



February 7, 2022

TOWN OF MUNSTER, INDIANA WATER, SEWER, AND STORMWATER RATE STUDY

NewGen
Strategies & Solutions

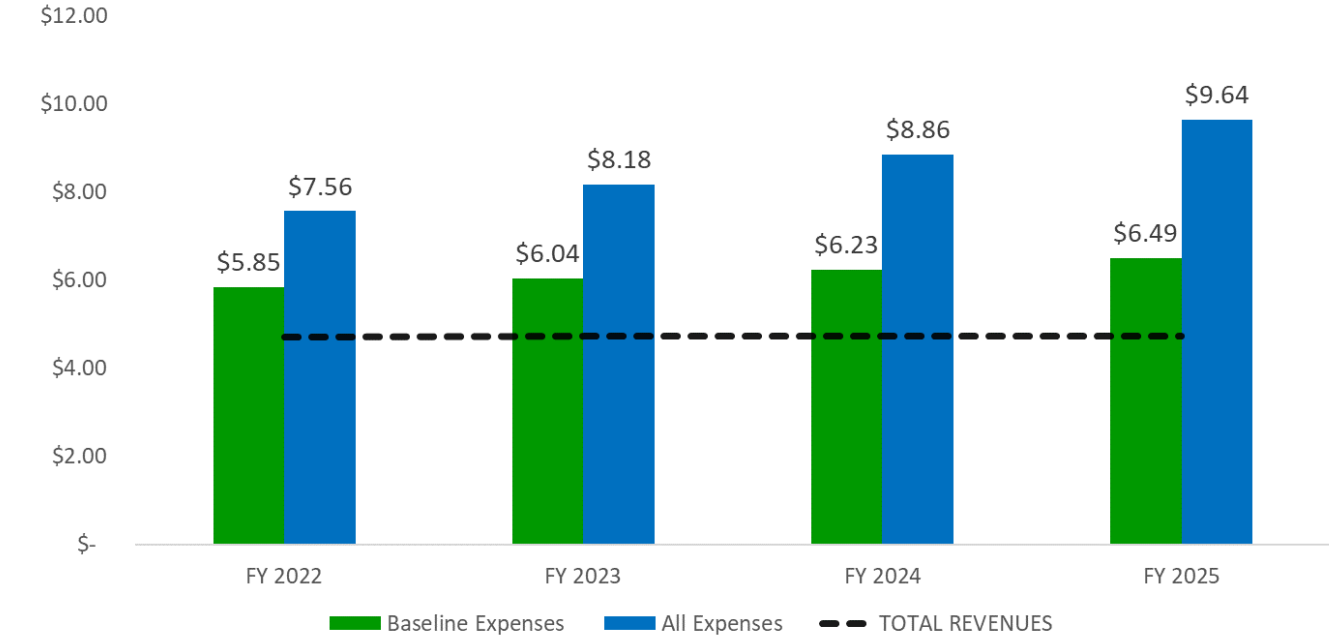
WATER UTILITY PERFORMANCE

WATER ISSUES

- Water rates are insufficient at current levels to fund current operations
- Current operations are insufficient to operate, maintain, and reinvest in the business
- This is the first time Cost of Service at a customer class level has been reviewed
 - Potential subsidies exist under current structure

ANTICIPATED
FINANCIAL
PERFORMANCE
UNDER
CURRENT
RATES

Water (\$ Millions)



(\$ Millions)	FY 2022	FY 2023	FY 2024	FY 2025
Revenues	\$4.73	\$4.73	\$4.73	\$4.74
Baseline Expenses	\$5.85	\$6.04	\$6.23	\$6.49
Additional Expenses	1.72	2.14	2.63	3.15
Total Expenses	\$7.56	\$8.18	\$8.86	\$9.64
Variance	(\$2.83)	(\$3.44)	(\$4.12)	(\$4.90)

WATER EXPENSES

Water
(\$ Millions)

	FY 2022	FY 2023	FY 2024	FY 2025
BASELINE EXPENSES				
O&M	\$5.85	\$6.04	\$6.23	\$6.49
Capital	0.00	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00	0.00
TOTAL	\$5.85	\$6.04	\$6.23	\$6.49
NEW EXPENSES				
O&M	\$1.54	\$1.83	\$1.75	\$1.57
Capital	0.08	0.04	0.26	0.26
Depreciation	0.10	0.27	0.62	1.32
TOTAL	\$1.72	\$2.14	\$2.63	\$3.15
TOTAL				
O&M	\$7.39	\$7.87	\$7.98	\$8.06
Capital	0.08	0.04	0.26	0.26
Depreciation	0.10	0.27	0.62	1.32
TOTAL EXPENSES	\$7.56	\$8.18	\$8.86	\$9.64

NEW CAPITAL OUTLAYS

(\$ Millions)

	FY 2022	FY 2023	FY 2024	FY 2025
Cash Funded	\$0.08	\$0.04	\$0.04	\$0.04
Debt Funded Principal	\$-	\$3.22	\$-	\$3.47
Interest Rate	2.75%	3.25%	3.75%	4.25%
Term	20	20	20	20
Annual P&I	\$-	\$0.22	\$-	\$0.26
Cumulative P&I ¹		\$-	\$0.22	\$0.22
Total Annual Capital Outlays	\$0.08	\$0.04	\$0.26	\$0.26

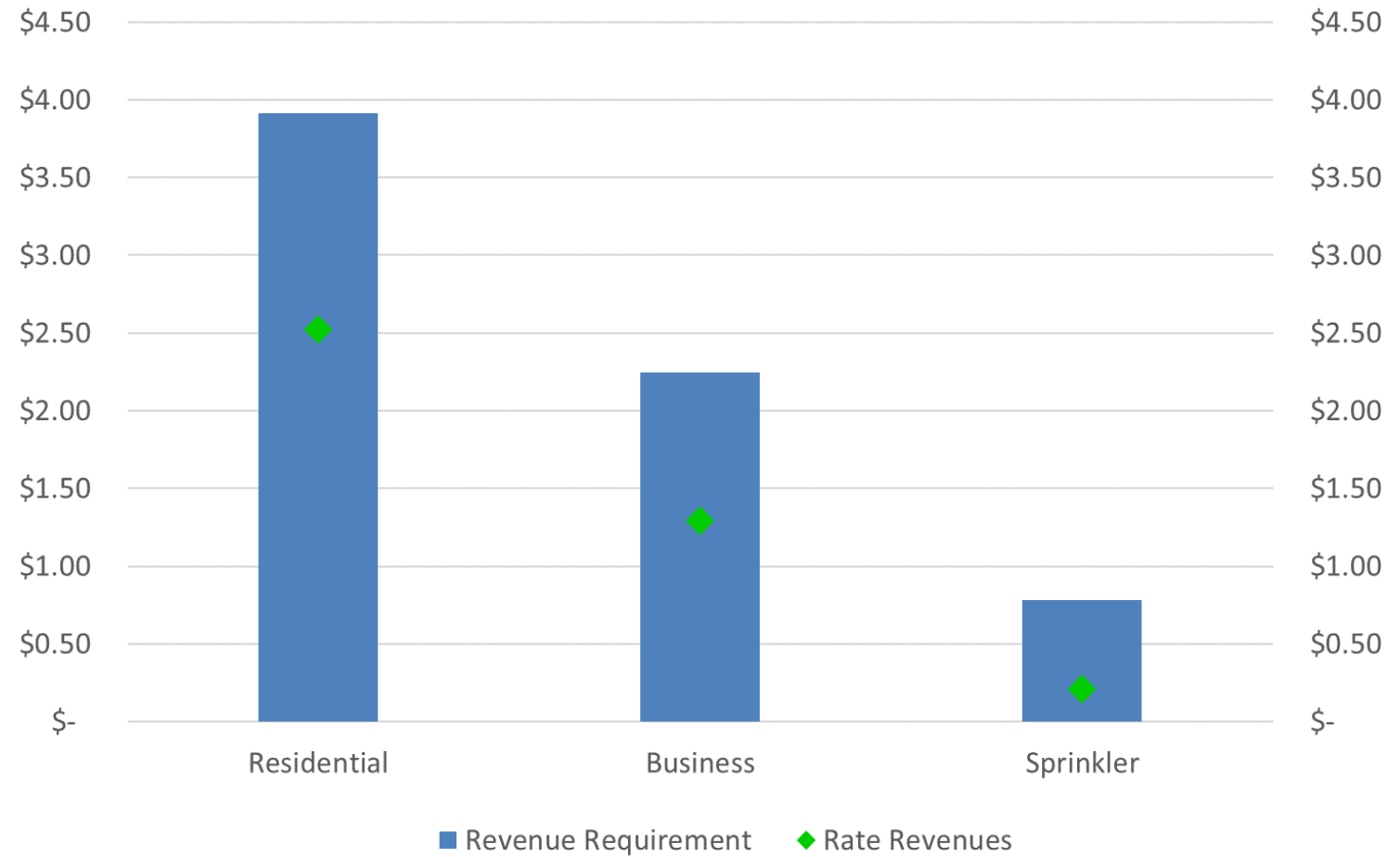
Note:

1 – Assumes first P&I payment due the year after issuance

WATER CUSTOMER CLASS COST ALLOCATION UNDER CURRENT RATES

FY 2022

Total Expenses
(\$ Millions)



	Residential	Business	Sprinkler	Total
Revenue Requirement	\$3.87	\$2.22	\$0.77	\$6.85
Rate Revenues	2.52	1.29	0.21	4.02
Over/(Under) Recovery (\$)	(\$1.35)	(\$0.93)	(\$0.56)	(\$2.83)
Over/(Under) Recovery (%)	-53.42%	-71.55%	-267.68%	-70.36%

WATER RATE DESIGN

WATER RATE DESIGN

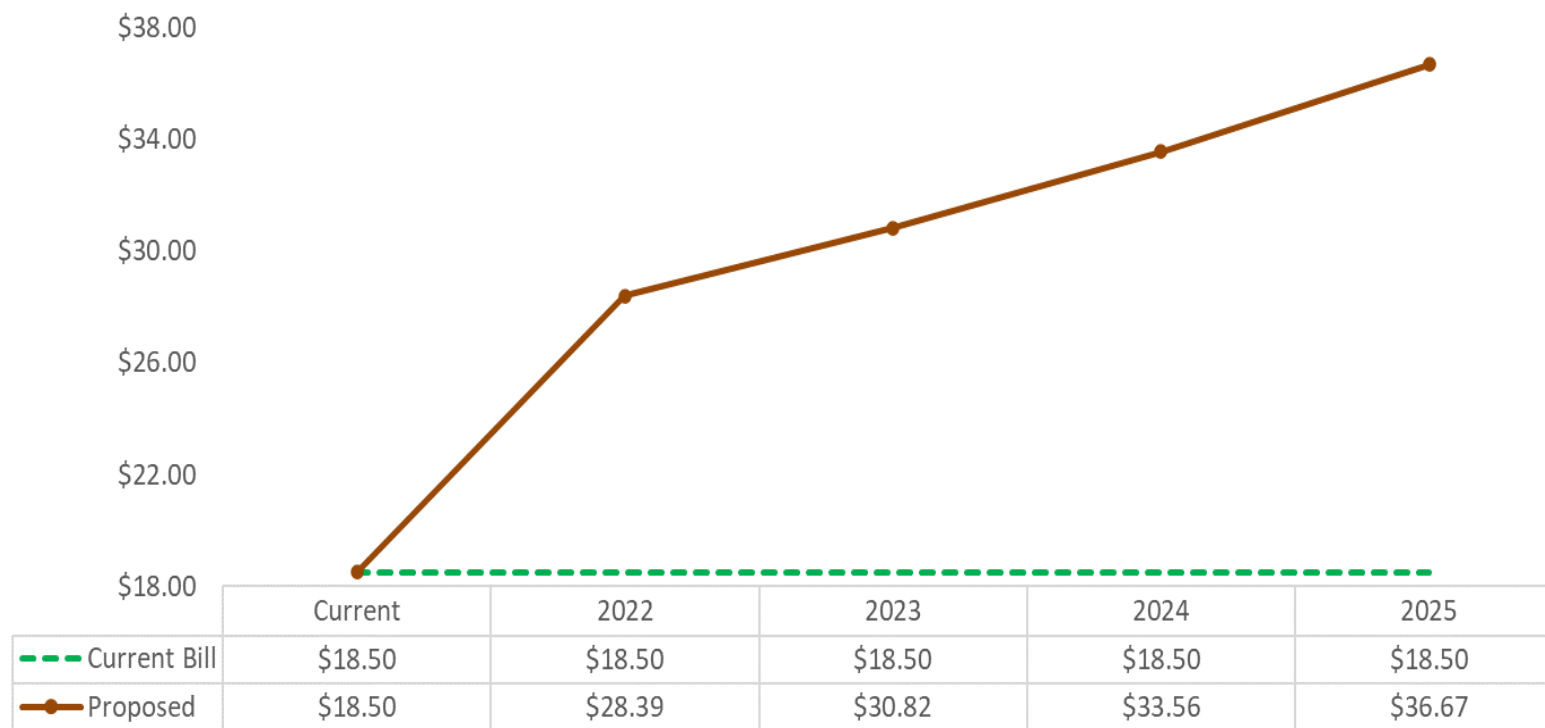
Residential

	Current	FY 2022	FY 2023	FY 2024	FY 2025
Minimum Monthly Fee					
5/8"	\$10.98	\$16.84	\$18.28	\$19.90	\$21.75
1"	28.94	44.39	48.19	52.45	57.33
1.5"	58.28	89.40	97.04	105.62	115.44
2"	102.86	157.79	171.28	186.42	203.76
3"	223.34	342.60	371.89	404.77	442.41
4"	427.28	655.45	711.49	774.39	846.41
6"	932.14	1,429.90	1,552.16	1,689.37	1,846.48
8"	1,567.75	2,404.93	2,610.55	2,841.32	3,105.56

Volumetric Rates (per kGal)					
0–5,000	\$3.70	\$5.68	\$6.17	\$6.72	\$7.34
5,001–15,000	3.50	5.37	5.83	6.35	6.94
15,001–35,000	3.28	5.03	5.46	5.95	6.50
35,001–75,000	3.08	4.72	5.12	5.58	6.10
75,001–150,000	2.91	4.46	4.84	5.27	5.76
150,001+	2.71	4.15	4.50	4.90	5.36

MONTHLY RESIDENTIAL CUSTOMER 5/8" WATER BILL PROJECTION

Annual Average -
5,000 Gallons

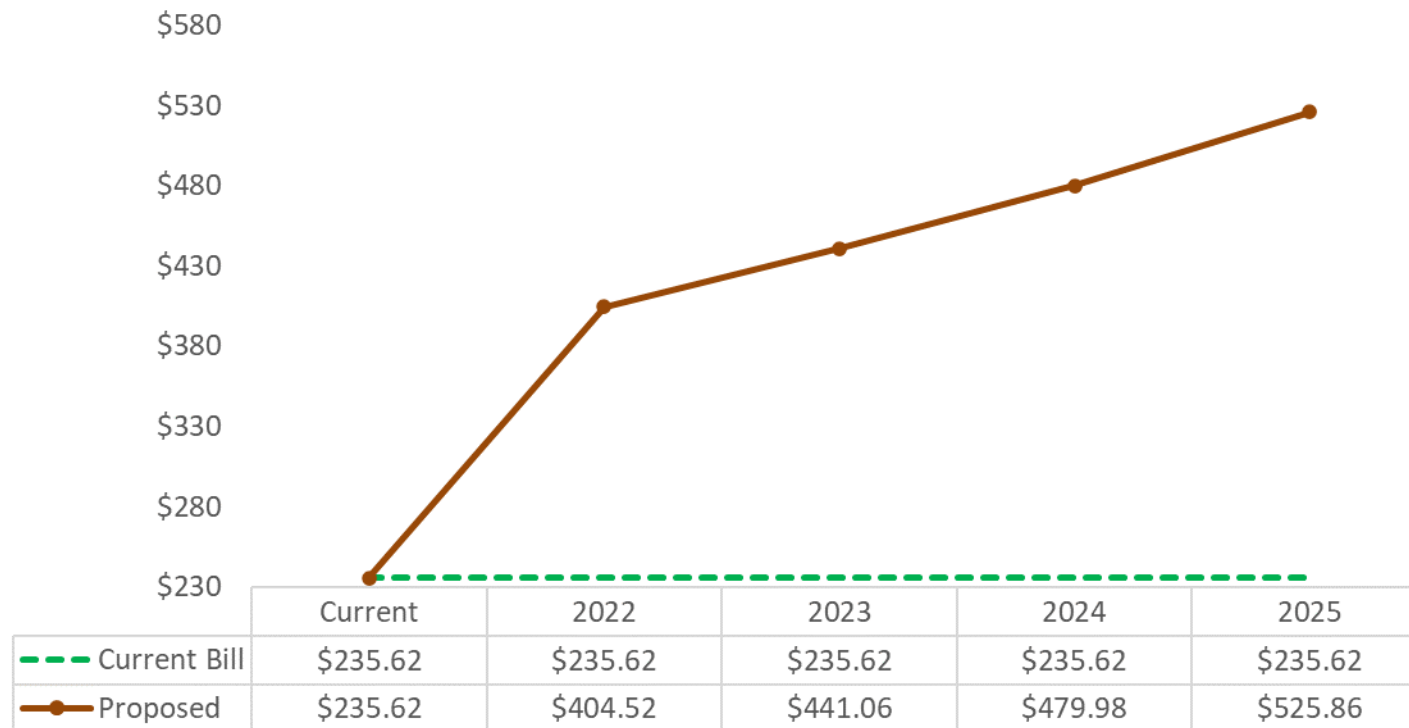


WATER RATE DESIGN

Business

	Current	FY 2022	FY 2023	FY 2024	FY 2025
Minimum Monthly Fee					
5/8"	\$10.98	\$18.83	\$20.51	\$22.31	\$24.44
1"	28.94	49.63	54.05	58.81	64.43
1.5"	58.28	99.94	108.83	118.41	129.72
2"	102.86	176.39	192.09	208.99	228.95
3"	223.34	383.01	417.10	453.80	497.14
4"	427.28	732.74	797.95	868.17	951.08
6"	932.14	1,598.53	1,740.80	1,893.99	2,074.87
8"	1,567.75	2,688.53	2,927.81	3,185.46	3,489.67

Volumetric Rates (per kGal)					
0–5,000	\$3.70	\$6.35	\$6.92	\$7.53	\$8.25
5,001–15,000	3.50	6.01	6.55	7.13	7.81
15,001–35,000	3.28	5.63	6.14	6.68	7.32
35,001–75,000	3.08	5.29	5.77	6.28	6.88
75,001–150,000	2.91	5.00	5.45	5.93	6.50
150,001+	2.71	4.66	5.08	5.53	6.06



MONTHLY BUSINESS CUSTOMER 1” WATER BILL PROJECTION

Annual Average -
67,000 Gallons

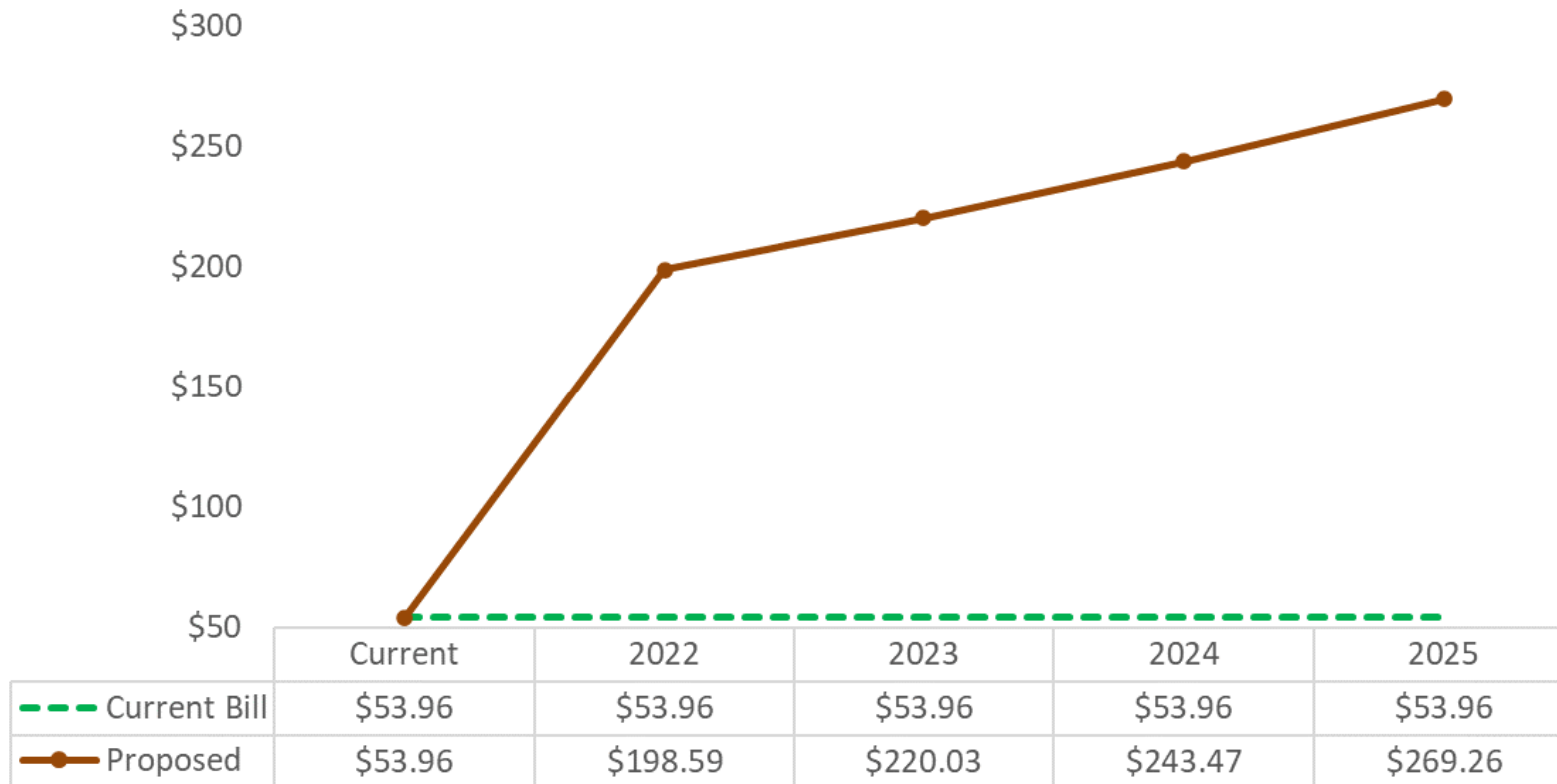
WATER RATE DESIGN

Sprinkler

	Current	FY 2022	FY 2023	FY 2024	FY 2025
Minimum Monthly Fee					
5/8"	\$10.98	\$40.41	\$44.77	\$49.54	\$54.79
1"	28.94	106.50	118.00	130.57	144.41
1.5"	58.28	214.47	237.63	262.94	290.81
2"	102.86	378.52	419.40	464.07	513.26
3"	223.34	821.89	910.65	1,007.63	1,114.44
4"	427.28	1,572.39	1,742.21	1,927.76	2,132.10
6"	932.14	3,430.28	3,800.75	4,205.53	4,651.32
8"	1,567.75	5,769.32	6,392.41	7,073.20	7,822.96
Volumetric Rates (per kGal)					
0–5,000	\$3.70	\$13.62	\$15.09	\$16.70	\$18.47
5,001–15,000	3.50	12.88	14.27	15.79	17.46
15,001–35,000	3.28	12.07	13.37	14.79	16.35
35,001–75,000	3.08	11.33	12.55	13.88	15.34
75,001–150,000	2.91	10.70	11.85	13.11	14.49
150,001+	2.71	9.96	11.03	12.20	13.48

MONTHLY SPRINKLER CUSTOMER 1” WATER BILL PROJECTION

Annual Average -
10,000 Gallons

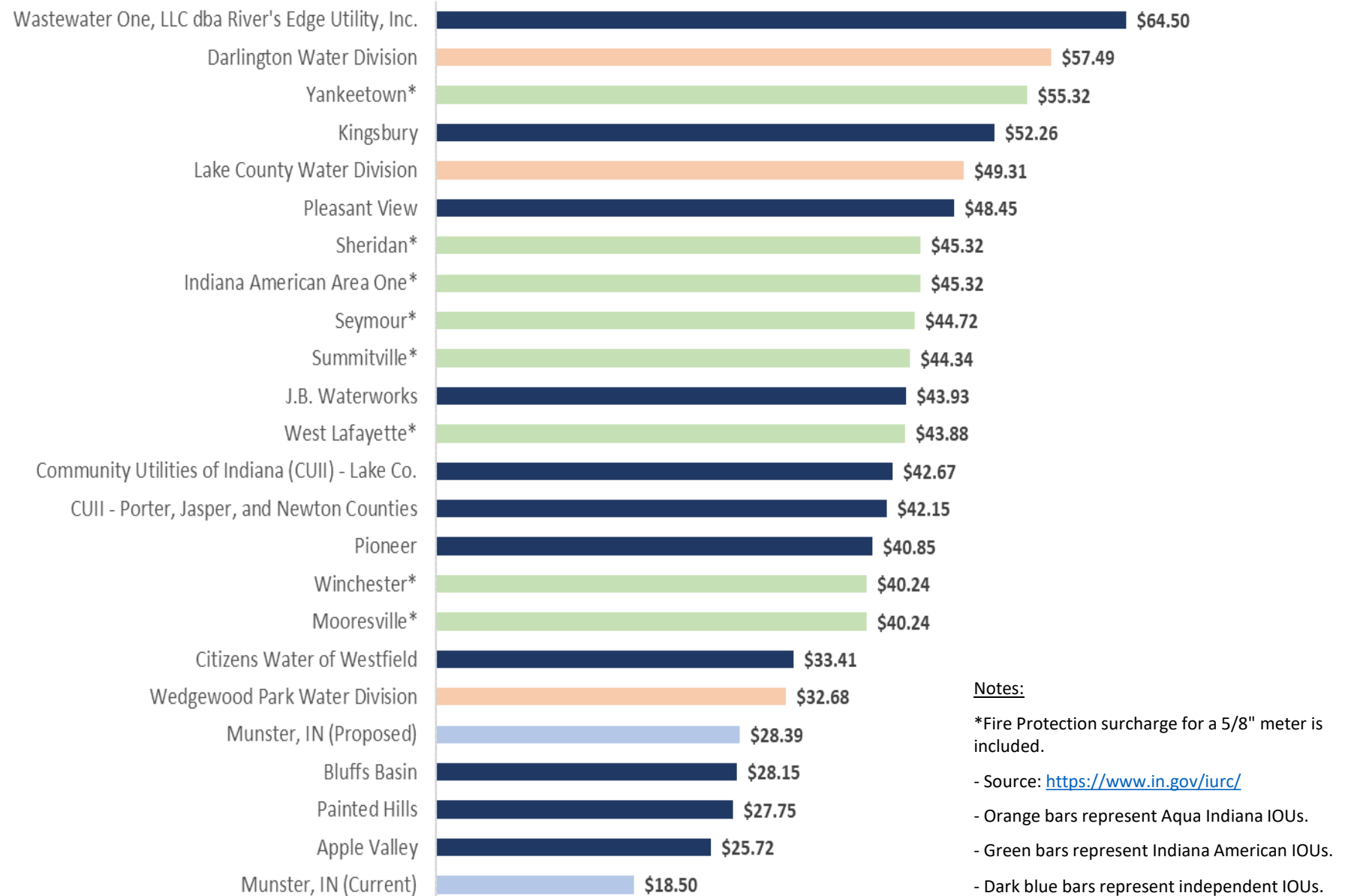


REGIONAL BILL COMPARISON

Investor-Owned
Utility

Average
Residential 5/8"

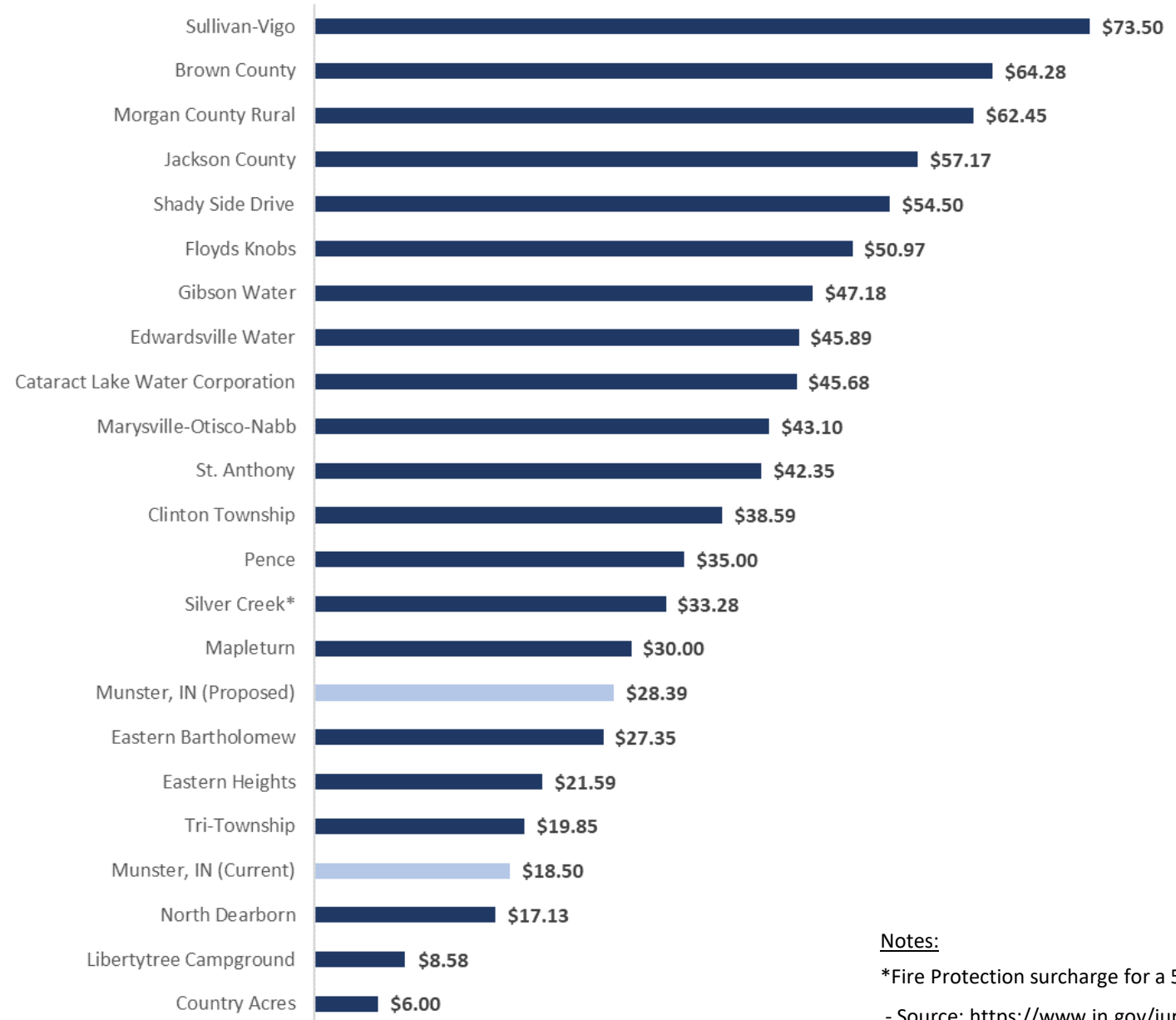
Monthly Bill
5,000 gal



REGIONAL BILL COMPARISON

Not-for-Profit
Utility

Average
Residential 5/8"
Monthly Bill
5,000 gal



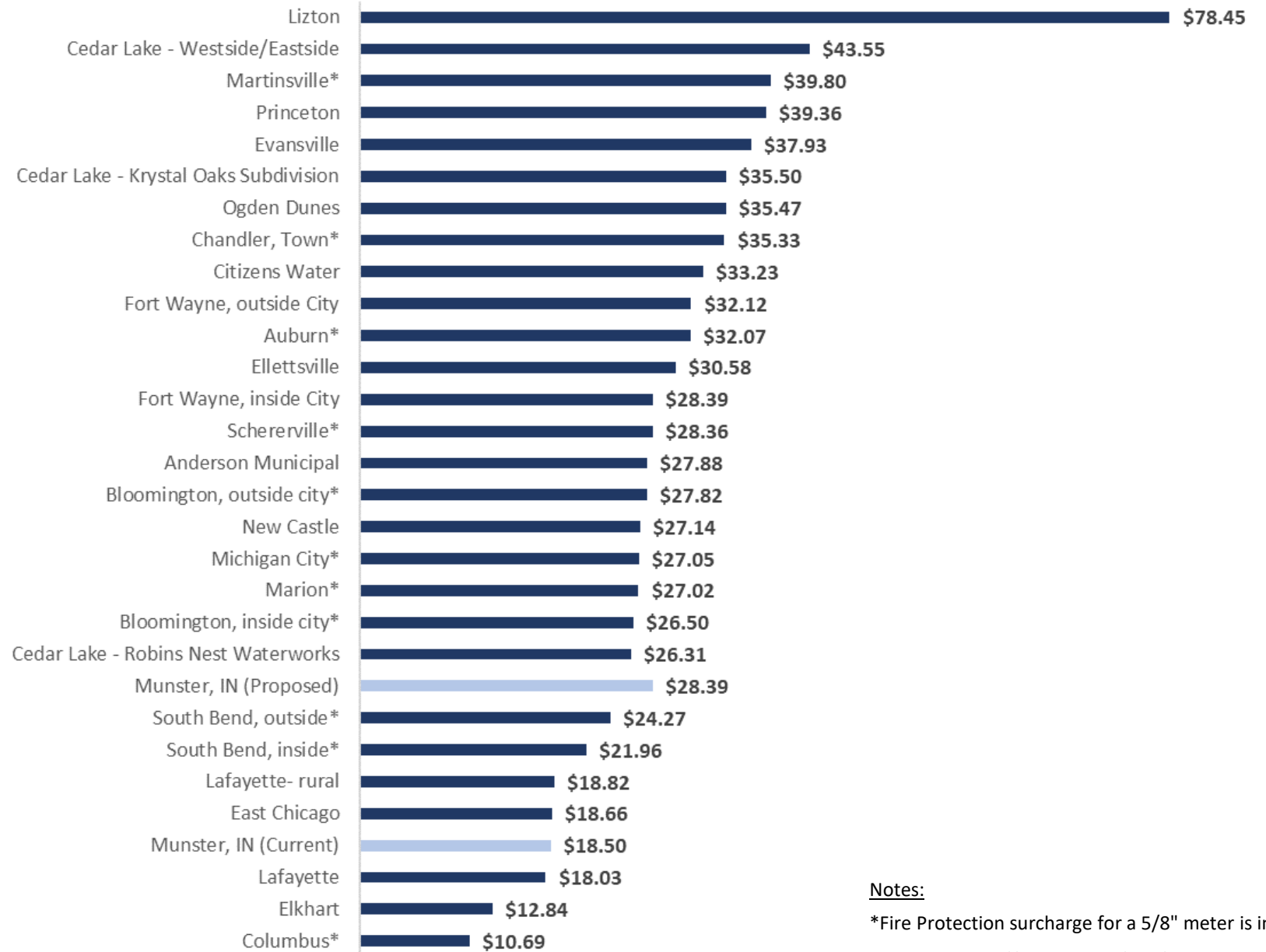
Notes:

*Fire Protection surcharge for a 5/8" meter is included.

- Source: <https://www.in.gov/iurc/>

REGIONAL BILL COMPARISON

Municipal Utility
Average
Residential 5/8"
Monthly Bill
5,000 gal



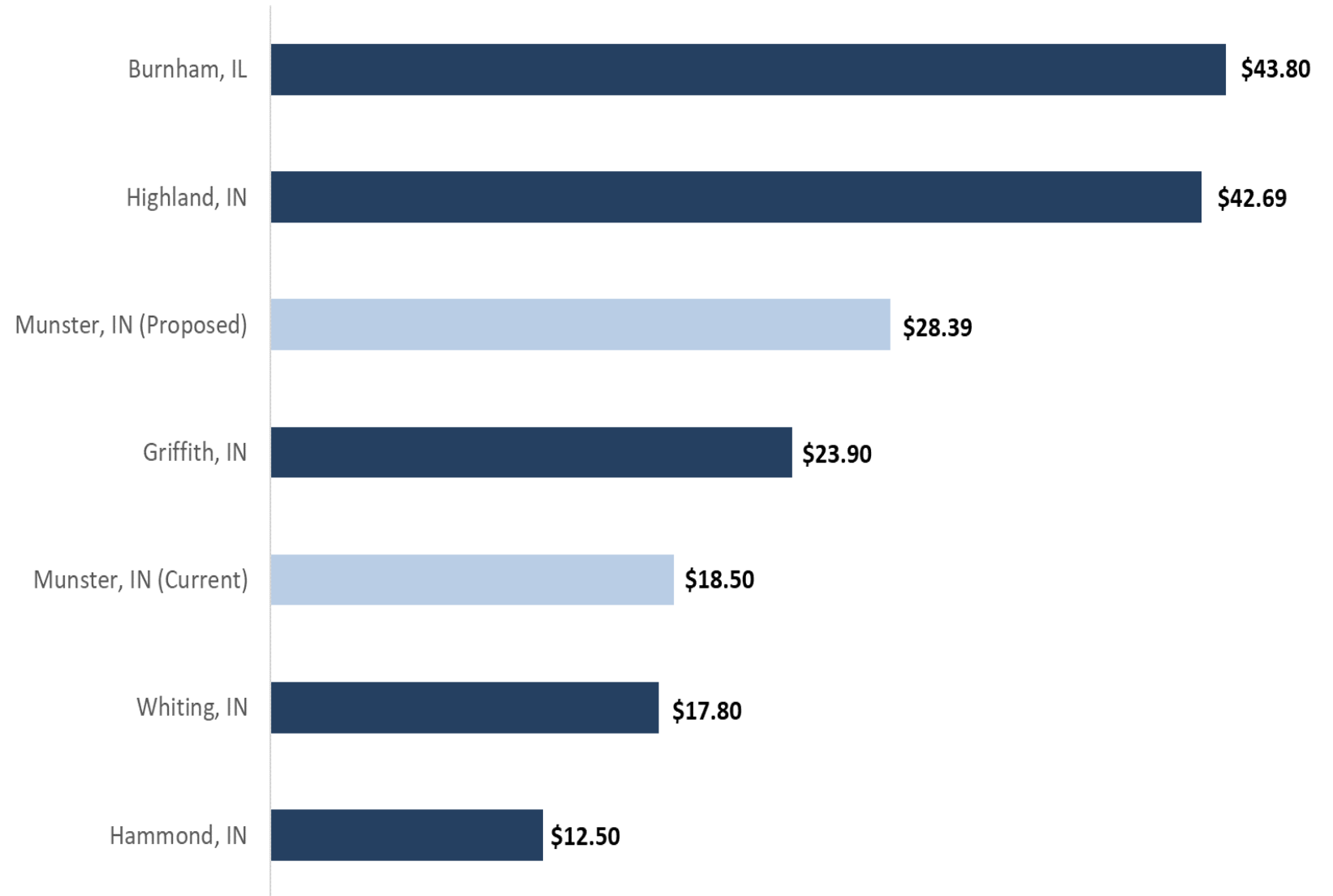
Notes:

*Fire Protection surcharge for a 5/8" meter is included.

- Source: <https://www.in.gov/iurc/>

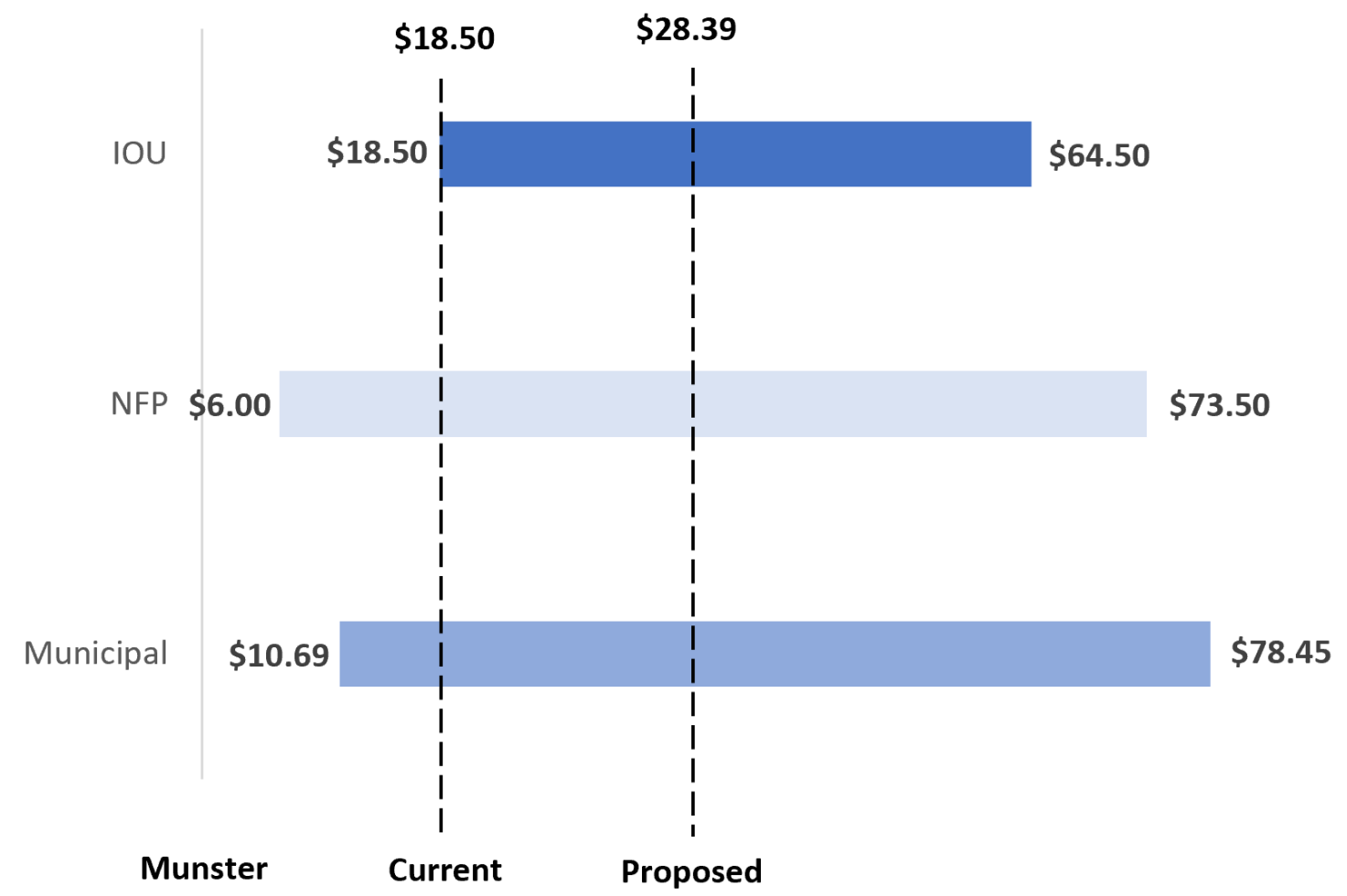
FOCUSED REGIONAL BILL COMPARISON

Municipal Utility
Average
Residential 5/8"
Monthly Bill
5,000 gal



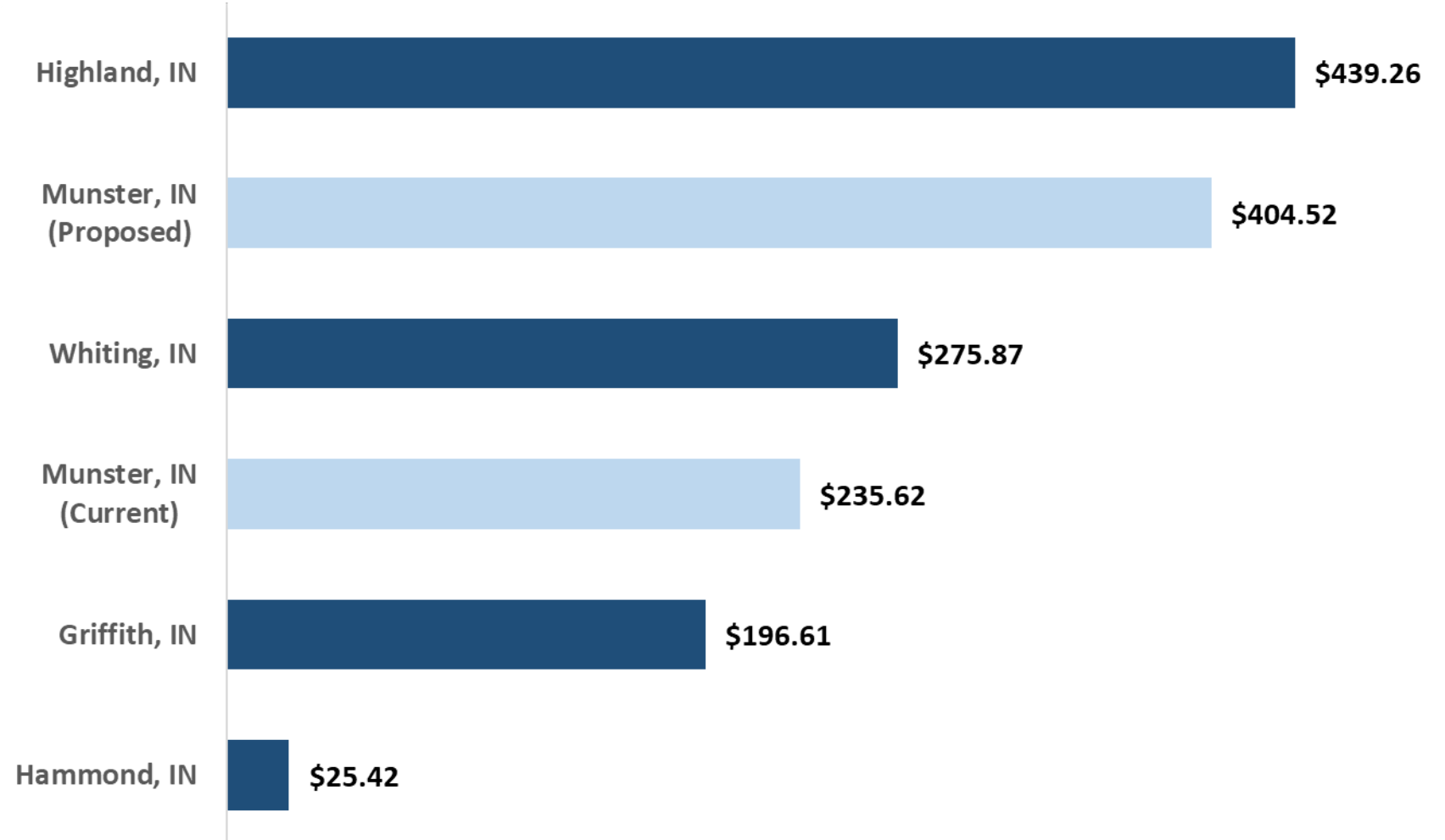
REGIONAL BILL COMPARISON SUMMARY

Average
Residential 5/8”
Monthly Bill
5,000 gal



REGIONAL BILL COMPARISON

Municipal
Average Business
1"
Monthly Bill
67,000 gal



SEWER AND STORMWATER UTILITY PERFORMANCE

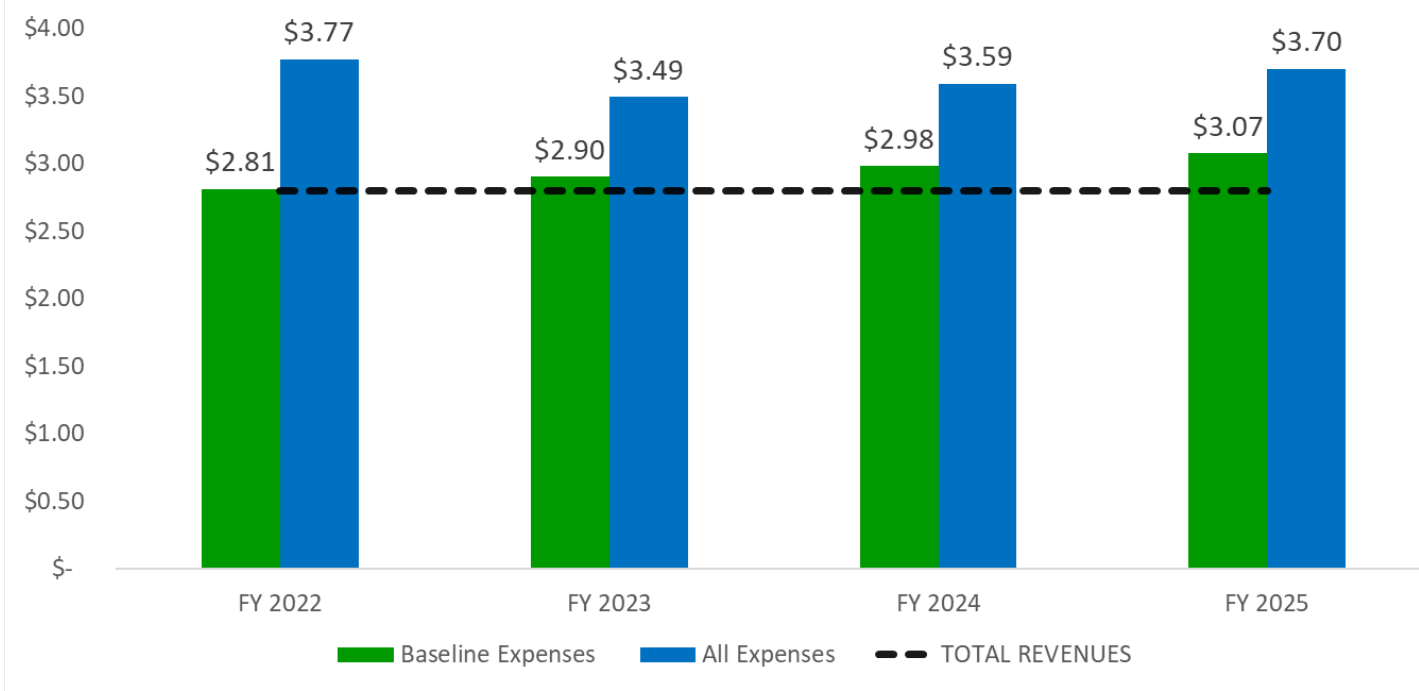
SEWER AND STORMWATER ISSUES



- The Town operates a sewer collection system funded through HSD fees and subsidized by stormwater fees
- The current stormwater fees are sufficient to fund the sanitary sewer collection system
- Funding for stormwater management is currently insufficient

ANTICIPATED FINANCIAL PERFORMANCE UNDER CURRENT RATES

Sewer and
Stormwater
Combined
(\$ Millions)



(\$ Millions)	FY 2022	FY 2023	FY 2024	FY 2025
Revenues	\$2.79	\$2.79	\$2.79	\$2.79
Baseline Expenses	\$2.81	\$2.90	\$2.98	\$3.07
Additional Expenses	0.96	0.59	0.61	0.63
Total Expenses	\$3.77	\$3.49	\$3.59	\$3.70
Variance	(\$0.98)	(\$0.70)	(\$0.80)	(\$0.90)

BASELINE EXPENSES

(\$ Millions)

	FY 2022	FY 2023	FY 2024	FY 2025
SEWER				
O&M	\$1.83	\$1.88	\$1.94	\$2.01
Capital	0	0	0	0
Depreciation	0	0	0	0
TOTAL SEWER	\$1.83	\$1.88	\$1.94	\$2.01
STORMWATER				
O&M	\$0.98	\$1.02	\$1.03	\$1.06
Capital	0	0	0	0
Depreciation	0	0	0	0
TOTAL STORMWATER	\$0.98	\$1.02	\$1.03	\$1.06
COMBINED				
O&M	\$2.81	\$2.90	\$2.98	\$3.07
Capital	0	0	0	0
Depreciation	0	0	0	0
TOTAL COMBINED	\$2.81	\$2.90	\$2.98	\$3.07

NEW EXPENSES

(\$ Millions)

	FY 2022	FY 2023	FY 2024	FY 2025
SEWER				
O&M	\$0.40	\$0.29	\$0.28	\$0.29
Capital	0.08	0.00	0.01	0.01
Depreciation	0.08	0.08	0.08	0.08
TOTAL SEWER	\$0.55	\$0.36	\$0.37	\$0.38
STORMWATER				
O&M	\$0.34	\$0.23	\$0.22	\$0.23
Capital	0.08	0.00	0.02	0.02
Depreciation	0.00	0.00	0.00	0.00
TOTAL STORMWATER	\$0.42	\$0.23	\$0.24	\$0.25
COMBINED				
O&M	\$0.73	\$0.52	\$0.50	\$0.52
Capital	0.15	0.00	0.03	0.03
Depreciation	0.08	0.08	0.08	0.08
COMBINED TOTAL	\$0.96	\$0.59	\$0.61	\$0.63

TOTAL EXPENSES

(\$ Millions)

	FY 2022	FY 2023	FY 2024	FY 2025
SEWER				
O&M	\$2.22	\$2.17	\$2.23	\$2.30
Capital	0.08	0.00	0.01	0.01
Depreciation	0.08	0.08	0.08	0.08
TOTAL SEWER	\$2.38	\$2.24	\$2.31	\$2.39
STORMWATER				
O&M	\$1.32	\$1.25	\$1.26	\$1.29
Capital	0.08	0.00	0.02	0.02
Depreciation	0.00	0.00	0.00	0.00
TOTAL STORMWATER	\$1.40	\$1.25	\$1.28	\$1.31
COMBINED				
O&M	\$3.54	\$3.41	\$3.48	\$3.59
Capital	0.15	0.00	0.03	0.03
Depreciation	0.08	0.08	0.08	0.08
COMBINED TOTAL	\$3.77	\$3.49	\$3.59	\$3.70

NEW CAPITAL OUTLAYS

Sewer and
Stormwater
(\$ Millions)

	FY 2022	FY 2023	FY 2024	FY 2025
CASH FUNDED CIP				
Sewer	\$0.08	\$0.00	\$0.00	\$0.00
Stormwater	0.08	-	-	-
Total Cash Funded CIP	\$0.15	\$0.00	\$0.00	\$0.00
DEBT FUNDED CIP – PRINCIPAL				
Sewer	\$0.00	\$0.16	\$0.00	\$0.00
Stormwater	-	0.32	-	-
Total New Debt	\$0.00	\$0.47	\$0.00	\$0.00
Interest Rate	2.75%	3.25%	3.75%	4.25%
Term	20	20	20	20
Annual P&I Payment	\$0.00	\$0.03	\$0.00	\$0.00
Cumulative P&I ¹	0.00	0.00	0.03	0.03
TOTAL ANNUAL CAPITAL OUTLAYS	\$0.15	\$0.00	\$0.03	\$0.03

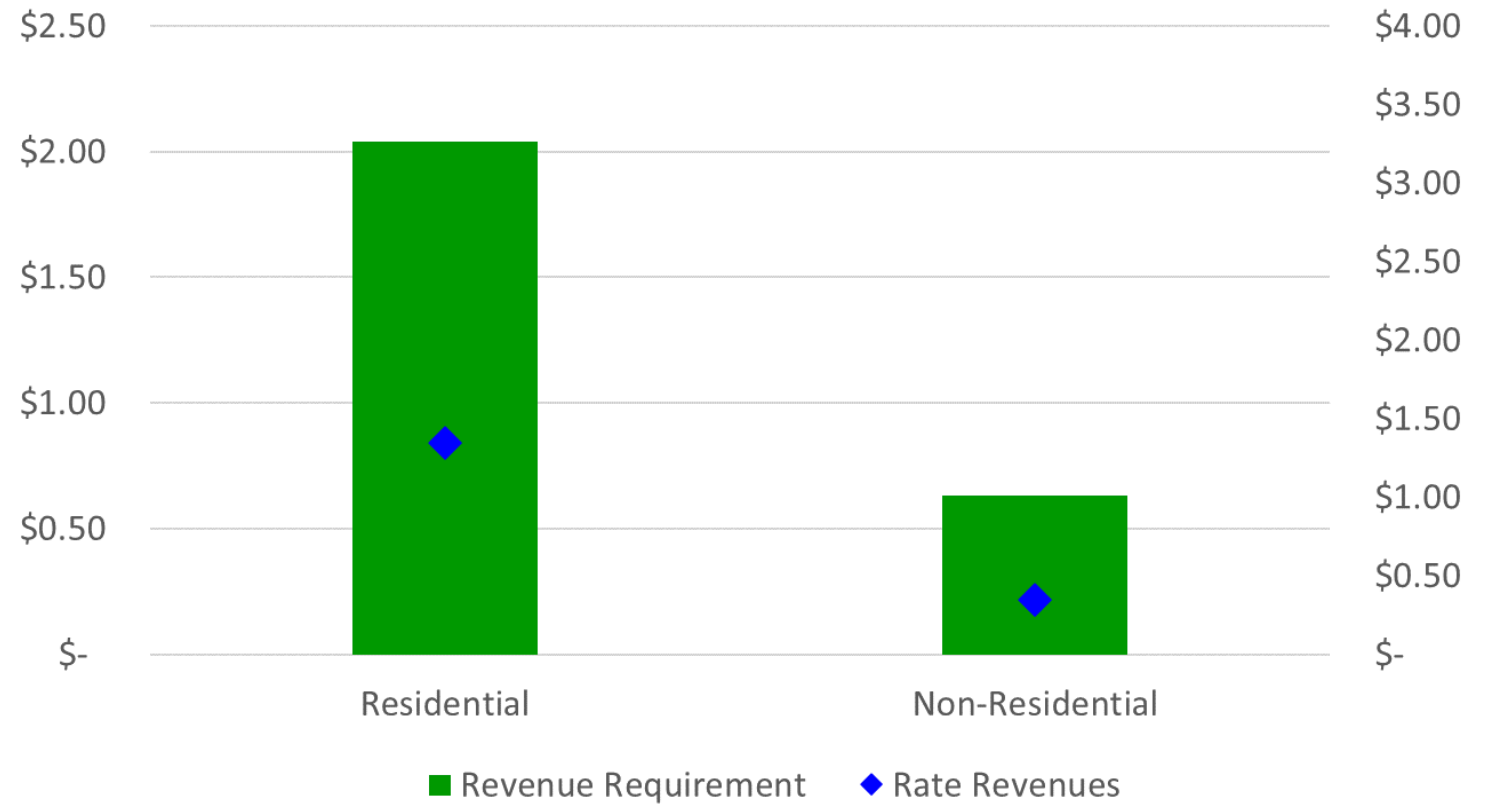
Note:

[1] Assumes first P&I payment is due the year after issuance.

CUSTOMER CLASS COST ALLOCATION UNDER CURRENT RATES

FY 2022

Total Expenses
(\$ Millions)



	Residential	Non-Residential	Total
Revenue Requirement	\$2.04	\$0.63	\$2.67
Rate Revenues	1.34	0.35	1.69
Over/(Under) Recovery (\$)	(\$0.70)	(\$0.28)	(\$0.98)
Over/(Under) Recovery (%)	-51.9%	-80.3%	-57.8%

STORMWATER RATE DESIGN

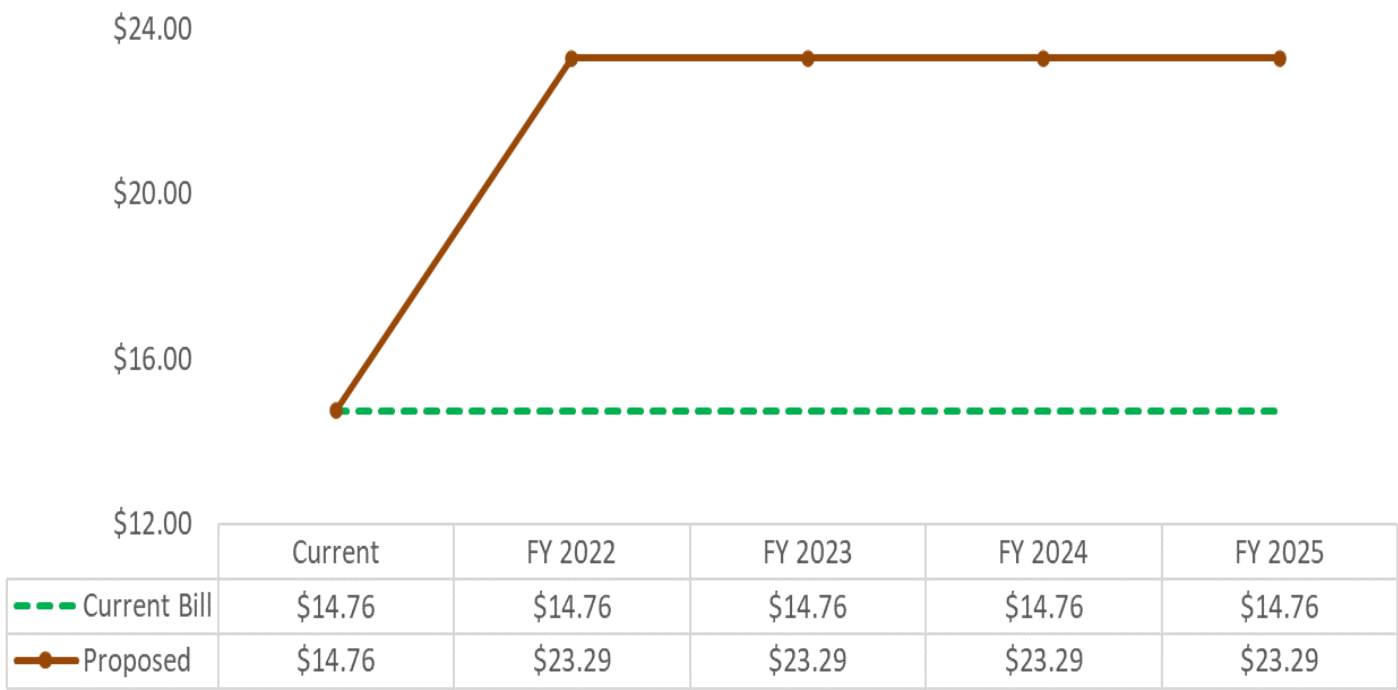
STORMWATER RATE DESIGN

	Current	FY 2022	FY 2023	FY 2024	FY 2025
<u>MINIMUM MONTHLY FEE</u>					
Residential*	\$14.76	\$23.29	\$23.29	\$23.29	\$23.29
Commercial	7.38	11.65	11.65	11.65	11.65
Faith-Based**	-	-	-	-	-
<u>IMPERVIOUS AREA RATES</u>					
Commercial (per '000 sq. ft.)					
0 - 4,100 sq. ft.	\$-	\$-	\$-	\$-	\$-
4,100+ sq. ft.	1.80	2.84	2.84	2.84	2.84
Faith-Based (per '000 sq. ft.)					
0 - 41,111 sq. ft.	\$1.80	\$2.84	\$2.84	\$2.84	\$2.84
41,111+ sq. ft.	-	-	-	-	-

*Residential customers only pay a flat fee for service every month.

**Faith-Based customers do not pay a minimum monthly fee, but are charged for impervious area up to 41,111 sq. ft.

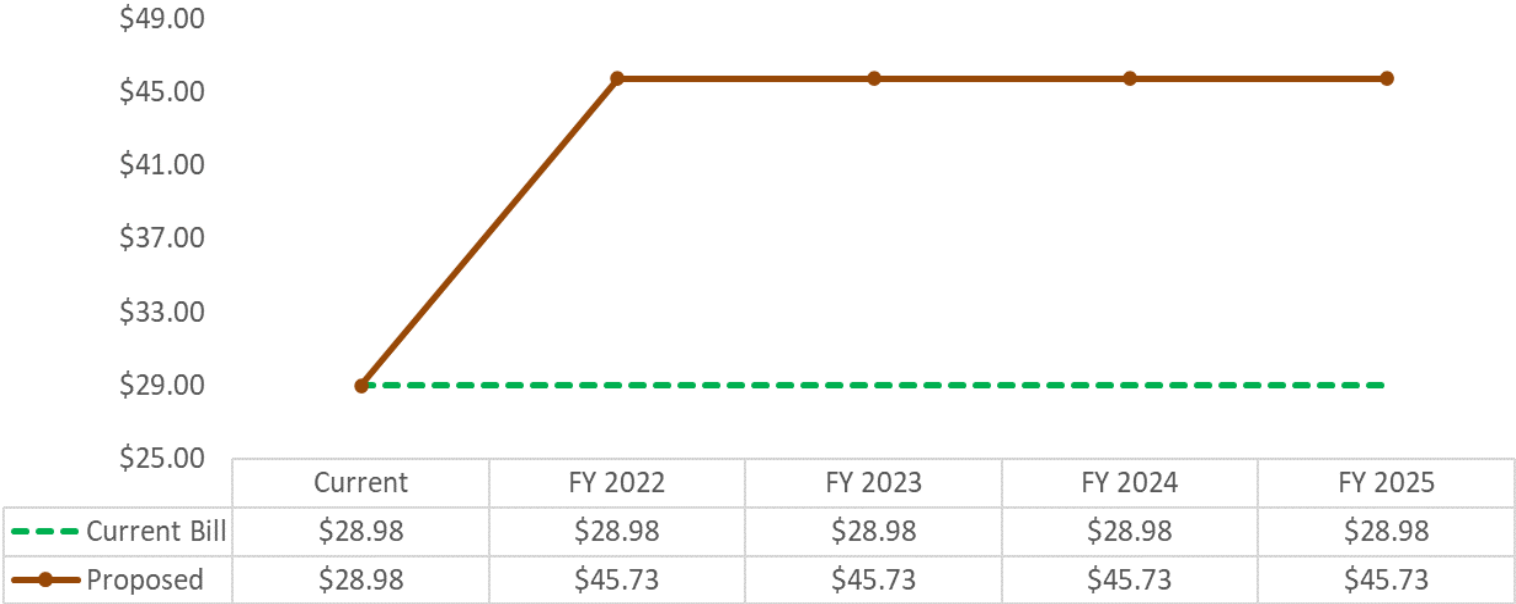
MONTHLY RESIDENTIAL CUSTOMER STORMWATER BILL PROJECTION



**Residential is billed a flat fee regardless of the impervious area.*

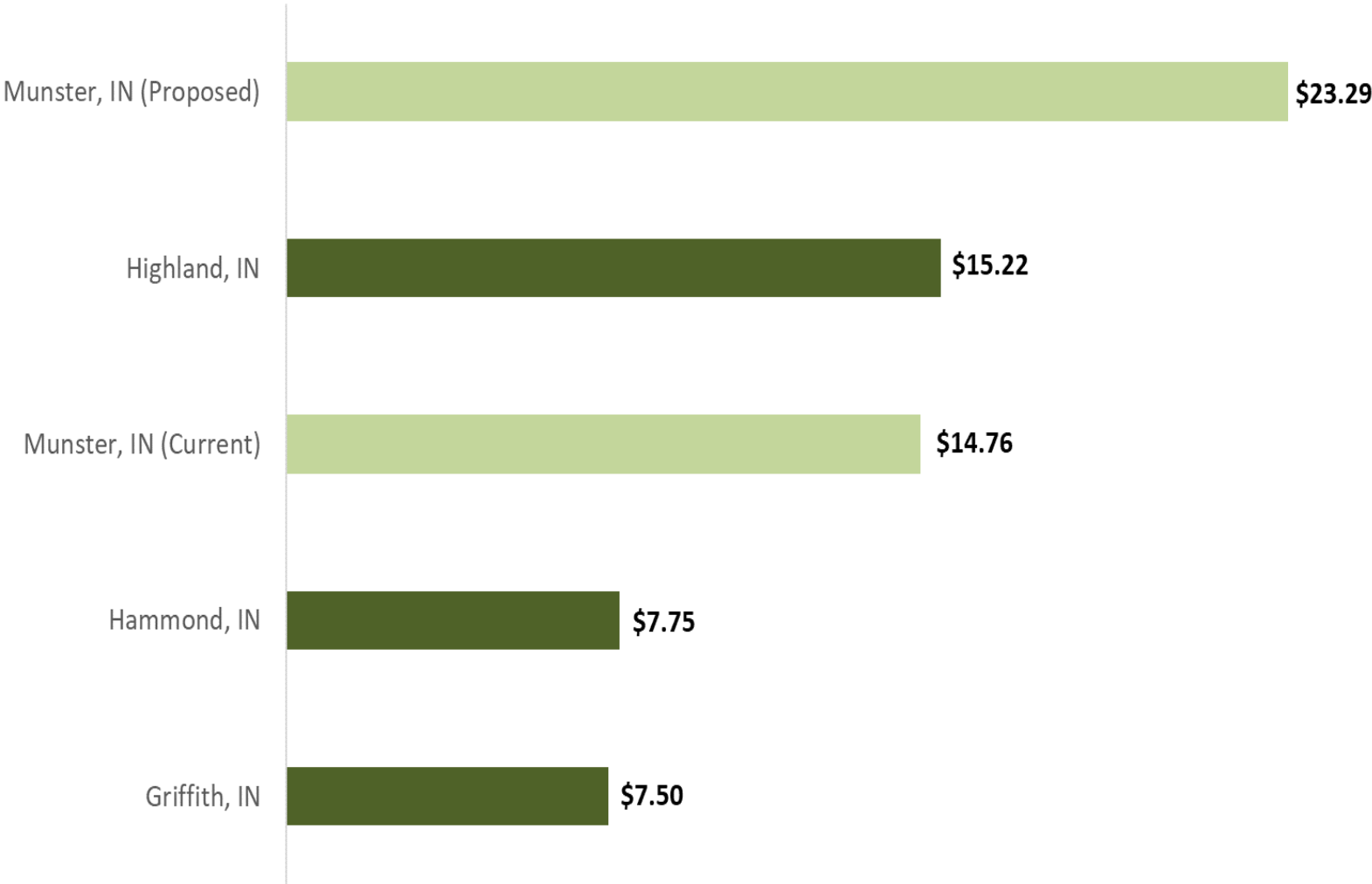
MONTHLY
NON-
RESIDENTIAL
CUSTOMER
STORMWATER
BILL
PROJECTION

16,000 Sq. Ft.
Impervious Area



REGIONAL BILL COMPARISON

Cities
Average
Residential
Stormwater
Monthly Bill



PATH FORWARD



- As the Board of Directors, the Council must determine the appropriate path forward
 - What additional activities should be funded to properly operate, maintain, and reinvest in the business
- Some level of rate action is needed in the near-term
 - Action must balance the needs of the utility with the affordability of service and the overall impact to customers



QUESTIONS AND DISCUSSION

NEWGEN STRATEGIES AND SOLUTIONS
275 W. CAMPBELL ROAD, SUITE 440
RICHARDSON, TEXAS 75080

CHRIS EKRUT, CFO AND DIRECTOR
(972) 232-2234
CEKRUT@NEWGENSTRATEGIES.NET

SUPPLEMENTAL INFORMATION

PROJECTED CAPITAL OUTLAYS

Water (\$ Millions)

Project Description	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
Water Model and Comprehensive Plan	\$0.08	\$-	\$-	\$-	\$0.08
River Bend pumps—Improvements	-	0.01	0.01	0.01	0.03
Calumet pumps—Improvements	-	0.03	0.03	0.03	0.09
Altitude Valves at Elevated Tanks	-	0.19	-	-	0.19
Fisher Street	-	1.15	-	-	1.15
River Bend—6.5 MG	-	-	0.00	2.5	2.55
Superior Drive	-	-	0.00	0.6	0.59
Calumet Avenue West	-	-	0.00	0.3	0.33
Calumet Avenue East	-	0.31	-	-	0.31
Ridge Road	-	0.82	-	-	0.82
River Bend—2 MG	-	0.74	-	-	0.74
TOTAL	\$0.08	\$3.26	\$0.04	\$3.51	\$6.89

CURRENT O&M EXPENSES

Water
(\$ Millions)

Project Description	FY 2022	FY 2023	FY 2024	FY 2025
MAINTENANCE				
Hydrant Flushing	\$0.02	\$0.02	\$0.02	\$0.02
Resident Water Meter Replace Program	0.02	0.02	0.02	0.02
Valve Replacement	0.05	0.05	0.05	0.06
Pump Station Monitor*	0.00	0.00	0.00	0.00
IT Licenses	0.01	0.01	0.01	0.01
TOTAL MAINTENANCE	\$0.10	\$0.10	\$0.10	\$0.11
PERSONNEL				
Wage/Benefits	\$0.65	\$0.67	\$0.68	\$0.70
TOTAL PERSONNEL	\$0.65	\$0.67	\$0.68	\$0.70
WATER SUPPLY	\$1.29	\$1.35	\$1.41	\$1.53
OTHER O&M	\$3.80	\$3.91	\$4.02	\$4.14
TOTAL CURRENT O&M	\$5.85	\$6.04	\$6.23	\$6.49

* Project costs total less than \$10,000 annually.

NEW O&M ACTIVITIES

Water
(\$ Millions)

Project Description	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
EQUIPMENT					
Residential Water Meter Replace Program	\$-	\$0.44	\$0.37	\$0.18	\$0.99
Security Fence	-	0.03	-	-	0.03
Vehicles: (3)1-ton & (1) p/u	0.09	-	-	-	0.09
Vehicles: (1) p/u	-	0.01	-	-	0.01
Security Cams @ Pump Stations*	-	-	-	-	0.00
Line Locate Equipment*	-	-	-	-	0.00
GPS Trimble Equipment	0.03	-	-	-	0.03
Valve Insertion Machine	0.08	-	-	-	0.08
Leak Detection Equipment	0.04	-	-	-	0.04
TOTAL EQUIPMENT	\$0.24	\$0.49	\$0.37	\$0.18	\$1.27
PERSONNEL					
1 Water Billing Specialist	\$0.02	\$0.02	\$0.02	\$0.02	\$0.08
Wage of FTE (4 Entry Level)	0.06	0.06	0.06	0.06	0.25
Meter Records Digitization (Intern)	0.01	0.01	0.01	0.01	0.02
TOTAL PERSONNEL	\$0.09	\$0.09	\$0.09	\$0.09	\$0.36

* Project costs total less than \$10,000 annually.

NEW O&M ACTIVITIES CONT'D

Water (\$ Millions)

Project Description	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
MAINTENANCE					
Ongoing Maintenance—Vaults / Pumps	\$0.10	\$0.11	\$0.11	\$0.11	\$0.43
AMI—Advanced Metering	0.02	0.02	0.02	0.02	0.08
Lead Service Line I.D. Program	-	0.02	0.02	-	0.04
Annual Water Main Replacement	0.77	0.79	0.81	0.83	3.20
Transmission Main Valve Maintenance Program	0.10	0.11	0.11	0.11	0.43
External Water Tank Inspection (Annually)	0.01	0.01	0.01	0.01	0.04
Internal Water Tank Inspect. (Once per 5 Years)*	0.01	0.00	0.00	0.00	0.01
Valve Exercise and Assessment Program	0.02	0.02	0.02	0.02	0.08
Leak Detection (Out-source Entire Town Annually)	0.02	0.02	0.02	0.02	0.08
Large Meter Testing*	0.00	0.00	0.01	0.00	0.00
Hydrant Maintenance Program	0.05	0.05	0.05	0.06	0.21
Restoration Contract (Concrete, Sod, Trees)	0.10	0.11	0.11	0.11	0.43
SCADA Risk and Resiliency (by Metropolitan)*	0.00	0.00	0.00	0.00	0.00
LIDAR Digital Map Upgrade	0.01	0.00	0.00	0.00	0.01
TOTAL MAINTENANCE	\$1.21	\$1.26	\$1.29	\$1.29	\$5.05
TOTAL NEW O&M	\$1.54	\$1.83	\$1.75	\$1.57	\$6.69

* Project costs total less than \$10,000 annually.

CUSTOMER CLASS COST ALLOCATION UNDER CURRENT RATES

Water
(\$ Millions)

	FY 2022	FY 2023	FY 2024	FY 2025
RESIDENTIAL				
Revenues	\$2.52	\$2.52	\$2.52	\$2.52
COS	3.87	4.20	4.57	4.99
Variance (\$)	(\$1.35)	(\$1.68)	(\$2.05)	(\$2.47)
Variance (%)	-53.4%	-66.5%	-81.3%	-98.2%
BUSINESS				
Revenues	\$1.29	\$1.29	\$1.29	\$1.29
COS	2.22	2.42	2.64	2.89
Variance (\$)	(\$0.93)	(\$1.13)	(\$1.34)	(\$1.60)
Variance (%)	-71.5%	-87.1%	-103.8%	-123.4%
SPRINKLER				
Revenues	\$0.21	\$0.21	\$0.21	\$0.21
COS	0.77	0.85	0.94	1.04
Variance (\$)	(\$0.56)	(\$0.64)	(\$0.73)	(\$0.83)
Variance (%)	-267.7%	-307.6%	-350.8%	-398.6%
TOTAL				
Revenues	4.02	4.02	4.02	4.02
COS	6.85	7.47	8.14	8.92
Variance (\$)	(\$2.83)	(\$3.44)	(\$4.12)	(\$4.90)
Variance (%)	-70.4%	-85.6%	-102.5%	-121.9%

INITIAL WATER RATE DESIGN – BASELINE EXPENSES

Residential

	Current	FY 2022	FY 2023	FY 2024	FY 2025
Minimum Monthly Fee					
5/8"	\$10.98	\$12.75	\$13.21	\$13.67	\$14.28
1"	28.94	33.59	34.80	36.01	37.63
1.5"	58.28	67.65	70.09	72.53	75.79
2"	102.86	119.40	123.71	128.02	133.77
3"	223.34	259.26	268.62	277.97	290.45
4"	427.28	496.00	513.91	531.79	555.67
6"	932.14	1,082.05	1,121.11	1,160.12	1,212.21
8"	1,567.75	1,819.88	1,885.58	1,951.20	2,038.81
Volumetric Rates (per kGal)					
0–5,000	\$3.70	\$4.30	\$4.46	\$4.62	\$4.83
5,001–15,000	3.50	4.07	4.22	4.37	4.57
15,001–35,000	3.28	3.81	3.95	4.09	4.28
35,001–75,000	3.08	3.58	3.71	3.84	4.02
75,001–150,000	2.91	3.38	3.50	3.62	3.79
150,001+	2.71	3.15	3.26	3.37	3.53

BASELINE O&M EXPENSES

Sewer
(\$ Millions)

Project Description	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
EQUIPMENT					
Easement Machine*	\$0.00	\$0.00	\$0.01	\$0.01	\$0.02
Vactor	0.04	0.04	0.04	0.04	0.16
TOTAL EQUIPMENT	\$0.04	\$0.04	\$0.05	\$0.05	\$0.18
MAINTENANCE					
Lift Station Generator Maintenance	\$0.03	\$0.03	\$0.03	\$0.03	\$0.12
Lift Station Monit. (by Metro)*	0.00	0.00	0.00	0.00	0.00
IT Licenses	0.01	0.01	0.01	0.01	0.04
TOTAL MAINTENANCE	\$0.04	\$0.04	\$0.04	\$0.04	\$0.16
PERSONNEL					
Wage/Benefits	\$0.65	\$0.65	\$0.67	\$0.69	\$2.66
TOTAL PERSONNEL	\$0.65	\$0.65	\$0.67	\$0.69	\$2.66
OTHER O&M	\$1.10	\$1.14	\$1.19	\$1.24	\$4.67
TOTAL BASELINE O&M ACTIVITIES	\$1.83	\$1.87	\$1.95	\$2.02	\$7.67

* Project costs total less than \$10,000 annually.

NEW O&M EXPENSES

Sewer (\$ Millions)

Project Description	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
EQUIPMENT					
Dedicated Camera Truck	\$0.02	\$-	\$-	\$-	\$0.02
Drop Pole Camera	0.01	-	-	-	0.01
Vehicles: (3)1-ton & (1) p/u	0.09	-	-	-	0.09
Vehicles: (1) p/u	-	0.01	-	-	0.01
Line Locate Equipment*	0.00	-	-	-	0.00
TOTAL EQUIPMENT	\$0.12	\$0.01	\$-	\$-	\$0.13
PERSONNEL					
1 Water Billing Specialist	\$0.02	\$0.02	\$0.02	\$0.02	\$0.08
Wage of FTE (4 Entry Level)	0.06	0.06	0.06	0.06	0.24
Legal Fees	0.09	0.09	0.10	0.10	0.38
TOTAL PERSONNEL	\$0.45	\$0.46	\$0.47	\$0.49	\$0.70

* Project costs total less than \$10,000 annually.

NEW O&M EXPENSES CONT'D

Sewer (\$ Millions)

Project Description	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
MAINTENANCE					
SLRAT Acoustic Sewer Assessment (Contract)	\$0.03	\$0.03	\$0.03	\$0.03	\$0.12
50/50 Residential Sewer Check Valve Prog.	0.01	0.01	0.01	0.01	0.04
Annual Rehab. (Lining, Pipe Repairs, Manholes)	0.05	0.05	0.05	0.06	0.21
LIDAR Digital Map Upgrade (Every 4 Years)*	0.01	0.00	0.00	0.00	0.01
TOTAL MAINTENANCE	\$0.10	\$0.09	\$0.09	\$0.10	\$0.38
TOTAL NEW O&M	\$0.40	\$0.29	\$0.28	\$0.29	\$1.25

* Project costs total less than \$10,000 annually.

BASELINE O&M EXPENSES

Stormwater
(\$ Millions)

Project Description	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
EQUIPMENT					
Vactor	\$0.04	\$0.04	\$0.04	\$0.04	\$0.16
Easement Machine*	0.00	0.00	0.00	0.00	0.00
TOTAL EQUIPMENT	\$0.04	\$0.04	\$0.04	\$0.04	\$0.16
PERSONNEL					
Wage/Benefits	\$0.65	\$0.68	\$0.69	\$0.70	\$2.72
TOTAL PERSONNEL	\$0.65	\$0.68	\$0.69	\$0.70	\$2.72

* Project costs total less than \$10,000 annually.

BASELINE O&M EXPENSES CONT'D

Stormwater
(\$ Millions)

Project Description	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
MAINTENANCE					
Lift Station Generator Maintenance	\$0.03	\$0.03	\$0.03	\$0.03	\$0.11
Lift Station Monit. (by Metro)*	0.00	0.00	0.00	0.00	0.00
Catch Basin Clean/Disp.	0.07	0.07	0.07	0.08	0.29
Street Sweep/Disp.	0.02	0.02	0.02	0.02	0.07
Generator Maintenance (by Novatek)	0.02	0.02	0.02	0.02	0.07
Generator Maintenance (Misc. Expenses)	0.02	0.02	0.02	0.02	0.07
Generator Monitoring (by OmniMetrics)	0.01	0.01	0.01	0.01	0.03
Pond Maintenance (by Aquatic Control) Contract	0.03	0.03	0.03	0.03	0.11
Pond Maintenance (Misc. Expenses)*	0.01	0.01	0.01	0.01	0.02
Fountain Maintenance (by Aquatic Control) Contract	0.01	0.01	0.01	0.01	0.04
Fountain Maintenance (Mis. Expenses)	0.04	0.04	0.04	0.04	0.15
Mow/Inspect Detent. Basins	0.02	0.02	0.02	0.02	0.07
IT Licenses	0.01	0.01	0.01	0.01	0.05
50/50 Rear Yard Flood Improve. Prog.	0.03	0.03	0.03	0.03	0.13
TOTAL MAINTENANCE	\$0.29	\$0.30	\$0.31	\$0.31	\$1.21
TOTAL BASELINE O&M	\$0.98	\$1.02	\$1.03	\$1.06	\$4.09

* Project costs total less than \$10,000 annually.

NEW O&M ACTIVITIES

Stormwater (\$ Millions)

Project Description	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
EQUIPMENT					
Dedicated Camera Truck	\$0.02	\$-	\$-	\$-	\$0.02
Drop Pole Camera	0.01	-	-	-	0.01
Vehicles: (3)1-ton & (1) p/u	0.09	-	-	-	0.09
Vehicles: (1) p/u	-	0.01	-	-	0.01
Line Locate Equipment*	0.00	-	-	-	0.00
TOTAL EQUIPMENT	\$0.12	\$0.01	\$-	\$-	\$0.13
PERSONNEL					
1 Water Billing Specialist	\$0.02	\$0.02	\$0.02	\$0.02	\$0.08
Wage of FTE (4 Entry Level)	0.06	0.06	0.06	0.06	0.24
TOTAL PERSONNEL	\$0.08	\$0.08	\$0.08	\$0.08	\$0.32

* Project costs total less than \$10,000 annually.

NEW O&M ACTIVITIES CONT'D

Stormwater
(\$ Millions)

Project Description	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
MAINTENANCE					
50/50 Residential Sewer Check Valve Prog.	\$0.01	\$0.01	\$0.01	\$0.01	\$0.04
Annual Rehab. (Lining, Stuct. Pipe Repairs, Manholes)	0.10	0.11	0.11	0.11	0.43
Pump Station Maintenance—Carnaby, 45th St.*	0.00	0.00	0.00	0.00	0.01
Education / Outreach*	0.01	0.01	0.01	0.01	0.04
Training	0.01	0.01	0.01	0.01	0.04
LIDAR Digital Map Upgrade*	0.01	0.00	0.00	0.00	0.01
TOTAL MAINTENANCE	\$0.14	\$0.13	\$0.14	\$0.14	\$0.55
TOTAL NEW O&M	\$0.34	\$0.23	\$0.22	\$0.23	\$1.01
TOTAL O&M ACTIVITIES	\$1.32	\$1.25	\$1.26	\$1.29	\$5.11

* Project costs total less than \$10,000 annually.

PROJECTED CAPITAL OUTLAYS

Sewer and
Stormwater
Combined
(\$ Millions)

Project Description	FY 2022	FY 2023	FY 2024	FY 2025	TOTAL
SEWER					
Comprehensive Plan	\$0.08	\$-	\$-	\$-	\$0.08
System Mapping	-	0.16	-	-	0.16
TOTAL SEWER	\$0.08	\$0.16	\$0.00	\$0.00	\$0.24
STORMWATER					
Comprehensive Plan	\$0.08	\$-	\$-	\$-	\$0.08
System Mapping	-	.16	-	-	0.16
Storm and Sanitary System Upgrades	-	.16	-	-	0.16
TOTAL STORMWATER	\$0.08	\$0.32	\$0.00	\$0.00	\$0.40
TOTAL SEWER AND STORMWATER COMBINED	\$0.16	\$0.48	\$0.00	\$0.00	\$0.64

CUSTOMER CLASS COST ALLOCATION UNDER CURRENT RATES

Baseline Expenses
Stormwater and
Sewer
(\$ Millions)

	FY 2022	FY 2023	FY 2024	FY 2025
RESIDENTIAL				
Revenues	\$1.34	\$1.34	\$1.34	\$1.34
COS	1.31	1.38	1.44	1.51
Variance (\$)	\$0.03	(\$0.04)	(\$0.09)	(\$0.17)
Variance (%)	2.5%	-2.7%	-7.1%	-12.3%
NON-RESIDENTIAL				
Revenues	\$0.35	\$0.35	\$0.35	\$0.35
COS	0.40	0.42	0.44	0.46
Variance (\$)	(\$0.05)	(\$0.07)	(\$0.09)	(\$0.11)
Variance (%)	-13.7%	-20.0%	-25.8%	-32.6%
TOTAL				
Revenues	\$1.69	\$1.69	\$1.69	\$1.69
COS	1.71	1.80	1.88	1.97
Variance (\$)	(\$0.01)	(\$0.11)	(\$0.19)	(\$0.28)
Variance (%)	-0.8%	-6.3%	-10.9%	-16.5%

CUSTOMER CLASS COST ALLOCATION UNDER CURRENT RATES

New Expenses

Stormwater and
Sewer

(\$ Millions)

	FY 2022	FY 2023	FY 2024	FY 2025
RESIDENTIAL				
Revenues	\$1.34	\$1.34	\$1.34	\$1.34
COS	2.04	1.83	1.90	1.98
Variance (\$)	(\$0.70)	(\$0.48)	(\$0.56)	(\$0.64)
Variance (%)	-51.9%	-35.9%	-41.5%	-47.5%
NON-RESIDENTIAL				
Revenues	\$0.35	\$0.35	\$0.35	\$0.35
COS	0.63	0.56	0.59	0.61
Variance (\$)	(\$0.28)	(\$0.21)	(\$0.24)	(\$0.27)
Variance (%)	-80.3%	-61.3%	-68.6%	-76.2%
TOTAL				
Revenues	\$1.69	\$1.69	\$1.69	\$1.69
COS	2.67	2.39	2.49	2.60
Variance (\$)	(\$0.98)	(\$0.70)	(\$0.80)	(\$0.90)
Variance (%)	-57.8%	-41.2%	-47.1%	-53.4%

INITIAL STORMWATER RATE DESIGN

Baseline Expenses

	Current	FY 2022	FY 2023	FY 2024	FY 2025
<u>MINIMUM MONTHLY FEE</u>					
Residential	\$14.76	\$14.76	\$15.16	\$15.81	\$16.59
Commercial	7.38	7.38	7.58	7.91	8.30
Faith-Based	-	-	-	-	-
<u>IMPERVIOUS AREA RATES</u>					
Commercial (per '000 sq. ft.)					
0–4,100 sq. ft.	\$-	\$-	\$-	\$-	\$-
4,100+ sq. ft.	1.80	1.80	1.85	1.93	2.02
Faith-Based (per '000 sq. ft.)					
0–41,111 sq. ft.	\$1.80	\$1.80	\$1.85	\$1.93	\$2.02
41,111+ sq. ft.	-	-	-	-	-