Central Contra Costa Sanitary District General Manager Roger Bailey presents to CoCoTax.

Our guest speaker this month was Central Contra Costa Sanitary District (Central San) General Manager Roger Bailey.

Central San collects and cleans an average of 35 million gallons of wastewater per day for about 500,000 residents and 3,000 businesses across a 175 square mile area in central Contra Costa County. Over 13 billion gallons of wastewater are processed and cleaned each year. The collection system maintains, cleans, and repairs 1,540 miles of sewer lines and 18 pumping stations.

Central San has operated for 21 years in full compliance with their regulatory permit. Total assets are over $4 billion at cost but would be considerably more expensive today. Pension funding has risen from 60% in 2012 to 85% in 2017. Other Post-Employment Benefits (OPEB), which include life insurance premiums, healthcare premiums, and deferred-compensation arrangements, were only 20% funded in 2012 but are at 78% in 2019 (often this is completely unfunded).

As much of Central San’s piping is over 60 years old, replacement is an ongoing effort. Treatment facilities must be upgraded and parts replaced. In the last 10 years, over $306 million was spent on capital improvements. In the next 10 years, about $867 million will be needed for capital improvements. During 2019-2020 Central San has a budget of about $156 million, including $89.5 million for operation and maintenance, and $66 million for capital improvements. Customer charges for a single-family residence are $567 per year or $1.55 per day. Mr. Bailey explained that real estate developers install all the pipes and pumps as needed. These pipes and pumps are then turned over to Central San for operation and maintenance.