

Santaquin City



Water Rates Study





Contents

Contents.....	1
Chapter 1 – Executive Summary	3
Chapter 2 – Culinary Water Rates.....	6
Background and Approach.....	6
Growth Projections	6
Operating Expenses	7
Outstanding Debt.....	7
Capital Projects	7
Cash Balances.....	8
Rate Structuring	9
Current Rate Projections.....	9
Proposed Rate Restructure.....	9
Proposed Rate Options	11
Impacts on Existing Water Users – Option A (Preferred Option)	15
Benefits from Change in Water Rate Structure	15
Debt Coverage Ratios.....	16
Days Cash on Hand.....	16
Chapter 3 – Pressurized Irrigation (PI) Rates	17
Background and Approach.....	17
Growth Projections	17
Operating Expenses	17
Outstanding Debt.....	17
Capital Projects	18
Cash Balances.....	18
Rate Structuring	18
Current Rate Projections.....	18
Proposed Rate Restructure.....	19
Proposed Rate Options	20
Impacts on Existing PI Users	23
Benefits from Change in Water Rate Structure	23



Debt Coverage Ratios..... 23

Days Cash on Hand..... 23

Appendix A – Culinary Water Preferred Option 24

Appendix B – Pressurized Irrigation (PI) Preferred Option 25

Chapter 1 – Executive Summary

Santaquin City has looked in detail into its culinary water and pressurized irrigation and has carefully evaluated operating and capital expenses needed through 2030. A summary of proposed rates for each utility is shown below.

Culinary Water

TABLE 1-1: OPTION A – PROJECTED CULINARY WATER RATES

	2021	2022	2023	2024	2025	2026	2027	2028
Base Rate		3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
	\$22.47	\$23.26	\$24.07	\$24.91	\$25.78	\$26.69	\$27.62	\$28.59
CW-Residential		2%	2%	2%	2%	2%	2%	2%
First 4,000 gallons	\$0.58	\$0.59	\$0.60	\$0.62	\$0.63	\$0.64	\$0.65	\$0.67
4,001-8,000 gallons	\$0.88	\$0.90	\$0.92	\$0.93	\$0.95	\$0.97	\$0.99	\$1.01
8,001-12,000 gallons	\$1.16	\$1.19	\$1.21	\$1.24	\$1.26	\$1.29	\$1.31	\$1.34
12,001-50,000 gallons	\$2.15	\$2.19	\$2.24	\$2.28	\$2.33	\$2.37	\$2.42	\$2.47
<i>50,001-100,000 gallons rate increase</i>		10%	10%	5%	5%	3%	3%	3%
50,001-100,000 gallons	\$2.15	\$2.37	\$2.60	\$2.73	\$2.87	\$2.95	\$3.04	\$3.13
<i>100,000+ gallons rate increase</i>		20%	20%	10%	10%	5%	5%	3%
100,000+ gallons	\$2.15	\$2.58	\$3.10	\$3.41	\$3.75	\$3.93	\$4.13	\$4.25
CW-Commercial		2%	2%	2%	2%	2%	2%	2%
First 4,000 gallons	\$0.58	\$0.59	\$0.60	\$0.62	\$0.63	\$0.64	\$0.65	\$0.67
4,001-8,000 gallons	\$0.88	\$0.90	\$0.92	\$0.93	\$0.95	\$0.97	\$0.99	\$1.01
8,001-12,000 gallons	\$1.16	\$1.19	\$1.21	\$1.24	\$1.26	\$1.29	\$1.31	\$1.34
12,001-50,000 gallons	\$2.15	\$2.19	\$2.24	\$2.28	\$2.33	\$2.37	\$2.42	\$2.47
<i>50,001-100,000 gallons & 100,000+ gallons rate increase</i>		3%	3%	3%	3%	3%	3%	3%
50,001-100,000 gallons	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64
100,000+ gallons	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64
CW-Industrial		2%	2%	2%	2%	2%	2%	2%
First 4,000 gallons	\$0.58	\$0.59	\$0.60	\$0.62	\$0.63	\$0.64	\$0.65	\$0.67
4,001-8,000 gallons	\$0.88	\$0.90	\$0.92	\$0.93	\$0.95	\$0.97	\$0.99	\$1.01
8,001-12,000 gallons	\$1.16	\$1.19	\$1.21	\$1.24	\$1.26	\$1.29	\$1.31	\$1.34
12,001-50,000 gallons	\$2.15	\$2.19	\$2.24	\$2.28	\$2.33	\$2.37	\$2.42	\$2.47
<i>50,001-100,000 gallons & 100,000+ gallons rate increase</i>		3%	3%	3%	3%	3%	3%	3%
50,001-100,000 gallons	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64



	2021	2022	2023	2024	2025	2026	2027	2028
100,000+ gallons	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64
<i>CW-Institutional</i>		2%	2%	2%	2%	2%	2%	2%
First 4,000 gallons	\$0.58	\$0.59	\$0.60	\$0.62	\$0.63	\$0.64	\$0.65	\$0.67
4,001-8,000 gallons	\$0.88	\$0.90	\$0.92	\$0.93	\$0.95	\$0.97	\$0.99	\$1.01
8,001-12,000 gallons	\$1.16	\$1.19	\$1.21	\$1.24	\$1.26	\$1.29	\$1.31	\$1.34
12,001-50,000 gallons	\$2.15	\$2.19	\$2.24	\$2.28	\$2.33	\$2.37	\$2.42	\$2.47
<i>50,001-100,000 gallons & 100,000+ gallons rate increase</i>		3%	3%	3%	3%	3%	3%	3%
50,001-100,000 gallons	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64
100,000+ gallons	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64

Pressurized Irrigation

TABLE 1-2: RECOMMENDED PI RATE SCHEDULE

	2021	2022	2023	2024	2025	2026	Annual Increase Through 2026	2027	2028	Annual Increase After 2026
BASE RATES										
1"	\$16.37	\$16.98	\$17.62	\$18.28	\$18.97	\$19.68	3.75%	\$20.42	\$21.18	3.75%
1.5" and larger	\$23.40	\$24.28	\$25.19	\$26.13	\$27.11	\$28.13	3.75%	\$29.18	\$30.28	3.75%
<i>PI-Residential</i>										
First 25,000 gallons	\$0.74	\$0.76	\$0.79	\$0.81	\$0.83	\$0.86	3%	\$0.88	\$0.91	3%
25,001-45,000 gallons	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	5%	\$0.99	\$1.04	5%
45,001-65,000 gallons	\$0.74	\$0.80	\$0.86	\$0.92	\$0.99	\$1.06	8%	\$1.12	\$1.17	5%
65,001-100,000 gallons	\$0.74	\$0.85	\$0.98	\$1.13	\$1.29	\$1.49	15%	\$1.64	\$1.80	10%
100,000+ gallons	\$0.74	\$0.89	\$1.07	\$1.28	\$1.53	\$1.84	20%	\$2.12	\$2.44	15%
<i>PI-Commercial</i>										
First 25,000 gallons	\$0.74	\$0.76	\$0.79	\$0.81	\$0.83	\$0.86	3%	\$0.88	\$0.91	3%
25,001-45,000 gallons	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	5%	\$0.99	\$1.04	5%
45,001-65,000 gallons	\$0.74	\$0.80	\$0.86	\$0.92	\$0.99	\$1.06	8%	\$1.12	\$1.17	5%
65,001-100,000 gallons	\$0.74	\$0.85	\$0.98	\$1.13	\$1.29	\$1.49	15%	\$1.64	\$1.80	10%
100,000+ gallons	\$0.74	\$0.89	\$1.07	\$1.28	\$1.53	\$1.84	20%	\$2.12	\$2.44	15%
<i>PI-Agricultural</i>										
First 25,000 gallons	\$0.74	\$0.76	\$0.79	\$0.81	\$0.83	\$0.86	3%	\$0.88	\$0.91	3%
25,001-45,000 gallons	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	5%	\$0.99	\$1.04	5%
45,001-65,000 gallons	\$0.74	\$0.78	\$0.83	\$0.88	\$0.93	\$0.99	6%	\$1.05	\$1.11	6%



	2021	2022	2023	2024	2025	2026	Annual Increase Through 2026	2027	2028	Annual Increase After 2026
65,001-100,000 gallons	\$0.74	\$0.79	\$0.85	\$0.91	\$0.97	\$1.04	7%	\$1.11	\$1.19	7%
100,000+ gallons	\$0.74	\$0.80	\$0.86	\$0.93	\$1.01	\$1.09	8%	\$1.17	\$1.27	8%
<i>PI-Institutional</i>										
First 25,000 gallons	\$0.74	\$0.76	\$0.79	\$0.81	\$0.83	\$0.86	3%	\$0.88	\$0.91	3%
25,001-45,000 gallons	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	5%	\$0.99	\$1.04	5%
45,001-65,000 gallons	\$0.74	\$0.80	\$0.86	\$0.92	\$0.99	\$1.06	8%	\$1.12	\$1.17	5%
65,001-100,000 gallons	\$0.74	\$0.85	\$0.98	\$1.13	\$1.29	\$1.49	15%	\$1.64	\$1.80	10%
100,000+ gallons	\$0.74	\$0.89	\$1.07	\$1.28	\$1.53	\$1.84	20%	\$2.12	\$2.44	15%

Impact on Single-Family Residential

An average single-family residential unit would see its monthly bill increase by less than \$2 per month in 2022.¹

TABLE 1-3: SAMPLE SINGLE-FAMILY RESIDENTIAL

	2022	2023	2028
Culinary Water			
Base Rate	\$23.26	\$24.07	\$28.59
Usage	\$3.26	\$3.32	\$3.69
Pressurized Irrigation			
Base Rate	\$16.98	\$17.62	\$21.18
Usage	\$9.88	\$10.27	\$11.83
Total Monthly Charge	\$53.38	\$55.28	\$65.29

¹Assumes a residential culinary water usage of 5,000 gallons and a residential pressurized irrigation for a 1” meter with usage of 13,000 gallons.

Chapter 2 – Culinary Water Rates

Background and Approach

Santaquin City (“Santaquin” or “the City”) is experiencing rapid growth which is putting pressure on the City’s culinary water system to serve more customers. Further, inflationary costs are resulting in increased operating expenses and parts of the culinary water system are, or will be, in need of repair or replacement. Rates must be designed to keep up with these changes and must be structured to fairly and equitably serve customer needs. As such, Santaquin has two components to its water rates: 1) a base rate charged to all customers, monthly; and 2) a usage rate that is tied to the actual amount of water used each month, with varying costs per 1,000 gallons per “tier” of water usage.

The approach used in this analysis is commonly referred to as a “revenue sufficiency model.” All expenses (operating and capital) are first calculated, and then rates are structured to cover annual expenses, maintain sufficient debt service coverage ratios, and to keep at least 180 days cash on hand in the culinary water utility fund.

Growth Projections

Growth in culinary water equivalent residential connections (ERCs) is based on historical growth in the City. In 2021, the City had 4,569 culinary water connections. By 2030, the City anticipates 8,069 ERCs – an increase of 3,500 ERCs, or average growth of about 389 ERCs each year.

TABLE 2-1: PROJECTED CULINARY WATER ERC GROWTH

Water Growth	ERCs
2021	4,569
2030	8,069
Growth in ERCs, 2021-2030	3,500

Water usage is anticipated to grow in proportion to the increased ERCs. Annual usage currently reaches nearly 325 million gallons per year and is expected to reach almost 549 million gallons annually by 2030.

TABLE 2-2: CULINARY WATER USAGE, 2021 AND 2030

	2021	2030
<i>CW-Residential</i>		
First 4,000 gallons	151,044,597	255,186,669
4,001-8,000 gallons	61,928,614	104,627,091
8,001-12,000 gallons	20,438,513	34,530,438
12,000+ gallons	38,813,236	65,574,145
Total Residential	272,224,960	459,918,343
<i>CW-Commercial</i>		
First 4,000 gallons	1,545,149	2,610,497
4,001-8,000 gallons	1,140,628	1,927,067
8,001-12,000 gallons	985,824	1,665,530
12,000+ gallons	12,224,159	20,652,459
Total Commercial	15,895,760	26,855,553

	2021	2030
<i>CW-Industrial</i>		
First 4,000 gallons	470,530	794,950
4,001-8,000 gallons	429,303	725,299
8,001-12,000 gallons	417,643	705,599
12,000+ gallons	33,861,804	57,208,805
Total Industrial	35,179,280	59,434,653
<i>CW-Institutional</i>		
First 4,000 gallons	335,954	567,588
4,001-8,000 gallons	249,105	420,858
8,001-12,000 gallons	213,073	359,982
12,000+ gallons	827,908	1,398,732
Total Institutional	1,626,040	2,747,160
GRAND TOTAL USAGE	324,926,040	548,955,709

Operating Expenses

Most operating expenses are projected to grow at an average annual rate of five percent per year. Incremental growth in operational expenses include inflationary expenses of existing operations as well as new costs attributed to new development. However, training and professional services expenses are only projected to grow at two percent per year.

All meters are sold at market price; therefore, operational expenses to account for the water meter costs to the City have been accounted for. The City, as members of the South Utah Valley Water Municipal Agency has an obligation to pay for annual delivery costs for water coming from Central Utah Water Conservancy District as part of the Central Utah Project. This obligated payment will begin in approximately 2024 and will continue for the following 50 years. These expense projections are shown in detail in Appendix A.

Outstanding Debt

Outstanding debt includes one outstanding bond as shown in detail in Appendix A. This 2018 Water Bond has been split evenly between the Culinary Water fund and the Pressurized Irrigation fund

Capital Projects

There are 38 capital projects anticipated between 2021 and 2030. While the costs shown in the table below are in \$2021, an inflation rate of three percent per year has been added to these projects in the financial model to cover the increased costs of construction over time.

TABLE 2-3: CULINARY WATER CAPITAL PROJECTS

Project #	Description	Estimated Cost	Year Budget
DW1	Foothill Village Booster Station	\$55,000	2021
DW1	Foothill Village Booster Station II	\$150,000	2022

Project #	Description	Estimated Cost	Year Budget
DW1	Foothill Village Booster Station III	\$150,000	2023
DW2	Northeast Zone 10 Transmission	\$52,000	2022
DW3	Zone 10 Tank/Zone 11W Source	\$4,431,000	2024
DW4	Well for Redundant Source	\$1,584,000	2024
Efficiency	Efficiency Project	\$36,000	2021
Efficiency	Efficiency Project	\$40,000	2025
Replacement	Storage Tank 1	\$50,000	2021
Replacement	Storage Tank 2	\$50,000	2022
Replacement	Storage Tank 3	\$50,000	2023
Replacement	Storage Tank 4	\$50,000	2024
Replacement	Storage Tank 5	\$50,000	2025
Replacement	Storage Tank 6	\$50,000	2026
Replacement	Storage Tank 7	\$50,000	2027
Replacement	Storage Tank 8	\$50,000	2028
Replacement	Storage Tank 9	\$50,000	2029
Replacement	Storage Tank 10	\$50,000	2030
Replacement	Well 1	\$90,000	2021
Replacement	Well 2	\$90,000	2022
Replacement	Well 3	\$90,000	2023
Replacement	Well 4	\$90,000	2024
Replacement	Well 5	\$90,000	2025
Replacement	Well 6	\$90,000	2026
Replacement	Well 7	\$90,000	2027
Replacement	Well 8	\$90,000	2028
Replacement	Well 9	\$90,000	2029
Replacement	Well 10	\$90,000	2030
Replacement	Pipeline 1	\$410,000	2021
Replacement	Pipeline 2	\$410,000	2022
Replacement	Pipeline 3	\$410,000	2023
Replacement	Pipeline 4	\$410,000	2024
Replacement	Pipeline 5	\$410,000	2025
Replacement	Pipeline 6	\$410,000	2026
Replacement	Pipeline 7	\$410,000	2027
Replacement	Pipeline 8	\$410,000	2028
Replacement	Pipeline 9	\$410,000	2029
Replacement	Pipeline 10	\$410,000	2030
TOTAL		\$13,381,102	

Cash Balances

The beginning cash balance in the Culinary Water Fund is \$708,536.² This represents 331 days cash on hand, which is well above the City's goal of at least 180 days cash on hand.

² Source: Santaquin City

Rate Structuring

Current culinary water base rates are structured as follows:

TABLE 2-4: CURRENT CULINARY WATER BASE RATES

Culinary Base Rate	\$22.47
--------------------	---------

Usage rates are based on varying tiers of usage and charged per 1,000 gallons as shown below.

TABLE 2-5: CURRENT TIERED RATES BY CATEGORY

Usage Tier	Monthly Amount Per 1,000 Gallons
First 4,000 gallons	\$0.58
4,001-8,000 gallons	\$0.88
8,001-12,000 gallons	\$1.16
12,000+ gallons	\$2.15

Current Rate Projections

The current rate structure, with no projected rate increases and no new bonds issued, fails to meet the future needs of the Culinary Water Fund. The capital expenses required to maintain the current service level create a financial strain under current rates. Financial projections for the current rates with no future rate increases or issuance of bonds are shown in the following table. With no changes to the existing situation, the Culinary Water Fund will not have sufficient cash flows to cover its costs by 2025.

TABLE 2-6: CURRENT RATE KEY RATIOS

	2021	2022	2023	2024	2025	2026	2027
Net Revenues before Debt Service	\$1,063,911	\$1,824,210	\$1,940,582	\$1,102,911	\$1,219,051	\$1,010,548	\$1,077,944
Debt Service	(\$93,240)	(\$93,040)	(\$92,820)	(\$93,080)	(\$92,810)	(\$111,520)	(\$111,830)
Capital Expenses	(\$641,000)	(\$774,560)	(\$742,630)	(\$7,173,753)	(\$664,050)	(\$637,601)	(\$656,729)
Debt Coverage Ratio	11.41	19.61	20.91	11.85	13.13	9.06	9.64
Beginning Days Cash on Hand (Target 180 days)	331	229	404	315	(897)	(915)	(939)

Proposed Rate Restructure

The highest tier of the current usage rate structure is 12,000 gallons. This current structure does not promote conservation because it does not allow for substantially higher rates to be charged to the highest water users.

The new structure would separate the rates into categories by property type allowing for different rates for residential, commercial, industrial, and institutional customers. The usage tier amounts would not

change between categories. The new rate structure also adds two additional tiers to the current rate structure to allow for higher rates on culinary water customers with higher usage.

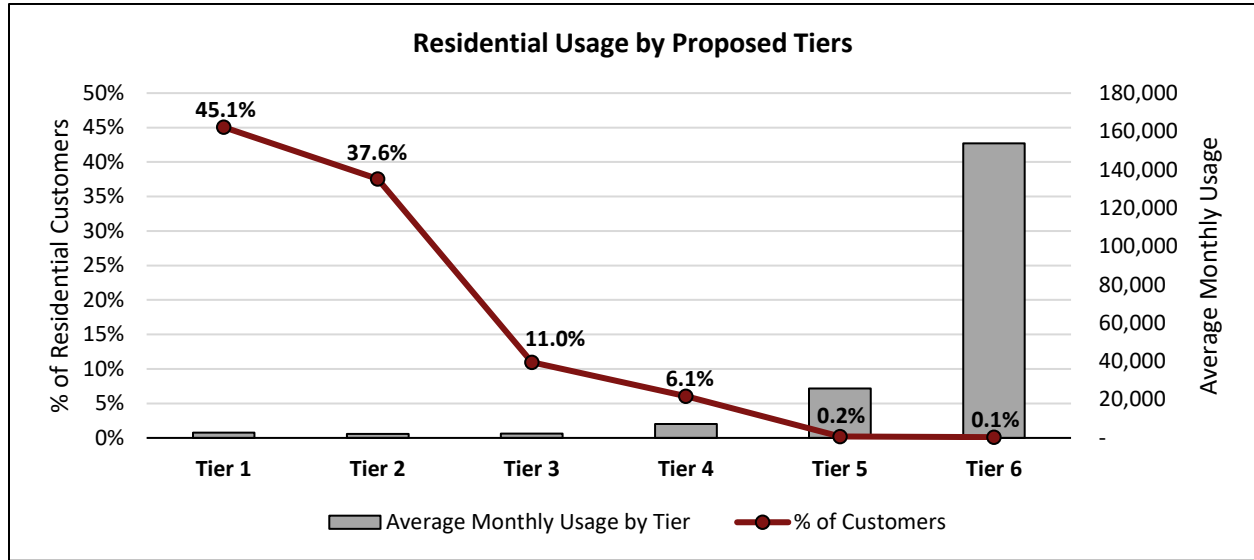
TABLE 2-7: PROPOSED RATE STRUCTURE

Category	Usage
<i>CW-Residential</i>	
Tier 1	First 4,000 gallons
Tier 2	4,001-8,000 gallons
Tier 3	8,001-12,000 gallons
Tier 4	12,001-50,000 gallons
Tier 5	50,001-100,000 gallons
Tier 6	100,000+ gallons
<i>CW-Commercial</i>	
Tier 1	First 4,000 gallons
Tier 2	4,001-8,000 gallons
Tier 3	8,001-12,000 gallons
Tier 4	12,001-50,000 gallons
Tier 5	50,001-100,000 gallons
Tier 6	100,000+ gallons
<i>CW-Industrial</i>	
Tier 1	First 4,000 gallons
Tier 2	4,001-8,000 gallons
Tier 3	8,001-12,000 gallons
Tier 4	12,001-50,000 gallons
Tier 5	50,001-100,000 gallons
Tier 6	100,000+ gallons
<i>CW-Institutional</i>	
Tier 1	First 4,000 gallons
Tier 2	4,001-8,000 gallons
Tier 3	8,001-12,000 gallons
Tier 4	12,001-50,000 gallons
Tier 5	50,001-100,000 gallons
Tier 6	100,000+ gallons

A usage analysis shows that 0.3% of residential customers use over 50,000 gallons a month which accounts for 5% of the City’s residential culinary water usage annually. The proposed rate restructure would add Tiers 5 and 6. Tier 5 would impose a new rate for usage between 50,000 gallons and 100,000 gallons per month and Tier 6 would impose a new rate for usage above 100,000 gallons. The new tiers will help the City comply with State of Utah recommendations that encourage water conservation by placing higher

rates on the largest water users.³ Figure 2-1 shows how Tiers 5 and 6 will impose higher rates on the customers who use the most water.

FIGURE 2-1: PERCENT OF RESIDENTIAL CUSTOMERS BY PROPOSED RESIDENTIAL TIERS - USAGE



Proposed Rate Options

Several options for rate increases are included below. General rate objectives considered in this analysis include:

- Ensure sufficient revenues to cover all operating costs and maintain a debt service coverage ratio of at least 1.25;⁴
- Maintain at least 180 days cash on hand;
- Balance minimizing rates with minimizing new debt obligations when debt obligations are considered; and
- Proposed rates should be easy to implement and administer.

The proposed culinary water rates are structured to ensure that new capital improvements can be constructed, that inflationary operating costs can be met and that the water utility fund maintains at least 180 days cash on hand.

³ Utah Code 73-10-32 requires that every retail water supplier to more than 500 connections have a water conservation plan that describes what will be done to conserve water and reduce its per capita consumption. Section 73-10-32a further requires that a retail water provider, as defined in Section [73-10-32](#), shall:

- (1) establish a culinary water rate structure that:
 - (a) incorporates increasing block units of water used; and
 - (b) provides for an increase in the rate charged for additional block units of water used as usage increases from one block unit to the next;

⁴ Debt coverage ratios are measured by comparing operating cash (revenues less operating expenses) to annual debt service obligations before capital costs.

Option A – Preferred Option

Under Option A, base and usage rates would increase beginning in 2022 for all categories. The base rate would increase by 3.5% per year.

The Residential usage category would increase by 2% per year for Tiers 1 through 4. Tier 5 would increase by 10% in 2022 and 2023, then by 5% in 2024 and 2025, then by 3% each year thereafter beginning in 2026. Tier 6 would increase in by 20% in 2022 and 2023, then by 10% in 2024 and 2025, then by 5% in 2026 and 2027, then by 3% each year thereafter beginning in 2028. The higher increases to Tiers 5 and 6 would result in encouraging water conservation.

The Commercial, Industrial, and Institutional usage categories will have a uniform increase across all tiers. Tiers 1 through 4 will increase by 2% per year for all categories. Tiers 5 and 6 will increase by 3% in all categories.

The City would need to issue a \$6.5 million bond in 2023 to build additional system capacity and maintain operational stability.

TABLE 2-8: OPTION A – PROJECTED CULINARY WATER RATES (PREFERRED OPTION)

	2021	2022	2023	2024	2025	2026	2027	2028
Base Rate		3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
	\$22.47	\$23.26	\$24.07	\$24.91	\$25.78	\$26.69	\$27.62	\$28.59
CW-Residential		2%	2%	2%	2%	2%	2%	2%
First 4,000 gallons	\$0.58	\$0.59	\$0.60	\$0.62	\$0.63	\$0.64	\$0.65	\$0.67
4,001-8,000 gallons	\$0.88	\$0.90	\$0.92	\$0.93	\$0.95	\$0.97	\$0.99	\$1.01
8,001-12,000 gallons	\$1.16	\$1.19	\$1.21	\$1.24	\$1.26	\$1.29	\$1.31	\$1.34
12,001-50,000 gallons	\$2.15	\$2.19	\$2.24	\$2.28	\$2.33	\$2.37	\$2.42	\$2.47
50,001-100,000 gallons rate increase		10%	10%	5%	5%	3%	3%	3%
50,001-100,000 gallons	\$2.15	\$2.37	\$2.60	\$2.73	\$2.87	\$2.95	\$3.04	\$3.13
100,000+ gallons rate increase		20%	20%	10%	10%	5%	5%	3%
100,000+ gallons	\$2.15	\$2.58	\$3.10	\$3.41	\$3.75	\$3.93	\$4.13	\$4.25
CW-Commercial		2%	2%	2%	2%	2%	2%	2%
First 4,000 gallons	\$0.58	\$0.59	\$0.60	\$0.62	\$0.63	\$0.64	\$0.65	\$0.67
4,001-8,000 gallons	\$0.88	\$0.90	\$0.92	\$0.93	\$0.95	\$0.97	\$0.99	\$1.01
8,001-12,000 gallons	\$1.16	\$1.19	\$1.21	\$1.24	\$1.26	\$1.29	\$1.31	\$1.34
12,001-50,000 gallons	\$2.15	\$2.19	\$2.24	\$2.28	\$2.33	\$2.37	\$2.42	\$2.47
50,001-100,000 gallons & 100,000+ gallons rate increase		3%	3%	3%	3%	3%	3%	3%
50,001-100,000 gallons	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64
100,000+ gallons	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64

	2021	2022	2023	2024	2025	2026	2027	2028
CW-Industrial		2%	2%	2%	2%	2%	2%	2%
First 4,000 gallons	\$0.58	\$0.59	\$0.60	\$0.62	\$0.63	\$0.64	\$0.65	\$0.67
4,001-8,000 gallons	\$0.88	\$0.90	\$0.92	\$0.93	\$0.95	\$0.97	\$0.99	\$1.01
8,001-12,000 gallons	\$1.16	\$1.19	\$1.21	\$1.24	\$1.26	\$1.29	\$1.31	\$1.34
12,001-50,000 gallons	\$2.15	\$2.19	\$2.24	\$2.28	\$2.33	\$2.37	\$2.42	\$2.47
50,001-100,000 gallons & 100,000+ gallons rate increase		3%	3%	3%	3%	3%	3%	3%
50,001-100,000 gallons	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64
100,000+ gallons	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64
CW-Institutional		2%	2%	2%	2%	2%	2%	2%
First 4,000 gallons	\$0.58	\$0.59	\$0.60	\$0.62	\$0.63	\$0.64	\$0.65	\$0.67
4,001-8,000 gallons	\$0.88	\$0.90	\$0.92	\$0.93	\$0.95	\$0.97	\$0.99	\$1.01
8,001-12,000 gallons	\$1.16	\$1.19	\$1.21	\$1.24	\$1.26	\$1.29	\$1.31	\$1.34
12,001-50,000 gallons	\$2.15	\$2.19	\$2.24	\$2.28	\$2.33	\$2.37	\$2.42	\$2.47
50,001-100,000 gallons & 100,000+ gallons rate increase		3%	3%	3%	3%	3%	3%	3%
50,001-100,000 gallons	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64
100,000+ gallons	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64

With the rate increases shown above and the issuance of the bond, the City maintains good debt service coverage ratios and stays close to its target of 180 days cash on hand.

TABLE 2-9: OPTION A – SUMMARY OF KEY RATIOS

	2021	2022	2023	2024	2025	2026	2027
Net Revenues before Debt Service	\$1,063,911	\$1,878,834	\$2,062,426	\$1,301,947	\$1,508,532	\$1,393,089	\$1,563,848
Debt Service	(\$93,240)	(\$93,040)	(\$92,820)	(\$498,549)	(\$498,279)	(\$516,989)	(\$517,299)
Capital Expenses	(\$641,000)	(\$774,560)	(\$742,630)	(\$7,173,753)	(\$664,050)	(\$637,601)	(\$656,729)
Debt Coverage Ratio	11.41	20.19	22.22	2.61	3.03	2.69	3.02
Beginning Days Cash on Hand (Target 180 days)	331	228	418	1,537	271	247	193

Option B

Option B assumes higher rate increases and less bonding than Option A. Under Option B, base and usage rates would increase beginning in 2022 for all categories. The base rate would increase annually by 8% per year.

The Residential usage category would increase by 4% per year for Tiers 1 through 4 until 2026 when the rate increase would lower to 3% per year. Tier 5 would increase in by 10% in 2022 and 2023, then by 5%

in 2024 and 2025, then by 3% each year thereafter beginning in 2026. Tier 6 would increase in by 20% in 2022 and 2023, then by 10% in 2024 and 2025, then by 5% in 2026 and 2027, then by 3% each year thereafter beginning in 2028.

The Commercial, Industrial, and Institutional usage categories will have a uniform increase across all categories. Tiers 1 through 4 will increase by 4% per year for all categories until 2026, then decreasing to 3% per year. Tiers 5 and 6 will increase by 5% in all categories until 2026, then decreasing to 4 % per year.

The City would need to issue a \$5.5 million bond in 2023 to build additional system capacity and maintain operational stability. Key ratios for Option B are shown in Table 2-11.

TABLE 2-10: OPTION B – PROJECTED CULINARY WATER RATES (ALTERNATIVE OPTION)

	2021	2022	2023	2024	2025	2026	2027	2028
Base Rate		8%	8%	8%	8%	8%	8%	8%
	\$22.47	\$24.27	\$26.21	\$28.31	\$30.57	\$33.02	\$35.66	\$38.51
CW-Residential		4%	4%	4%	4%	3%	3%	3%
First 4,000 gallons	\$0.58	\$0.60	\$0.63	\$0.65	\$0.68	\$0.70	\$0.72	\$0.74
4,001-8,000 gallons	\$0.88	\$0.92	\$0.95	\$0.99	\$1.03	\$1.06	\$1.09	\$1.12
8,001-12,000 gallons	\$1.16	\$1.21	\$1.26	\$1.31	\$1.36	\$1.40	\$1.44	\$1.49
12,001-50,000 gallons	\$2.15	\$2.24	\$2.33	\$2.42	\$2.52	\$2.59	\$2.67	\$2.75
<i>50,001-100,000 gallons rate increase</i>		10%	10%	5%	5%	3%	3%	3%
50,001-100,000 gallons	\$2.15	\$2.37	\$2.60	\$2.73	\$2.87	\$2.95	\$3.04	\$3.13
<i>100,000+ gallons rate increase</i>		20%	20%	10%	10%	5%	5%	3%
100,000+ gallons	\$2.15	\$2.58	\$3.10	\$3.41	\$3.75	\$3.93	\$4.13	\$4.25
CW-Commercial		4%	4%	4%	4%	3%	3%	3%
First 4,000 gallons	\$0.58	\$0.60	\$0.63	\$0.65	\$0.68	\$0.70	\$0.72	\$0.74
4,001-8,000 gallons	\$0.88	\$0.92	\$0.95	\$0.99	\$1.03	\$1.06	\$1.09	\$1.12
8,001-12,000 gallons	\$1.16	\$1.21	\$1.26	\$1.31	\$1.36	\$1.40	\$1.44	\$1.49
12,001-50,000 gallons	\$2.15	\$2.24	\$2.33	\$2.42	\$2.52	\$2.59	\$2.67	\$2.75
<i>50,001-100,000 gallons & 100,000+ gallons rate increase</i>		5%	5%	5%	5%	4%	4%	4%
50,001-100,000 gallons	\$2.15	\$2.26	\$2.37	\$2.49	\$2.61	\$2.72	\$2.83	\$2.94
100,000+ gallons	\$2.15	\$2.26	\$2.37	\$2.49	\$2.61	\$2.72	\$2.83	\$2.94
CW-Industrial		4%	4%	4%	4%	3%	3%	3%
First 4,000 gallons	\$0.58	\$0.60	\$0.63	\$0.65	\$0.68	\$0.70	\$0.72	\$0.74
4,001-8,000 gallons	\$0.88	\$0.92	\$0.95	\$0.99	\$1.03	\$1.06	\$1.09	\$1.12
8,001-12,000 gallons	\$1.16	\$1.21	\$1.26	\$1.31	\$1.36	\$1.40	\$1.44	\$1.49
12,001-50,000 gallons	\$2.15	\$2.24	\$2.33	\$2.42	\$2.52	\$2.59	\$2.67	\$2.75



	2021	2022	2023	2024	2025	2026	2027	2028
<i>50,001-100,000 gallons & 100,000+ gallons rate increase</i>		5%	5%	5%	5%	4%	4%	4%
50,001-100,000 gallons	\$2.15	\$2.26	\$2.37	\$2.49	\$2.61	\$2.72	\$2.83	\$2.94
100,000+ gallons	\$2.15	\$2.26	\$2.37	\$2.49	\$2.61	\$2.72	\$2.83	\$2.94
CW-Institutional		4%	4%	4%	4%	3%	3%	3%
First 4,000 gallons	\$0.58	\$0.60	\$0.63	\$0.65	\$0.68	\$0.70	\$0.72	\$0.74
4,001-8,000 gallons	\$0.88	\$0.92	\$0.95	\$0.99	\$1.03	\$1.06	\$1.09	\$1.12
8,001-12,000 gallons	\$1.16	\$1.21	\$1.26	\$1.31	\$1.36	\$1.40	\$1.44	\$1.49
12,001-50,000 gallons	\$2.15	\$2.24	\$2.33	\$2.42	\$2.52	\$2.59	\$2.67	\$2.75
<i>50,001-100,000 gallons & 100,000+ gallons rate increase</i>		5%	5%	5%	5%	4%	4%	4%
50,001-100,000 gallons	\$2.15	\$2.26	\$2.37	\$2.49	\$2.61	\$2.72	\$2.83	\$2.94
100,000+ gallons	\$2.15	\$2.26	\$2.37	\$2.49	\$2.61	\$2.72	\$2.83	\$2.94

TABLE 2-11: OPTION B KEY RATIOS

	2021	2022	2023	2024	2025	2026	2027
Net Revenues before Debt Service	\$1,063,911	\$1,940,396	\$2,204,635	\$1,546,630	\$1,880,569	\$1,902,461	\$2,234,310
Debt Service	(\$93,240)	(\$93,040)	(\$92,820)	(\$436,169)	(\$435,899)	(\$454,609)	(\$454,919)
Capital Expenses	(\$641,000)	(\$774,560)	(\$742,630)	(\$7,173,753)	(\$664,050)	(\$637,601)	(\$656,729)
Debt Coverage Ratio	11.41	20.86	23.75	3.55	4.31	4.18	4.91
Beginning Days Cash on Hand (Target 180 days)	331	226	434	1,372	180	230	274

Impacts on Existing Water Users – Option A (Preferred Option)

The actual amount paid by existing water users will vary depending on water usage but monthly bills for both base and usage will increase by 3.31%. For example, if a residential water user now pays \$22.47 monthly for a base rate and uses 5,000 gallons per month (\$3.20 calculated by paying \$0.58 per 1,000 gallons for the first 4,000 gallons and \$0.88 for the 1,000 gallons used in Tier 2), their current total cost would be \$25.67 per month or \$308.04 annually. Under the new rates, the same residential ratepayer would pay \$26.52 monthly or \$318.24 annually, for an annual increase of \$10.20 in 2022. By 2030, this amount would increase to \$34.43 monthly or \$413.16 annually.

Benefits from Change in Water Rate Structure

Benefits from the proposed increase to the culinary water rates are that the City will be able to better meet its capital needs requirements, keep up with inflation and necessary repairs and replacement of existing infrastructure and maintain a high level of service to its residents.

Debt Coverage Ratios

Minimum debt coverage ratios are generally assumed to be 1.25. All options maintain at least this ratio.

Days Cash on Hand

All options maintain the City's goal of over 180 days cash on hand through 2027.

Chapter 3 – Pressurized Irrigation (PI) Rates

Background and Approach

Santaquin City is experiencing rapid growth which is putting pressure on the City’s PI system to serve more customers. Further, inflationary costs are resulting in increased operating expenses and parts of the PI system are in need of repair. Rates must be designed to keep up with these changes and must be structured to fairly and equitably serve customer needs.

The approach used in this analysis is commonly referred to as a “revenue sufficiency model.” All expenses (operating and capital) are first calculated, and then rates are structured to cover annual expenses, maintain sufficient debt service ratios, and to keep at least 180 days cash on hand in the PI utility fund.

Growth Projections

Growth in PI customers by connection type is shown in the table below.

TABLE 3-1: PROJECTED PI CUSTOMER GROWTH

	2021	2030
Base		
1” Connection	4,549	8,049
1.5” or Larger Connection	20	26
Total Base Connections	4,569	8,075
Irrigable Acres	620	970

Operating Expenses

Most operating expenses are projected to grow at an average annual rate of five percent per year. Incremental growth in operational expenses include inflationary expenses of existing operations as well as new costs attributed to new development. However, supplies and water assessments are only projected to grow at two percent per year.

All meters are sold at market price; therefore, operational expenses to account for the water meter costs to the City have been accounted for. The City, as members of the South Utah Valley Water Municipal Agency (SUVWMA) has an obligation to pay for annual delivery costs for water coming from Central Utah Water Conservancy District as part of the Central Utah Project. This obligated payment will begin in 2024 and will continue for the following 50 years. There is also a maintenance fee associated with the SUVWMA obligation which has been considered in this rate study. These expense projections are shown in detail in Appendix B.

Outstanding Debt

Outstanding debt includes two outstanding bonds as shown in detail in Appendix B. The 2018 Water Bond has been split between the Culinary Water fund and the Pressurized Irrigation fund. There is also a 2012 PI Bond with payments through 2027.

Capital Projects

There are 6 capital projects anticipated between 2021 and 2030. While the costs shown in the table below are in \$2021, an inflation rate of three percent per year has been added to these projects in the financial model to cover the increased costs of construction over time.

TABLE 3-2: PI CAPITAL PROJECTS

Project #	Description	Estimated Cost	Year Budget
PI-1	Install Parallel Zone 10W Backflow Preventer	\$84,000	2021
PI-2	Zone 11W PI Infrastructure	\$4,949,000	2022
PI-3	Zone 10 ULS Infrastructure	\$1,596,000	2022
PI-4	Connect Zone 11W to ULS	\$687,000	2026
PI-5	Zone 11E Transmission	\$182,000	2022
PI-6	North Reuse Expansion	\$1,489,000	2027
	TOTAL	\$8,987,000	

Cash Balances

The beginning cash balance in the PI Fund is \$414,850.⁵ This represents 183 days cash on hand, which just meets the City's goal of at least 180 days cash on hand.

Rate Structuring

Current pressurized irrigation base rates are structured as follows:

TABLE 3-3: CURRENT PI BASE RATES

1" Connection	\$16.37
1.5" or Larger Connection	\$23.40

Usage rates are charged per 1,000 gallons for all customers as shown below.

TABLE 3-4: CURRENT PI USAGE RATES

Per 1,000 gallons	\$0.74
-------------------	--------

Current Rate Projections

The current rate structure, with no projected rate increases and no future bonds, fails to meet the future needs of the PI Fund. The capital expenses required to maintain the current service level create a financial strain under current rates. Financial projections for the current rates with no future rate increases or issuance of bonds are shown in the following table. Days cash on hand becomes negative by 2023. Therefore, the City needs to look at rate increases combined with bonding.

⁵ Source: Santaquin City



TABLE 3-5: CURRENT RATE PROJECTIONS

	2021	2022	2023	2024	2025	2026	2027
Net Revenues before Debt Service	\$1,051,662	\$1,145,494	\$1,239,927	\$972,032	\$1,066,913	\$1,019,410	\$1,080,462
Debt Service	(\$605,541)	(\$604,253)	(\$604,668)	(\$605,260)	(\$605,020)	(\$623,458)	(\$623,193)
Capital Expenses	(\$84,000)	(\$6,928,810)	\$0	\$0	\$0	(\$796,421)	(\$1,777,944)
Debt Coverage Ratio	1.74	1.90	2.05	1.61	1.76	1.64	1.73
Beginning Days Cash on Hand (Target 180 days)	183	273	(2,385)	(1,509)	(1,400)	(1,344)	(1,450)

Proposed Rate Restructure

The current usage structure is limited to a single usage rate. This limitation does not allow the City enough flexibility to impose rates on users based on increased usage and thereby encourage water conservation.

The new structure separates the rates into separate categories by property type allowing for different rates for residential, commercial, agricultural, and institutional customers. The new rate structure creates five tiers to allow for higher rates on pressurized irrigation customers with higher usage.

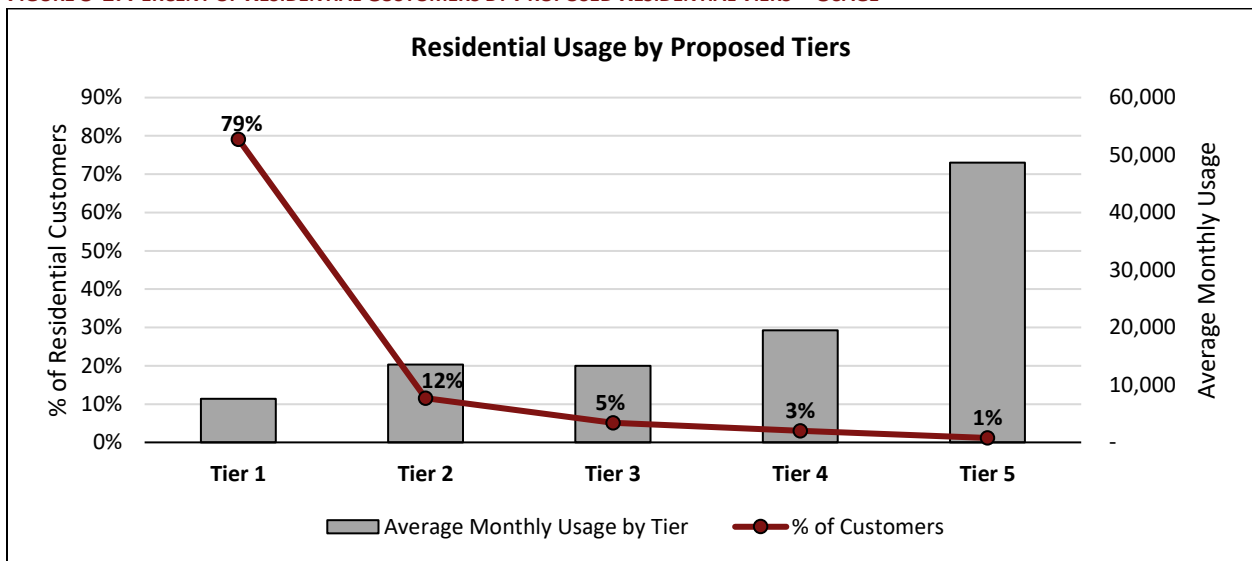
TABLE 3-6: PROPOSED RATE STRUCTURE

Category	Usage
<i>PI-Residential</i>	
Tier 1	First 25,000 gallons
Tier 2	25,001-45,000 gallons
Tier 3	45,001-65,000 gallons
Tier 4	65,001-100,000 gallons
Tier 5	100,000+ gallons
<i>PI-Commercial</i>	
Tier 1	First 25,000 gallons
Tier 2	25,001-45,000 gallons
Tier 3	45,001-65,000 gallons
Tier 4	65,001-100,000 gallons
Tier 5	100,000+ gallons
<i>PI-Agricultural</i>	
Tier 1	First 25,000 gallons
Tier 2	25,001-45,000 gallons
Tier 3	45,001-65,000 gallons
Tier 4	65,001-100,000 gallons
Tier 5	100,000+ gallons

Category	Usage
PI-Institutional	
Tier 1	First 25,000 gallons
Tier 2	25,001-45,000 gallons
Tier 3	45,001-65,000 gallons
Tier 4	65,001-100,000 gallons
Tier 5	100,000+ gallons

The proposed rate restructure adds five new tiers. A usage analysis shows that 79% of the residential customers use under 25,000 gallons and would only be charged Tier 1 rates. The new tiers will encourage water conservation by placing higher rates on the largest water users.

FIGURE 3-1: PERCENT OF RESIDENTIAL CUSTOMERS BY PROPOSED RESIDENTIAL TIERS – USAGE



Proposed Rate Options

General rate objectives considered in this analysis include:

- Ensure sufficient revenues to cover all operating costs and maintain a debt coverage ratio of at least 1.25;⁶
- Maintain at least 180 days cash on hand;
- Balance minimizing rates with minimizing new debt obligations when debt obligations are considered; and
- Proposed rates should be easy to implement and administer.

The proposed PI rates are structured to ensure that new capital improvements can be constructed, that inflationary operating costs can be met and that the PI utility fund maintains at least 180 days cash on hand.

⁶ Debt coverage ratios are measured by comparing operating cash (revenues less operating expenses) to annual debt service obligations before capital costs.

Preferred Option

Under the preferred option, base and usage rates would increase beginning in 2022 for all categories. The base rate would increase by 3.75% per year.

Since the usage rate has historically been a flat fee regardless of actual usage in the past, the newly established categories and tiers will be grown incrementally by tier beginning at the current rate. The Agricultural category will not be grown as quickly in order to avoid unnecessarily penalizing customers with justifiably higher usage of the pressurized irrigation system.

TABLE 3-7: PROPOSED RATE STRUCTURE

Category/Tier	Usage	Through 2026	After 2026
<i>CW-Residential</i>			
Tier 1	First 25,000 gallons	3%	3%
Tier 2	25,001-45,000 gallons	5%	5%
Tier 3	45,001-65,000 gallons	8%	5%
Tier 4	65,001-100,000 gallons	15%	10%
Tier 5	100,000+ gallons	20%	15%
<i>CW-Commercial</i>			
Tier 1	First 25,000 gallons	3%	3%
Tier 2	25,001-45,000 gallons	5%	5%
Tier 3	45,001-65,000 gallons	8%	5%
Tier 4	65,001-100,000 gallons	15%	10%
Tier 5	100,000+ gallons	20%	15%
<i>CW-Agricultural</i>			
Tier 1	First 25,000 gallons	3%	3%
Tier 2	25,001-45,000 gallons	5%	5%
Tier 3	45,001-65,000 gallons	6%	6%
Tier 4	65,001-100,000 gallons	7%	7%
Tier 5	100,000+ gallons	8%	8%
<i>CW-Institutional</i>			
Tier 1	First 25,000 gallons	3%	3%
Tier 2	25,001-45,000 gallons	5%	5%
Tier 3	45,001-65,000 gallons	8%	5%
Tier 4	65,001-100,000 gallons	15%	10%
Tier 5	100,000+ gallons	20%	15%

Projected rates would be as follows:

TABLE 3-8: RECOMMENDED PI RATE SCHEDULE

	2021	2022	2023	2024	2025	2026	Annual Increase Through 2026	2027	2028	Annual Increase After 2026
BASE RATES										
1"	\$16.37	\$16.98	\$17.62	\$18.28	\$18.97	\$19.68	3.75%	\$20.42	\$21.18	3.75%
1.5" and Larger	\$23.40	\$24.28	\$25.19	\$26.13	\$27.11	\$28.13	3.75%	\$29.18	\$30.28	3.75%
PI-Residential										
First 25,000 gallons	\$0.74	\$0.76	\$0.79	\$0.81	\$0.83	\$0.86	3%	\$0.88	\$0.91	3%
25,001-45,000 gallons	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	5%	\$0.99	\$1.04	5%
45,001-65,000 gallons	\$0.74	\$0.80	\$0.86	\$0.92	\$0.99	\$1.06	8%	\$1.12	\$1.17	5%
65,001-100,000 gallons	\$0.74	\$0.85	\$0.98	\$1.13	\$1.29	\$1.49	15%	\$1.64	\$1.80	10%
100,000+ gallons	\$0.74	\$0.89	\$1.07	\$1.28	\$1.53	\$1.84	20%	\$2.12	\$2.44	15%
PI-Commercial										
First 25,000 gallons	\$0.74	\$0.76	\$0.79	\$0.81	\$0.83	\$0.86	3%	\$0.88	\$0.91	3%
25,001-45,000 gallons	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	5%	\$0.99	\$1.04	5%
45,001-65,000 gallons	\$0.74	\$0.80	\$0.86	\$0.92	\$0.99	\$1.06	8%	\$1.12	\$1.17	5%
65,001-100,000 gallons	\$0.74	\$0.85	\$0.98	\$1.13	\$1.29	\$1.49	15%	\$1.64	\$1.80	10%
100,000+ gallons	\$0.74	\$0.89	\$1.07	\$1.28	\$1.53	\$1.84	20%	\$2.12	\$2.44	15%
PI-Agricultural										
First 25,000 gallons	\$0.74	\$0.76	\$0.79	\$0.81	\$0.83	\$0.86	3%	\$0.88	\$0.91	3%
25,001-45,000 gallons	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	5%	\$0.99	\$1.04	5%
45,001-65,000 gallons	\$0.74	\$0.78	\$0.83	\$0.88	\$0.93	\$0.99	6%	\$1.05	\$1.11	6%
65,001-100,000 gallons	\$0.74	\$0.79	\$0.85	\$0.91	\$0.97	\$1.04	7%	\$1.11	\$1.19	7%
100,000+ gallons	\$0.74	\$0.80	\$0.86	\$0.93	\$1.01	\$1.09	8%	\$1.17	\$1.27	8%
PI-Institutional										
First 25,000 gallons	\$0.74	\$0.76	\$0.79	\$0.81	\$0.83	\$0.86	3%	\$0.88	\$0.91	3%
25,001-45,000 gallons	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	5%	\$0.99	\$1.04	5%
45,001-65,000 gallons	\$0.74	\$0.80	\$0.86	\$0.92	\$0.99	\$1.06	8%	\$1.12	\$1.17	5%
65,001-100,000 gallons	\$0.74	\$0.85	\$0.98	\$1.13	\$1.29	\$1.49	15%	\$1.64	\$1.80	10%
100,000+ gallons	\$0.74	\$0.89	\$1.07	\$1.28	\$1.53	\$1.84	20%	\$2.12	\$2.44	15%

The City would need to issue a \$6.5 million bond in 2021 to build additional system capacity and maintain operational stability. Also, this change in rate structure would result in the revenue ratio shifting more towards usage rates versus revenue generated by the base rate. See detailed, year-by-year increases and impacts in Appendix B

TABLE 3-9: PREFERRED PI OPTION KEY RATIOS

	2021	2022	2023	2024	2025	2026	2027
Net Revenues before Debt Service	\$1,051,662	\$1,208,663	\$1,380,999	\$1,207,560	\$1,415,590	\$1,495,330	\$1,692,118
Debt Service	(\$605,541)	(\$755,153)	(\$755,568)	(\$756,160)	(\$755,920)	(\$774,358)	(\$774,093)
Capital Expenses	(\$84,000)	(\$6,928,810)	\$0	\$0	\$0	(\$796,421)	(\$1,777,944)
Debt Coverage Ratio	1.74	1.60	1.83	1.60	1.87	1.93	2.19
Beginning Days Cash on Hand (Target 180 days)	183	3,000	213	282	354	497	422

Impacts on Existing PI Users

A change in the PI rate structure will not have a major impact on the average residential user since the majority of residential users will remain in the lowest usage tier which will grow at a lower rate than the proposed higher tiers. For example, if a residential water user now pays \$16.37 monthly for a 1" base rate and uses 13,000 gallons per month (\$9.62 calculated by paying \$0.74 per 1,000 gallons for 13,000 gallons), the current total cost would be \$25.99 per month or \$311.88 annually. Under the new rates, the same residential ratepayer would pay \$26.86 monthly or \$322.32 annually, for an annual increase of \$10.44 in 2022. By 2030, this amount would increase to \$35.41 monthly or \$424.92 annually.

Benefits from Change in Water Rate Structure

Benefits from the change in the PI rates are that the City will be able to better meet its capital needs requirements as well as maintain a high level of service to its residents. Water conservation is also a benefit.

Debt Coverage Ratios

Minimum debt coverage ratios are generally assumed to be 1.25. All options maintain at least this ratio.

Days Cash on Hand

All options maintain the City's goal of over 180 days cash on hand through 2027.



Appendix A – Culinary Water Preferred Option

Appendix A - Culinary Water Preferred Option CULINARY WATER RATE ANALYSIS	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Growth Per year
	0	1	2	3	4	5	6	7	8	9		
Total ERCs	4,375	4,569	5,069	5,569	6,069	6,569	6,869	7,169	7,469	7,769	8,069	
Growth in ERCs			500	500	500	500	300	300	300	300	300	
Impact Fee per ERC			\$1,180	\$1,180	\$1,180	\$1,180	\$1,180	\$1,180	\$1,180	\$1,180	\$1,180	
Water Meter			\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	
Water Connection Fee			\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	

Customers and Tiers												
Base Connections	4,375	4,569	5,069	5,569	6,069	6,569	6,869	7,169	7,469	7,769	8,069	
Usage												
CW-Residential												
First 4,000 gallons	142,494,903	151,044,597	160,107,273	169,713,709	179,896,532	190,690,324	202,131,743	214,259,648	227,115,227	240,742,140	255,186,669	6%
4,001-8,000 gallons	58,423,221	61,928,614	65,644,331	69,582,991	73,757,970	78,183,449	82,874,456	87,846,923	93,117,738	98,704,803	104,627,091	6%
8,001-12,000 gallons	19,281,616	20,438,513	21,664,824	22,964,713	24,342,596	25,803,152	27,351,341	28,992,421	30,731,967	32,575,885	34,530,438	6%
12,001-50,000 gallons	23,947,103	25,383,929	26,906,965	28,521,383	30,232,666	32,046,626	33,969,423	36,007,589	38,168,044	40,458,127	42,885,614	6%
50,001-100,000 gallons	4,055,157	4,298,466	4,556,374	4,829,757	5,119,542	5,426,715	5,752,318	6,097,457	6,463,304	6,851,102	7,262,169	6%
100,000+ gallons	8,614,000	9,130,840	9,678,690	10,259,412	10,874,977	11,527,475	12,219,124	12,952,271	13,729,407	14,553,172	15,426,362	6%
CW-Commercial												
First 4,000 gallons	1,457,688	1,545,149	1,637,858	1,736,130	1,840,298	1,950,715	2,067,758	2,191,824	2,323,333	2,462,733	2,610,497	6%
4,001-8,000 gallons	1,076,064	1,140,628	1,209,066	1,281,609	1,358,506	1,440,016	1,526,417	1,618,002	1,715,083	1,817,987	1,927,067	6%
8,001-12,000 gallons	930,023	985,824	1,044,974	1,107,672	1,174,133	1,244,581	1,319,255	1,398,411	1,482,315	1,571,254	1,665,530	6%
12,001-50,000 gallons	6,272,106	6,648,432	7,047,338	7,470,179	7,918,389	8,393,493	8,897,102	9,430,928	9,996,784	10,596,591	11,232,387	6%
50,001-100,000 gallons	3,679,119	3,899,866	4,133,858	4,381,890	4,644,803	4,923,491	5,218,901	5,532,035	5,863,957	6,215,794	6,588,742	6%
100,000+ gallons	1,581,000	1,675,860	1,776,412	1,882,996	1,995,976	2,115,735	2,242,679	2,377,239	2,519,874	2,671,066	2,831,330	6%
CW-Industrial												
First 4,000 gallons	443,896	470,530	498,762	528,687	560,408	594,033	629,675	667,455	707,503	749,953	794,950	6%
4,001-8,000 gallons	405,003	429,303	455,061	482,365	511,307	541,985	574,504	608,975	645,513	684,244	725,299	6%
8,001-12,000 gallons	394,003	417,643	442,702	469,264	497,420	527,265	558,901	592,435	627,981	665,660	705,599	6%
12,001-50,000 gallons	3,385,023	3,588,124	3,803,412	4,031,617	4,273,514	4,529,924	4,801,720	5,089,823	5,395,212	5,718,925	6,062,061	6%
50,001-100,000 gallons	3,320,075	3,519,280	3,730,436	3,954,262	4,191,518	4,443,009	4,709,590	4,992,165	5,291,695	5,609,197	5,945,749	6%
100,000+ gallons	25,240,000	26,754,400	28,359,664	30,061,244	31,864,918	33,776,814	35,803,422	37,951,628	40,228,725	42,642,449	45,200,996	6%
CW-Institutional												
First 4,000 gallons	316,938	335,954	356,112	377,478	400,127	424,135	449,583	476,558	505,151	535,460	567,588	6%
4,001-8,000 gallons	235,005	249,105	264,052	279,895	296,688	314,490	333,359	353,361	374,562	397,036	420,858	6%
8,001-12,000 gallons	201,012	213,073	225,857	239,409	253,773	268,999	285,139	302,248	320,383	339,606	359,982	6%
12,001-50,000 gallons	781,041	827,903	877,578	930,232	986,046	1,045,209	1,107,922	1,174,397	1,244,861	1,319,552	1,398,725	6%
50,001-100,000 gallons	4	4	4	5	5	5	6	6	6	7	7	6%
100,000+ gallons	-	-	-	-	-	-	-	-	-	-	-	6%
TOTAL USAGE	306,534,000	324,926,040	344,421,602	365,086,899	386,992,112	410,211,639	434,824,338	460,913,798	488,568,626	517,882,743	548,955,708	

Operational Revenues

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Base Water Charges												
Base Connections	\$1,179,675	\$1,231,985	\$1,414,643	\$1,608,578	\$1,814,356	\$2,032,568	\$2,199,782	\$2,376,211	\$2,562,296	\$2,758,495	\$2,965,290	
Usage												
CW-Residential												
First 4,000 gallons	\$82,647	\$87,606	\$94,719	\$102,411	\$110,726	\$119,717	\$129,438	\$139,949	\$151,313	\$163,599	\$176,884	
4,001-8,000 gallons	\$51,412	\$54,497	\$58,922	\$63,707	\$68,880	\$74,473	\$80,520	\$87,058	\$94,127	\$101,771	\$110,034	
8,001-12,000 gallons	\$22,444	\$23,790	\$25,722	\$27,811	\$30,069	\$32,511	\$35,151	\$38,005	\$41,091	\$44,427	\$48,035	
12,001-50,000 gallons	\$51,486	\$54,575	\$59,007	\$63,798	\$68,979	\$74,580	\$80,636	\$87,183	\$94,263	\$101,917	\$110,192	
50,001-100,000 gallons	\$8,719	\$9,242	\$10,776	\$12,565	\$13,984	\$15,565	\$16,993	\$18,553	\$20,257	\$22,116	\$24,147	
100,000+ gallons	\$18,520	\$19,631	\$24,971	\$31,763	\$37,036	\$43,184	\$48,064	\$53,495	\$58,406	\$63,767	\$69,621	
CW-Commercial												
First 4,000 gallons	\$845	\$896	\$969	\$1,048	\$1,133	\$1,225	\$1,324	\$1,432	\$1,548	\$1,674	\$1,809	
4,001-8,000 gallons	\$947	\$1,004	\$1,085	\$1,173	\$1,269	\$1,372	\$1,483	\$1,603	\$1,734	\$1,874	\$2,027	
8,001-12,000 gallons	\$1,083	\$1,147	\$1,241	\$1,341	\$1,450	\$1,568	\$1,695	\$1,833	\$1,982	\$2,143	\$2,317	
12,001-50,000 gallons	\$13,485	\$14,294	\$15,455	\$16,710	\$18,067	\$19,534	\$21,120	\$22,835	\$24,689	\$26,694	\$28,861	
50,001-100,000 gallons	\$7,910	\$8,385	\$9,154	\$9,995	\$10,912	\$11,914	\$13,008	\$14,202	\$15,506	\$16,929	\$18,483	
100,000+ gallons	\$3,399	\$3,603	\$3,934	\$4,295	\$4,689	\$5,120	\$5,590	\$6,103	\$6,663	\$7,275	\$7,943	
CW-Industrial												
First 4,000 gallons	\$257	\$273	\$295	\$319	\$345	\$373	\$403	\$436	\$471	\$510	\$551	
4,001-8,000 gallons	\$356	\$378	\$408	\$442	\$477	\$516	\$558	\$604	\$653	\$705	\$763	
8,001-12,000 gallons	\$459	\$486	\$526	\$568	\$614	\$664	\$718	\$777	\$840	\$908	\$982	
12,001-50,000 gallons	\$7,278	\$7,714	\$8,341	\$9,018	\$9,750	\$10,542	\$11,398	\$12,324	\$13,324	\$14,406	\$15,576	
50,001-100,000 gallons	\$7,138	\$7,566	\$8,261	\$9,019	\$9,847	\$10,751	\$11,738	\$12,816	\$13,992	\$15,277	\$16,679	
100,000+ gallons	\$54,266	\$57,522	\$62,802	\$68,568	\$74,862	\$81,735	\$89,238	\$97,430	\$106,374	\$116,139	\$126,801	

CW-Institutional											
First 4,000 gallons	\$184	\$195	\$211	\$228	\$246	\$266	\$288	\$311	\$337	\$364	\$393
4,001-8,000 gallons	\$207	\$219	\$237	\$256	\$277	\$300	\$324	\$350	\$379	\$409	\$443
8,001-12,000 gallons	\$177	\$188	\$203	\$219	\$237	\$256	\$277	\$300	\$324	\$350	\$379
12,001-50,000 gallons	\$909	\$964	\$1,042	\$1,127	\$1,218	\$1,317	\$1,424	\$1,539	\$1,664	\$1,800	\$1,946
50,001-100,000 gallons	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
100,000+ gallons	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Usage Revenue	\$334,129	\$354,176	\$388,282	\$426,380	\$465,070	\$507,482	\$551,389	\$599,137	\$649,935	\$705,054	\$764,865
Other Revenues											
Contracted Revenues	\$1,550	\$1,581	\$1,613	\$1,645	\$1,678	\$1,711	\$1,746	\$1,780	\$1,816	\$1,852	\$1,889
Water Meters	\$72,000	\$72,000	\$175,000	\$175,000	\$175,000	\$175,000	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000
Water Connection Fees	\$48,000	\$48,000	\$100,000	\$100,000	\$100,000	\$100,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Chlorine Sales	\$4,000	\$4,080	\$4,162	\$4,245	\$4,330	\$4,416	\$4,505	\$4,595	\$4,687	\$4,780	\$4,876
Penalties/Forfeitures	\$130,000	\$132,600	\$135,252	\$137,957	\$140,716	\$143,531	\$146,401	\$149,329	\$152,316	\$155,362	\$158,469
TOTAL Revenues	\$1,769,354	\$1,844,422	\$2,218,951	\$2,453,806	\$2,701,149	\$2,964,708	\$3,068,822	\$3,296,053	\$3,536,049	\$3,790,544	\$4,060,389
Base as % of Total Revenues	67%	67%	64%	66%	67%	69%	72%	72%	72%	73%	73%
Operational Expenses											
Salaries & Wages	(\$194,320)	(\$204,036)	(\$214,238)	(\$224,950)	(\$236,197)	(\$248,007)	(\$260,407)	(\$273,428)	(\$287,099)	(\$301,454)	(\$316,527)
Salaries & Wages PT	(\$58,528)	(\$61,454)	(\$64,527)	(\$67,753)	(\$71,141)	(\$74,698)	(\$78,433)	(\$82,355)	(\$86,473)	(\$90,796)	(\$95,336)
Employee Benefits	(\$116,268)	(\$122,081)	(\$128,185)	(\$134,595)	(\$141,324)	(\$148,391)	(\$155,810)	(\$163,601)	(\$171,781)	(\$180,370)	(\$189,388)
Overtime	(\$2,000)	(\$18,000)	(\$18,900)	(\$19,845)	(\$20,837)	(\$21,879)	(\$22,973)	(\$24,122)	(\$25,328)	(\$26,594)	(\$27,924)
Books, Subscriptions, Memberships	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)	(\$2,000)
Education, Training, Travel	(\$4,000)	(\$4,080)	(\$4,162)	(\$4,245)	(\$4,330)	(\$4,416)	(\$4,505)	(\$4,595)	(\$4,687)	(\$4,780)	(\$4,876)
Supplies	(\$97,500)	(\$102,375)	(\$30,000)	(\$31,500)	(\$33,075)	(\$34,729)	(\$36,465)	(\$38,288)	(\$40,203)	(\$42,213)	(\$44,324)
Credit Card Acceptance Fees	(\$12,500)	(\$13,125)	(\$13,781)	(\$14,470)	(\$15,194)	(\$15,954)	(\$16,751)	(\$17,589)	(\$18,468)	(\$19,392)	(\$20,361)
Equipment Maintenance	(\$7,000)	(\$7,350)	(\$7,718)	(\$8,103)	(\$8,509)	(\$8,934)	(\$9,381)	(\$9,850)	(\$10,342)	(\$10,859)	(\$11,402)
Fuel	(\$6,000)	(\$6,300)	(\$6,615)	(\$6,946)	(\$7,293)	(\$7,658)	(\$8,041)	(\$8,443)	(\$8,865)	(\$9,308)	(\$9,773)
Utilities	(\$60,000)	(\$63,000)	(\$66,150)	(\$69,458)	(\$72,930)	(\$76,577)	(\$80,406)	(\$84,426)	(\$88,647)	(\$93,080)	(\$97,734)
Telephone	(\$3,000)	(\$3,150)	(\$3,308)	(\$3,473)	(\$3,647)	(\$3,829)	(\$4,020)	(\$4,221)	(\$4,432)	(\$4,654)	(\$4,887)
Professional & Technical Services	(\$7,500)	(\$7,650)	(\$7,803)	(\$7,959)	(\$8,118)	(\$8,281)	(\$8,446)	(\$8,615)	(\$8,787)	(\$8,963)	(\$9,142)
Mt. Nebo Water Participation	(\$7,150)	(\$7,293)	(\$7,439)	(\$7,588)	(\$7,739)	(\$7,894)	(\$8,052)	(\$8,213)	(\$8,377)	(\$8,545)	(\$8,716)
Overhead Percent of Metered Sales	(\$151,380)	(\$158,616)	(\$180,293)	(\$203,496)	(\$227,943)	(\$254,005)	(\$275,117)	(\$297,535)	(\$321,223)	(\$346,355)	(\$373,015)
Water Meter Costs	\$0	\$0	(\$175,000)	(\$175,000)	(\$175,000)	(\$175,000)	(\$105,000)	(\$105,000)	(\$105,000)	(\$105,000)	(\$105,000)
SUVWMA Obligation	\$0	\$0	\$0	\$0	(\$953,925)	(\$953,925)	(\$953,925)	(\$953,925)	(\$953,925)	(\$953,925)	(\$953,925)
Total Operational Expenses (not incl. depreciation and transfers)	(\$729,146)	(\$780,511)	(\$930,118)	(\$981,380)	(\$1,989,202)	(\$2,046,176)	(\$2,029,732)	(\$2,086,205)	(\$2,145,637)	(\$2,208,288)	(\$2,274,331)
Non-Operational Revenues and Expenses											
Non-Operational Revenues											
Impact Fees			\$590,000	\$590,000	\$590,000	\$590,000	\$354,000	\$354,000	\$354,000	\$354,000	\$354,000
Non-Operational Expenses											
TOTAL Non-Operating Revenues and Expenses		\$0	\$590,000	\$590,000	\$590,000	\$590,000	\$354,000	\$354,000	\$354,000	\$354,000	\$354,000
Total Non-Operational Revenues and Expenses											
Net Revenues Available for Debt Service	\$1,040,207	\$1,063,911	\$1,878,834	\$2,062,426	\$1,301,947	\$1,508,532	\$1,393,089	\$1,563,848	\$1,744,411	\$1,936,256	\$2,140,059
Outstanding Debt											
2018 Water Bond (1/2 to culinary; 1/2 to PI)	(\$92,910)	(\$93,240)	(\$93,040)	(\$92,820)	(\$93,080)	(\$92,810)	(\$111,520)	(\$111,830)	(\$111,600)	(\$111,840)	(\$111,540)
Future Debt											
Bond 1	\$0	\$0	\$0	\$0	(\$405,469)	(\$405,469)	(\$405,469)	(\$405,469)	(\$405,469)	(\$405,469)	(\$405,469)
Bond 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Outstanding and Future Debt	(\$92,910)	(\$93,240)	(\$93,040)	(\$92,820)	(\$498,549)	(\$498,279)	(\$516,989)	(\$517,299)	(\$517,069)	(\$517,309)	(\$517,009)
Coverage Ratio with Impact Fees (Min = 1.25; Target = 1.5)	11.20	11.41	20.19	22.22	2.61	3.03	2.69	3.02	3.37	3.74	4.14
Bond Proceeds											
Bond 1	\$0	\$0	\$0	\$6,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond Proceeds	\$0	\$0	\$0	\$6,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Revenues After Debt Service	\$947,297	\$970,671	\$1,785,794	\$8,469,606	\$803,398	\$1,010,253	\$876,100	\$1,046,549	\$1,227,342	\$1,418,947	\$1,623,050
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030

First 4,000 gallons	\$0.58	\$0.58	\$0.59	\$0.60	\$0.62	\$0.63	\$0.64	\$0.65	\$0.67	\$0.68	\$0.69
4,001-8,000 gallons	\$0.88	\$0.88	\$0.90	\$0.92	\$0.93	\$0.95	\$0.97	\$0.99	\$1.01	\$1.03	\$1.05
8,001-12,000 gallons	\$1.16	\$1.16	\$1.19	\$1.21	\$1.24	\$1.26	\$1.29	\$1.31	\$1.34	\$1.36	\$1.39
12,001-50,000 gallons	\$2.15	\$2.15	\$2.19	\$2.24	\$2.28	\$2.33	\$2.37	\$2.42	\$2.47	\$2.52	\$2.57
50,001-100,000 gallons	\$2.15	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64	\$2.72	\$2.81
100,000+ gallons	\$2.15	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64	\$2.72	\$2.81
<i>50,001-100,000 gallons</i>			3%	3%	3%	3%	3%	3%	3%	3%	3%
<i>100,000+ gallons</i>			3%	3%	3%	3%	3%	3%	3%	3%	3%

CW-institutional			2%	2%	2%	2%	2%	2%	2%	2%	2%
First 4,000 gallons	\$0.58	\$0.58	\$0.59	\$0.60	\$0.62	\$0.63	\$0.64	\$0.65	\$0.67	\$0.68	\$0.69
4,001-8,000 gallons	\$0.88	\$0.88	\$0.90	\$0.92	\$0.93	\$0.95	\$0.97	\$0.99	\$1.01	\$1.03	\$1.05
8,001-12,000 gallons	\$1.16	\$1.16	\$1.19	\$1.21	\$1.24	\$1.26	\$1.29	\$1.31	\$1.34	\$1.36	\$1.39
12,001-50,000 gallons	\$2.15	\$2.15	\$2.19	\$2.24	\$2.28	\$2.33	\$2.37	\$2.42	\$2.47	\$2.52	\$2.57
50,001-100,000 gallons	\$2.15	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64	\$2.72	\$2.81
100,000+ gallons	\$2.15	\$2.15	\$2.21	\$2.28	\$2.35	\$2.42	\$2.49	\$2.57	\$2.64	\$2.72	\$2.81
<i>50,001-100,000 gallons</i>			3%	3%	3%	3%	3%	3%	3%	3%	3%
<i>100,000+ gallons</i>			3%	3%	3%	3%	3%	3%	3%	3%	3%

Future Bond 1

Year Issued	2023
Bond Amount (estimate)	\$6,500,000
Par Amt	\$6,630,000
Term in Years	20
Interest Rate	2.0%
Annual Payment	(\$405,469)



Appendix B – Pressurized Irrigation (PI) Preferred Option

Appendix B - Pressurized Irrigation Preferred Option	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Growth Per year
PRESSURIZED IRRIGATION RATE ANALYSIS		0	1	2	3	4	5	6	7	8	9	
Irrigable Acres	570	620	670	720	770	820	850	880	910	940	970	
Growth in Irrigable Acres		50	50	50	50	50	30	30	30	30	30	
Impact Fee per Irrigable Acres		\$3,388	\$3,388	\$3,388	\$3,388	\$3,388	\$3,388	\$3,388	\$3,388	\$3,388	\$3,388	
Base Connections	4,049	4,549	5,049	5,549	6,049	6,549	6,849	7,149	7,449	7,749	8,049	
1.5" or Larger Lines	19	20	20	21	21	22	23	23	24	25	26	3%
Growth in Meter Connections		500	500	500	500	500	300	300	300	300	300	
Meter Fee		\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	
Connection Fee		\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	
Customers and Tiers												
Base												
Base Connections	4,049	4,549	5,049	5,549	6,049	6,549	6,849	7,149	7,449	7,749	8,049	
1.5" or Larger Lines	19	20	20	21	21	22	23	23	24	25	26	
Usage												
PI-Residential												
First 25,000 gallons	365,643,960	387,582,598	410,837,553	435,487,807	461,617,075	489,314,100	518,672,946	549,793,322	582,780,922	617,747,777	654,812,644	6%
25,001-45,000 gallons	135,827,547	143,977,200	152,615,832	161,772,782	171,479,149	181,767,898	192,673,971	204,234,410	216,488,474	229,477,783	243,246,450	6%
45,001-65,000 gallons	59,909,477	63,504,046	67,314,288	71,353,146	75,634,334	80,172,394	84,982,738	90,081,702	95,486,605	101,215,801	107,288,749	6%
65,001-100,000 gallons	39,348,016	41,708,897	44,211,431	46,864,117	49,675,964	52,656,521	55,815,913	59,164,867	62,714,760	66,477,645	70,466,304	6%
100,000+ gallons	27,104,000	28,730,240	30,454,054	32,281,298	34,218,176	36,271,266	38,447,542	40,754,395	43,199,658	45,791,638	48,539,136	6%
PI-Commercial												
First 25,000 gallons	1,647,943	1,746,200	1,851,629	1,962,726	2,080,490	2,205,319	2,337,639	2,477,897	2,626,571	2,784,165	2,951,215	6%
25,001-45,000 gallons	1,069,005	1,133,145	1,201,134	1,273,202	1,349,594	1,430,570	1,516,404	1,607,388	1,703,832	1,806,061	1,914,425	6%
45,001-65,000 gallons	982,007	1,040,927	1,103,383	1,169,586	1,239,761	1,314,147	1,392,996	1,476,575	1,565,170	1,659,080	1,758,625	6%
65,001-100,000 gallons	1,365,045	1,446,948	1,533,765	1,625,790	1,723,338	1,826,738	1,936,342	2,052,523	2,175,674	2,306,215	2,444,588	6%
100,000+ gallons	4,171,000	4,421,260	4,686,536	4,967,728	5,265,791	5,581,739	5,916,643	6,271,642	6,647,940	7,046,817	7,469,626	6%
PI-Agricultural												
First 25,000 gallons	302,988	321,167	340,437	360,864	382,515	405,466	429,794	455,582	482,917	511,892	542,605	6%
25,001-45,000 gallons	240,000	254,400	269,664	285,844	302,994	321,174	340,445	360,871	382,524	405,475	429,803	6%
45,001-65,000 gallons	240,000	254,400	269,664	285,844	302,994	321,174	340,445	360,871	382,524	405,475	429,803	6%
65,001-100,000 gallons	420,012	445,213	471,925	500,241	530,255	562,071	595,795	631,543	669,435	709,601	752,178	6%
100,000+ gallons	7,740,000	8,204,400	8,696,664	9,218,464	9,771,572	10,357,866	10,979,338	11,638,098	12,336,384	13,076,567	13,861,161	6%
PI-Institutional												
First 25,000 gallons	1,312,951	1,391,728	1,475,232	1,563,746	1,657,570	1,757,025	1,862,446	1,974,193	2,092,644	2,218,203	2,351,295	6%
25,001-45,000 gallons	980,000	1,038,800	1,101,128	1,167,196	1,237,227	1,311,461	1,390,149	1,473,558	1,561,971	1,655,689	1,755,031	6%
45,001-65,000 gallons	975,001	1,033,501	1,095,511	1,161,242	1,230,916	1,304,771	1,383,058	1,466,041	1,554,003	1,647,244	1,746,078	6%
65,001-100,000 gallons	1,622,048	1,719,371	1,822,533	1,931,885	2,047,798	2,170,666	2,300,906	2,438,960	2,585,298	2,740,416	2,904,841	6%
100,000+ gallons	17,730,000	18,793,800	19,921,428	21,116,714	22,383,717	23,726,739	25,150,344	26,659,364	28,258,926	29,954,462	31,751,730	6%
Revenues												
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Operational Revenues	62%	63%	64%	64%	64%	64%	63%	62%	61%	60%	59%	
Base												
Base Connections	\$795,386	\$893,606	\$1,029,019	\$1,173,332	\$1,327,021	\$1,490,587	\$1,617,326	\$1,751,475	\$1,893,410	\$2,043,527	\$2,202,241	
1.5" or Larger Lines	\$5,335	\$5,495	\$5,872	\$6,275	\$6,706	\$7,166	\$7,658	\$8,184	\$8,745	\$9,345	\$9,987	
Total Base Sales	\$800,721	\$899,101	\$1,034,891	\$1,179,607	\$1,333,727	\$1,497,753	\$1,624,984	\$1,759,658	\$1,902,155	\$2,052,872	\$2,212,227	
Usage												
PI-Residential												
First 25,000 gallons	\$270,577	\$286,811	\$313,140	\$341,887	\$373,272	\$407,538	\$444,950	\$485,797	\$530,393	\$579,083	\$632,243	
25,001-45,000 gallons	\$100,512	\$106,543	\$118,583	\$131,982	\$146,896	\$163,496	\$181,971	\$202,533	\$225,420	\$250,892	\$279,243	
45,001-65,000 gallons	\$44,333	\$46,993	\$53,549	\$61,019	\$69,531	\$79,230	\$90,283	\$100,485	\$111,839	\$124,477	\$138,543	
65,001-100,000 gallons	\$29,118	\$30,865	\$37,624	\$45,864	\$55,908	\$68,151	\$83,077	\$96,867	\$112,947	\$131,697	\$153,558	
100,000+ gallons	\$20,057	\$21,260	\$27,043	\$34,399	\$43,755	\$55,657	\$70,796	\$86,300	\$105,200	\$128,238	\$156,322	
PI-Commercial												
First 25,000 gallons	\$1,219	\$1,293	\$1,411	\$1,541	\$1,682	\$1,837	\$2,005	\$2,189	\$2,390	\$2,610	\$2,849	
25,001-45,000 gallons	\$791	\$839	\$933	\$1,039	\$1,156	\$1,287	\$1,432	\$1,594	\$1,774	\$1,975	\$2,198	
45,001-65,000 gallons	\$727	\$770	\$878	\$1,000	\$1,140	\$1,299	\$1,480	\$1,647	\$1,833	\$2,040	\$2,271	
65,001-100,000 gallons	\$1,010	\$1,071	\$1,305	\$1,591	\$1,940	\$2,364	\$2,882	\$3,360	\$3,918	\$4,569	\$5,327	
100,000+ gallons	\$3,087	\$3,272	\$4,162	\$5,294	\$6,733	\$8,565	\$10,895	\$13,281	\$16,189	\$19,734	\$24,056	
PI-Agricultural												
First 25,000 gallons	\$224	\$238	\$259	\$283	\$309	\$338	\$369	\$403	\$440	\$480	\$524	
25,001-45,000 gallons	\$178	\$188	\$210	\$233	\$260	\$289	\$322	\$358	\$398	\$443	\$493	
45,001-65,000 gallons	\$178	\$188	\$212	\$238	\$267	\$300	\$337	\$379	\$426	\$478	\$537	
65,001-100,000 gallons	\$311	\$329	\$374	\$424	\$481	\$545	\$618	\$701	\$795	\$902	\$1,023	
100,000+ gallons	\$5,728	\$6,071	\$6,950	\$7,957	\$9,109	\$10,428	\$11,938	\$13,666	\$15,645	\$17,911	\$20,504	
PI-Institutional												
First 25,000 gallons	\$972	\$1,030	\$1,124	\$1,228	\$1,340	\$1,463	\$1,598	\$1,744	\$1,905	\$2,079	\$2,270	
25,001-45,000 gallons	\$725	\$769	\$856	\$952	\$1,060	\$1,180	\$1,313	\$1,461	\$1,626	\$1,810	\$2,015	
45,001-65,000 gallons	\$722	\$765	\$871	\$993	\$1,132	\$1,289	\$1,469	\$1,635	\$1,820	\$2,026	\$2,255	
65,001-100,000 gallons	\$1,200	\$1,272	\$1,551	\$1,891	\$2,305	\$2,809	\$3,425	\$3,993	\$4,656	\$5,429	\$6,330	

100,000+ gallons	\$13,120	\$13,907	\$17,690	\$22,502	\$28,623	\$36,408	\$46,311	\$56,453	\$68,816	\$83,887	\$102,258
Total Usage Sales	\$494,787	\$524,474	\$588,725	\$662,315	\$746,898	\$844,473	\$957,469	\$1,074,848	\$1,208,431	\$1,360,761	\$1,534,821
Meter Sales	\$88,000	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000	\$105,000	\$105,000	\$105,000	\$105,000	\$105,000
Summit Creek Irrigation Repair	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
PI Connection Fees	\$56,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
TOTAL Revenues	\$1,449,508	\$1,708,575	\$1,908,616	\$2,126,922	\$2,365,625	\$2,627,227	\$2,757,453	\$3,009,506	\$3,285,586	\$3,588,633	\$3,922,048

Operational Expenses

Salaries & Wages	(\$147,106)	(\$154,461)	(\$162,184)	(\$170,294)	(\$178,808)	(\$187,749)	(\$197,136)	(\$206,993)	(\$217,343)	(\$228,210)	(\$239,620)	5%
Salaries & Wages Overtime	(\$2,000)	(\$2,100)	(\$2,205)	(\$2,315)	(\$2,431)	(\$2,553)	(\$2,680)	(\$2,814)	(\$2,955)	(\$3,103)	(\$3,258)	5%
Salaries & Wages Part-Time	(\$31,665)	(\$33,248)	(\$34,911)	(\$36,656)	(\$38,489)	(\$40,413)	(\$42,434)	(\$44,556)	(\$46,784)	(\$49,123)	(\$51,579)	5%
Employee Benefits	(\$83,983)	(\$88,182)	(\$92,591)	(\$97,221)	(\$102,082)	(\$107,186)	(\$112,545)	(\$118,173)	(\$124,081)	(\$130,285)	(\$136,799)	5%
Supplies	(\$20,000)	(\$20,400)	(\$20,808)	(\$21,224)	(\$21,649)	(\$22,082)	(\$22,523)	(\$22,974)	(\$23,433)	(\$23,902)	(\$24,380)	2%
Water Assessments	(\$39,000)	(\$39,780)	(\$40,576)	(\$41,387)	(\$42,215)	(\$43,059)	(\$43,920)	(\$44,799)	(\$45,695)	(\$46,609)	(\$47,541)	2%
Transfer to Water SSD (Water Rental)	(\$32,500)	(\$34,125)	(\$35,831)	(\$37,623)	(\$39,504)	(\$41,479)	(\$43,553)	(\$45,731)	(\$48,017)	(\$50,418)	(\$52,939)	5%
Utilities	(\$65,000)	(\$68,250)	(\$71,663)	(\$75,246)	(\$79,008)	(\$82,958)	(\$87,106)	(\$91,462)	(\$96,035)	(\$100,836)	(\$105,878)	5%
Mt. Nebo Water Participation (1/2)	(\$7,150)	(\$7,508)	(\$7,883)	(\$8,277)	(\$8,691)	(\$9,125)	(\$9,582)	(\$10,061)	(\$10,564)	(\$11,092)	(\$11,647)	5%
Summit Creek MOU Agreement	(\$5,060)	(\$5,313)	(\$5,579)	(\$5,858)	(\$6,150)	(\$6,458)	(\$6,781)	(\$7,120)	(\$7,476)	(\$7,850)	(\$8,242)	5%
Summit Creek Irrigation Repair	(\$2,500)	(\$2,625)	(\$2,756)	(\$2,894)	(\$3,039)	(\$3,191)	(\$3,350)	(\$3,518)	(\$3,694)	(\$3,878)	(\$4,072)	5%
Contribution to Fund Balance	(\$31,178)	(\$32,737)	(\$34,374)	(\$36,092)	(\$37,897)	(\$39,792)	(\$41,782)	(\$43,871)	(\$46,064)	(\$48,367)	(\$50,786)	5%
Future CUP Water Set-Aside	(\$19,830)	(\$20,227)	(\$20,631)	(\$21,044)	(\$21,465)	(\$21,894)	(\$22,332)	(\$22,778)	(\$23,234)	(\$23,699)	(\$24,173)	2%
SUVMWA Obligation	\$0	\$0	\$0	\$0	(\$317,975)	(\$317,975)	(\$317,975)	(\$317,975)	(\$317,975)	(\$317,975)	(\$317,975)	2%
SUVMWA Maint	\$0	\$0	\$0	\$0	(\$45,000)	(\$45,900)	(\$46,818)	(\$47,754)	(\$48,709)	(\$49,684)	(\$50,677)	2%
Meter Cost	(\$88,000)	(\$175,000)	(\$175,000)	(\$175,000)	(\$175,000)	(\$175,000)	(\$175,000)	(\$175,000)	(\$175,000)	(\$175,000)	(\$175,000)	2%
Overhead Percent of Metered Sales	(\$129,551)	(\$142,357)	(\$162,362)	(\$184,192)	(\$208,062)	(\$234,223)	(\$258,245)	(\$283,451)	(\$311,059)	(\$341,363)	(\$374,705)	2%

Total Operational Expenses (not incl. depreciation and transfers)	(\$704,523)	(\$826,313)	(\$869,353)	(\$915,323)	(\$1,327,465)	(\$1,381,036)	(\$1,363,763)	(\$1,419,028)	(\$1,478,117)	(\$1,541,393)	(\$1,609,271)
--	--------------------	--------------------	--------------------	--------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------	----------------------

Non-Operational Revenues and Expenses

Non-Operational Revenues

Impact Fees		\$169,400	\$169,400	\$169,400	\$169,400	\$169,400	\$101,640	\$101,640	\$101,640	\$101,640	\$101,640
-------------	--	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------	-----------

Non-Operational Expenses

TOTAL Non-Operating Revenues and Expenses	\$0	\$169,400	\$169,400	\$169,400	\$169,400	\$169,400	\$101,640	\$101,640	\$101,640	\$101,640	\$101,640
--	------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------

Net Revenues Available for Debt Service	\$744,985	\$1,051,662	\$1,208,663	\$1,380,999	\$1,207,560	\$1,415,590	\$1,495,330	\$1,692,118	\$1,909,110	\$2,148,880	\$2,414,418
--	------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------	--------------------

Outstanding Debt

Series 2012 PI Bond or Refunded Debt	(\$512,124)	(\$512,301)	(\$511,213)	(\$511,848)	(\$512,180)	(\$512,210)	(\$511,938)	(\$511,363)			
1/2 OF 2018 Bond Water Bond	(\$92,910)	(\$93,240)	(\$93,040)	(\$92,820)	(\$93,080)	(\$92,810)	(\$111,520)	(\$111,830)	(\$111,600)	(\$111,840)	(\$111,540)

Future Debt

Bond 1	\$0	\$0	(\$150,900)	(\$150,900)	(\$150,900)	(\$150,900)	(\$150,900)	(\$150,900)	(\$495,900)	(\$492,100)	(\$492,900)
Bond 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Outstanding and Future Debt	(\$605,034)	(\$605,541)	(\$755,153)	(\$755,568)	(\$756,160)	(\$755,920)	(\$774,358)	(\$774,093)	(\$607,500)	(\$603,940)	(\$604,440)

Coverage Ratio with Impact Fees (Min = 1.25; Target = 1.5)	1.23	1.74	1.60	1.83	1.60	1.87	1.93	2.19	3.14	3.56	3.99
---	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------	-------------

Bond Proceeds

Bond 1	\$0	\$6,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond 3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bond Proceeds	\$0	\$6,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Net Revenues After Debt Service	\$139,951	\$6,946,121	\$453,510	\$625,432	\$451,400	\$659,670	\$720,972	\$918,025	\$1,301,610	\$1,544,940	\$1,809,978
--	------------------	--------------------	------------------	------------------	------------------	------------------	------------------	------------------	--------------------	--------------------	--------------------

Capital Needs

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Install Parallel Zone 10W Backflow Preventer	\$0	(\$84,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Zone 11W PI Infrastructure	\$0	\$0	(\$5,097,470)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Zone 10 ULS Infrastructure	\$0	\$0	(\$1,643,880)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Connect Zone 11W to ULS	\$0	\$0	\$0	\$0	\$0	\$0	(\$796,421)	\$0	\$0	\$0	\$0
Zone 11E Transmission	\$0	\$0	(\$187,460)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
North Reuse Expansion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,777,944)	\$0	\$0	\$0
TOTAL	\$0	(\$84,000)	(\$6,928,810)	\$0	\$0	\$0	(\$796,421)	(\$1,777,944)	\$0	\$0	\$0

Repair and Replacement	(\$76,200)	(\$77,724)	(\$79,278)	(\$80,864)	(\$82,481)	(\$84,131)	(\$85,814)	(\$87,530)	(\$89,280)	(\$91,066)	(\$92,887)	2%
-------------------------------	------------	------------	------------	------------	------------	------------	------------	------------	------------	------------	------------	----

Transfer to Computer CAP Fund	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	(\$55,000)	0%
--------------------------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	----

Beginning Cash Balance Water Fund		\$414,850	\$7,144,246	\$534,668	\$1,024,236	\$1,338,154	\$1,858,693	\$1,642,431	\$639,982	\$1,797,312	\$3,196,185
Ending Cash Balance Water Fund	\$414,849.65	\$7,144,246	\$534,668	\$1,024,236	\$1,338,154	\$1,858,693	\$1,642,431	\$639,982	\$1,797,312	\$3,196,185	\$4,858,275

Beginning Days Cash on Hand (Target 180 days)

183	3,000	213	282	354	497	422	158	426	725
-----	-------	-----	-----	-----	-----	-----	-----	-----	-----

DO NOT MAKE CHANGES IN THIS SECTION											
RATE SCHEDULE	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Base Rate Increase	0.0%	0.0%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
1"	\$16.37	\$16.37	\$16.98	\$17.62	\$18.28	\$18.97	\$19.68	\$20.42	\$21.18	\$21.98	\$22.80
1.5" Larger Lines	\$23.40	\$23.40	\$24.28	\$25.19	\$26.13	\$27.11	\$28.13	\$29.18	\$30.28	\$31.41	\$32.59

Usage Rate Increase

PI-Residential	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Through 2026	After 2026
First 25,000 gallons	\$0.74	\$0.74	\$0.76	\$0.79	\$0.81	\$0.83	\$0.86	\$0.88	\$0.91	\$0.94	\$0.97	3%	3%
25,001-45,000 gallons	\$0.74	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	\$0.99	\$1.04	\$1.09	\$1.15	5%	5%
45,001-65,000 gallons	\$0.74	\$0.74	\$0.80	\$0.86	\$0.92	\$0.99	\$1.06	\$1.12	\$1.17	\$1.23	\$1.29	8%	5%
65,001-100,000 gallons	\$0.74	\$0.74	\$0.85	\$0.98	\$1.13	\$1.29	\$1.49	\$1.64	\$1.80	\$1.98	\$2.18	15%	10%
100,000+ gallons	\$0.74	\$0.74	\$0.89	\$1.07	\$1.28	\$1.53	\$1.84	\$2.12	\$2.44	\$2.80	\$3.22	20%	15%

PI-Commercial	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Through 2026	After 2026
First 25,000 gallons	\$0.74	\$0.74	\$0.76	\$0.79	\$0.81	\$0.83	\$0.86	\$0.88	\$0.91	\$0.94	\$0.97	3%	3%
25,001-45,000 gallons	\$0.74	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	\$0.99	\$1.04	\$1.09	\$1.15	5%	5%
45,001-65,000 gallons	\$0.74	\$0.74	\$0.80	\$0.86	\$0.92	\$0.99	\$1.06	\$1.12	\$1.17	\$1.23	\$1.29	8%	5%
65,001-100,000 gallons	\$0.74	\$0.74	\$0.85	\$0.98	\$1.13	\$1.29	\$1.49	\$1.64	\$1.80	\$1.98	\$2.18	15%	10%
100,000+ gallons	\$0.74	\$0.74	\$0.89	\$1.07	\$1.28	\$1.53	\$1.84	\$2.12	\$2.44	\$2.80	\$3.22	20%	15%

PI-Agricultural	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Through 2026	After 2026
First 25,000 gallons	\$0.74	\$0.74	\$0.76	\$0.79	\$0.81	\$0.83	\$0.86	\$0.88	\$0.91	\$0.94	\$0.97	3%	3%
25,001-45,000 gallons	\$0.74	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	\$0.99	\$1.04	\$1.09	\$1.15	5%	5%
45,001-65,000 gallons	\$0.74	\$0.74	\$0.78	\$0.83	\$0.88	\$0.93	\$0.99	\$1.05	\$1.11	\$1.18	\$1.25	6%	6%
65,001-100,000 gallons	\$0.74	\$0.74	\$0.79	\$0.85	\$0.91	\$0.97	\$1.04	\$1.11	\$1.19	\$1.27	\$1.36	7%	7%
100,000+ gallons	\$0.74	\$0.74	\$0.80	\$0.86	\$0.93	\$1.01	\$1.09	\$1.17	\$1.27	\$1.37	\$1.48	8%	8%

PI-Institutional	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Through 2026	After 2026
First 25,000 gallons	\$0.74	\$0.74	\$0.76	\$0.79	\$0.81	\$0.83	\$0.86	\$0.88	\$0.91	\$0.94	\$0.97	3%	3%
25,001-45,000 gallons	\$0.74	\$0.74	\$0.78	\$0.82	\$0.86	\$0.90	\$0.94	\$0.99	\$1.04	\$1.09	\$1.15	5%	5%
45,001-65,000 gallons	\$0.74	\$0.74	\$0.80	\$0.86	\$0.92	\$0.99	\$1.06	\$1.12	\$1.17	\$1.23	\$1.29	8%	5%
65,001-100,000 gallons	\$0.74	\$0.74	\$0.85	\$0.98	\$1.13	\$1.29	\$1.49	\$1.64	\$1.80	\$1.98	\$2.18	15%	10%
100,000+ gallons	\$0.74	\$0.74	\$0.89	\$1.07	\$1.28	\$1.53	\$1.84	\$2.12	\$2.44	\$2.80	\$3.22	20%	15%

Project Description	Estimated Cost	Year Budget	Project #
Install Parallel Zone 10W Backflow Preventer	\$84,000	2021	PI-1
Zone 11W PI Infrastructure	\$4,949,000	2022	PI-2
Zone 10 ULS Infrastructure	\$1,596,000	2022	PI-3
Connect Zone 11W to ULS	\$687,000	2026	PI-4
Zone 11E Transmission	\$182,000	2022	PI-5
North Reuse Expansion	\$1,489,000	2027	PI-6

Construction Cost Inflation **3%**

Future Bond 1	2021
Year Issued	2021
Bond Amount (estimate)	\$6,500,000
Par Amt	\$6,630,000
Term in Years	20
Interest Rate	2.0%
Annual Payment	(\$405,469)