (per fixture unit) ³	\$3,500	3,880	5,022	5,783	6,696	7,609	7,989	8,389	8,808	9,248	9,711
Laundromat (per washer)	\$2,200	2,439	3,157	3,635	4,209	4,783	5,022	5,273	5,536	5,813	6,104
Laundromat (per washer)	\$8,300	9,202	11,909	13,713	15,878	18,043	18,946	19,893	20,888	21,932	23,029
Service Station	\$1,100	1,220	1,578	1,817	2,104	2,391	2,511	2,636	2,768	2,907	3,052
Commercial Offices	\$4,100	4,546	5,883	6,774	7,843	8,913	9,359	9,827	10,318	10,834	11,376
Restroom (per fixture unit) ³	\$3,200	3,548	4,591	5,287	6,122	6,957	7,304	7,670	8,053	8,456	8,878
Professional Offices	\$3,300	3,659	4,735	5,452	6,313	7,174	7,533	7,909	8,305	8,720	9,156
Restroom (per fixture unit) ³	\$2,600	2,883	3,730	4,296	4,974	5,652	5,935	6,232	6,543	6,870	7,214
Beauty Shop	-	-	-	-	-	-	-	-	-	-	-
Retail Store	\$6,300	6,985	9,039	10,409	12,052	13,696	14,380	15,099	15,854	16,647	17,480
Retail Store w/ Produce	\$500	554	717	826	957	1,087	1,141	1,198	1,258	1,321	1,387
Restaurant - Per Unit	<u>\$12,600</u>	<u>13,970</u>	<u>18,078</u>	<u>20,817</u>	<u>24,104</u>	<u>27,391</u>	<u>28,761</u>	<u>30,199</u>	<u>31,709</u>	<u>33,294</u>	<u>34,959</u>
Total Commercial	\$74,300	\$82,376	\$106,604	\$122,757	\$142,139	\$161,522	\$169,598	\$178,078	\$186,982	\$196,331	\$206,147
Industrial											
Plastic Molding Firm	<u>\$1,100</u>	<u>\$1,220</u>	<u>\$1,578</u>	<u>\$1,817</u>	<u>\$2,104</u>	<u>\$2,391</u>	<u>\$2,511</u>	<u>\$2,636</u>	<u>\$2,768</u>	<u>\$2,907</u>	<u>\$3,052</u>
Institutional											
Church	\$3,200	\$3,548	\$4,591	\$5,287	\$6,122	\$6,957	\$7,304	\$7,670	\$8,053	\$8,456	\$8,878
School	\$600	665	861	991	1,148	1,304	1,370	1,438	1,510	1,585	1,665
School (per fixture unit) ³	\$5,700	6,320	8,178	9,417	10,904	12,391	13,011	13,661	14,344	15,062	15,815
County Road Department Yard	<u>\$600</u>	<u>665</u>	<u>861</u>	<u>991</u>	<u>1,148</u>	<u>1,304</u>	<u>1,370</u>	<u>1,438</u>	<u>1,510</u>	<u>1,585</u>	<u>1,665</u>
Total Institutional	\$10,100	\$11,198	\$14,491	\$16,687	\$19,322	\$21,957	\$23,054	\$24,207	\$25,417	\$26,688	\$28,023
District Total	\$781,100	\$866,002	\$1,120,709	\$1,290,513	\$1,494,278	\$1,698,043	\$1,782,946	\$1,872,093	\$1,965,698	\$2,063,982	\$2,167,182

[1] Per dwelling unit

[2] Space rental at the RV park is seasonal

[3] "Per fixture unit" is an allocation of flow units specific to the type of fixture in place.

[4] FY 23/24 revenue assume rate increase effective January 1, 2024

Wastewater Cash Flow Projection

Table 8 shows the wastewater cash flow projection. BWA projects that a wastewater rate increase of \$5.00 each month is required for the first three fiscal years (beginning January 1, 2024, and July 1 for the following two years) and \$6.00 for the following two fiscal years (FY 2026/27 through FY 2027/28) to meet the District's wastewater expenses.

Table 8
Eastern Sierra Community Service District
Cash Flow Projection

	Current	5-Year Projection				
	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
% Rate Revenue Increase		21.74%	17.86%	15.15%	15.79%	13.64%
Monthly Sewer Rate	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Beginning Reserves¹		\$2,411,991	\$1,792,765	\$1,490,815	\$1,637,155	\$1,757,162
Revenues						
Sewer Service Charges (District)	\$781,100	\$866,002	\$1,120,709	\$1,290,513	\$1,494,278	\$1,698,043
Sewer Service Charge (Tribe)	\$348,977	\$440,478	\$360,948	\$375,905	\$391,610	\$408,100
Interest Income	\$10,000	\$12,000	\$26,900	\$22,400	\$24,600	\$26,400
Capacity Fees	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenues	<u>\$5,500</u>	<u>\$6,700</u>	<u>\$7,900</u>	<u>\$9,100</u>	<u>\$10,500</u>	<u>\$11,900</u>
Total Operating Revenues	\$1,145,577	\$1,325,180	\$1,516,456	\$1,697,918	\$1,920,988	\$2,144,443
Expenses						
Sewage Collection	\$68,216	\$34,700	\$36,435	\$38,257	\$40,170	\$42,178
Sewage Treatment ²	\$731,816	\$675,075	\$708,829	\$744,270	\$781,484	\$820,558
Sewage Disposal	\$16,662	\$13,500	\$14,175	\$14,884	\$15,628	\$16,409
Administration	<u>\$473,713</u>	<u>\$508,541</u>	<u>\$533,968</u>	<u>\$560,666</u>	<u>\$588,700</u>	<u>\$618,135</u>
Total Operating Expenses	\$1,290,407	\$1,231,816	\$1,293,407	\$1,358,077	\$1,425,981	\$1,497,280
ESCSO Capital Improvement	\$448,214	\$335,000	\$375,000	\$43,500	\$225,000	\$250,000
BAWA Joint Powers Authority Expenses	\$92,849	\$377,590	\$150,000	\$150,000	\$150,000	\$150,000
Total Expenditures	\$1,831,470	\$1,944,406	\$1,818,407	\$1,551,577	\$1,800,981	\$1,897,280
Net Revenues	-\$685,893	-\$619,226	-\$301,950	\$146,341	\$120,007	\$247,163
Ending Reserves	\$2,411,991	\$1,792,765	\$1,490,815	\$1,637,155	\$1,757,162	\$2,004,326
Reserve Targets						
Operations & Maintenance Fund	\$588,707	\$615,908	\$646,703	\$679,039	\$712,990	\$748,640
Equipment & Capital Replacement Fund	<u>\$1,679,500</u>	<u>\$1,228,500</u>	<u>\$1,228,500</u>	<u>\$1,228,500</u>	<u>\$1,228,500</u>	<u>\$1,228,500</u>
Minimum Fund Reserves Target	\$2,268,207	\$1,844,408	\$1,875,203	\$1,907,539	\$1,941,490	\$1,977,140

[1] Source: District

[2] Does not include BAWA JPA; Costs shown separately on line 27

Note: Assumes 5% annual inflation

4. Functional Allocation

To ensure that costs of providing wastewater service to each customer class are apportioned correctly and no class subsidizes any other, this study implements a two-step process. First, all O&M, capital costs, and BAWA expenses are broken down according to whether they pay for wastewater Flow in general, Biochemical Oxygen Demand (BOD), or Total Suspended Solids (TSS). Table 9 shows the complete breakdown of annual costs between each of the three above categories.

Table 9
Eastern Sierra Community Services District
Allocation of Operating and Capital Expenses

	Total	Rate Funded	Allocation			
	23/24	23/24	Flow	BOD	TSS	Totals
O&M	\$1,231,816	\$548,628	274,314	137,157	137,157	548,628
Capital	\$335,000	\$149,203	104,442	22,380	22,380	149,203
BAWA Expenses	<u>\$377,590</u>	<u>\$168,172</u>	<u>117,720</u>	<u>25,226</u>	<u>25,226</u>	<u>168,172</u>
Total Annual Cost	\$1,944,406	\$866,003	\$496,477	\$184,763	\$184,763	866,003
\$ Funded by Rates	\$866,002 (From Table 7 - Revenue Projection)					
% Funded by Rates	45%					

Second, using industry standard assumptions about the quantity and content of each customer class's respective wastewater, the above Total Annual Flow, BOD, and TSS costs are allocated to each customer class. Table 10 depicts this functional allocation for a Single-Family Dwelling account. See the appendix for the functional allocation for each customer class.

Table 10
Eastern Sierra Community Services District
Functional Allocation

			23/24	23/24			
			Cost allocation	Unit Cost			
Total Flow	0.5 mgd		\$496,477	\$0.9367		\$/gpd	
Total BOD	1076 lb/day		\$184,763	\$171.71		\$/lb/day	
Total TSS	1000 lb/day		<u>\$184,763</u>	\$184.76		\$/lb/day	
			\$866,003				
Customer Class			Flow	BOD	TSS		Total
Single Family Dwelling			200	250	250		
				\$15.6124686	\$5.96702875	\$6.42052294	\$28.00

5. Proposed Wastewater Rates

Table 11 shows a summary of BWA’s proposed residential rates from FY 2023/24 to 2027/28. Residential wastewater rates are projected to increase from \$23.00 to \$28.00 by January 1, 2024. See the appendix for the proposed wastewater rates for each customer class.

Table 11
Eastern Sierra Community Service District
Projected Rates

PROPOSED WASTEWATER RATES						
	Current Rates	Proposed				
		1/1/2024	7/1/2024	7/1/2025	7/1/2026	7/1/2027
RESIDENTIAL (\$/month per Dwelling Unit)						
Single Family Dwelling	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Multi-Family Dwelling	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Trailers	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Mobile Home	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00

Appendix A: Projected Rates

Eastern Sierra Community Service District Projected Rates

PROPOSED WASTEWATER RATES						
	Current Rates	Proposed				
		1/1/2024	7/1/2024	7/1/2025	7/1/2026	7/1/2027
RESIDENTIAL (\$/month per Dwelling Unit)						
Single Family Dwelling	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Multi-Family Dwelling	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Trailers	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Mobile Home	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
COMMERCIAL ^{1 2}						
RV Park						
Manager's Quarters	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Per Hook-Up Per Space	\$1.11	\$1.40	\$1.65	\$1.90	\$2.20	\$2.50
Restroom (per fixture unit)	\$5.79	\$7.00	\$8.25	\$9.50	\$11.00	\$12.50
Laundromat (per washer)	\$36.19	\$44.11	\$51.98	\$59.86	\$69.31	\$78.76
Laundromat for Non-Public Use(per washer)	\$23.00	\$28.12	\$33.14	\$38.16	\$44.19	\$50.21
Laundromat for Public Use(per washer)	\$36.19	\$44.11	\$51.98	\$59.86	\$69.31	\$78.76
Service Station	\$87.76	\$106.40	\$125.40	\$144.40	\$167.20	\$190.00
Commercial Offices	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Per Water Closet	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Per Fixture Unit	\$5.79	\$7.00	\$8.25	\$9.50	\$11.00	\$12.50
Professional Offices	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Per Water Closet	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Per Fixture Unit	\$5.79	\$7.00	\$8.25	\$9.50	\$11.00	\$12.50
Beauty Shop	\$28.95	\$35.70	\$42.08	\$48.45	\$56.10	\$63.75
Retail Store	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Retail Store w/ Produce	\$44.14	\$53.86	\$63.47	\$73.09	\$84.63	\$96.17
Retail Store w/ Bakery	\$44.14	\$53.86	\$63.47	\$73.09	\$84.63	\$96.17
Restaurant-Per Unit of Seating Capacity	\$3.15	\$4.04	\$4.76	\$5.48	\$6.35	\$7.21
Take-Out, Drive-In Restaurants	\$88.31	\$106.02	\$124.95	\$143.88	\$166.60	\$189.32
Brewery (per 5,000 gpd discharge) ³	\$460.02	\$560.00	\$660.00	\$760.00	\$880.00	\$1,000.00
Bed and Breakfast Inn						
Manager's Quarters	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Bathrooms	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Per Bedroom	\$7.69	\$9.80	\$11.55	\$13.30	\$15.40	\$17.50
Motels, Hotels, Inns, Rooming Houses						
Manager's Quarters	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
Per Rental Unit with Kitchen	\$10.89	\$13.30	\$15.68	\$18.05	\$20.90	\$23.75
Per Rental Unit	\$7.69	\$9.80	\$11.55	\$13.30	\$15.40	\$17.50
Veterinary Hospital	\$67.05	\$81.20	\$95.70	\$110.20	\$127.60	\$145.00
Recreational Parks						
Per Water Closet	\$11.04	\$13.30	\$15.68	\$18.05	\$20.90	\$23.75
Washrack	\$63.90	\$77.70	\$91.58	\$105.45	\$122.10	\$138.75
INDUSTRIAL ^{1 2}						
Plastic Molding Firm	\$88.30	\$107.80	\$127.05	\$146.30	\$169.40	\$192.50
INSTITUTIONAL						
Church	\$44.14	\$53.90	\$63.53	\$73.15	\$84.70	\$96.25
Recreation Hall		\$40.60	\$47.85	\$55.10	\$63.80	\$72.50
School	\$23.00	\$22.05	\$25.99	\$29.93	\$34.66	\$39.38
Per Water Closet	\$23.00	\$22.05	\$25.99	\$29.93	\$34.66	\$39.38
Per Fixture Unit	\$5.79	\$5.51	\$6.50	\$7.48	\$8.66	\$9.85
Pre-School, Day Nursery, Private School	\$33.16	\$31.98	\$37.69	\$43.40	\$50.25	\$57.10
Fire Station	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00
County Road Department Yard	\$23.00	\$28.00	\$33.00	\$38.00	\$44.00	\$50.00

Note: 1 Equivalent Dwelling Unit (EDU) equals 200 gallons per day of Domestic Strength Wastewater, up to 250 mg/l Biochemical Oxygen Demand (BOD) and 250 mg/l Total Suspended Solids (TSS).

[1] Large new Commercial and Industrial customers should pretreat wastewater to a strength less than or equal to 250 mg/l BOD and 250 mg/l TSS.

[2] Commercial and Industrial monthly sewer service rates can be based on an EDU allocation rate structure of *No. of Billing Units x Equivalent Flow per Unit x Current Rate* with Equivalent Flow per Unit calculated as *[Commercial Monthly Flow/200gpd]*.

[3] Based on an average usage of 5,000 gallons per day with pretreatment to reduce strength to less than or equal to 250 mg/l BOD and 250 mg/l TSS.

Appendix B: Functional Allocation

Eastern Sierra Community Services District Functional Allocation							
		23/24		23/24			
		Cost allocation		Unit Cost			
Total Flow	0.5 mgd	\$496,477		\$0.9367		\$/gpd	
Total BOD	1076 lb/day	\$184,763		\$171.71		\$/lb/day	
Total TSS	1000 lb/day	\$184,763		\$184.76		\$/lb/day	
		\$866,003					
Customer Class	Flow	BOD	TSS	Flow	BOD	TSS	Total
Single Family Dwelling	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
Multi-Family Dwelling	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
Trailers	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
Mobile Home	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
RV Park							
Manager's Quarters	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
Per Hook-Up Per Space	10	250	250	\$0.7806234	\$0.29835144	\$0.32102615	\$1.40
Restroom (per fixture unit)	50	250	250	\$3.9031171	\$1.49175719	\$1.60513073	\$7.00
Laundromat (per washer)	400	130	130	\$31.2249371	\$6.20570990	\$6.67734386	\$44.11
Laundromat for Non-Public Use(per washer)	255	130	130	\$19.9058974	\$3.95614006	\$4.25680671	\$28.12
Laundromat for Public Use(per washer)	400	130	130	\$31.2249371	\$6.20570990	\$6.67734386	\$44.11
Service Station	760	250	250	\$59.3273805	\$22.67470926	\$24.39798716	\$106.40
Commercial Offices	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
Per Water Closet	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
Per Fixture Unit	50	250	250	\$3.9031171	\$1.49175719	\$1.60513073	\$7.00
Professional Offices	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
Per Water Closet	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
Per Fixture Unit	50	250	250	\$3.9031171	\$1.49175719	\$1.60513073	\$7.00
Beauty Shop	255	250	250	\$19.9058974	\$7.60796166	\$8.18616675	\$35.70
Retail Store	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
Retail Store w/ Produce	315	375	375	\$24.5896380	\$14.09710543	\$15.16848544	\$53.86
Retail Store w/ Bakery	315	375	375	\$24.5896380	\$14.09710543	\$15.16848544	\$53.86
Restaurant-Per Unit of Seating Capacity	20	500	500	\$1.5612469	\$1.19340575	\$1.28410459	\$4.04
Take-Out, Drive-In Restaurants	525	500	500	\$40.9827300	\$31.32690095	\$33.70774542	\$106.02
Brewery (per 5,000 gpd discharge) ³	4000	250	250	\$312.2493711	\$119.34057505	\$128.41045875	\$560.00
Bed and Breakfast Inn							
Manager's Quarters	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
Bathrooms	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
Per Bedroom	70	250	250	\$5.4643640	\$2.08846006	\$2.24718303	\$9.80
Motels, Hotels, Inns, Rooming Houses							
Manager's Quarters	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
Per Rental Unit with Kitchen	95	250	250	\$7.4159226	\$2.83433866	\$3.04974840	\$13.30
Per Rental Unit	70	250	250	\$5.4643640	\$2.08846006	\$2.24718303	\$9.80
Veterinary Hospital	580	250	250	\$45.2761588	\$17.30438338	\$18.61951652	\$81.20
Recreational Parks							
Per Water Closet	95	250	250	\$7.4159226	\$2.83433866	\$3.04974840	\$13.30
Washrack	555	250	250	\$43.3246002	\$16.55850479	\$17.81695115	\$77.70
Plastic Molding Firm	770	250	250	\$60.1080039	\$22.97306070	\$24.71901331	\$107.80
Church	385	250	250	\$30.0540020	\$11.48653035	\$12.35950665	\$53.90
Recreation Hall	290	250	250	\$22.6380794	\$8.65219169	\$9.30975826	\$40.60
School	200	130	130	\$15.6124686	\$3.10285495	\$3.33867193	\$22.05
Per Water Closet	200	130	130	\$15.6124686	\$3.10285495	\$3.33867193	\$22.05
Per Fixture Unit	50	130	130	\$3.9031171	\$0.77571374	\$0.83466798	\$5.51
Pre-School, Day Nursery, Private School	290	130	130	\$22.6380794	\$4.49913968	\$4.84107429	\$31.98
Fire Station	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00
County Road Department Yard	200	250	250	\$15.6124686	\$5.96702875	\$6.42052294	\$28.00



CITY OF BISHOP

377 West Line Street - Bishop, California 93514
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760-873-8458 publicworks@cityofbishop.com
www.cityofbishop.com

June 2023

Bishop Water and Sewer Customers:

A summary of City of Bishop water and sewer rates are shown on the back of this letter. Water and sewer customers should keep in mind:

- Water and sewer accounts should be in the **property owner's names**.
- Water and sewer bills are **due on the 15th** of every month.
- Payments are **delinquent the 20th** day of the month following billing.
- **Delinquent payments** are assessed a 10% penalty plus 1.5% per month.
- **Water will be shut off** to accounts delinquent over 60 days and additional fees will be charged.
- **Legal action**, including property liens, may be taken for payments delinquent over 60 days.
- Eligible **senior citizens can receive a 25% discount** if they meet the following criteria:
 - Billing must be in the senior's name.
 - Senior must reside in home.
 - Senior must be 65 years old.
 - Annual household income must not exceed \$29,900 for one occupant or \$34,100 for two occupants (set by State).
- A **5% discount is available** for payments made for the full year, 1 July 2023 through 30 June 2024. **Payments must be received by the 20th of July** to qualify for the yearly 5% discount.

The City of Bishop strives to serve its customers in the most efficient and effective way possible and welcomes questions and comments on how it can improve its services.

City of Bishop

Water and Sewer Rates

Starting 1 July 2023 and continuing thru 30 June 2024

	Monthly Rate			
Customer	Water	Sewer	Total	Per
Single Family Residence	\$ 33.00	\$ 42.00	\$ 75.00	Each
Multiple Family Residence (detached)	\$ 24.75	\$ 31.50	\$ 56.25	Unit
Multiple Family Residence (attached)	\$ 23.10	\$ 29.40	\$ 52.50	Unit
Church	\$ 33.00	\$ 42.00	\$ 75.00	Each
Hall	\$ 33.00	\$ 42.00	\$ 75.00	Each
Hospital	\$ 11.55	\$ 14.70	\$ 26.25	Bed
School	\$ 1.32	\$ 1.68	\$ 3.00	Student
Fairgrounds	\$165.00	\$294.00	\$459.00	Each
Gas Station	\$ 13.20	\$ 16.80	\$ 30.00	Island
Car Wash	\$ 99.00	\$126.00	\$ 225.00	Stall
Beauty or Barber Shop	\$ 33.00	\$ 42.00	\$ 75.00	Each
Restaurant	\$ 3.30	\$ 4.20	\$ 7.50	Seat
Restaurant Outside	\$ 1.65	\$ 2.10	\$ 3.75	Seat
Restaurant Banquet Room	\$ 33.00	\$ 42.00	\$ 75.00	Each
Restaurant (over 100 seats)	\$ 1.65	\$ 2.10	\$ 3.75	Seat
Bar	\$ 2.64	\$ 3.36	\$ 6.00	Seat
Hotel Room	\$ 8.25	\$ 10.30	\$ 18.75	Each
Laundry and Laundromat	\$ 23.10	\$ 29.40	\$ 52.50	Washer
Trailer Dump Facility	\$ 66.00	\$ 84.00	\$ 150.00	Each
General Commercial	\$ 31.35	\$ 39.90	\$ 71.25	Toilet
Brewery(with pretreatment)	\$ 6.60	\$ 8.40	\$ 15.20	1KBI/Yr
Irrigation	\$ 9.90	-	\$ 9.90	Acre
Other	-	-	-	Case by case

Single Yearly: \$855.00

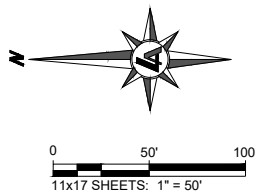
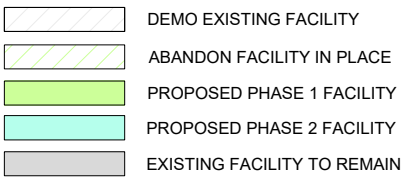
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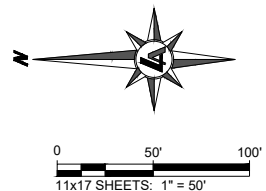
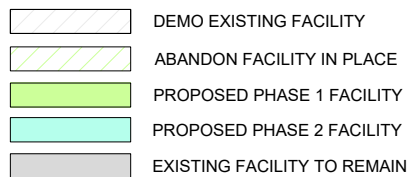
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General Commercial: \$812.42

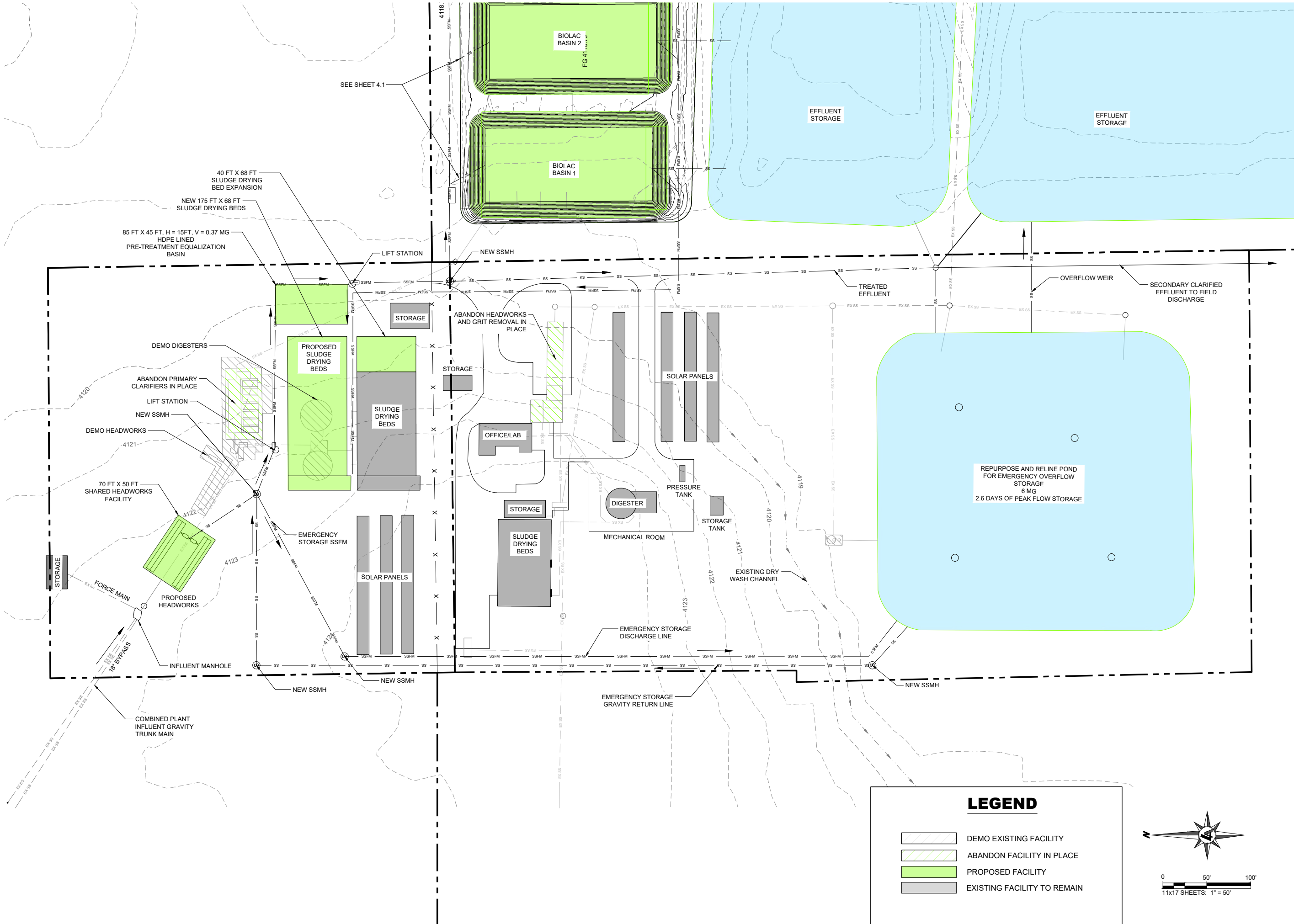
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Appendix I: Alternatives Analysis Layouts



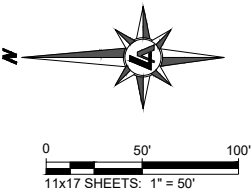


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LEGEND

- DEMO EXISTING FACILITY
- ABANDON FACILITY IN PLACE
- PROPOSED FACILITY
- EXISTING FACILITY TO REMAIN



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CITY OF BISHOP
PRELIMINARY ENGINEERING REPORT
BAWA WASTE WATER TREATMENT PLANT
LAGOON BASED EXTENDED AERATION
BISHOP
CALIFORNIA

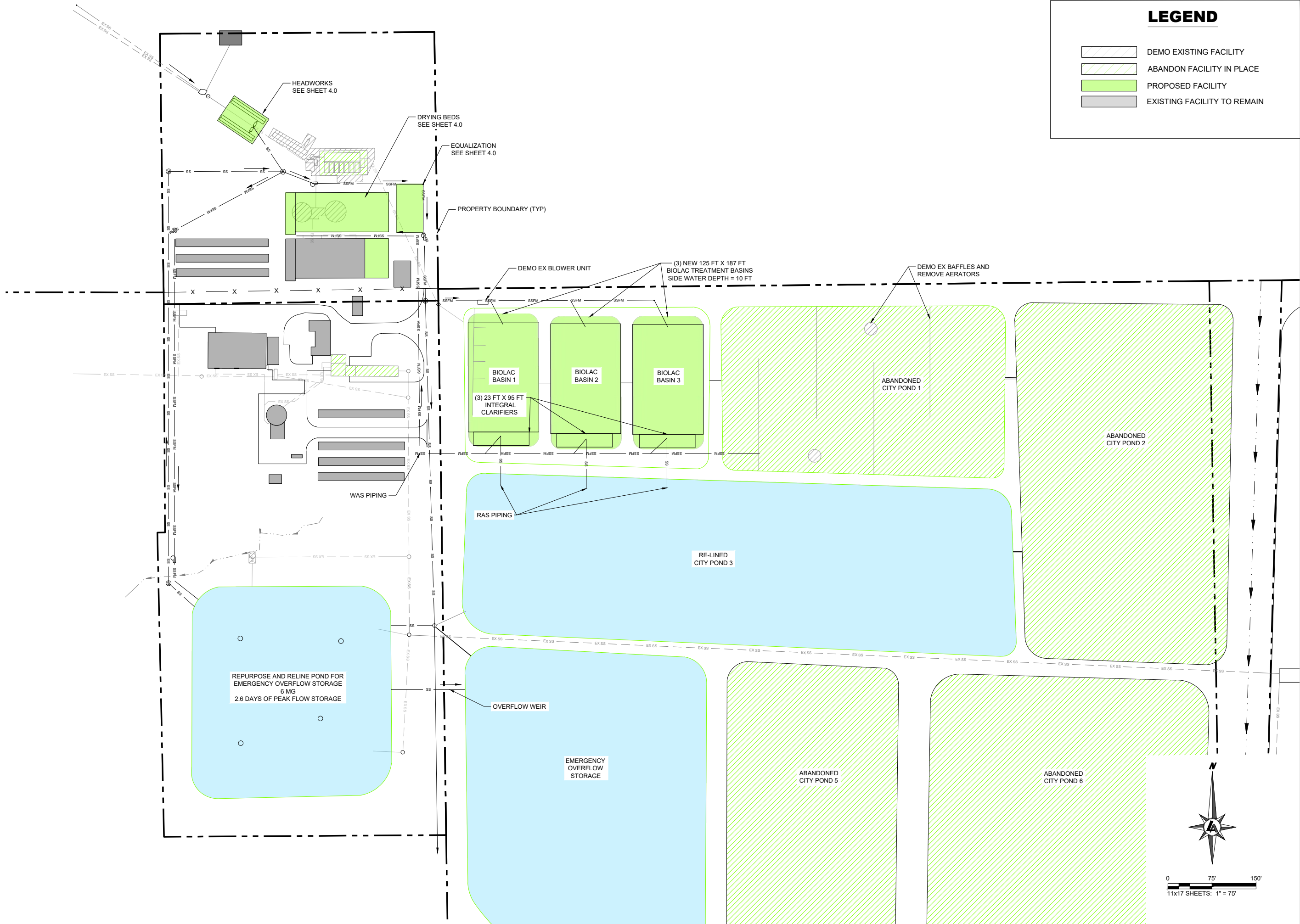
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DESIGNED BY: KT
CHECKED BY: CE
JOB NO.: 10799.002

PRELIMINARY
NOT FOR CONSTRUCTION
MARCH 2025

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LEGEND

- DEMO EXISTING FACILITY
- ABANDON FACILITY IN PLACE
- PROPOSED FACILITY
- EXISTING FACILITY TO REMAIN



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CITY OF BISHOP
PRELIMINARY ENGINEERING REPORT
BAWA WASTE WATER TREATMENT PLANT
LAGOON BASED EXTENDED AERATION
CALIFORNIA
BISHOP

REV	DATE	DESCRIPTION

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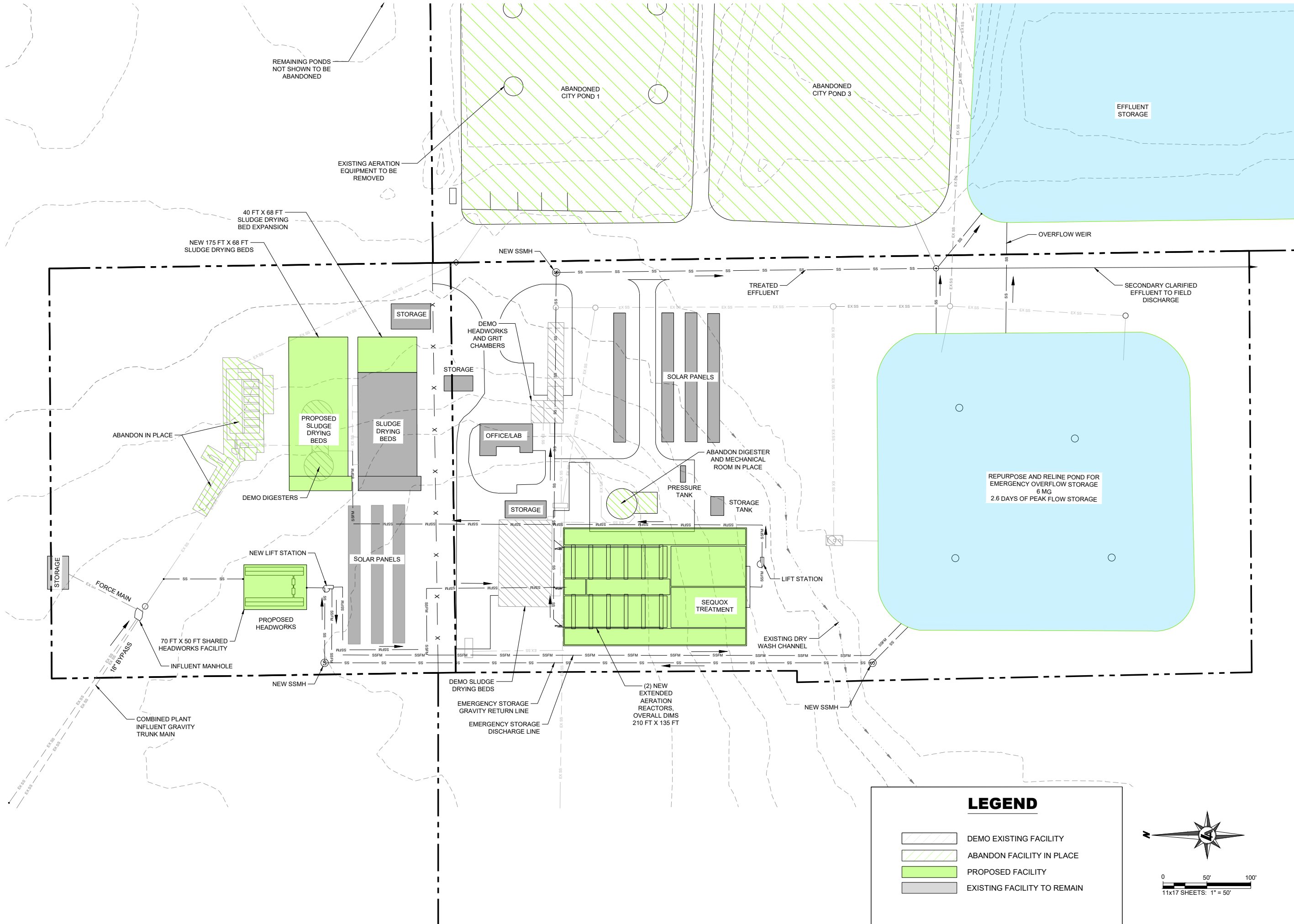
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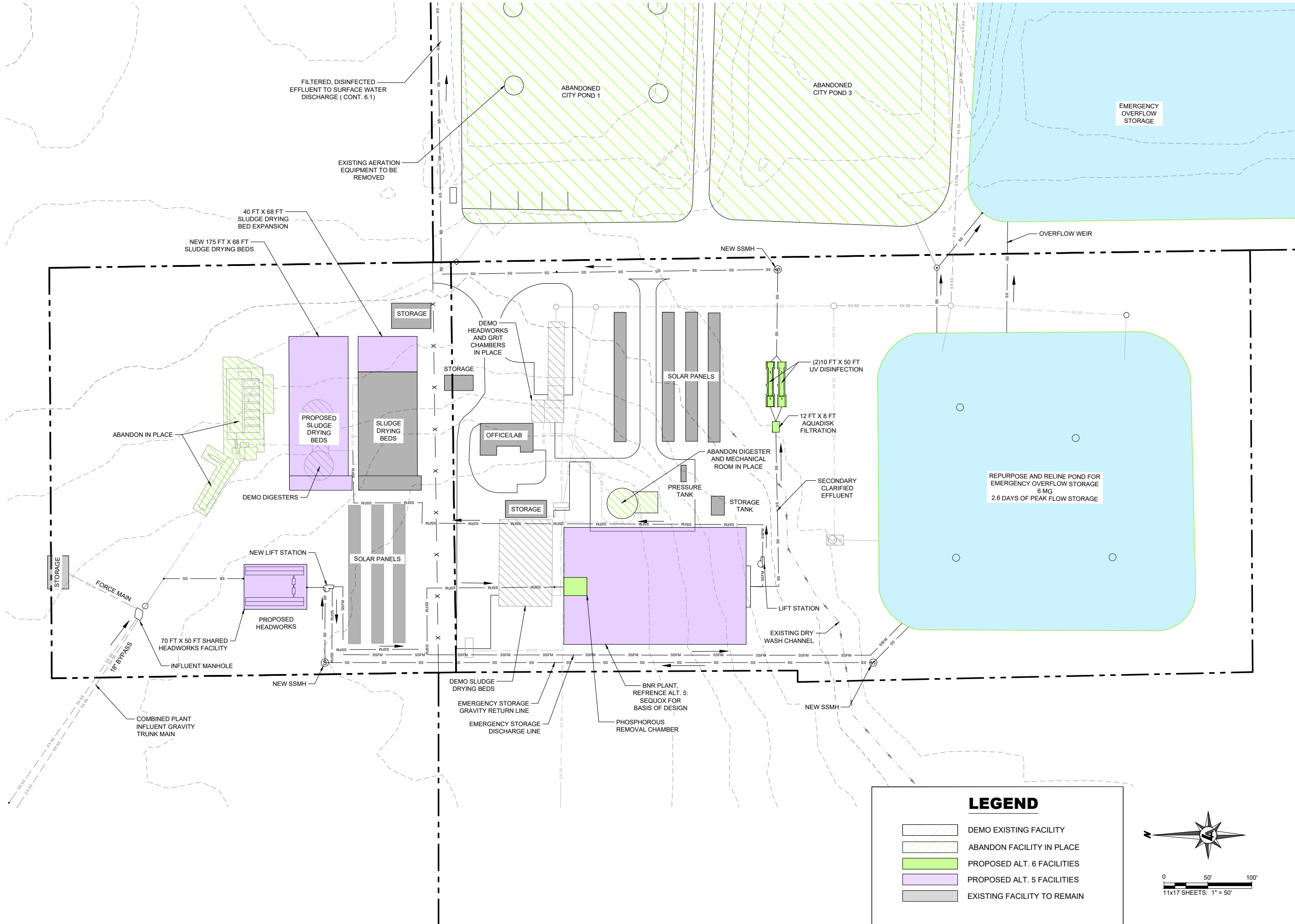
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MARCH 2025

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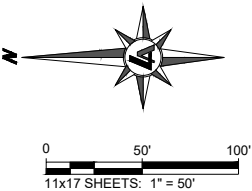


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LEGEND

- DEMO EXISTING FACILITY
- ABANDON FACILITY IN PLACE
- PROPOSED ALT. 6 FACILITIES
- PROPOSED ALT. 5 FACILITIES
- EXISTING FACILITY TO REMAIN



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CITY OF BISHOP

**PRELIMINARY ENGINEERING REPORT
BAWA WASTE WATER TREATMENT PLANT
SURFACE WATER DISCHARGE**

BISHOP CALIFORNIA

REV	DATE	DESCRIPTION	BY

BAR IS 1 INCH ON ORIGINAL DRAWING

0 1"

IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY

C6.0

DRAWN BY: LB
DESIGNED BY: KT
CHECKED BY: CE
JOB NO.: 10799.002

Appendix J: Lifecycle Costs Analysis

BAWA WWTP PER - Present Worth Analysis

Financial	
Financing Rate	4.4% Nominal discount
Planning Period	30 years
Real Discount Rate (30-yr)	2.3%
Real Discount Rate (20-yr)	2.2%
Real Discount Rate (10-yr)	1.9%
Real Discount Rate (3-yr)	1.5%
Inflation Rate	2.1% Delta Nom-Real

Other Costs	
Electricity	\$ 0.323 /kWh

Rounding Factor	3
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	Electrical Requirements				
	2-SBR	3-Ox Ditch	4-Biolac	5-Sequox	6 - SWD
HP			345.6		
kW/HP			0.746		
kW	3835		258	2452	2881
% of Time	100%	100%	100%	100%	100%
Annual kWh	1,399,611	1,199,905	2,277,171	894,980	1,051,471
Annual Cost	\$ 452,074	\$ 387,569	\$ 735,526	\$ 289,079	\$ 339,625
Multiplier	1	1	1	1	1
Annual Electrical Cost	\$ 452,074	\$ 387,569	\$ 735,526	\$ 289,079	\$ 339,625

	Depreciation				
	2-SBR	3-Ox Ditch	4-Biolac	5-Sequox	6 - SWD
Lifespan	25	28	28	24	24
Capital Cost	\$ 47,792,000	\$ 48,663,000	\$ 38,809,000	\$ 50,747,000	\$ 64,650,000
Annual R&R	\$ 1,049,073	\$ 1,024,715	\$ 700,286	\$ 1,231,408	\$ 1,668,233

Year	1				
	2-SBR	3-Ox Ditch	4-Biolac	5-Sequox	6 - SWD
Capital Expense	\$ 2,899,600	\$ 2,952,445	\$ 2,354,590	\$ 3,078,883	\$ 3,922,396
Personnel (@\$75000 /yr)	\$ 150,000	\$ 225,000	\$ 150,000	\$ 225,000	\$ 263,000
O&M	\$ 1,501,000	\$ 1,412,000	\$ 1,436,000	\$ 1,520,000	\$ 2,008,000
Future Capital	NA	NA	NA	NA	NA
Total	\$ 4,551,000	\$ 4,589,000	\$ 3,941,000	\$ 4,824,000	\$ 6,193,000
% of Least Cost Option					
Year	5				
	2-SBR	3-Ox Ditch	4-Biolac	5-Sequox	6 - SWD
Capital Expense	\$ 14,498,000	\$ 14,762,223	\$ 11,772,951	\$ 15,394,417	\$ 19,611,978
Personnel	\$ 782,000	\$ 1,173,000	\$ 782,000	\$ 1,173,000	\$ 1,371,000
O&M	\$ 7,827,000	\$ 7,363,000	\$ 7,488,000	\$ 7,926,000	\$ 10,471,000
Future Capital	NA	NA	NA	NA	NA
Total	\$ 23,107,000	\$ 23,298,000	\$ 20,043,000	\$ 24,493,000	\$ 31,454,000
% of Least Cost Option					
Year	15				
	2-SBR	3-Ox Ditch	4-Biolac	5-Sequox	6 - SWD
Capital Expense	\$ 43,493,999	\$ 44,286,669	\$ 35,318,853	\$ 46,183,252	\$ 58,835,935
Personnel	\$ 2,613,000	\$ 3,919,000	\$ 2,613,000	\$ 3,919,000	\$ 4,581,000
O&M	\$ 26,146,000	\$ 24,595,000	\$ 25,014,000	\$ 26,477,000	\$ 34,977,000
Future Capital	NA	NA	NA	NA	NA
Total	\$ 72,253,000	\$ 72,801,000	\$ 62,945,853	\$ 76,579,000	\$ 98,393,935
% of Least Cost Option					
Year	30				
	2-SBR	3-Ox Ditch	4-Biolac	5-Sequox	6 - SWD
Capital Expense	\$ 119,491,000	\$ 121,669,000	\$ 97,032,000	\$ 126,880,000	\$ 161,640,000
Personnel	\$ 6,181,000	\$ 9,272,000	\$ 6,181,000	\$ 9,272,000	\$ 10,838,000
O&M	\$ 61,856,000	\$ 58,188,000	\$ 59,177,000	\$ 62,639,000	\$ 82,749,000
Future Capital					
Total	\$ 187,528,000	\$ 189,129,000	\$ 162,390,000	\$ 198,791,000	\$ 255,227,000
% of Least Cost Option					

1 Year Present Value				
2-SBR	3-Ox Ditch	4-Biolac	5-Sequox	6 - SWD
\$ 2,837,182	\$ 2,888,889	\$ 2,303,904	\$ 3,012,606	\$ 3,837,961
\$ 146,771	\$ 220,157	\$ 146,771	\$ 220,157	\$ 257,339
\$ 1,468,689	\$ 1,381,605	\$ 1,405,088	\$ 1,487,280	\$ 1,964,775
NA	NA	NA	NA	NA
\$ 4,453,000	\$ 4,491,000	\$ 3,856,000	\$ 4,720,000	\$ 6,060,000
5 Year Present Value				
2-SBR	3-Ox Ditch	4-Biolac	5-Sequox	6 - SWD
\$ 13,003,301	\$ 13,240,283	\$ 10,559,196	\$ 13,807,300	\$ 17,590,044
\$ 701,378	\$ 1,052,067	\$ 701,378	\$ 1,052,067	\$ 1,229,654
\$ 7,020,060	\$ 6,603,897	\$ 6,716,010	\$ 7,108,854	\$ 9,391,472
NA	NA	NA	NA	NA
\$ 20,725,000	\$ 20,896,000	\$ 17,977,000	\$ 21,968,000	\$ 28,211,000
15 Year Present Value				
2-SBR	3-Ox Ditch	4-Biolac	5-Sequox	6 - SWD
\$ 31,380,937	\$ 31,952,848	\$ 25,482,565	\$ 33,321,233	\$ 42,450,150
\$ 1,885,280	\$ 2,827,560	\$ 1,885,280	\$ 2,827,560	\$ 3,305,193
\$ 18,864,349	\$ 17,745,302	\$ 18,047,610	\$ 19,103,166	\$ 25,235,919
NA	NA	NA	NA	NA
\$ 52,131,000	\$ 52,526,000	\$ 45,415,000	\$ 55,252,000	\$ 70,991,000
30 Year Present Value				
2-SBR	3-Ox Ditch	4-Biolac	5-Sequox	6 - SWD
\$ 62,202,569	\$ 63,336,355	\$ 50,511,249	\$ 66,049,008	\$ 84,143,770
\$ 3,217,599	\$ 4,826,658	\$ 3,217,599	\$ 4,826,658	\$ 5,641,860
\$ 32,199,932	\$ 30,290,508	\$ 30,805,345	\$ 32,607,533	\$ 43,076,051
NA	NA	NA	NA	NA
\$ 97,620,000	\$ 98,454,000	\$ 84,534,000	\$ 103,483,000	\$ 132,862,000

Class 5 Budgetary Cost Estimate			BAWA WWTP PER		
			Alt. 2 - Sequencing Batch Reactor		
			Designed by: KT	Date:	2/1/2025
			Reviewed by: CE	Date:	2/17/2025
Design Phase Activities					
Item			Percent		Amount
Design and Permitting			10%		\$ 3,983,000
Total Design Phase Activities					\$ 3,983,000
Construction Phase Activities					
Div	Item	Quantity	Unit	Unit Price	Amount
1	Mob/Demob	10%	LS	\$ 2,035,000	\$ 2,035,000
2	Electrical and Controls	35%	LS	\$ 7,121,000	\$ 7,121,000
3	Earth Work	356	CY	\$ 19	\$ 7,000
4	SBR Equipment	1	LS	\$ 6,982,976	\$ 6,983,000
5	SBR Concrete	2,315	CY	\$ 1,300	\$ 3,009,000
6	Integral SBR Aerobic Digester	1	LS	\$ 743,288	\$ 743,000
7	Integral SBR Aerobic Digester Concrete	388	CY	\$ 1,625	\$ 631,000
8	Sludge Drying Bed Concrete	2,153	CY	\$ 1,300	\$ 2,799,000
9	Lift station Headworks to SBR	1	LS	\$ 733,000	\$ 733,000
10	Lift Station Headworks to Emergency Overflow	1	LS	\$ 743,000	\$ 743,000
11	Sludge Pump Station	1	LS	\$ 144,800	\$ 145,000
12	Demolition	8,265	SF	\$ 110	\$ 909,000
13	Headworks	1	LS	\$ 2,450,000	\$ 2,450,000
14	Overflow Pond HDPE Liner	118,994	SF	\$ 3	\$ 391,000
15	18" PVC SDR35 DR17 Gravity Pipe	2,333	LF	\$ 215	\$ 503,000
16	4" PVC C900 DR18 Pressure Pipe	570	LF	\$ 55	\$ 32,000
17	12" PVC C900 DR18 Pressure Pipe	1,605	LF	\$ 166	\$ 267,000
Construction Cost Subtotal					\$ 29,501,000
Contingency				35%	\$ 10,325,000
Construction Total					\$ 39,826,000
Engineering Services During Construction				10%	\$ 3,983,000
Subtotal					\$ 43,809,000
Escalation/Premium				0%	\$ -
Total Construction Phase Cost					\$ 43,809,000
Total Project Cost					\$ 47,792,000

Lifecycle Costs				
Item	Useful Life (yr)	Unit Replacement Cost	\$/YR	\$*YR
Reinforced Concrete Structures	40	\$ 8,060,000	\$ 201,500	322,400,000
Electrical and Controls	15	\$ 7,121,000	\$ 474,733	106,815,000
Aeration/Mixing Equipment	15	\$ 4,888,100	\$ 325,873	73,321,500
Piping and Appurtenances	30	\$ 802,000	\$ 26,733	24,060,000
Pumps	10	\$ 72,000	\$ 7,200	720,000
HDPE Pond Liner	30	\$ 391,000	\$ 13,033	11,730,000
			\$ 1,049,073	539,046,500
			Useful Life of Project	25.3
				\$ 1,891,487

Class 5 Budgetary Cost Estimate			BAWA WWTP PER		
			Alt. 3 - Oxidation Ditch		
Designed by: KT			Date:		2/1/2025
Reviewed by: CE			Date:		2/17/2025
Design Phase Activities					
Item			Percent	Amount	
Design and Permitting			10%	\$	4,055,000
				\$	-
Total Design Phase Activities				\$	4,055,000
Construction Phase Activities					
Div	Item	Quantity	Unit	Unit Price	Amount
1	Mob/Demob/Erosion Control/General Conditions	10%	LS	\$ 2,072,000	\$ 2,072,000
2	Electrical and Controls	35%	LS	\$ 7,251,000	\$ 7,251,000
3	Earth Work	4,676	CY	\$ 19	\$ 87,000
4	Oxidation Ditch Equipment Cost	1	LS	\$ 1,988,100	\$ 1,988,000
5	Oxidation Ditch Concrete	1,667	CY	\$ 1,625	\$ 2,709,000
6	Clarifier Equipment and Controls	1	LS	\$ 1,603,800	\$ 1,604,000
7	Secondary Clarifier Concrete	1,596	CY	\$ 1,625	\$ 2,594,000
8	Aerobic Digester Equipment	1	LS	\$ 725,400	\$ 725,000
9	Aerobic Digestion concrete	610	CY	\$ 1,300	\$ 793,000
10	Sludge Drying Bed Concrete	2,153	CY	\$ 1,300	\$ 2,799,000
11	Lift station Headworks to Oxidation Ditch	1	LS	\$ 733,000	\$ 733,000
12	Lift Station Headworks to Emergency Overflow	1	LS	\$ 743,000	\$ 743,000
13	Lift Station WAS/RAS	1	LS	\$ 750,667	\$ 751,000
14	Sludge Pump Station to Drying Beds	1	LS	\$ 144,800	\$ 145,000
15	Demolition	10,133	SF	\$ 110	\$ 1,115,000
16	Headworks	1	LS	\$ 2,450,000	\$ 2,450,000
17	Overflow Pond HDPE Liner	118,994	SF	\$ 3	\$ 391,000
18	18" PVC SDR35 DR17 Gravity Pipe	3,717	LF	\$ 215	\$ 801,000
19	4" PVC C900 DR18 Pressure Pipe	600	LF	\$ 55	\$ 33,000
20	12" PVC C900 DR18 Pressure Pipe	1,536	LF	\$ 166	\$ 255,000
Construction Cost Subtotal				\$	30,039,000
Contingency				35%	\$ 10,514,000
Construction Total				\$	40,553,000
Engineering Services During Construction				10%	\$ 4,055,000
Subtotal				\$	44,608,000
Escalation/Premium				0%	\$ -
Total Construction Phase Cost				\$	44,608,000
Total Project Cost				\$	48,663,000

Lifecycle Costs				
Item	Useful Life (yr)	Replacement Cost	\$/YR	*YR
Reinforced Concrete Structures	40	\$ 11,267,000	\$ 281,675	450,680,000
Electrical and Controls	15	\$ 7,251,000	\$ 483,400	108,765,000
Aeration/Mixing Equipment	15	\$ 2,995,600	\$ 199,707	44,934,000
Piping and Appurtenances	30	\$ 1,089,000	\$ 36,300	32,670,000
Pumps	10	\$ 106,000	\$ 10,600	1,060,000
HDPE Pond Liner	30	\$ 391,000	\$ 13,033	11,730,000
			\$ 1,024,715	649,839,000
			Useful Life of Project	28.1
				\$ 1,729,807

Class 5 Budgetary Cost Estimate			BAWA WWTP PER		
			Alt. 4 - Extended Aeration: Lagoon Based		
			Designed by: KT	Date:	2/1/2025
			Reviewed by: CE	Date:	2/17/2025
Design Phase Activities					
Item			Percent		Amount
Design and Permitting			10%		\$ 3,234,000
Total Design Phase Activities					\$ 3,234,000
Construction Phase Activities					
Div	Item	Quantity	Unit	Unit Price	Amount
1	Mob/Demob/Erosion Control/General Conditions	10%	LS	\$ 1,008,000	\$ 1,008,000
2	Electrical and Controls	35%	LS	\$ 3,527,000	\$ 3,527,000
3	Earthwork + EQ Basin	89,434	CY	\$ 19	\$ 1,672,000
4	Dewatering	16,666,599	gal	\$ 0.06	\$ 917,000
5	Sludge Removal	82,519	CY	\$ 29	\$ 2,360,000
6	HDPE Liner	203,210	SF	\$ 3	\$ 668,000
7	Treatment and Clarifier Equipment Supply and Install	1	LS	\$ 3,726,900	\$ 3,727,000
8	Cast-in-Place Concrete Secondary Clarifiers	643	CY	\$ 1,625	\$ 1,045,000
9	Sludge Drying Bed Concrete	2,153	CY	\$ 1,300	\$ 2,799,000
10	Sludge Pump Station to Drying Beds	1	LS	\$ 219,200	\$ 219,000
11	Lift station Headworks to Equalization Basin	1	LS	\$ 770,001	\$ 770,000
12	Lift Station Headworks to Emergency Overflow	1	LS	\$ 739,000	\$ 739,000
13	Lift Station EQ to ES	1	LS	\$ 743,000	\$ 743,000
14	Demolition	2,290	SF	\$ 110	\$ 252,000
15	Headworks	1	LS	\$ 2,450,000	\$ 2,450,000
16	4" PVC C900 DR18 Pressure Pipe	1,158	LF	\$ 55	\$ 64,000
17	18" PVC SDR35 DR17 Gravity Pipe	2,426	LF	\$ 215	\$ 523,000
18	12" PVC C900 DR18 Pressure Pipe	2,847	LF	\$ 166	\$ 473,000
Construction Cost Subtotal					\$ 23,956,000
Contingency		35%			\$ 8,385,000
Construction Total					\$ 32,341,000
Engineering Services During Construction		10%			\$ 3,234,000
Subtotal					\$ 35,575,000
Escalation/Premium		0%			\$ -
Total Construction Phase Cost					\$ 35,575,000
Total Project Cost					\$ 38,809,000

Lifecycle Costs				
Item	Useful Life	Replacement Cost	\$/YR	\$*YR
Reinforced Concrete Structures	40	\$ 6,315,000	\$ 157,875	252,600,000
Electrical and Controls	15	\$ 3,527,000	\$ 235,133	52,905,000
Aeration/Mixing/Clarifier Equipment	15	\$ 3,727,000	\$ 248,467	55,905,000
Piping and Appurtenances	40	\$ 1,060,000	\$ 26,500	42,400,000
Pumps	15	\$ 150,667	\$ 10,044	2,260,000
HDPE Pond Liner	30	\$ 668,000	\$ 22,267	20,040,000
			\$ 700,286	426,110,000
			Useful Life of Project	27.6
			\$	1,406,934

Class 5 Budgetary Cost Estimate			BAWA WWTP PER		
			Alt. 5 - Extended Aeration: Mechanical Plant		
			Designed by: KT		Date: 2/1/2025
		Reviewed by: CE		Date: 2/17/2025	
Design Phase Activities					
Item			Percent		Amount
Design and Permitting			10%		\$ 4,229,000
Total Design Phase Activities					\$ 4,229,000
Construction Phase Activities					
Div	Item	Quantity	Unit	Unit Price	Amount
1	Mob/Demob/Erosion Control/General Conditions	10%	LS	\$ 2,163,000	\$ 2,163,000
2	Electrical and Controls	35%	LS	\$ 7,535,000	\$ 7,535,000
3	Earthwork	5,200	CY	\$ 19	\$ 97,000
4	Sequox Equipment Supply and Install	1	LS	\$ 7,440,000	\$ 7,440,000
5	Cast in Place Concrete Sequox	1	LS	\$ 3,404,000	\$ 3,404,000
6	Digester Cost including concrete and equipment	1	LS	\$ 890,000	\$ 890,000
7	Piping for Sequox	1	LS	\$ 851,000	\$ 851,000
8	Sludge Drying Bed Concrete	2,153	CY	\$ 1,300	\$ 2,799,000
9	Sludge Pump Station to Drying Beds	1	LS	\$ 148,800	\$ 149,000
10	Lift station Headworks to Sequox	1	LS	\$ 733,000	\$ 733,000
11	Lift Station Headworks to Emergency Overflow	1	LS	\$ 743,000	\$ 743,000
12	Demolition	8,265	SF	\$ 110	\$ 909,000
13	Headworks	1	LS	\$ 2,450,000	\$ 2,450,000
14	Overflow Pond HDPE Liner	118,994	SF	\$ 3	\$ 391,000
15	18" PVC SDR35 DR17 Gravity Pipe	1,777	LF	\$ 215	\$ 383,000
16	4" PVC C900 DR18 Pressure Pipe	653	LF	\$ 55	\$ 36,000
17	12" PVC C900 DR18 Pressure Pipe	2,120	LF	\$ 166	\$ 352,000
Construction Cost Subtotal					\$ 31,325,000
Contingency		35%			\$ 10,964,000
Construction Total					\$ 42,289,000
Engineering Services During Construction		10%			\$ 4,229,000
Subtotal					\$ 46,518,000
Escalation/Premium		0%			\$ -
Total Construction Phase Cost					\$ 46,518,000
Total Project Cost					\$ 50,747,000

Lifecycle Costs				
Item	Useful Life (yr)	Unit Replacement Cost	\$/YR	*\$YR
Reinforced Concrete Structures	40	\$ 7,828,000	\$ 195,700	313,120,000
Electrical and Controls	15	\$ 7,535,000	\$ 502,333	113,025,000
Aeration/Mixing/Clarifier Equipment	15	\$ 7,440,000	\$ 496,000	111,600,000
Piping and Appurtenances	40	\$ 771,000	\$ 19,275	30,840,000
Pumps	15	\$ 76,000	\$ 5,067	1,140,000
HDPE Pond Liner	30	\$ 391,000	\$ 13,033	11,730,000
			\$ 1,231,408	581,455,000
			Useful Life of Project	24.2
				\$ 2,098,200

Class 5 Budgetary Cost Estimate			BAWA WWTP PER		
			Alt. 6 - Surface Water Discharge		
			Designed by: KT		Date: 2/1/2025
			Reviewed by: CE		Date: 2/17/2025
Design Phase Activities					
Item			Percent		Amount
Design			10%		\$ 5,256,000
NPDES Permitting			3%		\$ 1,577,000
Total Design Phase Activities					\$ 6,833,000
Construction Phase Activities					
Div	Item	Quantity	Unit	Unit Price	Amount
1	Mob/Demob/Erosion Control/General Conditions	10%	LS	\$ 2,506,000	\$ 2,506,000
2	Electrical and Controls	45%	LS	\$ 11,275,000	\$ 11,275,000
3	Earthwork	5,200	CY	\$ 19	\$ 97,000
4	Sequox Equipment Supply and Install	1	LS	\$ 7,440,000	\$ 7,440,000
5	Cast in Place Concrete Sequox	1	LS	\$ 3,404,000	\$ 3,404,000
6	Digester Cost including concrete and equipment	1	LS	\$ 890,000	\$ 890,000
7	Sequox Integrated Piping	1	LS	\$ 851,000	\$ 851,000
8	Sludge Drying Bed Concrete	2,153	CY	\$ 1,300	\$ 2,799,000
9	Sludge Pump Station to Drying Beds	1	LS	\$ 148,800	\$ 149,000
10	Lift station Headworks to BNR	1	LS	\$ 733,000	\$ 733,000
11	Lift Station Headworks to ES	1	LS	\$ 743,000	\$ 743,000
12	Lift Station Disinfection to Bishop Creek	1	LS	\$ 748,000	\$ 748,000
13	Demolition	8,265	SF	\$ 110	\$ 909,000
14	Headworks	1	LS	\$ 2,450,000	\$ 2,450,000
15	Tertiary Treatment (Filtration)	1	LS	\$ 1,400,000	\$ 1,400,000
16	UV Disinfection	1	LS	\$ 876,000	\$ 876,000
17	Overflow Pond HDPE Liner	118,994	SF	\$ 3	\$ 391,000
18	18" PVC SDR35 DR17 Gravity Pipe	1,777	LF	\$ 215	\$ 383,000
19	4" PVC C900 DR18 Pressure Pipe	653	LF	\$ 55	\$ 36,000
20	12" PVC C900 DR18 Pressure Pipe	4,120	LF	\$ 166	\$ 685,000
21	Property Acquisition for Bishop Creek Discharge	1	LS	\$ 100,000	\$ 100,000
21	Bishop Creek Discharge Structure	42	CY	\$ 1,625	\$ 69,000
					\$ -
Construction Cost Subtotal					\$ 38,934,000
Contingency		35%			\$ 13,627,000
Construction Total					\$ 52,561,000
Engineering Services During Construction		10%			\$ 5,256,000
Subtotal					\$ 57,817,000
Escalation/Premium		0%			\$ -
Total Construction Phase Cost					\$ 57,817,000
Total Project Cost					\$ 64,650,000

Lifecycle Costs				
Item	Useful Life (yr)	Unit Replacement Cost	\$/YR	\$*YR
Reinforced Concrete Structures	40	\$ 9,973,000	\$ 249,325	398,920,000
Electrical and Controls	15	\$ 11,275,000	\$ 751,667	169,125,000
Aeration/Mixing/Clarifier Equipment	15	\$ 8,840,000	\$ 589,333	132,600,000
Piping and Appurtenances	40	\$ 1,955,000	\$ 48,875	78,200,000
Pumps	15	\$ 120,000	\$ 8,000	1,800,000
UV Lamps	1.5	\$ 12,000	\$ 8,000	18,000
HDPE Pond Liner	30	\$ 391,000	\$ 13,033	11,730,000
			\$ 1,668,233	792,393,000
			Useful Life of Project	24.3
				\$ 2,657,005