

# Recommended Water Rate Plan | Scenario I



The rate plan fully funds all aspects of the water utility based on the existing market conditions and assumptions.

Rate Plan will also enable the City to fully fund its water related capital improvements.

		Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27	Effective Oct-28
<b>Water Rates</b>							
<b>Minimum Chg</b>	5/8"	\$ 26.00	\$ <b>28.34</b>	\$ 30.32	\$ 31.54	\$ 32.48	\$ 33.46
	1"	36.40	<b>39.68</b>	42.45	44.15	45.48	46.84
	1 1/2"	46.80	<b>51.01</b>	54.58	56.77	58.47	60.22
	2"	75.40	<b>82.19</b>	87.94	91.46	94.20	97.03
	3"	219.70	<b>239.47</b>	256.24	266.49	274.48	282.71
	4"	364.00	<b>396.76</b>	424.53	441.51	454.76	468.40
	5"	455.00	<b>495.95</b>	530.67	551.89	568.45	585.50
	6"	546.00	<b>595.14</b>	636.80	662.27	682.14	702.60
<b>Volume Rate Per 1,000 Gal</b>							
	- 4,000	3.42	<b>3.73</b>	3.99	4.15	4.27	4.40
	4,001 10,000	4.86	<b>5.30</b>	5.67	5.89	6.07	6.25
	10,001 Above	6.90	<b>7.52</b>	8.05	8.37	8.62	8.88
<b>Wholesale Volume Rate Per 1,000 Gal</b>		5.52	<b>6.02</b>	6.44	6.70	6.90	7.10

# Recommended Wastewater Rate Plan | Scenario I



The rate plan fully funds all aspects of the wastewater utility based on the existing market conditions and assumptions.

Rate Plan will also enable the City to fully fund its wastewater related capital improvements.

	Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27	Effective Oct-28
<b>Wastewater Rates</b>						
Monthly Charge (Includes 2,000 Gallons)	\$ 26.00	\$ 28.08	\$ 30.33	\$ 32.45	\$ 35.05	\$ 37.50
Volume Rate/1,000 Gal	2.50	2.70	2.92	3.12	3.37	3.61

# Impact on Monthly Bills | Scenario I



		Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27	Effective Oct-28
<b>Average Monthly Water Bill - 5/8"</b>							
5,000 Gal W	Total	\$ 78.04	\$ 84.73	\$ 91.02	\$ 95.83	\$ 100.80	\$ 105.63
	Increase -- \$		6.69	6.29	4.81	4.97	4.83
	Increase -- %		8.6%	7.4%	5.3%	5.2%	4.8%
10,000 Gal W	Total	\$ 114.84	\$ 124.72	\$ 133.94	\$ 140.91	\$ 148.01	\$ 154.93
	Increase -- \$		9.88	9.23	6.97	7.10	6.92
	Increase -- %		8.6%	7.4%	5.2%	5.0%	4.7%
20,000 Gal W	Total	\$ 208.84	\$ 226.93	\$ 243.58	\$ 255.80	\$ 267.91	\$ 279.77
	Increase -- \$		18.09	16.65	12.23	12.10	11.87
	Increase -- %		8.7%	7.3%	5.0%	4.7%	4.4%
<b>Average Monthly Bill - 2" Meter</b>							
25,000 Gal W	Total	\$ 305.24	\$ 331.88	\$ 356.01	\$ 373.17	\$ 389.58	\$ 405.77
25,000 Gal WW	Increase -- \$		26.64	24.13	17.16	16.41	16.19
	Increase -- %		8.7%	7.3%	4.8%	4.4%	4.2%
50,000 Gal W	Total	\$ 540.24	\$ 587.40	\$ 630.10	\$ 660.41	\$ 689.33	\$ 717.88
50,000 Gal WW	Increase -- \$		47.16	42.69	30.31	28.92	28.55
	Increase -- %		8.7%	7.3%	4.8%	4.4%	4.1%

Business Confidential - Willdan

PRELIMINARY & SUBJECT TO CHANGE

# Recommended Water Rate Plan | Scenario II



The rate plan fully funds all aspects of the water utility based on the existing market conditions and assumptions.

Rate Plan will also enable the City to fully fund its water related capital improvements.

		Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27	Effective Oct-28
<b>Water Rates</b>							
<b>Minimum Chg</b>	5/8"	\$ 26.00	\$ 28.34	\$ 30.32	\$ 31.54	\$ 32.48	\$ 33.46
	1"	36.40	39.68	42.45	44.15	45.48	46.84
	1 1/2"	46.80	51.01	54.58	56.77	58.47	60.22
	2"	75.40	82.19	87.94	91.46	94.20	97.03
	3"	219.70	239.47	256.24	266.49	274.48	282.71
	4"	364.00	396.76	424.53	441.51	454.76	468.40
	5"	455.00	495.95	530.67	551.89	568.45	585.50
	6"	546.00	595.14	636.80	662.27	682.14	702.60
<b>Volume Rate Per 1,000 Gal</b>							
-	4,000	3.42	3.73	3.99	4.15	4.27	4.40
4,001	10,000	4.86	5.30	5.67	5.89	6.07	6.25
10,001	Above	6.90	7.52	8.05	8.37	8.62	8.88
<b>Wholesale Volume Rate Per 1,000 Gal</b>		5.52	6.02	6.44	6.70	6.90	7.10



# Recommended Wastewater Rate Plan | Scenario II



The rate plan fully funds all aspects of the wastewater utility based on the existing market conditions and assumptions.

Rate Plan will also enable the City to fully fund its wastewater related capital improvements.

Wastewater Rates	Current	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27	Effective Oct-28
Monthly Charge (Includes 2,000 Gallons)	\$ 26.00	\$ 28.08	\$ 29.26	\$ 29.26	\$ 37.72	\$ 37.72
Volume Rate/1,000 Gal	2.50	2.70	2.84	2.95	3.07	3.19

PRELIMINARY & SUBJECT TO CHANGE

# Impact on Monthly Bills Comparison



	Effective Oct-24	Effective Oct-25	Effective Oct-26	Effective Oct-27	Effective Oct-28
<b>Residential Average Monthly Bill - 5/8" Meter</b>					
<b>5,000 Gal W, 5,000 Gal WW</b>					
Scenario 1	\$ 84.73	\$ 91.02	\$ 95.83	\$ 100.80	\$ 105.63
Scenario 2	84.73	89.71	92.13	102.56	104.60
<b>Difference</b>	-	<b>(1.31)</b>	<b>(3.71)</b>	<b>1.76</b>	<b>(1.03)</b>
<b>10,000 Gal W, 10,000 Gal WW</b>					
Scenario 1	\$ 124.72	\$ 133.94	\$ 140.91	\$ 148.01	\$ 154.93
Scenario 2	124.72	132.22	136.34	148.25	151.81
<b>Difference</b>	-	<b>(1.72)</b>	<b>(4.57)</b>	<b>0.24</b>	<b>(3.11)</b>
<b>Commercial Average Monthly Bill - 2" Meter</b>					
<b>25,000 Gal W, 25,000 Gal WW</b>					
Scenario 1	\$ 337.28	\$ 361.84	\$ 379.41	\$ 396.32	\$ 412.98
Scenario 2	337.28	358.75	371.93	391.40	402.78
<b>Difference</b>	-	<b>(3.09)</b>	<b>(7.49)</b>	<b>(4.91)</b>	<b>(10.20)</b>

# Wholesale Rate Calculation



	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Billed Volumes</b>										
Wholesale	260,366,400	260,366,400	260,366,400	260,366,400	260,366,400	260,366,400	260,366,400	260,366,400	260,366,400	260,366,400
Others	408,108,300	409,057,785	410,007,269	410,956,754	411,906,238	412,855,723	413,805,208	414,754,692	415,704,177	416,653,661
Total	668,474,700	669,424,185	670,373,669	671,323,154	672,272,638	673,222,123	674,171,608	675,121,092	676,070,577	677,020,061
Percent Wholesale	39%	39%	39%	39%	39%	39%	39%	39%	39%	38%
<b>Total Cost – Wholesale</b>	<b>1,092,908</b>	<b>1,134,744</b>	<b>1,164,694</b>	<b>1,187,804</b>	<b>1,212,119</b>	<b>1,237,672</b>	<b>1,263,666</b>	<b>1,289,099</b>	<b>1,317,637</b>	<b>1,345,517</b>
Calculated Volume Rates	\$ 4.20	\$ 4.36	\$ 4.47	\$ 4.56	\$ 4.66	\$ 4.75	\$ 4.85	\$ 4.95	\$ 5.06	\$ 5.17
Capital Improvements	\$ 1.32	\$ 1.38	\$ 1.44	\$ 1.47	\$ 1.48	\$ 1.49	\$ 1.51	\$ 1.51	\$ 1.50	\$ 1.50
<b>Total Rate</b>	<b>\$ 5.52</b>	<b>\$ 6.02</b>	<b>\$ 6.44</b>	<b>\$ 6.70</b>	<b>\$ 6.90</b>	<b>\$ 7.10</b>	<b>\$ 7.32</b>	<b>\$ 7.46</b>	<b>\$ 7.61</b>	<b>\$ 7.76</b>
<b>Proposed Rates</b>	<b>\$ 5.52</b>	<b>\$ 6.02</b>	<b>\$ 6.44</b>	<b>\$ 6.70</b>	<b>\$ 6.90</b>	<b>\$ 7.10</b>	<b>\$ 7.32</b>	<b>\$ 7.46</b>	<b>\$ 7.61</b>	<b>\$ 7.76</b>



# Tap Fees Calculation



TAP FEES			
#	Description	Current Fee/Charge	Current Subsidy %
<b>Water Taps</b>			
1	3/4"	750.00	59%
2	1"	750.00	61%
3	1.5"	750.00	76%
4	2"	750.00	76%
<b>Sewer Taps</b>			
5	4"-6"	550.00	52%
6	Larger than 6"	At Cost	

Labor Costs	Labor Costs + 10% Indirect Allocation	Material Cost
765.00	841.50	<b>\$1,000.00</b>
765.00	841.50	<b>\$1,100.00</b>
765.00	841.50	<b>\$2,230.00</b>
765.00	841.50	<b>\$2,330.00</b>
765.00	841.50	<b>\$300.00</b>

Full Cost
\$1,841.50
\$1,941.50
\$3,071.50
\$3,171.50
\$1,141.50
NA

*\*Current average subsidy for tap fees is at 65%*

*\*Need to decide desired subsidy amount and whether to phase in the increases*