

Sacramento Regional County Sanitation District

Interceptor Sequencing Study

**Technical Memorandum 16
Growth Projections for Long Range Funding**

June 2010

Sacramento Regional County Sanitation District

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**TECHNICAL MEMORANDUM
NO. 16**

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GROWTH PROJECTIONS FOR LONG RANGE FUNDING

1.0 INTRODUCTION

The purpose of this technical memorandum is to provide the background information developed to produce long range funding projections for projects recommended by this study.

Long range funding is defined as greater than 20 years into the future. The assumptions used to produce growth projections significantly into the future are based on information available at the time of this writing and subject to change as new information about development trends, service area, and state and federal regulations becomes available.

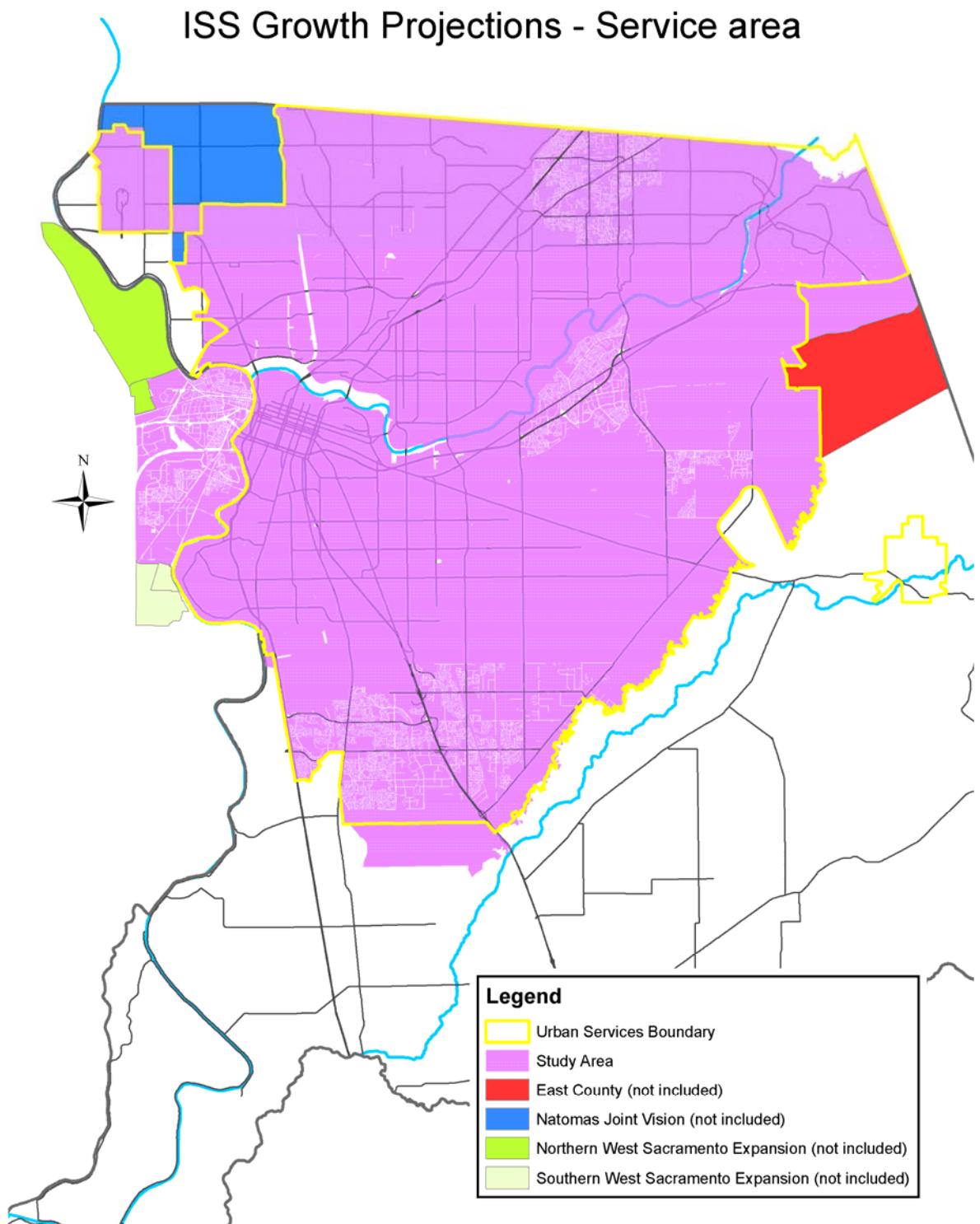
2.0 STUDY AREA

The consolidated land use data compiled in Technical Memorandum No. 1 was used as the basis for determining service areas and ESD densities. Areas included in the consolidated land use that were excluded from the growth analysis are:

- Northern West Sacramento expansion
- Southern West Sacramento expansion
- East County expansion
- Natomas Joint Vision

These areas have been identified as areas of potential impact to the SRCSD service area but are not currently within the urban service boundary. Figure 16.1 shows the study area.

Figure 16.1 ISS Service Area



3.0 APPROACH

Previous master plan efforts relied on SACOG population projections to estimate the growth rate of new ESDs to the SRCSD. Analysis of historical growth patterns indicates that use of SACOG population estimates tend to estimate the need for expansion projects earlier than they are actually needed.

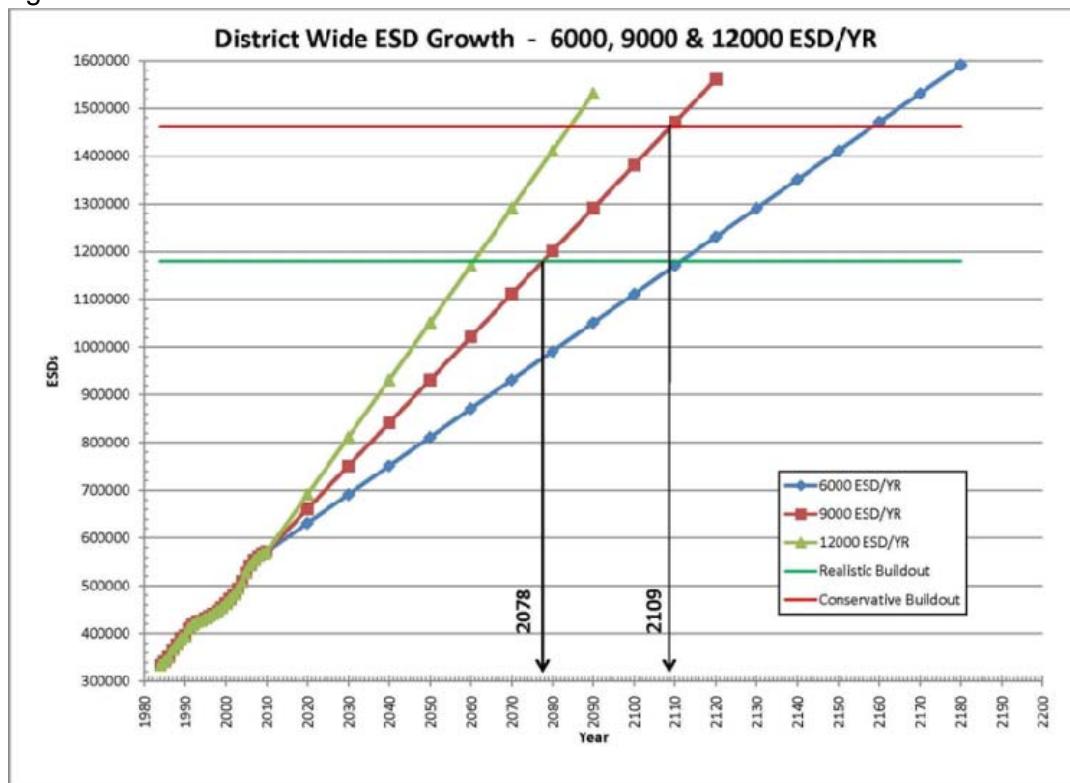
The approach used for this study includes two major components:

- Historical ESD growth trends
- Revenue projections from SRCSD CFO

3.1 Historical ESD Growth Trends

Technical Memorandum No. 7, ESD Absorption Rate Analysis, investigated historical ESD growth patterns and concluded that build-out of the current service area is likely to occur in approximately year 2078 assuming a realistic land use scenario and an average 9000 ESD/yr growth rate. See Figure 16.2.

Figure 16.2 Historical Growth Patterns



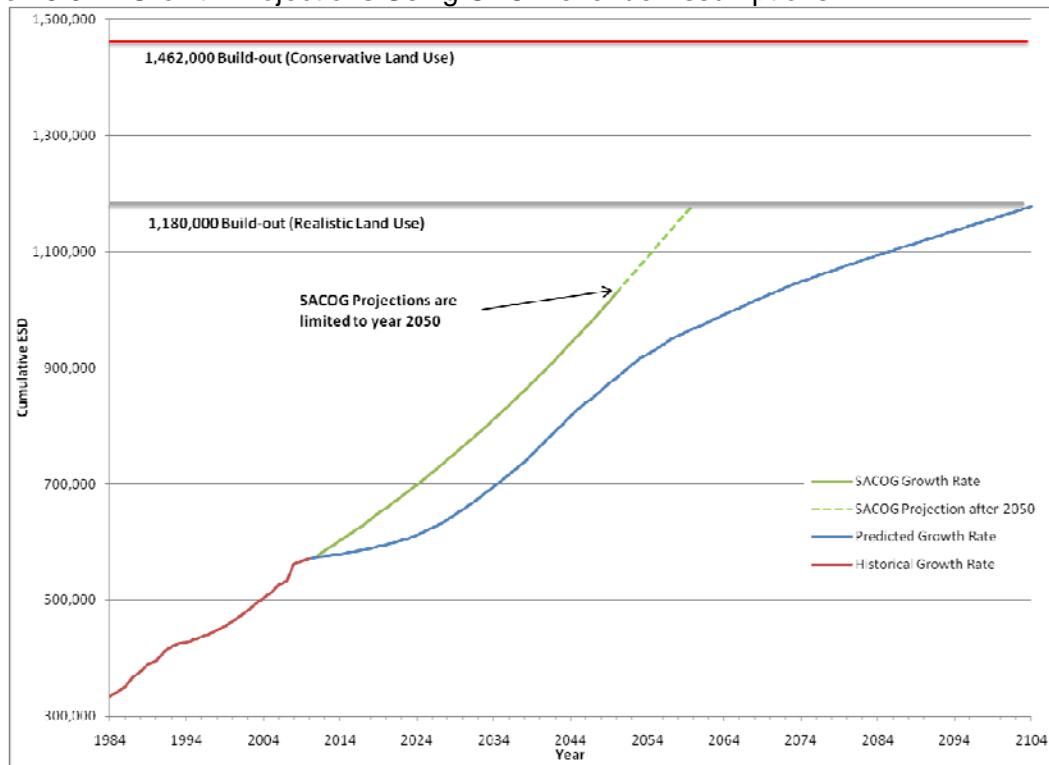
3.2 Revenue Projections from SRCSD Chief Financial Officer (CFO)

SRCSD is currently conducting a rate a fee study that is evaluating the current rate and fee structure for SRCSD. Although in the past, the SRCSD CFO has used an average of 9000 ESD/yr for the purposes of bond repayment, the rate and fee study is developing a more robust revenue model that can account for varying revenue sources. The model is using the following assumption for revenue predictions:

- 2010 to 2015 – 2000 ESD/yr
- 2015 to 2020 – 3000 ESD/yr
- 2020 forward – 0.6% per year, increasing 0.1% per year until 1.5% maximum

Aligning long range facility funding with long range revenue predictions creates a sustainable revenue model that ensures funding is available to meet the future development needs of the SRCSD service area. Applying these projection assumptions to the entire SRCSD service area yields the following growth graph:

Figure 16.3 Growth Projections Using CFO Revenue Assumptions



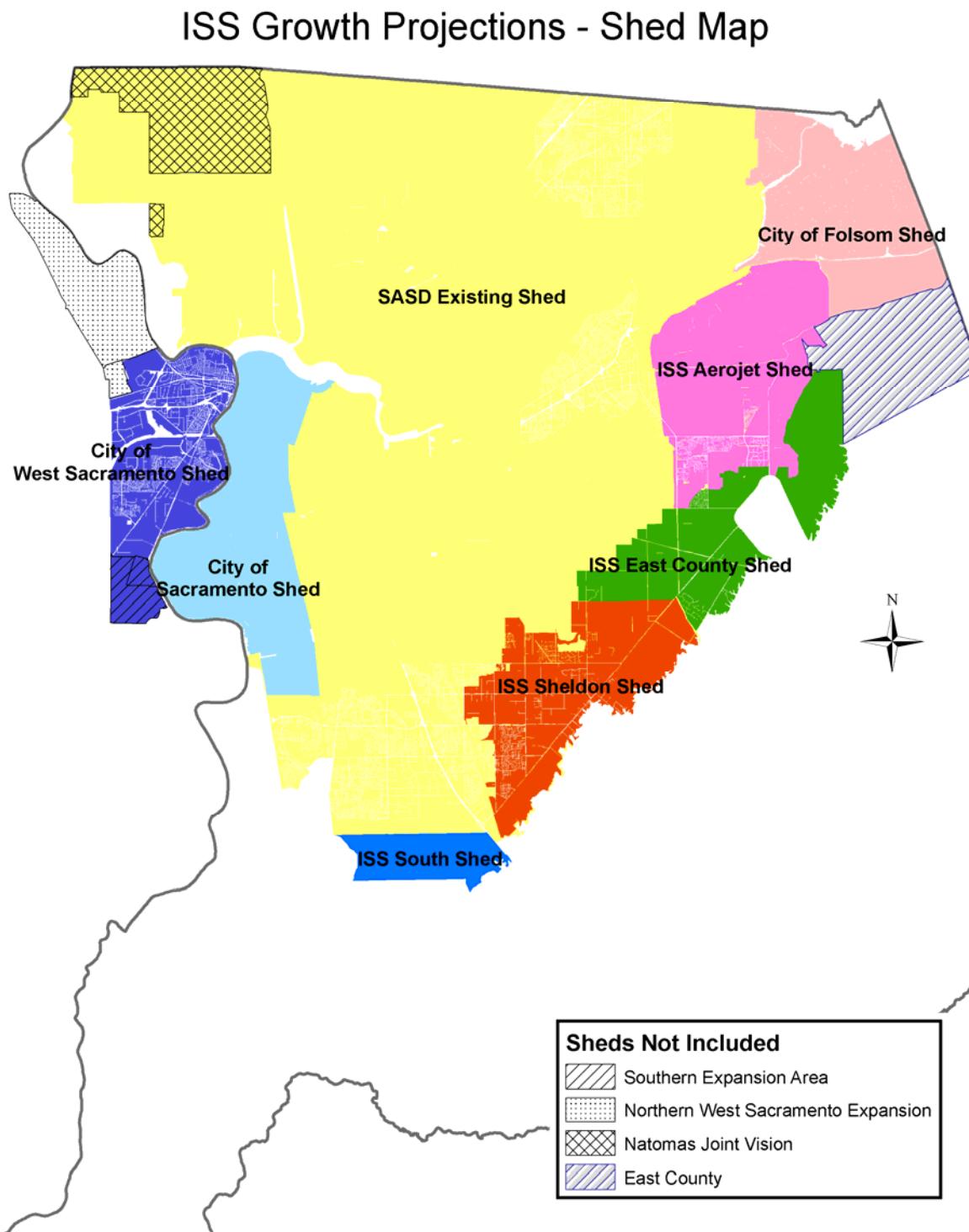
This growth projection acknowledges the current housing down-turn and the slow recovery expected in the coming decade for the Sacramento Region. The projections then assume that the growth rate will gradually increase until rates are comparable to the rates predicted by SACOG. In approximately year 2060, the expansion areas within the service area reach maximum densities. At this point the growth rates shift from primarily expansion to

redevelopment and densification. Redevelopment rates are typically less than expansion fueled growth so the growth rates diminish as build out of the service area is reached.

3.3 Construction of Growth Projections for the ISS

The service area was broken down into sheds that include ISS expansion sheds as well as existing sheds. Figure 16.4 shows the shed delineations used in the analysis.

Figure 16.4 Shed Delineations



Using the year by year ESD growth rate provided by the Rate and Fee study, the ESDs were appropriated to each of the sheds based on shed size, stage of development process, and historical experience with similar areas.

4.0 RECOMMENDED GROWTH PROJECTIONS

Figures 16.5 through 16.14 show the recommended growth graph for each shed delineated within the service area. The worksheets used to produce the graphs are attached in Appendix A.

Figure 16.5 Recommended Growth Projection – Total Service Area

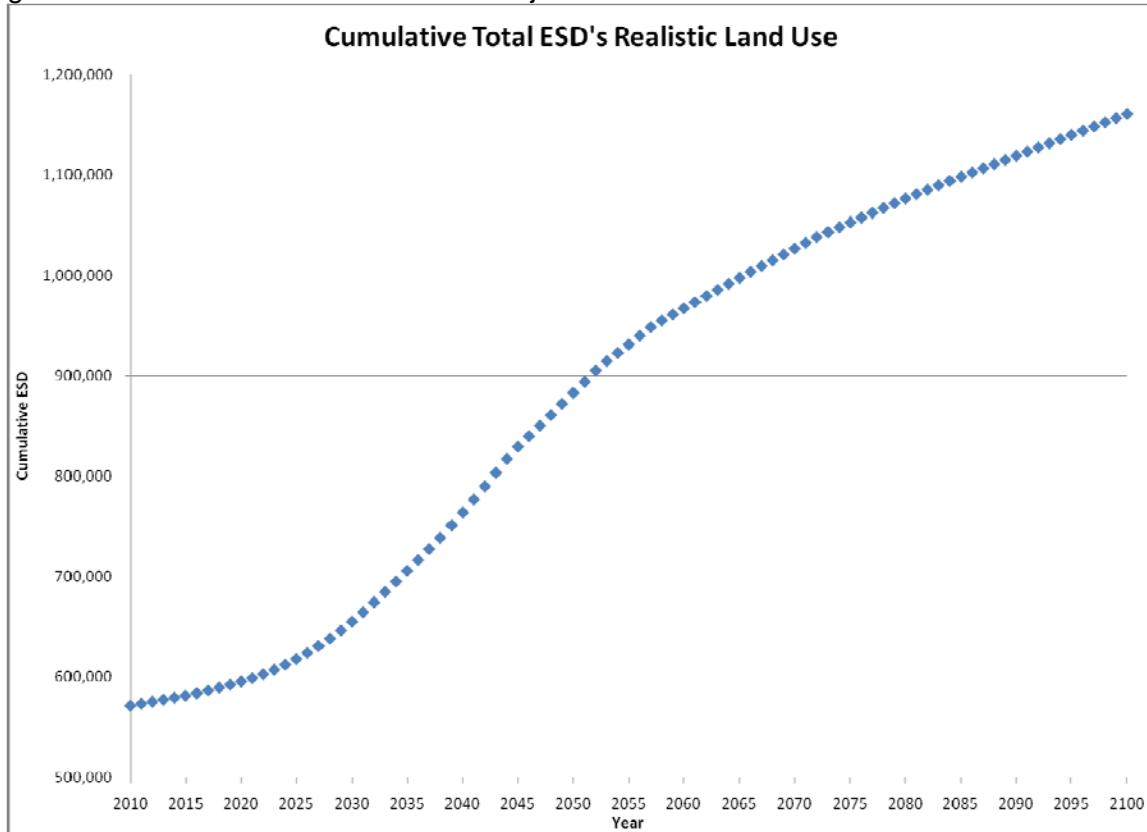


Figure 16.6 Recommended Growth Projection – SASD

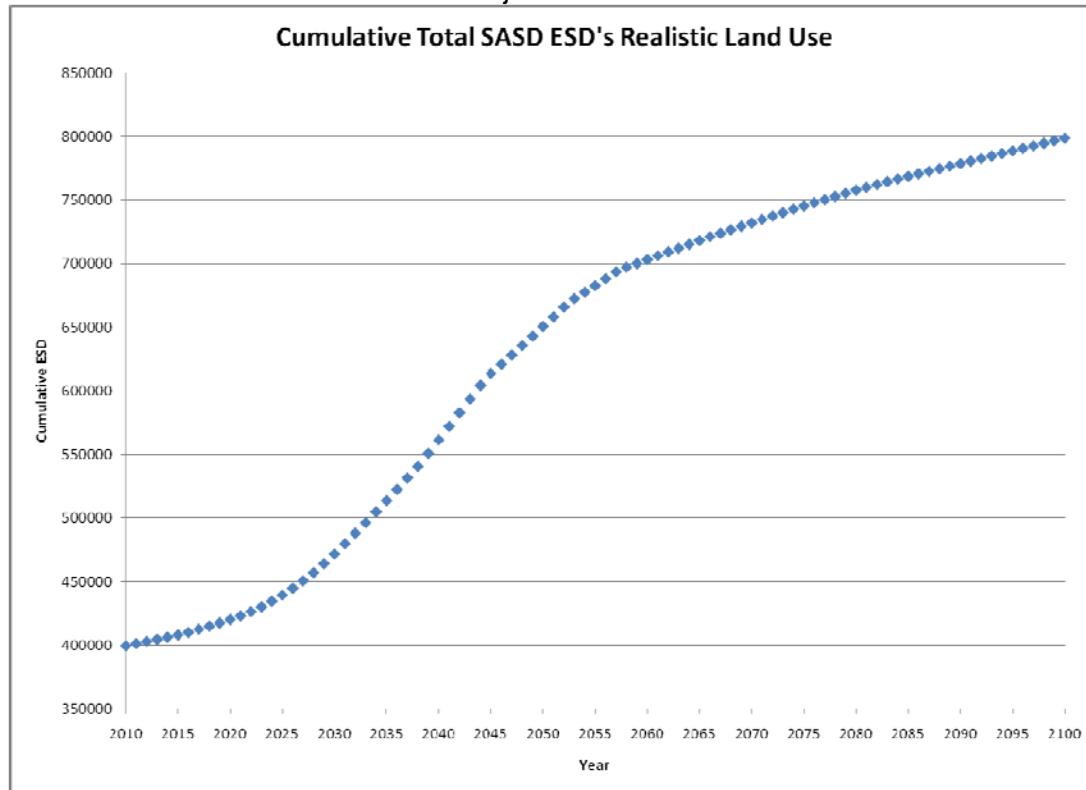


Figure 16.7 Recommended Growth Projection – Aerojet ISS Shed

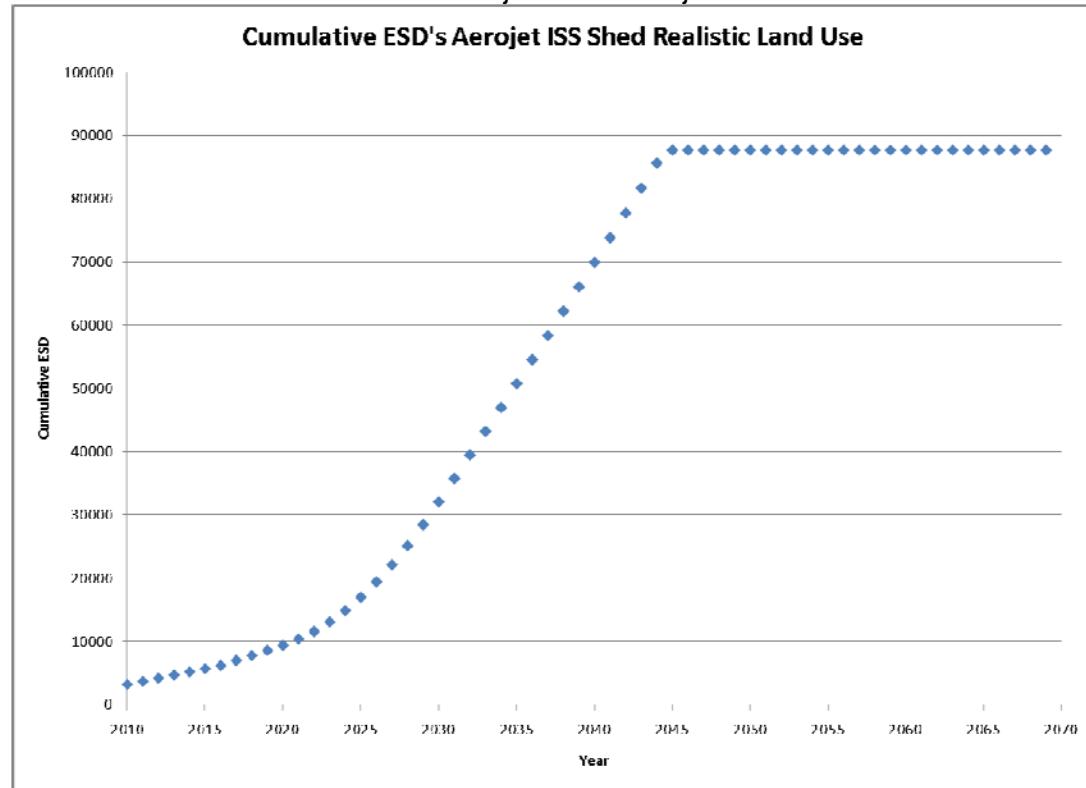


Figure 16.8 Recommended Growth Projection – East County ISS Shed

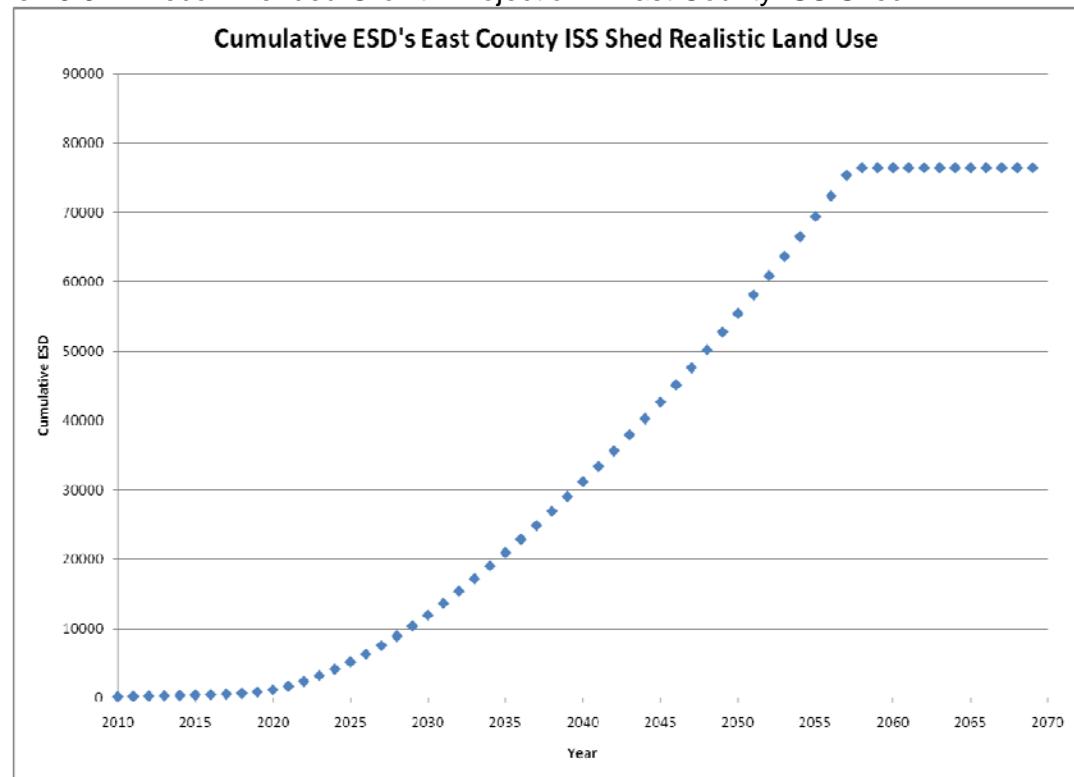


Figure 16.9 Recommended Growth Projection – Sheldon ISS Shed

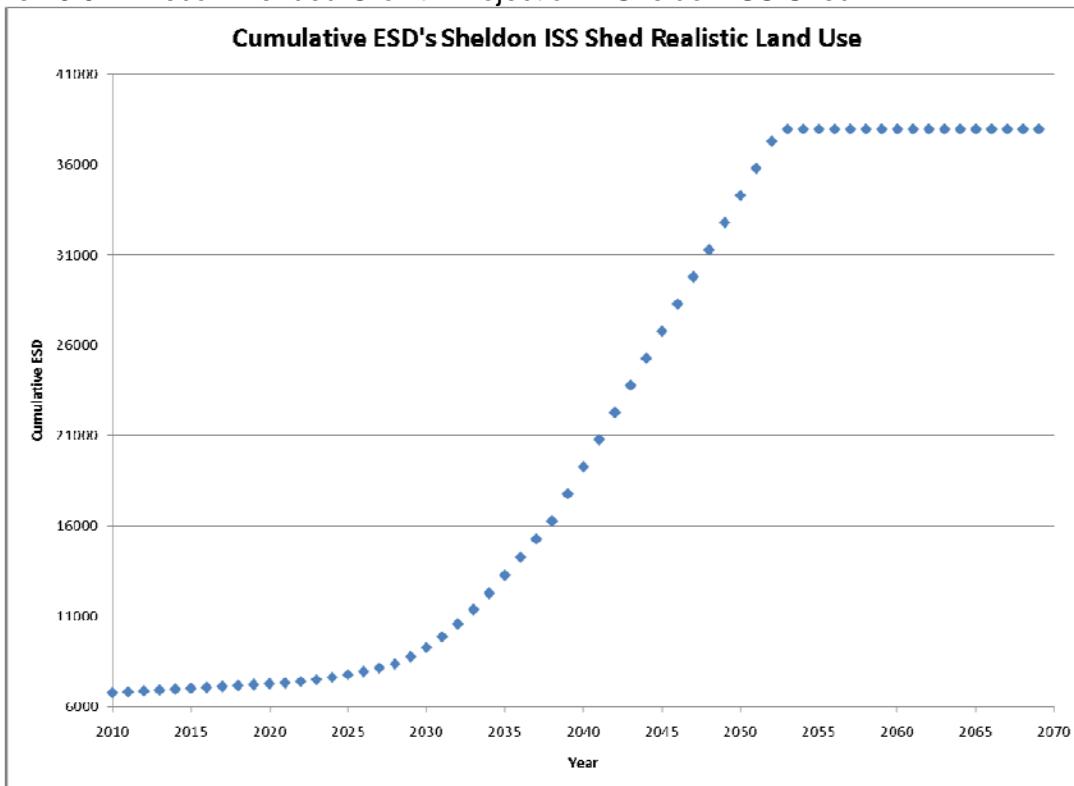


Figure 16.10 Recommended Growth Projection – South ISS Shed

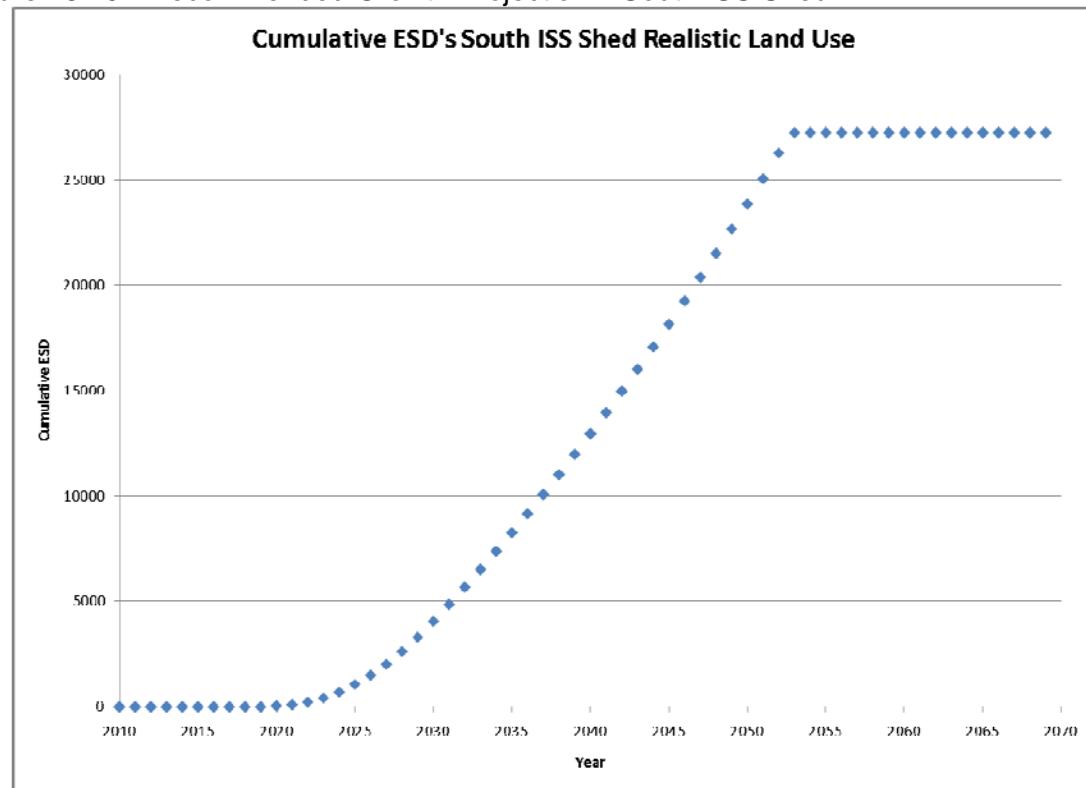


Figure 16.11 Recommended Growth Projection – SASD Existing Shed

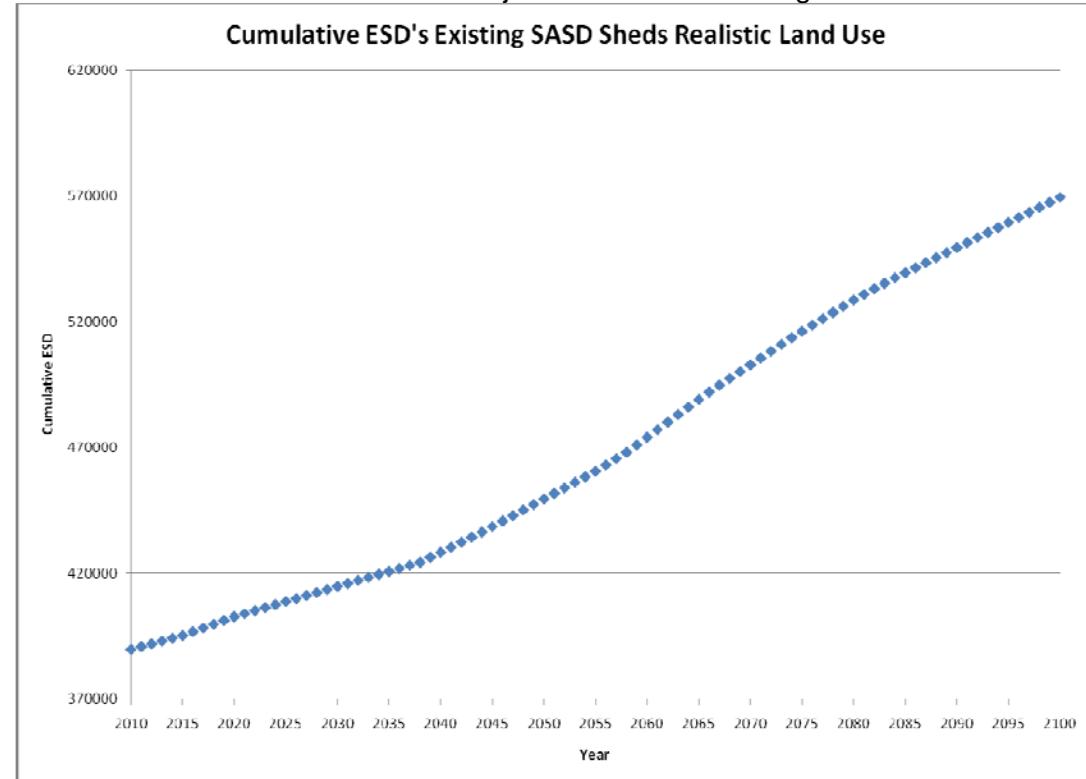


Figure 16.12 Recommended Growth Projection – City of Folsom Shed

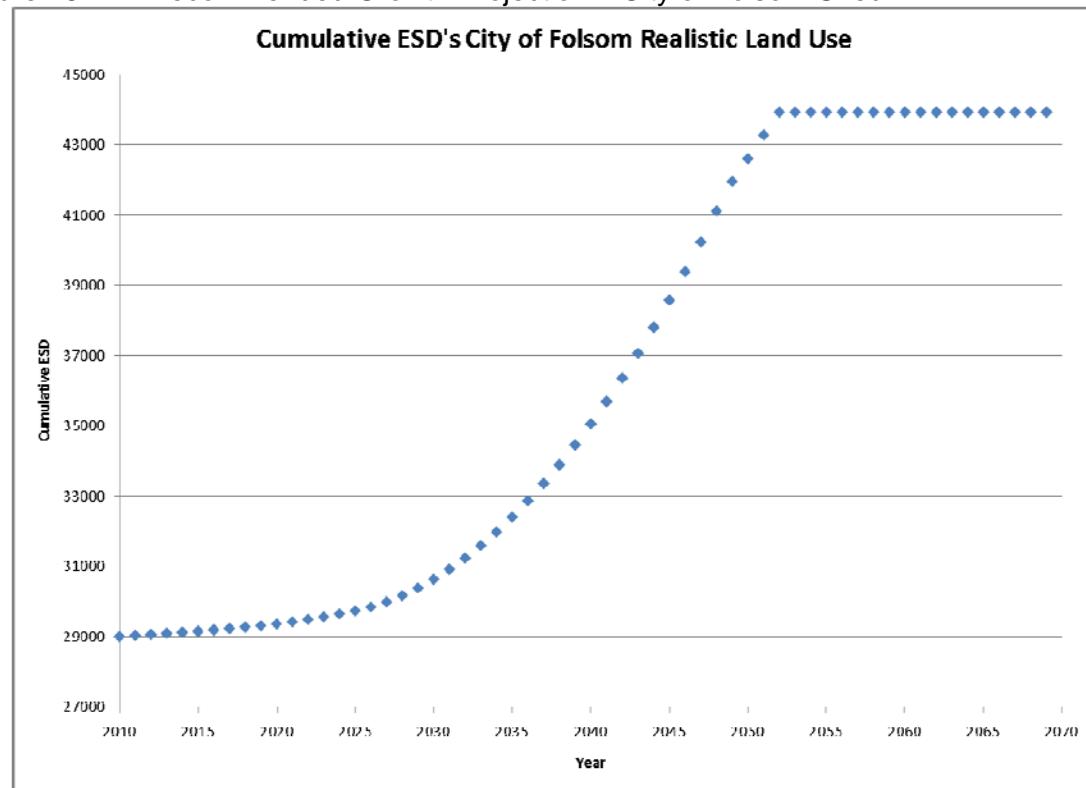


Figure 16.13 Recommended Growth Projection – City of Sacramento Shed

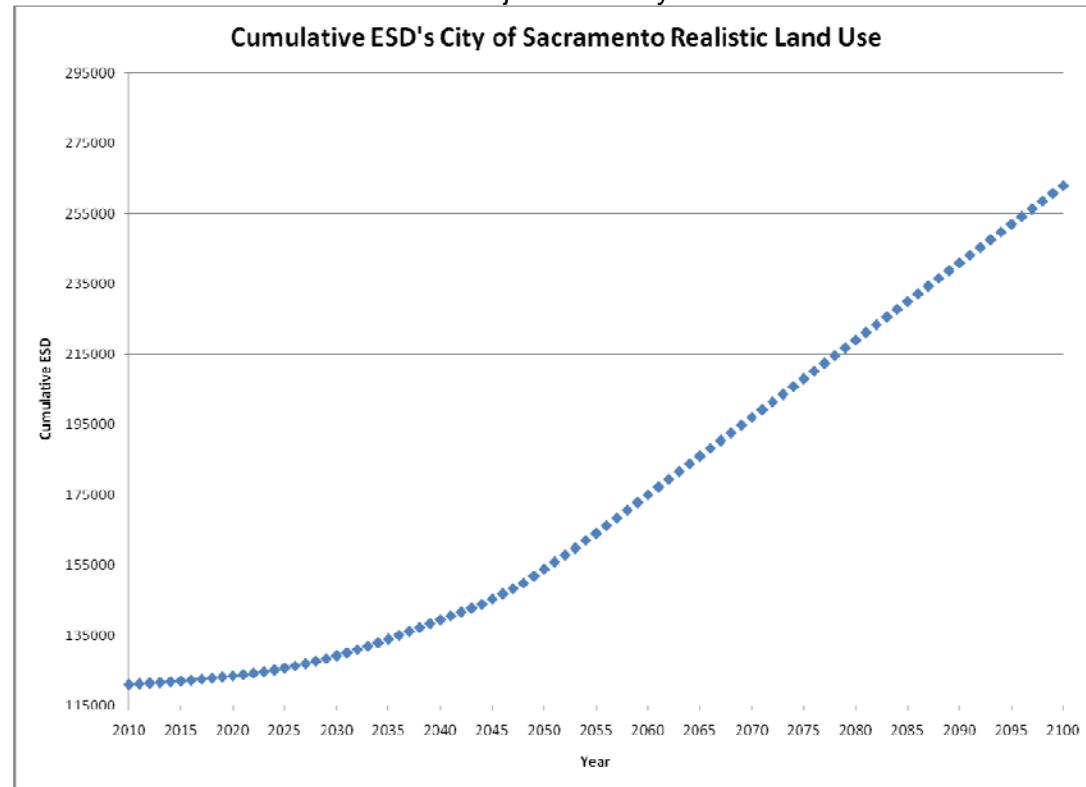
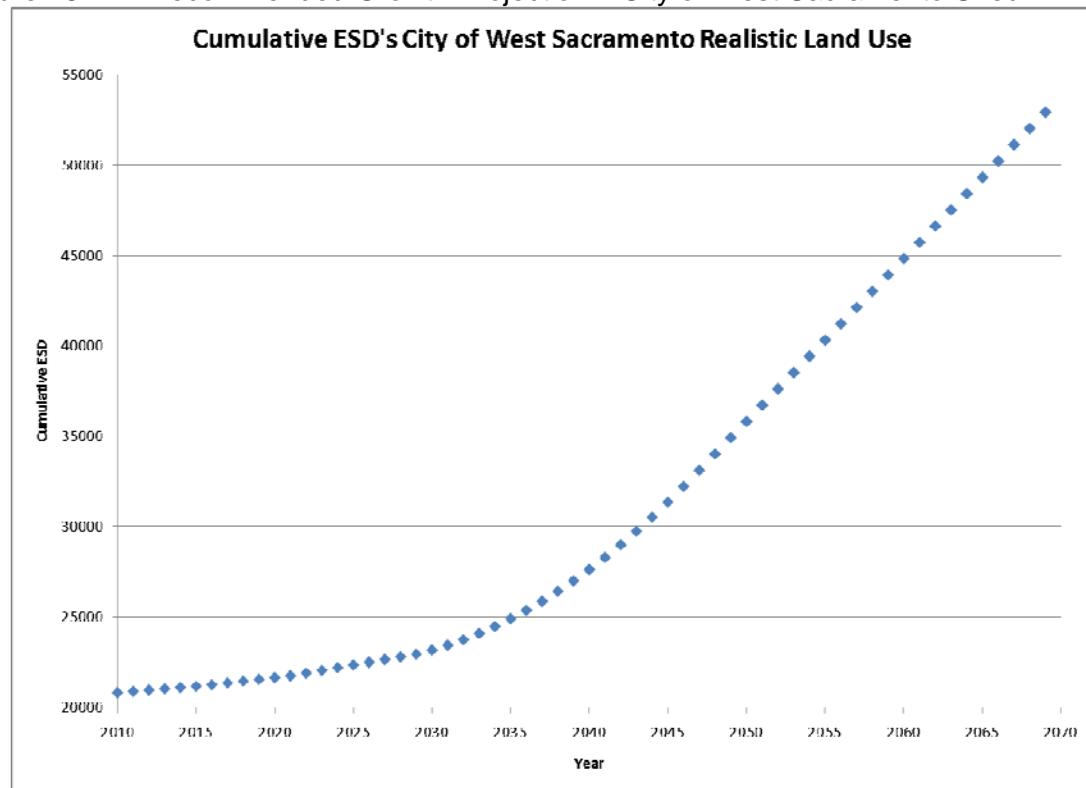


Figure 16.14 Recommended Growth Projection – City of West Sacramento Shed



Appendix A

GROWTH PROJECTION WORKSHEETS

