

Town of Silt – Water Rate Discussion

January 31, 2023

Current Water Rates Impact on Average Residential Customer – 2023 Rates



- Base Rate (includes 2k Gal) is average to slightly above average
- Volumetric Rates very low (extremely low in pressure zone)
- Silt does not have any surcharges

| Rate Class 1 - Residential/Commercial | | | | Rate Class 2 - Vacant/Senior/Church/Stand-by | | | |
|---------------------------------------|--------|-----------------------|---------------|--|--------|-----------------------|---------------|
| Usage | | Existing Rates/1k Gal | 3,795 Gallons | Usage | | Existing Rates/1k Gal | 3,795 Gallons |
| 0 | 2,000 | 26.31 | 52.62 | 0 | 2,000 | 13.16 | 26.31 |
| 2,001 | 6,000 | 1.00 | 1.80 | 2,001 | 6,000 | 1.00 | 1.80 |
| 6,001 | 10,000 | 2.00 | | 6,001 | 10,000 | 2.00 | |
| 10,001 | 14,000 | 3.34 | | 10,001 | 14,000 | 3.34 | |
| 14,001 | 18,000 | 4.66 | | 14,001 | 18,000 | 4.66 | |
| 18,001 | | 6.66 | | 18,001 | | 6.66 | |
| Average Residential User | | | 54.42 | Average Residential User | | | 28.11 |

| Rate Class 3 - Pressure Zone | | | | Rate Class 4 - Pressure Zone Senior | | | |
|------------------------------|--------|-----------------------|---------------|-------------------------------------|--------|-----------------------|---------------|
| Usage | | Existing Rates/1k Gal | 3,795 Gallons | Usage | | Existing Rates/1k Gal | 3,795 Gallons |
| 0 | 2,000 | 52.63 | 105.26 | 0 | 2,000 | 26.31 | 52.62 |
| 2,001 | 6,000 | 0.20 | 0.35 | 2,001 | 6,000 | 0.20 | 0.35 |
| 6,001 | 10,000 | 0.40 | | 6,001 | 10,000 | 0.40 | |
| 10,001 | 14,000 | 0.64 | | 10,001 | 14,000 | 0.67 | |
| 14,001 | 18,000 | 0.93 | | 14,001 | 18,000 | 0.93 | |
| 18,001 | | 1.15 | | 18,001 | | 1.15 | |
| Average Residential User | | | 105.61 | Average Residential User | | | 52.97 |

The Project & Anticipated Borrowing

- \$28.0 MM Plant Cost
- \$5.0 MM Principal Forgiveness
- \$21.5 MM needed to fund project
- \$0.25 MM issuance costs
- \$21.75 MM net borrowing amount
- \$1.0 equals 4.6% of total

| | 2023 Water Projects |
|--|---------------------|
| CIP Projects¹ | |
| Projects | 27,942,000 |
| Principal Forgiveness | (5,000,000) |
| Subtotal Project Costs | 22,942,000 |
| Less Other Available Revenues | |
| Cash Available | |
| Premium | (1,438,815) |
| Net Borrowing Requirement | 21,503,185 |
| Debt Service Reserve | |
| Debt Service Reserve Funds On Hand | 0 |
| New Debt Service Reserve Requirement | 0 |
| Subtotal Reserve Fund Requirement | 0 |
| Estimated Issuance Expenses | 250,604 |
| Subtotal Issuance Expenses | 250,604 |
| TOTAL TO BE FINANCED | 21,753,788 |
| Rounding | 1 |
| NET BOND SIZE* | 21,753,789 |

Proposed Rate Structure

- Maintain volumetric rate structure
- No surcharges
- Bring Pressure Zone volumetric in line with rest of Town

| Rate Class 1 - Residential/Commercial | | | | | | | |
|--|-----------------------|---------------|-----------------------|---------------|-----------------|---------------------|-------|
| Usage | Existing Rates/1k Gal | 3,795 Gallons | Proposed Rates/1k Gal | 3,795 Gallons | Dollar Increase | Percentage Increase | |
| 0 | 2,000 | 26.31 | 52.62 | 70.75 | 141.50 | 88.88 | 169% |
| 2,001 | 6,000 | 1.00 | 1.80 | 3.25 | 5.83 | 4.04 | 225% |
| 6,001 | 10,000 | 2.00 | | 5.25 | | | 162% |
| 10,001 | 14,000 | 3.34 | | 6.75 | | | 102% |
| 14,001 | 18,000 | 4.66 | | 8.25 | | | 77% |
| 18,001 | | 6.66 | | 9.75 | | | 46% |
| Average Residential User | | | 54.42 | | 147.33 | 92.91 | 171% |
| Rate Class 2 - Vacant/Senior/Church/Stand-by | | | | | | | |
| Usage | Existing Rates/1k Gal | 3,795 Gallons | Proposed Rates/1k Gal | 3,795 Gallons | Dollar Increase | Percentage Increase | |
| 0 | 2,000 | 13.16 | 26.31 | 47.17 | 94.33 | 68.02 | 259% |
| 2,001 | 6,000 | 1.00 | 1.80 | 3.25 | 5.83 | 4.04 | 225% |
| 6,001 | 10,000 | 2.00 | | 5.25 | | | 162% |
| 10,001 | 14,000 | 3.34 | | 6.75 | | | 102% |
| 14,001 | 18,000 | 4.66 | | 8.25 | | | 77% |
| 18,001 | | 6.66 | | 9.75 | | | 46% |
| Average Residential User | | | 28.11 | | 100.17 | 72.06 | 256% |
| Rate Class 3 - Pressure Zone | | | | | | | |
| Usage | Existing Rates/1k Gal | 3,795 Gallons | Proposed Rates/1k Gal | 3,795 Gallons | Dollar Increase | Percentage Increase | |
| 0 | 2,000 | 52.63 | 105.26 | 106.13 | 212.25 | 106.99 | 102% |
| 2,001 | 6,000 | 0.20 | 0.35 | 3.25 | 5.83 | 5.48 | 1562% |
| 6,001 | 10,000 | 0.40 | | 5.25 | | | 1204% |
| 10,001 | 14,000 | 0.64 | | 6.75 | | | 948% |
| 14,001 | 18,000 | 0.93 | | 8.25 | | | 786% |
| 18,001 | | 1.15 | | 9.75 | | | 748% |
| Average Residential User | | | 105.61 | | 218.08 | 112.47 | 106% |
| Rate Class 4 - Pressure Zone Senior | | | | | | | |
| Usage | Existing Rates/1k Gal | 3,795 Gallons | Proposed Rates/1k Gal | 3,795 Gallons | Dollar Increase | Percentage Increase | |
| 0 | 2,000 | 26.31 | 52.62 | 70.75 | 141.50 | 88.88 | 169% |
| 2,001 | 6,000 | 0.20 | 0.35 | 3.25 | 5.83 | 5.48 | 1562% |
| 6,001 | 10,000 | 0.40 | | 5.25 | | | 1204% |
| 10,001 | 14,000 | 0.67 | | 6.75 | | | 912% |
| 14,001 | 18,000 | 0.93 | | 8.25 | | | 786% |
| 18,001 | | 1.15 | | 9.75 | | | 748% |
| | | | 52.97 | | 147.33 | 94.36 | 178% |

Impact of Reduced Project Expense

- Each \$1,000,000 reduction in project cost will have a \$3.23/month impact on the average residential customer
- As an example, a \$2.5 MM reduction in project cost will reduce the average customers monthly impact by \$8.08
- The project portion of the rate increase is approximately \$70/month, with the remaining \$30/month covering increased operational costs and financial health of the utility

Impact of Local Fund Balance Use



| Fund | Fund Balance | Target Balance | | 2023 Operating Expenditures | Target Balance Amount | Amount Available Now | Notes |
|--|--------------|-------------------------------|---|-----------------------------------|--------------------------|----------------------------|-------|
| | | 2023 Operating Revenues | Minimum % of Expenditures by Policy | | | | |
| General | 5,121,811 | 3,659,951 | 30% | 3,906,720 | 1,172,016 | 3,949,795 | |
| W/WW | 2,880,885 | 3,062,700 | 20% | 2,677,653 | 535,531 | 2,345,354 | 1 |
| Irrigation | 417,419 | 322,000 | no min. | 337,376 | no min. | 417,419 | |
| Housing | 236,194 | 290,000 | no min. | 257,257 | no min. | 236,194 | |
| Conserv Trust | 115,177 | 45,100 | no min. | 30,000 | no min. | 115,177 | 2 |
| Victim Assist | 47,913 | 11,000 | no min. | 15,300 | no min. | 47,913 | |
| Beaut Fund | 236,117 | 170,040 | no min. | 312,000 | no min. | 236,117 | 2 |
| Park Impact | 160,027 | 66,560 | no min. | 160,000 | no min. | 160,027 | 2 |
| Constr. Impact | 128,449 | 35,500 | no min. | 118,000 | no min. | 128,449 | |
| Eco Dev Rev | 48,753 | 18,000 | no min. | 16,235 | no min. | * | 2 |
| Max that could be used per policy | | | | | | 7,125,124 | |
| Monthly Impact Reduction per \$1,000,000 of reduced plant cost | | | | | | 3.23 | |
| Maximum Reserve Use Impact | | | | | | 23.01 | |

Note 1 - UMB recommends utility fund balance target equal to 6 months operating expenditures plus following years debt service payments. For Water, current estimate when Water Treatment Plant comes online is approximately \$2.8 MM

Note 2 - These funds are restricted to their intended use

Source: Town of Silt

- Determine Rate Structure Direction
 - Current Base and Volumetric Rate System
 - Change rate tiers
 - Base/Volumetric plus Surcharge
 - Base/Volumetric plus Debt/Capital Charge
- Establish Project Cost
 - CMAR
- Finalize Not To Exceed Price
- Borrow Funds
- Finalize Rates

Town of Silt – Water Rate Option (Concepts)

Draft

April 10, 2023

Background



- Maintain current rate structure related to Seniors (50% of base fee, same volumetric rates)
- Eliminate Stand-by Rate
- Maintain current rate structure related to Pressure Zone (200% of base fee, same volumetric rates)
- Options 1 and Hybrid 4 include new WTP, Water Storage and Main Replacement
 - WTP is estimated to cost \$28MM
 - Principal Forgiveness - \$5.0MM

Overview – Test Year 2023



- Current rate structure does not provide enough resources
 - Recommended 86% increase to operate utility
 - Additional approximate 40% increase to pay for new water treatment plant
- March 27 Meeting
 - Deeper dive into all usage
 - Modify Hybrid 4

| | Current | Recommended | Option 1 | Hybrid 4 |
|---|------------------------|---------------|---------------|--|
| Estimated Revenue Increase | | 86% | 144% | 142% |
| Test Year | 2023 | 2023 | 2023 | 2023 |
| General Operation | 969,802 | 969,802 | 969,802 | 969,802 |
| New Production Costs | 0 | 0 | 19,990 | 19,990 |
| Administration (50%) | 516,186 | 516,186 | 516,186 | 516,186 |
| Debt Payments | 135,168 | 135,168 | 1,514,951 | 1,514,951 |
| Annual Main Replacement | 0 | 300,000 | 300,000 | 300,000 |
| | 1,621,156 | 1,921,156 | 3,320,928 | 3,320,928 |
| Base Revenues | 941,555 | 1,631,458 | 2,196,709 | 2,132,415 |
| Volumetric | 84,258 | 396,605 | 396,605 | 468,960 |
| Bulk Water | 70,000 | 136,200 | 131,774 | 126,579 |
| Tap Fees | 300,000 | 0 | 816,439 | 816,439 |
| Misc Revenues | 47,975 | 47,975 | 47,975 | 47,975 |
| | 1,443,788 | 2,212,237 | 3,589,501 | 3,592,367 |
| Gap | (177,368) | 291,081 | 268,573 | 271,439 |
| Note 1 - Assumes following rate structure | | | | |
| Base | 52.62 | 2,000 | 91.35 | 2,000 |
| Tier 2 | per 1,000 gallons 1.00 | 4,000 | 5.60 | 4,000 |
| Tier 3 | per 1,000 gallons 2.00 | 4,000 | 6.35 | 4,000 |
| Tier 4 | per 1,000 gallons 3.34 | 4,000 | 7.10 | 4,000 |
| Tier 5 | per 1,000 gallons 4.66 | 4,000 | 7.85 | 4,000 |
| Tier 6 | per 1,000 gallons 6.66 | 4,000 | 8.60 | 4,000 |
| Average Residential Customer | 54.42 | 101.40 | 133.05 | 131.52 |
| Note 2 - Reduction in Bulk Water: 25% for Status Quo, 50% for Option 1 and Hybrid 4 | | | | |
| Note 3 - Assumes a moratorium on new taps | | | | |
| Note 3 - Assumes 60 taps added per year at | | 13,699 | per tap. | Growth numbers based on Water Master Plan Report |

Options as Presented



| | | Status Quo | Option 1 | | | Hybrid 4 |
|---------------------|---------------|--------------|---------------|--------------|--------------|---------------|
| Base Rate | | 85.65 | 124.30 | | | 119.40 |
| 0 | 2,000 | Inc. | Inc. | 0 | 2,000 | Inc. |
| 2,001 | 6,000 | 5.15 | 5.00 | 2,001 | 4,000 | 6.75 |
| 6,001 | 10,000 | 6.15 | 6.00 | 4,001 | 6,000 | 7.50 |
| 10,001 | 14,000 | 7.15 | 7.00 | 6,001 | 8,000 | 8.25 |
| 14,001 | 18,000 | 8.15 | 8.00 | 8,001 | | 9.00 |
| 18,001 | | 9.15 | 9.00 | | | |
| Average User | 3,795 | 94.89 | 133.28 | | | 131.52 |

Revenue Mix - Outcomes



| | | Status Quo | Option 1 | | | Hybrid 4 |
|--------------|--------|------------|----------|-------|-------|----------|
| Base Rate | | 85.65 | 124.30 | | | 119.40 |
| 0 | 2,000 | Inc. | Inc. | 0 | 2,000 | Inc. |
| 2,001 | 6,000 | 5.15 | 5.00 | 2,001 | 4,000 | 6.75 |
| 6,001 | 10,000 | 6.15 | 6.00 | 4,001 | 6,000 | 7.50 |
| 10,001 | 14,000 | 7.15 | 7.00 | 6,001 | 8,000 | 8.25 |
| 14,001 | 18,000 | 8.15 | 8.00 | 8,001 | | 9.00 |
| 18,001 | | 9.15 | 9.00 | | | |
| Average User | 3,795 | 94.89 | 133.28 | | | 131.52 |

Status Quo and Option 1 use current Rate Tier Structure

Hybrid 4 moves to 2,000-gallon increment tiers

Usage data deep dive showed some skewing

Added Rate 101 Median and Average User impacts

| | Gallons | Status Quo | Option 1 | Hybrid 4 |
|----------------------|---------|------------|----------|----------|
| Overall Average User | 3,795 | 94.89 | 133.05 | 131.52 |
| Increase | | | 38.16 | 36.62 |
| Median User (101) | 3,817 | 95.01 | 133.17 | 131.66 |
| Increase | | | 38.17 | 36.66 |
| Average User (101) | 5,301 | 102.65 | 141.49 | 141.68 |
| Increase | | | 38.84 | 39.03 |

Take Aways

- Current rates generate annual \$177k loss
- Most revenues currently generated from base rate
- Water Usage – Class 101 (General Residential)
 - 20% Use less than 2,000 gallons per month
 - 61% Use between 2,001 gallons and 6,000 gallons per month
 - 16% Use between 6,001 gallons and 10,000 gallons per month
 - 3% use more than 10,001 gallons per month

- Determine Tier Structure
 - Status Quo/Option 1
 - Base includes 2,000 gallons
 - 5 – 4,000-gallon tiers
 - Hybrid 4
 - Base includes 2,000 gallons
 - 3 – 2,000-gallon tiers
- Adjust rates now to reflect Status Quo (interim rate increase)
- Adjust rates when costs of plant known (large one-time increase)

Appendices

Status Quo Recommended Cash Flow



| | | Actual | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | |
|----|---|--------|------|------|-------------------|-----------|-----------|-----------|-----------|-------------------|-----------|-----------|-----------|-----------|-----------|
| | 2018 | 2019 | 2020 | 2021 | Estimated 2022 | 2023 | 2024 | 2025 | 2026 | Projected 2027 | 2028 | 2029 | 2030 | 2031 | 2032 |
| 9 | | | | | | | | | | | | | | | |
| 10 | Beginning net assets | | | | 1,357,709 | 1,350,959 | 894,405 | 1,141,798 | 1,352,770 | 1,532,270 | 1,678,662 | 1,841,922 | 1,968,967 | 2,112,882 | 2,218,067 |
| 11 | | | | | | | | | | | | | | | |
| 12 | Operating Revenues | | | | | | | | | | | | | | |
| 13 | Water Charges - Base Fees | | | | 874,595 | 941,555 | 1,631,458 | 1,631,458 | 1,631,458 | 1,631,458 | 1,680,402 | 1,680,402 | 1,730,814 | 1,730,814 | 1,782,738 |
| 14 | Water Charges - Volumetric | | | | | 84,258 | 396,605 | 403,259 | 416,480 | 429,700 | 442,921 | 456,538 | 470,155 | 484,533 | 498,912 |
| 15 | Water Charges - Bulk Water | | | | | 70,000 | 136,200 | 137,562 | 138,937 | 140,327 | 145,940 | 148,858 | 156,301 | 159,427 | 167,399 |
| 16 | Water Charges - Meter Installs | | | | 17,877 | 10,000 | 10,100 | 10,201 | 10,303 | 10,406 | 10,510 | 10,720 | 10,935 | 11,153 | 11,376 |
| 17 | Water Tap Fees (indexed annually based on borrowing rate) | | | | 376,200 | 300,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 | Other | | | | 49,671 | 37,500 | 37,875 | 38,254 | 38,636 | 39,023 | 39,413 | 40,201 | 41,005 | 41,825 | 42,662 |
| 19 | Total Operating Revenues | | | | 1,318,342 | 1,443,313 | 2,212,237 | 2,220,734 | 2,236,814 | 2,250,913 | 2,319,185 | 2,336,719 | 2,409,210 | 2,427,753 | 2,503,087 |
| 20 | | | | | | | | | | | | | | | |
| 21 | Operating Expenses | | | | | | | | | | | | | | |
| 22 | Operating and Maintenance (prior year line 22 added in) | | | | 992,481 | 1,048,750 | 1,080,213 | 1,133,208 | 1,167,204 | 1,202,221 | 1,238,287 | 1,275,436 | 1,313,699 | 1,353,110 | 1,393,703 |
| 23 | Added Production Cost from Growth | | | | | | 19,990 | | | | | | | | |
| 24 | Administration (50%) | | | | 317,855 | 501,152 | 516,186 | 531,672 | 547,622 | 564,050 | 580,972 | 598,401 | 616,353 | 634,844 | 653,889 |
| 25 | Depreciation - Water | | | | | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 |
| 26 | Total Operating Expenses | | | | 1,310,335 | 1,889,726 | 1,956,212 | 2,004,704 | 2,054,650 | 2,106,095 | 2,159,083 | 2,213,661 | 2,269,876 | 2,327,778 | 2,387,416 |
| 27 | | | | | | | | | | | | | | | |
| 28 | Net Operations | 0 | 0 | 0 | 8,007 | (446,412) | 256,025 | 216,030 | 181,164 | 144,818 | 160,102 | 123,058 | 139,334 | 99,976 | 115,671 |
| 29 | Non operating revenues (expenses) | | | | | | | | | | | | | | |
| 30 | Interest Income | 0 | 0 | 0 | 500 | 2,470 | 1,279 | 2,095 | 2,670 | 3,028 | 3,159 | 3,986 | 4,582 | 5,209 | 5,589 |
| 31 | Interest Expense - Existing Debt | | | | (15,256) | (12,612) | (9,911) | (7,152) | (4,334) | (1,455) | 0 | 0 | 0 | 0 | 0 |
| 32 | Interest Expense - New Debt 2023-2032 | | | | 0 | | | | | | | | | | |
| 34 | Costs of Issuance | | | | | | | | | | | | | | |
| 35 | Total non operating revenue (expenses) | 0 | 0 | 0 | (14,756) | (10,142) | (8,632) | (5,057) | (1,664) | 1,573 | 3,159 | 3,986 | 4,582 | 5,209 | 5,589 |
| 36 | | | | | | | | | | | | | | | |
| 37 | Net increase (decrease) in resources | 0 | 0 | 0 | (6,749) | (456,554) | 247,393 | 210,972 | 179,500 | 146,392 | 163,261 | 127,044 | 143,915 | 105,185 | 121,260 |
| 38 | | | | | | | | | | | | | | | |
| 39 | Operating Transfer In (Out) | | | | | | | | | | | | | | |
| 40 | Capital Contributions | | | | | | | | | | | | | | |
| 41 | Cumulative Effect of Change in Acct Principle | | | | | | | | | | | | | | |
| 42 | PILOT Payment | | | | | | | | | | | | | | |
| 43 | Ending Net Assets | 0 | 0 | 0 | 1,350,959 | 894,405 | 1,141,798 | 1,352,770 | 1,532,270 | 1,678,662 | 1,841,922 | 1,968,967 | 2,112,882 | 2,218,067 | 2,339,327 |
| 44 | CIP Funding | | | | | | | | | | | | | | |
| 45 | Purchase of Capital Assets - Water | 0 | 0 | 0 | (740,000) | (300,000) | (309,000) | (318,270) | (327,818) | (337,653) | (347,782) | (358,216) | (368,962) | (380,031) | |
| 46 | Capital Contributions | | | | | 0 | | | | | | | | | |
| 47 | Principal Payments on Existing bonds | | | | (118,902) | (121,458) | (124,073) | (126,745) | (129,476) | (132,265) | | | | | |
| 48 | Bonds Issued | | | | | 0 | | | | | | | | | |
| 49 | Advance from (to) other funds | | | | | | | | | | | | | | |
| 50 | Principal Payments on Advance from other funds | | | | | | | | | | | | | | |
| 51 | Future Debt Principal | | | | 0 | | | | | | | | | | |
| 52 | | | | | | | | | | | | | | | |
| 53 | Beginning Cash | | | | 1,359,716 | 494,065 | 255,876 | 419,021 | 534,072 | 605,650 | 631,783 | 797,215 | 916,302 | 1,041,825 | 1,117,872 |
| 54 | Add net operations (line 23) | | | | 8,007 | (446,412) | 256,025 | 216,030 | 181,164 | 144,818 | 160,102 | 123,058 | 139,334 | 99,976 | 115,671 |
| 55 | Add back depreciation (line 27) | | | | 0 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 |
| 56 | Add net non operating (line 34) | | | | 0 | (14,756) | (10,142) | (8,632) | (5,057) | (1,664) | 1,573 | 3,159 | 3,986 | 4,582 | 5,589 |
| 57 | Add capital and bond (lines 40-49) | | | | (858,902) | (121,458) | (424,073) | (435,745) | (447,746) | (460,083) | (337,653) | (347,782) | (358,216) | (368,962) | (380,031) |
| 58 | Add transfer in (out) | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59 | Net change in balance sheet items | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 60 | Ending Cash | | | | 1,359,716 | 494,065 | 255,876 | 419,021 | 534,072 | 605,650 | 631,783 | 797,215 | 916,302 | 1,041,825 | 1,117,872 |
| 61 | Restricted Cash | | | | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 |
| 62 | Unrestricted Cash | | | | 1,357,996 | 492,345 | 254,156 | 417,301 | 532,352 | 603,930 | 630,063 | 795,495 | 914,582 | 1,040,105 | 1,116,152 |
| 63 | | | | | | | | | | | | | | | |
| 64 | Ending Net Assets | | | | 1,350,959 | 894,405 | 1,141,798 | 1,352,770 | 1,532,270 | 1,678,662 | 1,841,922 | 1,968,967 | 2,112,882 | 2,218,067 | 2,339,327 |
| 65 | | | | | | | | | | | | | | | |
| 66 | Target Unrestricted Cash (6 mo Operating + Following Year Debt Service) | | | | | 1,078,847 | 1,112,004 | 1,136,162 | 1,161,045 | 1,053,048 | 1,079,542 | 1,106,830 | 1,134,938 | 1,163,889 | 1,193,708 |
| 67 | Unrestricted Cash Percent | | | | | 24% | 38% | 47% | 52% | 60% | 74% | 83% | 92% | 96% | 100% |

Option 1



| | Actual | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|--|--------|------|------|------|-------------------|--------------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 2018 | 2019 | 2020 | 2021 | Estimated 2022 | 2023 | 2024 | 2025 | 2026 | Projected | | 2029 | 2030 | 2031 | 2032 |
| | | | | | | | | | | 2027 | 2028 | | | | |
| 9 | | | | | | | | | | | | | | | |
| 10 Beginning net assets | | | | | 1,357,709 | 1,350,959 | 700,071 | 1,371,081 | 1,647,994 | 1,992,865 | 2,423,634 | 3,014,320 | 3,715,857 | 4,493,645 | 5,342,447 |
| 11 | | | | | | | | | | | | | | | |
| 12 Operating Revenues | | | | | | | | | | | | | | | |
| 13 Water Charges - Base Fees | | | | | 874,595 | 941,555 | 2,196,709 | 2,284,678 | 2,372,648 | 2,460,617 | 2,625,045 | 2,715,653 | 2,892,799 | 2,988,475 | 3,176,675 |
| 14 Water Charges - Volumetric | | | | | | 84,258 | 396,605 | 403,259 | 416,480 | 429,700 | 442,921 | 456,538 | 470,155 | 484,533 | 498,912 |
| 15 Bulk Water Sales | | | | | | 70,000 | 131,774 | 133,091 | 134,422 | 135,766 | 137,124 | 139,867 | 142,664 | 145,517 | 148,428 |
| 16 Water Charges - Meter Installs | | | | | 17,877 | 10,000 | 10,100 | 10,201 | 10,303 | 10,406 | 10,510 | 10,720 | 10,935 | 11,153 | 11,376 |
| 17 Water Tap Fees (indexed annually based on borrowing rate) | | | | | 376,200 | 300,000 | 816,439 | 844,851 | 877,631 | 911,683 | 947,057 | 1,008,563 | 1,047,695 | 1,088,345 | 1,130,573 |
| 18 Other | | | | | 49,671 | 37,500 | 37,875 | 38,254 | 38,636 | 39,023 | 39,413 | 40,201 | 41,005 | 41,825 | 42,662 |
| 19 Total Operating Revenues | | | | | 1,318,342 | 1,443,313 | 3,589,501 | 3,714,334 | 3,850,120 | 3,987,196 | 4,202,069 | 4,371,542 | 4,605,252 | 4,759,849 | 5,008,626 |
| 20 | | | | | | | | | | | | | | | |
| 21 Operating Expenses | | | | | | | | | | | | | | | |
| 22 Operating and Maintenance (prior year line 22 added in) | | | | | 992,481 | 992,481 | 1,022,255 | 1,073,512 | 1,126,923 | 1,182,570 | 1,240,540 | 1,300,921 | 1,364,408 | 1,430,532 | 1,499,393 |
| 23 Added Production Cost from Growth | | | | | | | 19,990 | 20,587 | 21,203 | 21,838 | 22,491 | 23,747 | 24,457 | 25,189 | 25,943 |
| 24 Administration (50%) | | | | | 317,855 | 501,152 | 516,186 | 531,672 | 547,622 | 564,050 | 580,972 | 598,401 | 616,353 | 634,844 | 653,889 |
| 25 Depreciation - Water | | | | | | 339,824 | 988,749 | 1,028,123 | 1,096,687 | 1,107,826 | 1,119,298 | 1,131,115 | 1,180,138 | 1,266,380 | 1,279,292 |
| 26 Total Operating Expenses | | | | | 1,310,335 | 1,833,456 | 2,547,180 | 2,653,894 | 2,792,435 | 2,876,283 | 2,963,300 | 3,054,184 | 3,185,357 | 3,356,945 | 3,458,518 |
| 27 | | | | | | | | | | | | | | | |
| 28 Net Operations | 0 | 0 | 0 | 0 | 8,007 | (390,143) | 1,042,321 | 1,060,440 | 1,057,685 | 1,110,913 | 1,238,769 | 1,317,358 | 1,419,895 | 1,402,904 | 1,550,108 |
| 29 Non operating revenues (expenses) | | | | | | | | | | | | | | | |
| 30 Interest Income | 0 | 0 | 0 | 0 | 500 | 2,470 | 308 | 6,486 | 7,848 | 9,398 | 10,781 | 12,803 | 15,223 | 10,846 | 14,225 |
| 31 Interest Expense - Existing Debt | | | | | (15,256) | (12,612) | (9,911) | (7,152) | (4,334) | (1,455) | 0 | 0 | 0 | 0 | 0 |
| 32 Interest Expense - New Debt 2023-2032 | | | | | 0 | (361,707) | (722,861) | (716,328) | (688,087) | (658,864) | (628,623) | (597,330) | (564,947) | (531,438) | |
| 34 Costs of Issuance | | | | | | (250,604) | (60,000) | | | | | (60,000) | | | |
| 35 Total non operating revenue (expenses) | 0 | 0 | 0 | 0 | (14,756) | (260,746) | (371,311) | (783,527) | (712,814) | (680,144) | (648,083) | (615,820) | (642,107) | (554,102) | (517,214) |
| 36 | | | | | | | | | | | | | | | |
| 37 Net increase (decrease) in resources | 0 | 0 | 0 | 0 | (6,749) | (650,889) | 671,010 | 276,913 | 344,871 | 430,769 | 590,686 | 701,538 | 777,788 | 848,802 | 1,032,895 |
| 38 | | | | | | | | | | | | | | | |
| 39 Operating Transfer In (Out) | | | | | | | | | | | | | | | |
| 40 Capital Contributions | | | | | | | | | | | | | | | |
| 41 Cumulative Effect of Change in Acct Principle | | | | | | | | | | | | | | | |
| 42 PILOT Payment | | | | | | | | | | | | | | | |
| 43 Ending Net Assets | 0 | 0 | 0 | 0 | 1,350,959 | 700,071 | 1,371,081 | 1,647,994 | 1,992,865 | 2,423,634 | 3,014,320 | 3,715,857 | 4,493,645 | 5,342,447 | 6,375,342 |
| 44 CIP Funding | | | | | | | | | | | | | | | |
| 45 Purchase of Capital Assets - Water | 0 | 0 | 0 | 0 | (740,000) | (27,942,000) | (300,000) | (2,809,000) | (318,270) | (327,818) | (337,653) | (347,782) | (3,548,920) | (368,962) | (380,031) |
| 46 Capital Contributions | | | | | | 5,000,000 | 0 | | | | | | | | |
| 47 Principal Payments on Existing bonds | | | | | (118,902) | (121,458) | (124,073) | (126,745) | (129,476) | (132,265) | | | | | |
| 48 Bonds Issued | | | | | | 22,942,000 | 2,560,000 | | | | | 1,750,704 | | | |
| 49 Advance from (to) other funds | | | | | | | | | | | | | | | |
| 50 Principal Payments on Advance from other funds | | | | | | | | | | | | | | | |
| 51 Future Debt Principal | 0 | | | | | | (656,920) | (683,744) | (802,026) | (967,919) | (1,000,922) | (1,035,074) | (1,070,415) | (1,181,343) | |
| 52 | | | | | | | | | | | | | | | |
| 53 Beginning Cash | | | | | 1,359,716 | 494,065 | 61,542 | 1,297,229 | 1,569,600 | 1,879,668 | 2,156,154 | 2,560,566 | 3,044,514 | 2,169,151 | 2,844,956 |
| 54 Add net operations (line 23) | | | | | 8,007 | (390,143) | 1,042,321 | 1,060,440 | 1,057,685 | 1,110,913 | 1,238,769 | 1,317,358 | 1,419,895 | 1,402,904 | 1,550,108 |
| 55 Add back depreciation (line 27) | | | | | 0 | 339,824 | 988,749 | 1,028,123 | 1,096,687 | 1,107,826 | 1,119,298 | 1,131,115 | 1,180,138 | 1,266,380 | 1,279,292 |
| 56 Add net non operating (line 34) | | | | | 0 | (14,756) | (260,746) | (371,311) | (783,527) | (712,814) | (680,144) | (648,083) | (615,820) | (642,107) | (554,102) |
| 57 Add capital and bond (lines 40-49) | | | | | 0 | (858,902) | (121,458) | (424,073) | (1,032,665) | (1,131,490) | (1,262,109) | (1,305,572) | (1,348,704) | (2,833,290) | (1,439,377) |
| 58 Add transfer in (out) | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59 Net change in balance sheet items | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 60 Ending Cash | | | | | 1,359,716 | 494,065 | 61,542 | 1,297,229 | 1,569,600 | 1,879,668 | 2,156,154 | 2,560,566 | 3,044,514 | 2,169,151 | 2,844,956 |
| 61 Restricted Cash | | | | | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 |
| 62 Unrestricted Cash | | | | | 1,357,996 | 492,345 | 59,822 | 1,295,509 | 1,567,880 | 1,877,948 | 2,154,434 | 2,558,846 | 3,042,794 | 2,167,431 | 2,843,236 |
| 63 | | | | | | | | | | | | | | | |
| 64 Ending Net Assets | | | | | 1,350,959 | 700,071 | 1,371,081 | 1,647,994 | 1,992,865 | 2,423,634 | 3,014,320 | 3,715,857 | 4,493,645 | 5,342,447 | 6,375,342 |
| 65 | | | | | | | | | | | | | | | |
| 66 Target Unrestricted Cash (6 mo Operating + Following Year Debt Service) | | | | | | 1,412,419 | 2,787,268 | 2,860,829 | 3,020,050 | 3,064,924 | 3,111,195 | 3,159,496 | 3,228,041 | 3,391,254 | 3,584,278 |
| 67 Unrestricted Cash Percent | | | | | | 4% | 46% | 55% | 62% | 70% | 82% | 96% | 67% | 84% | 100% |

Hybrid 4



| | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | |
|--|------|----------------|------|------|-------------------|--------------|-----------|-------------|-------------|-------------------|-------------|-------------|-------------|-------------|-------------|
| | 2018 | Actual 2019 | 2020 | 2021 | Estimated 2022 | 2023 | 2024 | 2025 | 2026 | Projected 2027 | 2028 | 2029 | 2030 | 2031 | 2032 |
| 9 | | | | | | | | | | | | | | | |
| 10 Beginning net assets | | | | | 1,357,709 | 1,350,959 | 700,071 | 1,373,947 | 1,652,481 | 1,999,069 | 2,431,651 | 3,022,007 | 3,723,250 | 4,498,242 | 5,344,276 |
| 11 | | | | | | | | | | | | | | | |
| 12 Operating Revenues | | | | | | | | | | | | | | | |
| 13 Water Charges - Base Fees | | | | | 874,595 | 941,555 | 2,132,415 | 2,217,810 | 2,303,205 | 2,388,599 | 2,548,214 | 2,636,171 | 2,808,131 | 2,901,007 | 3,083,699 |
| 14 Water Charges - Volumetric | | | | | | 84,258 | 468,960 | 476,981 | 492,916 | 508,852 | 524,787 | 541,201 | 557,614 | 574,945 | 592,277 |
| 15 Bulk Water Sales | | | | | | 70,000 | 126,579 | 127,845 | 129,123 | 130,414 | 131,719 | 134,353 | 137,040 | 139,781 | 142,576 |
| 16 Water Charges - Meter Installs | | | | | 17,877 | 10,000 | 10,100 | 10,201 | 10,303 | 10,406 | 10,510 | 10,720 | 10,935 | 11,153 | 11,376 |
| 17 Water Tap Fees (indexed annually based on borrowing rate) | | | | | 376,200 | 300,000 | 816,439 | 844,851 | 877,631 | 911,683 | 947,057 | 1,008,563 | 1,047,695 | 1,088,345 | 1,130,573 |
| 18 Other | | | | | 49,671 | 37,500 | 37,875 | 38,254 | 38,636 | 39,023 | 39,413 | 40,201 | 41,005 | 41,825 | 42,662 |
| 19 Total Operating Revenues | | | | | 1,318,342 | 1,443,313 | 3,592,367 | 3,715,941 | 3,851,815 | 3,988,978 | 4,201,699 | 4,371,208 | 4,602,420 | 4,757,057 | 5,003,164 |
| 20 | | | | | | | | | | | | | | | |
| 21 Operating Expenses | | | | | | | | | | | | | | | |
| 22 Operating and Maintenance (prior year line 22 added in) | | | | | 992,481 | 992,481 | 1,022,255 | 1,073,512 | 1,126,923 | 1,182,570 | 1,240,540 | 1,300,921 | 1,364,408 | 1,430,532 | 1,499,393 |
| 23 Added Production Cost from Growth | | | | | | | 19,990 | 20,587 | 21,203 | 21,838 | 22,491 | 23,747 | 24,457 | 25,189 | 25,943 |
| 24 Administration (50%) | | | | | 317,855 | 501,152 | 516,186 | 531,672 | 547,622 | 564,050 | 580,972 | 598,401 | 616,353 | 634,844 | 653,889 |
| 25 Depreciation - Water | | | | | | 339,824 | 988,749 | 1,028,123 | 1,096,687 | 1,107,826 | 1,119,298 | 1,131,115 | 1,180,138 | 1,266,380 | 1,279,292 |
| 26 Total Operating Expenses | | | | | 1,310,335 | 1,833,456 | 2,547,180 | 2,653,894 | 2,792,435 | 2,876,283 | 2,963,300 | 3,054,184 | 3,185,357 | 3,356,945 | 3,458,518 |
| 27 | | | | | | | | | | | | | | | |
| 28 Net Operations | 0 | 0 | 0 | 0 | 8,007 | (390,143) | 1,045,187 | 1,062,047 | 1,059,380 | 1,112,694 | 1,238,399 | 1,317,024 | 1,417,063 | 1,400,112 | 1,544,646 |
| 29 Non operating revenues (expenses) | | | | | | | | | | | | | | | |
| 30 Interest Income | | 0 | 0 | 0 | 500 | 2,470 | 308 | 6,500 | 7,870 | 9,429 | 10,821 | 12,841 | 15,260 | 10,869 | 14,234 |
| 31 Interest Expense - Existing Debt | | | | | (15,256) | (12,612) | (9,911) | (7,152) | (4,334) | (1,455) | 0 | 0 | 0 | 0 | 0 |
| 32 Interest Expense - New Debt 2023-2032 | | | | | 0 | (361,707) | (722,861) | (716,328) | (688,087) | (658,864) | (628,623) | (597,330) | (564,947) | (531,438) | |
| 34 Costs of Issuance | | | | | | (250,604) | (60,000) | | | | | | (60,000) | | |
| 35 Total non operating revenue (expenses) | | 0 | 0 | 0 | (14,756) | (260,746) | (371,311) | (783,513) | (712,792) | (680,113) | (648,043) | (615,781) | (642,070) | (554,079) | (517,204) |
| 36 | | | | | | | | | | | | | | | |
| 37 Net increase (decrease) in resources | | 0 | 0 | 0 | (6,749) | (650,889) | 673,877 | 278,534 | 346,588 | 432,581 | 590,356 | 701,243 | 774,993 | 846,034 | 1,027,442 |
| 38 | | | | | | | | | | | | | | | |
| 39 Operating Transfer In (Out) | | | | | | | | | | | | | | | |
| 40 Capital Contributions | | | | | | | | | | | | | | | |
| 41 Cumulative Effect of Change in Acct Principle | | | | | | | | | | | | | | | |
| 42 PILOT Payment | | | | | | | | | | | | | | | |
| 43 Ending Net Assets | 0 | 0 | 0 | 0 | 1,350,959 | 700,071 | 1,373,947 | 1,652,481 | 1,999,069 | 2,431,651 | 3,022,007 | 3,723,250 | 4,498,242 | 5,344,276 | 6,371,718 |
| 44 CIP Funding | | | | | | | | | | | | | | | |
| 45 Purchase of Capital Assets - Water | | 0 | 0 | 0 | (740,000) | (27,942,000) | (300,000) | (2,809,000) | (318,270) | (327,818) | (337,653) | (347,782) | (3,548,920) | (368,962) | (380,031) |
| 46 Capital Contributions | | | | | | 5,000,000 | 0 | | | | | | | | |
| 47 Principal Payments on Existing bonds | | | | | (118,902) | (121,458) | (124,073) | (126,745) | (129,476) | (132,265) | | | | | |
| 48 Bonds Issued | | | | | | 22,942,000 | 2,560,000 | | | | | 1,750,704 | | | |
| 49 Advance from (to) other funds | | | | | | | | | | | | | | | |
| 50 Principal Payments on Advance from other funds | | | | | | | | | | | | | | | |
| 51 Future Debt Principal | | | | | 0 | | | (656,920) | (683,744) | (802,026) | (967,919) | (1,000,922) | (1,035,074) | (1,070,415) | (1,181,343) |
| 52 | | | | | | | | | | | | | | | |
| 53 Beginning Cash | | | | | 1,359,716 | 494,065 | 61,542 | 1,300,096 | 1,574,088 | 1,885,873 | 2,164,171 | 2,568,254 | 3,051,907 | 2,173,748 | 2,846,785 |
| 54 Add net operations (line 23) | | | | | 8,007 | (390,143) | 1,045,187 | 1,062,047 | 1,059,380 | 1,112,694 | 1,238,399 | 1,317,024 | 1,417,063 | 1,400,112 | 1,544,646 |
| 55 Add back depreciation (line 27) | | | | | 0 | 339,824 | 988,749 | 1,028,123 | 1,096,687 | 1,107,826 | 1,119,298 | 1,131,115 | 1,180,138 | 1,266,380 | 1,279,292 |
| 56 Add net non operating (line 34) | | | | | 0 | (14,756) | (260,746) | (371,311) | (783,513) | (712,792) | (680,113) | (648,043) | (615,781) | (642,070) | (554,079) |
| 57 Add capital and bond (lines 40-49) | | | | | 0 | (858,902) | (121,458) | (424,073) | (1,032,665) | (1,131,490) | (1,262,109) | (1,305,572) | (1,348,704) | (2,833,290) | (1,439,377) |
| 58 Add transfer in (out) | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59 Net change in balance sheet items | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 60 Ending Cash | | | | | 1,359,716 | 494,065 | 61,542 | 1,300,096 | 1,574,088 | 1,885,873 | 2,164,171 | 2,568,254 | 3,051,907 | 2,173,748 | 2,846,785 |
| 61 Restricted Cash | | | | | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 |
| 62 Unrestricted Cash | | | | | 1,357,996 | 492,345 | 59,822 | 1,298,376 | 1,572,368 | 1,884,153 | 2,162,451 | 2,566,534 | 3,050,187 | 2,172,028 | 2,845,065 |
| 63 | | | | | | | | | | | | | | | |
| 64 Ending Net Assets | | | | | 1,350,959 | 700,071 | 1,373,947 | 1,652,481 | 1,999,069 | 2,431,651 | 3,022,007 | 3,723,250 | 4,498,242 | 5,344,276 | 6,371,718 |
| 65 | | | | | | | | | | | | | | | |
| 66 Target Unrestricted Cash (6 mo Operating + Following Year Debt Service) | | | | | | 1,412,419 | 2,787,268 | 2,860,829 | 3,020,050 | 3,064,924 | 3,111,195 | 3,159,496 | 3,228,041 | 3,391,254 | 3,584,278 |
| 67 Unrestricted Cash Percent | | | | | | 4% | 47% | 55% | 62% | 71% | 82% | 97% | 67% | 84% | 100% |

Town of Silt – Water Rate Option (Concepts)

March 27, 2023

Background – Water Usage



91% of revenues generated from the base rate (includes 2,000 gallons)

79% of all usage falls in the Base and Tier 1 charges

Residential usage represents 81% of all usage

Seniors pay 50% of base fee

Pressure Zone pay double base fee

| All Users | Usage | % | Revenues | % |
|----------------------------------|-------------------|-----|----------------|-----|
| Base Rate Gallons (up to 2,000) | 29,458,817 | 41% | 805,855 | 91% |
| Tier 1 - 2,001 - 6,000 Gallons | 27,738,744 | 38% | 27,714 | 3% |
| Tier 2 - 6,001 - 10,000 Gallons | 7,119,307 | 10% | 14,196 | 2% |
| Tier 3 - 10,001 - 14,000 Gallons | 2,943,200 | 4% | 9,762 | 1% |
| Tier 4 - 14,001 - 18,000 Gallons | 1,808,600 | 2% | 8,365 | 1% |
| Over 18,001 Gallons | 3,647,433 | 5% | 24,221 | 3% |
| | 72,716,101 | | 890,113 | |

| Residential Only | Usage | % |
|----------------------------------|-------------------|------------|
| Base Rate Gallons (up to 2,000) | 25,560,656 | 43% |
| Tier 1 - 2,001 - 6,000 Gallons | 24,626,991 | 42% |
| Tier 2 - 6,001 - 10,000 Gallons | 5,337,267 | 9% |
| Tier 3 - 10,001 - 14,000 Gallons | 1,607,600 | 3% |
| Tier 4 - 14,001 - 18,000 Gallons | 783,400 | 1% |
| Over 18,001 Gallons | 1,062,200 | 2% |
| | 58,978,114 | 81% |

- Usage based on test year November 2021 through October 2022
- Connections based on total October 2022 plus growth factors as contained in Water Master Plan
 - Limited to no growth in Base Plan (status quo)
 - Growth as contained in Water Master Plan
- Solved to generate water fund balance equal to 100% or recommended reserves in 2032 (six months operating expenses plus following years debt payment)
- Options 1-3 include new WTP and Water Storage

Current Rate Structure



Rate Class 1 - Residential/Commercial

Does not account for annual main replacement

No new debt payments

No drop in bulk water sales

Assumed annual tap fees commensurate with recent history

Produces an approximate \$200,000 deficit

| | Usage | Existing Rates/1k Gal | 3,795 Gallons |
|---------------------------------|--------|-----------------------|---------------|
| | 0 | 2,000 | 26.31 |
| | 2,001 | 6,000 | 1.00 |
| | 6,001 | 10,000 | 2.00 |
| | 10,001 | 14,000 | 3.34 |
| | 14,001 | 18,000 | 4.66 |
| | 18,001 | | 6.66 |
| Average Residential User | | | 54.42 |

Rate Class 1 - Residential/Commercial

| | Usage | Existing Rates/1k Gal | 3,795 Gallons |
|---|---------------------------------|-----------------------|---------------|
| Accounts for annual main replacement | 0 | 2,000 | 42.83 |
| No new debt payments | 2,001 | 6,000 | 85.65 |
| No drop in bulk water sales | 6,001 | 10,000 | 5.15 |
| Assumed annual tap fees commensurate with recent history | 10,001 | 14,000 | 9.24 |
| Loss of 25% of Bulk Water Sales (increase to \$43.15/1,000 gallons) | 14,001 | 18,000 | 6.15 |
| | 18,001 | | 7.15 |
| | | | 8.15 |
| | | | 9.15 |
| Achieves reserve target in 2032 | Average Residential User | | 94.89 |

Option 1

Rate Class 1 - Residential/Commercial

| | Usage | Existing Rates/1k Gal | 3,795 Gallons |
|---|---------------------------------|-----------------------|---------------|
| Maintain current rate methodology | 0 | 64.00 | 128.00 |
| Accounts for annual main replacement | 2,001 | 6.05 | 10.86 |
| Annual Tap Fees based on growth projections | 6,001 | 7.05 | |
| | 10,001 | 8.05 | |
| Loss of 50% of Bulk Water Sales (increase to \$64.00/1,000 gallons) | 14,001 | 9.05 | |
| | 18,001 | 10.05 | |
| Meets recommended reserve target in 2032 | Average Residential User | | 138.86 |

Option 2

Modified Tier Structure –
Base rate includes 6,000
gallons

Accounts for annual main
replacement

Annual Tap Fees based on
growth projections

Loss of 50% of Bulk Water
Sales (increase to
\$68.80/1,000 gallons)

Meets recommended
reserve target in 2032

| Rate Class 1 - Residential/Commercial | | | |
|--|---------------------------------|---------------------|----------------|
| | | Existing | 3,795 |
| | Usage | Rates/1k Gal | Gallons |
| | | 6,000 | 68.80 |
| | 6,001 | 14,000 | 4.00 |
| | 14,001 | | 10.50 |
| | Average Residential User | | 137.60 |

Option 3

Modified Tier Structure –
Base rate includes 0 gallons,
eliminate standby category

Accounts for annual main
replacement

Annual Tap Fees based on
growth projections

Loss of 50% of Bulk Water
Sales (increase to
\$60.00/1,000 gallons)

Meets recommended reserve
target in 2032

| Rate Class 1 - Residential/Commercial | | | |
|--|---------------|---------------------|----------------|
| Usage | | Existing | 3,795 |
| | | Rates/1k Gal | Gallons |
| Base | | 119.50 | 119.50 |
| 0 | 6,000 | 6.00 | 22.77 |
| 6,001 | 14,000 | 8.00 | |
| 14,001 | | 10.00 | |
| Average Residential User | | | 142.27 |

Summary

Options as Presented



| | | Status Quo | Option 1 | Option 2 | Option 3 |
|--------------|--------|------------|----------|----------|----------|
| Base Rate | | 85.65 | 128.00 | 137.60 | 119.50 |
| 0 | 2,000 | Inc. | Inc. | Inc. | 6.00 |
| 2,001 | 6,000 | 5.15 | 6.05 | Inc. | 6.00 |
| 6,001 | 10,000 | 6.15 | 7.05 | 4.00 | 8.00 |
| 10,001 | 14,000 | 7.15 | 8.05 | 4.00 | 8.00 |
| 14,001 | 18,000 | 8.15 | 9.05 | 10.50 | 10.00 |
| 18,001 | | 9.15 | 10.05 | 10.50 | 10.00 |
| Average User | 3,795 | 94.89 | 138.86 | 137.60 | 142.27 |

Revenue Mix - Outcomes



| | Current | Base Plan | Option 1 | Option 2 | Option 3 |
|--------|---------|-----------|----------|----------|----------|
| Base | 91% | 85.67% | 88.58% | 97.34% | 81.69% |
| Tier 1 | 3% | 8.00% | 6.50% | 1.58% | 13.14% |
| Tier 2 | 2% | 2.45% | 1.94% | 1.07% | 3.08% |
| Tier 3 | 1% | 1.18% | 0.92% | | 2.09% |
| Tier 4 | 1% | 0.83% | 0.63% | | |
| Tier 5 | 3% | 1.87% | 1.42% | | |

Appendices

Status Quo Recommended Cash Flow



| | Actual | | | | Projected | | | | | | | | | | |
|--|--------|------|------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|
| | 2018 | 2019 | 2020 | 2021 | 1 2022 | 2 2023 | 3 2024 | 4 2025 | 5 2026 | 6 2027 | 7 2028 | 8 2029 | 9 2030 | 10 2031 | 11 2032 |
| 9 | | | | | | | | | | | | | | | |
| 10 Beginning net assets | | | | | 1,357,709 | 1,350,959 | 894,405 | 920,219 | 967,628 | 1,031,411 | 1,110,190 | 1,266,322 | 1,436,378 | 1,691,621 | 1,961,674 |
| 11 | | | | | | | | | | | | | | | |
| 12 Operating Revenues | | | | | 874,595 | 941,555 | 1,529,659 | 1,590,916 | 1,652,173 | 1,713,430 | 1,827,927 | 1,891,022 | 2,014,376 | 2,080,999 | 2,212,050 |
| 13 Water Charges - Base Fees | | | | | 84,258 | 255,796 | 259,706 | 259,706 | 259,706 | 267,497 | 267,497 | 275,522 | 275,522 | 283,788 | 283,788 |
| 14 Water Charges - Volumetric | | | | | 70,000 | 137,239 | 138,611 | 139,997 | 141,397 | 147,053 | 149,994 | 157,494 | 160,644 | 168,676 | 168,676 |
| 15 Water Charges - Bulk Water | | | | | 17,877 | 10,000 | 10,100 | 10,201 | 10,303 | 10,406 | 10,510 | 10,720 | 10,935 | 11,153 | 11,376 |
| 16 Water Charges - Meter Installs | | | | | 376,200 | 300,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17 Water Tap Fees (indexed annually based on borrowing rate) | | | | | 49,671 | 37,500 | 37,875 | 38,254 | 38,636 | 39,023 | 39,413 | 40,201 | 41,005 | 41,825 | 42,662 |
| 18 Other | | | | | | | | | | | | | | | |
| 19 Total Operating Revenues | | | | | 1,318,342 | 1,443,313 | 1,970,669 | 2,037,688 | 2,100,816 | 2,163,962 | 2,292,401 | 2,359,435 | 2,499,332 | 2,570,143 | 2,718,552 |
| 20 | | | | | | | | | | | | | | | |
| 21 Operating Expenses | | | | | 992,481 | 1,048,750 | 1,080,213 | 1,112,619 | 1,145,997 | 1,180,377 | 1,215,789 | 1,252,262 | 1,289,830 | 1,328,525 | 1,368,381 |
| 22 Operating and Maintenance (prior year line 22 added in) | | | | | 317,855 | 501,152 | 516,186 | 531,672 | 547,622 | 564,050 | 580,972 | 598,401 | 616,353 | 634,844 | 653,889 |
| 23 Added Production Cost from Growth | | | | | | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 |
| 24 Administration (50%) | | | | | | | | | | | | | | | |
| 25 Depreciation - Water | | | | | | | | | | | | | | | |
| 26 Total Operating Expenses | | | | | 1,310,335 | 1,889,726 | 1,936,223 | 1,984,115 | 2,033,443 | 2,084,252 | 2,136,585 | 2,190,488 | 2,246,007 | 2,303,193 | 2,362,094 |
| 27 | | | | | | | | | | | | | | | |
| 28 Net Operations | 0 | 0 | 0 | 0 | 8,007 | (446,412) | 34,446 | 53,574 | 67,372 | 79,710 | 155,816 | 168,947 | 253,324 | 266,950 | 356,458 |
| 29 Non operating revenues (expenses) | | | | | 500 | 2,470 | 1,279 | 987 | 745 | 524 | 317 | 1,108 | 1,919 | 3,103 | 4,307 |
| 30 Interest Income | 0 | 0 | 0 | 0 | (15,256) | (12,612) | (9,911) | (7,152) | (4,334) | (1,455) | 0 | 0 | 0 | 0 | |
| 31 Interest Expense - Existing Debt | | | | | | | | | | | | | | | |
| 32 Interest Expense - New Debt 2023-2032 | | | | | 0 | | | | | | | | | | |
| 34 Costs of Issuance | | | | | | | | | | | | | | | |
| 35 Total non operating revenue (expenses) | 0 | 0 | 0 | 0 | (14,756) | (10,142) | (8,632) | (6,165) | (3,589) | (931) | 317 | 1,108 | 1,919 | 3,103 | 4,307 |
| 36 | | | | | | | | | | | | | | | |
| 37 Net increase (decrease) in resources | 0 | 0 | 0 | 0 | (6,749) | (456,554) | 25,814 | 47,408 | 63,783 | 78,779 | 156,133 | 170,055 | 255,243 | 270,053 | 360,766 |
| 38 | | | | | | | | | | | | | | | |
| 39 Operating Transfer In (Out) | | | | | | | | | | | | | | | |
| 40 Capital Contributions | | | | | | | | | | | | | | | |
| 41 Cumulative Effect of Change in Acct Principle | | | | | | | | | | | | | | | |
| 42 PILOT Payment | | | | | | | | | | | | | | | |
| 43 Ending Net Assets | 0 | 0 | 0 | 0 | 1,350,959 | 894,405 | 920,219 | 967,628 | 1,031,411 | 1,110,190 | 1,266,322 | 1,436,378 | 1,691,621 | 1,961,674 | 2,322,440 |
| 44 CIP Funding | | | | | | | | | | | | | | | |
| 45 Purchase of Capital Assets - Water | 0 | 0 | 0 | 0 | (740,000) | (300,000) | (309,000) | (318,270) | (327,818) | (337,653) | (347,782) | (358,216) | (368,962) | (380,031) | |
| 46 Capital Contributions | | | | | | | 0 | | | | | | | | |
| 47 Principal Payments on Existing bonds | | | | | (118,902) | (121,458) | (124,073) | (126,745) | (129,476) | (132,265) | | | | | |
| 48 Bonds Issued | | | | | | 0 | | | | | | | | | |
| 49 Advance from (to) other funds | | | | | | | | | | | | | | | |
| 50 Principal Payments on Advance from other funds | | | | | | | | | | | | | | | |
| 51 Future Debt Principal | | | | 0 | | | | | | | | | | | |
| 52 | | | | | | | | | | | | | | | |
| 53 Beginning Cash | | | | | 1,359,716 | 494,065 | 255,876 | 197,442 | 148,929 | 104,791 | 63,311 | 221,615 | 383,713 | 620,564 | 861,479 |
| 54 Add net operations (line 23) | | | | 0 | 8,007 | (446,412) | 34,446 | 53,574 | 67,372 | 79,710 | 155,816 | 168,947 | 253,324 | 266,950 | 356,458 |
| 55 Add back depreciation (line 27) | | | | 0 | 0 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 | 339,824 |
| 56 Add net non operating (line 34) | | | | 0 | (14,756) | (10,142) | (8,632) | (6,165) | (3,589) | (931) | 317 | 1,108 | 1,919 | 3,103 | 4,307 |
| 57 Add capital and bond (lines 40-49) | | | | 0 | (858,902) | (121,458) | (424,073) | (435,745) | (447,746) | (460,083) | (337,653) | (347,782) | (358,216) | (368,962) | (380,031) |
| 58 Add transfer in (out) | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59 Net change in balance sheet items | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 60 Ending Cash | | | | 1,359,716 | 494,065 | 255,876 | 197,442 | 148,929 | 104,791 | 63,311 | 221,615 | 383,713 | 620,564 | 861,479 | 1,182,038 |
| 61 Restricted Cash | | | | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 |
| 62 Unrestricted Cash | | | | 1,357,996 | 492,345 | 254,156 | 195,722 | 147,209 | 103,071 | 61,591 | 219,895 | 381,993 | 618,844 | 859,759 | 1,180,318 |
| 63 | | | | | | | | | | | | | | | |
| 64 Ending Net Assets | | | | | 1,350,959 | 894,405 | 920,219 | 967,628 | 1,031,411 | 1,110,190 | 1,266,322 | 1,436,378 | 1,691,621 | 1,961,674 | 2,322,440 |
| 65 | | | | | | | | | | | | | | | |
| 66 Target Unrestricted Cash (6 mo Operating + Following Year Debt Service) | | | | | | 1,078,847 | 1,102,009 | 1,125,867 | 1,150,441 | 1,042,126 | 1,068,292 | 1,095,244 | 1,123,004 | 1,151,596 | 1,181,047 |
| 67 Unrestricted Cash Percent | | | | | | 24% | 18% | 13% | 9% | 6% | 21% | 35% | 55% | 75% | 100% |

Option 1



| | Actual | | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|--|--------|------|------|-----------|-------------------|--------------|-----------|-------------|-------------|-------------------|-------------|-------------|-------------|-------------|-------------|
| | 2018 | 2019 | 2020 | 2021 | Estimated 2022 | 2023 | 2024 | 2025 | 2026 | Projected 2027 | 2028 | 2029 | 2030 | 2031 | 2032 |
| 9 | | | | | | | | | | | | | | | |
| 10 Beginning net assets | | | | | 1,357,709 | 1,350,959 | 700,071 | 1,362,423 | 1,631,507 | 1,966,672 | 2,385,850 | 2,975,817 | 3,674,548 | 4,461,566 | 5,317,204 |
| 11 | | | | | | | | | | | | | | | |
| 12 Operating Revenues | | | | | | | | | | | | | | | |
| 13 Water Charges - Base Fees | | | | | 874,595 | 941,555 | 2,286,006 | 2,377,551 | 2,469,097 | 2,560,643 | 2,731,754 | 2,826,046 | 3,010,392 | 3,109,957 | 3,305,808 |
| 14 Water Charges - Volumetric | | | | | | 84,258 | 294,728 | 298,638 | 306,406 | 314,174 | 331,600 | 339,368 | 357,751 | 365,715 | 384,889 |
| 15 Bulk Water Sales | | | | | | 70,000 | 135,696 | 137,053 | 138,424 | 139,808 | 141,206 | 144,030 | 146,911 | 149,849 | 152,846 |
| 16 Water Charges - Meter Installs | | | | | 17,877 | 10,000 | 10,100 | 10,201 | 10,303 | 10,406 | 10,510 | 10,720 | 10,935 | 11,153 | 11,376 |
| 17 Water Tap Fees (indexed annually based on borrowing rate) | | | | | 376,200 | 300,000 | 816,439 | 844,851 | 877,631 | 911,683 | 947,057 | 1,008,563 | 1,047,695 | 1,088,345 | 1,130,573 |
| 18 Other | | | | | 49,671 | 37,500 | 37,875 | 38,254 | 38,636 | 39,023 | 39,413 | 40,201 | 41,005 | 41,825 | 42,662 |
| 19 Total Operating Revenues | | | | | 1,318,342 | 1,443,313 | 3,580,844 | 3,706,548 | 3,840,497 | 3,975,736 | 4,201,539 | 4,368,928 | 4,614,689 | 4,766,845 | 5,028,154 |
| 20 | | | | | | | | | | | | | | | |
| 21 Operating Expenses | | | | | | | | | | | | | | | |
| 22 Operating and Maintenance (prior year line 22 added in) | | | | | 992,481 | 992,481 | 1,022,255 | 1,073,512 | 1,126,923 | 1,182,570 | 1,240,540 | 1,300,921 | 1,364,408 | 1,430,532 | 1,499,393 |
| 23 Added Production Cost from Growth | | | | | | 19,990 | 20,587 | 21,203 | 21,838 | 22,491 | 23,747 | 24,457 | 25,189 | 25,943 | |
| 24 Administration (50%) | | | | | 317,855 | 501,152 | 516,186 | 531,672 | 547,622 | 564,050 | 580,972 | 598,401 | 616,353 | 634,844 | 653,889 |
| 25 Depreciation - Water | | | | | | 339,824 | 988,749 | 1,028,123 | 1,096,687 | 1,107,826 | 1,119,298 | 1,131,115 | 1,180,138 | 1,266,380 | 1,279,292 |
| 26 Total Operating Expenses | | | | | 1,310,335 | 1,833,456 | 2,547,180 | 2,653,894 | 2,792,435 | 2,876,283 | 2,963,300 | 3,054,184 | 3,185,357 | 3,356,945 | 3,458,518 |
| 27 | | | | | | | | | | | | | | | |
| 28 Net Operations | 0 | 0 | 0 | 0 | 8,007 | (390,143) | 1,033,663 | 1,052,654 | 1,048,062 | 1,099,453 | 1,238,239 | 1,314,744 | 1,429,331 | 1,409,900 | 1,569,636 |
| 29 Non operating revenues (expenses) | | | | | | | | | | | | | | | |
| 30 Interest Income | 0 | 0 | 0 | 0 | 500 | 2,470 | 308 | 6,443 | 7,766 | 9,267 | 10,592 | 12,610 | 15,016 | 10,685 | 14,099 |
| 31 Interest Expense - Existing Debt | | | | | (15,256) | (12,612) | (9,911) | (7,152) | (4,334) | (1,455) | 0 | 0 | 0 | 0 | 0 |
| 32 Interest Expense - New Debt 2023-2032 | | | | 0 | | (361,707) | (722,861) | (716,328) | (688,087) | (658,864) | (628,623) | (597,330) | (564,947) | (531,438) | |
| 34 Costs of Issuance | | | | | | (250,604) | (60,000) | | | | | | (60,000) | | |
| 35 Total non operating revenue (expenses) | 0 | 0 | 0 | 0 | (14,756) | (260,746) | (371,311) | (783,570) | (712,897) | (680,275) | (648,272) | (616,012) | (642,314) | (554,262) | (517,340) |
| 36 | | | | | | | | | | | | | | | |
| 37 Net increase (decrease) in resources | 0 | 0 | 0 | 0 | (6,749) | (650,889) | 662,353 | 269,083 | 335,165 | 419,178 | 589,967 | 698,731 | 787,018 | 855,638 | 1,052,296 |
| 38 | | | | | | | | | | | | | | | |
| 39 Operating Transfer In (Out) | | | | | | | | | | | | | | | |
| 40 Capital Contributions | | | | | | | | | | | | | | | |
| 41 Cumulative Effect of Change in Acct Principle | | | | | | | | | | | | | | | |
| 42 PILOT Payment | | | | | | | | | | | | | | | |
| 43 Ending Net Assets | 0 | 0 | 0 | 0 | 1,350,959 | 700,071 | 1,362,423 | 1,631,507 | 1,966,672 | 2,385,850 | 2,975,817 | 3,674,548 | 4,461,566 | 5,317,204 | 6,369,500 |
| 44 CIP Funding | | | | | | | | | | | | | | | |
| 45 Purchase of Capital Assets - Water | 0 | 0 | 0 | 0 | (740,000) | (27,942,000) | (300,000) | (2,809,000) | (318,270) | (327,818) | (337,653) | (347,782) | (3,548,920) | (368,962) | (380,031) |
| 46 Capital Contributions | | | | | | 5,000,000 | 0 | | | | | | | | |
| 47 Principal Payments on Existing bonds | | | | | (118,902) | (121,458) | (124,073) | (126,745) | (129,476) | (132,265) | | | | | |
| 48 Bonds Issued | | | | | | 22,942,000 | 2,560,000 | | | | | | 1,750,704 | | |
| 49 Advance from (to) other funds | | | | | | | | | | | | | | | |
| 50 Principal Payments on Advance from other funds | | | | | | | | | | | | | | | |
| 51 Future Debt Principal | | | | 0 | | | | (656,920) | (683,744) | (802,026) | (967,919) | (1,000,922) | (1,035,074) | (1,070,415) | (1,181,343) |
| 52 | | | | | | | | | | | | | | | |
| 53 Beginning Cash | | | | | 1,359,716 | 494,065 | 61,542 | 1,288,572 | 1,553,113 | 1,853,476 | 2,118,370 | 2,522,064 | 3,003,205 | 2,137,072 | 2,819,713 |
| 54 Add net operations (line 23) | | | | 0 | 8,007 | (390,143) | 1,033,663 | 1,052,654 | 1,048,062 | 1,099,453 | 1,238,239 | 1,314,744 | 1,429,331 | 1,409,900 | 1,569,636 |
| 55 Add back depreciation (line 27) | | | | 0 | 0 | 339,824 | 988,749 | 1,028,123 | 1,096,687 | 1,107,826 | 1,119,298 | 1,131,115 | 1,180,138 | 1,266,380 | 1,279,292 |
| 56 Add net non operating (line 34) | | | | 0 | (14,756) | (260,746) | (371,311) | (783,570) | (712,897) | (680,275) | (648,272) | (616,012) | (642,314) | (554,262) | (517,340) |
| 57 Add capital and bond (lines 40-49) | | | | 0 | (858,902) | (121,458) | (424,073) | (1,032,665) | (1,131,490) | (1,262,109) | (1,305,572) | (1,348,704) | (2,833,290) | (1,439,377) | (1,561,374) |
| 58 Add transfer in (out) | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59 Net change in balance sheet items | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 60 Ending Cash | | | | 1,359,716 | 494,065 | 61,542 | 1,288,572 | 1,553,113 | 1,853,476 | 2,118,370 | 2,522,064 | 3,003,205 | 2,137,072 | 2,819,713 | 3,589,927 |
| 61 Restricted Cash | | | | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 |
| 62 Unrestricted Cash | | | | 1,357,996 | 492,345 | 59,822 | 1,286,852 | 1,551,393 | 1,851,756 | 2,116,650 | 2,520,344 | 3,001,485 | 2,135,352 | 2,817,993 | 3,588,207 |
| 63 | | | | | | | | | | | | | | | |
| 64 Ending Net Assets | | | | 1,350,959 | 700,071 | 1,362,423 | 1,631,507 | 1,966,672 | 2,385,850 | 2,975,817 | 3,674,548 | 4,461,566 | 5,317,204 | 6,369,500 | |
| 65 | | | | | | | | | | | | | | | |
| 66 Target Unrestricted Cash (6 mo Operating + Following Year Debt Service) | | | | | | 1,412,419 | 2,787,268 | 2,860,829 | 3,020,050 | 3,064,924 | 3,111,195 | 3,159,496 | 3,228,041 | 3,391,254 | 3,584,278 |
| 67 Unrestricted Cash Percent | | | | | | 4% | 46% | 54% | 61% | 69% | 81% | 95% | 66% | 83% | 100% |

Option 2



| | Actual | | Estimated | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|--|--------|------|-----------|------|-----------|--------------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 |
| 9 | | | | | | | | | | | | | | | |
| 10 Beginning net assets | | | | | 1,357,709 | 1,350,959 | 700,071 | 1,332,127 | 1,577,730 | 1,896,267 | 2,305,702 | 2,892,459 | 3,595,247 | 4,393,836 | 5,268,790 |
| 11 | | | | | | | | | | | | | | | |
| 12 Operating Revenues | | | | | 874,595 | 941,555 | 2,472,730 | 2,571,141 | 2,669,553 | 2,767,964 | 2,952,367 | 3,053,731 | 3,252,375 | 3,359,408 | 3,570,433 |
| 13 Water Charges - Base Fees | | | | | | 84,258 | 67,530 | 71,440 | 79,208 | 86,976 | 97,586 | 105,354 | 116,717 | 124,681 | 136,624 |
| 14 Water Charges - Volumetric | | | | | | 70,000 | 145,873 | 147,332 | 148,805 | 150,293 | 151,796 | 154,832 | 157,929 | 161,087 | 164,309 |
| 15 Bulk Water Sales | | | | | 17,877 | 10,000 | 10,100 | 10,201 | 10,303 | 10,406 | 10,510 | 10,720 | 10,935 | 11,153 | 11,376 |
| 16 Water Charges - Meter Installs | | | | | 376,200 | 300,000 | 816,439 | 844,851 | 877,631 | 911,683 | 947,057 | 1,008,563 | 1,047,695 | 1,088,345 | 1,130,573 |
| 17 Water Tap Fees (indexed annually based on borrowing rate) | | | | | 49,671 | 37,500 | 37,875 | 38,254 | 38,636 | 39,023 | 39,413 | 40,201 | 41,005 | 41,825 | 42,662 |
| 18 Other | | | | | | | | | | | | | | | |
| 19 Total Operating Revenues | | | | | 1,318,342 | 1,443,313 | 3,550,547 | 3,683,219 | 3,824,137 | 3,966,346 | 4,198,729 | 4,373,402 | 4,626,656 | 4,786,500 | 5,055,978 |
| 20 | | | | | | | | | | | | | | | |
| 21 Operating Expenses | | | | | 992,481 | 992,481 | 1,022,255 | 1,073,512 | 1,126,923 | 1,182,570 | 1,240,540 | 1,300,921 | 1,364,408 | 1,430,532 | 1,499,393 |
| 22 Operating and Maintenance (prior year line 22 added in) | | | | | | | | | | | | | | | |
| 23 Added Production Cost from Growth | | | | | 317,855 | 501,152 | 516,186 | 531,672 | 547,622 | 564,050 | 580,972 | 598,401 | 616,353 | 634,844 | 653,889 |
| 24 Administration (50%) | | | | | | 339,824 | 988,749 | 1,028,123 | 1,096,687 | 1,107,826 | 1,119,298 | 1,131,115 | 1,180,138 | 1,266,380 | 1,279,292 |
| 25 Depreciation - Water | | | | | | | | | | | | | | | |
| 26 Total Operating Expenses | | | | | 1,310,335 | 1,833,456 | 2,547,180 | 2,653,894 | 2,792,435 | 2,876,283 | 2,963,300 | 3,054,184 | 3,185,357 | 3,356,945 | 3,458,518 |
| 27 | | | | | | | | | | | | | | | |
| 28 Net Operations | 0 | 0 | 0 | 0 | 8,007 | (390,143) | 1,003,367 | 1,029,325 | 1,031,702 | 1,090,063 | 1,235,429 | 1,319,218 | 1,441,299 | 1,429,555 | 1,597,460 |
| 29 Non operating revenues (expenses) | | | | | | | | | | | | | | | |
| 30 Interest Income | 0 | 0 | 0 | 0 | 500 | 2,470 | 308 | 6,291 | 7,497 | 8,915 | 10,191 | 12,194 | 14,620 | 10,347 | 13,866 |
| 31 Interest Expense - Existing Debt | | | | | (15,256) | (12,612) | (9,911) | (7,152) | (4,334) | (1,455) | 0 | 0 | 0 | 0 | 0 |
| 32 Interest Expense - New Debt 2023-2032 | | | | | 0 | (361,707) | (722,861) | (716,328) | (688,087) | (658,864) | (628,623) | (597,330) | (564,947) | (531,438) | |
| 33 Costs of Issuance | | | | | | (250,604) | (60,000) | | | | | | (60,000) | | |
| 34 | | | | | | | | | | | | | | | |
| 35 Total non operating revenue (expenses) | 0 | 0 | 0 | 0 | (14,756) | (260,746) | (371,311) | (783,722) | (713,166) | (680,627) | (648,672) | (616,429) | (642,710) | (554,601) | (517,582) |
| 36 | | | | | | | | | | | | | | | |
| 37 Net increase (decrease) in resources | 0 | 0 | 0 | 0 | (6,749) | (650,889) | 632,057 | 245,603 | 318,536 | 409,436 | 586,757 | 702,788 | 798,589 | 874,954 | 1,079,878 |
| 38 | | | | | | | | | | | | | | | |
| 39 Operating Transfer In (Out) | | | | | | | | | | | | | | | |
| 40 Capital Contributions | | | | | | | | | | | | | | | |
| 41 Cumulative Effect of Change in Acct Principle | | | | | | | | | | | | | | | |
| 42 PILOT Payment | | | | | | | | | | | | | | | |
| 43 Ending Net Assets | 0 | 0 | 0 | 0 | 1,350,959 | 700,071 | 1,332,127 | 1,577,730 | 1,896,267 | 2,305,702 | 2,892,459 | 3,595,247 | 4,393,836 | 5,268,790 | 6,348,669 |
| 44 CIP Funding | | | | | | | | | | | | | | | |
| 45 Purchase of Capital Assets - Water | 0 | 0 | 0 | 0 | (740,000) | (27,942,000) | (300,000) | (2,809,000) | (318,270) | (327,818) | (337,653) | (347,782) | (3,548,920) | (368,962) | (380,031) |
| 46 Capital Contributions | | | | | | 5,000,000 | 0 | | | | | | | | |
| 47 Principal Payments on Existing bonds | | | | | (118,902) | (121,458) | (124,073) | (126,745) | (129,476) | (132,265) | | | | | |
| 48 Bonds Issued | | | | | | 22,942,000 | | 2,560,000 | | | | | 1,750,704 | | |
| 49 Advance from (to) other funds | | | | | | | | | | | | | | | |
| 50 Principal Payments on Advance from other funds | | | | | | | | | | | | | | | |
| 51 Future Debt Principal | | | | | 0 | | | (656,920) | (683,744) | (802,026) | (967,919) | (1,000,922) | (1,035,074) | (1,070,415) | (1,181,343) |
| 52 | | | | | | | | | | | | | | | |
| 53 Beginning Cash | | | | | 1,359,716 | 494,065 | 61,542 | 1,258,275 | 1,499,337 | 1,783,070 | 2,038,223 | 2,438,706 | 2,923,904 | 2,069,342 | 2,771,299 |
| 54 Add net operations (line 23) | | | | | 8,007 | (390,143) | 1,003,367 | 1,029,325 | 1,031,702 | 1,090,063 | 1,235,429 | 1,319,218 | 1,441,299 | 1,429,555 | 1,597,460 |
| 55 Add back depreciation (line 27) | | | | | 0 | 339,824 | 988,749 | 1,028,123 | 1,096,687 | 1,107,826 | 1,119,298 | 1,131,115 | 1,180,138 | 1,266,380 | 1,279,292 |
| 56 Add net non operating (line 34) | | | | | 0 | (14,756) | (260,746) | (371,311) | (783,722) | (713,166) | (680,627) | (648,672) | (616,429) | (642,710) | (554,601) |
| 57 Add capital and bond (lines 40-49) | | | | | 0 | (858,902) | (121,458) | (424,073) | (1,032,665) | (1,131,490) | (1,262,109) | (1,305,572) | (1,348,704) | (2,833,290) | (1,439,377) |
| 58 Add transfer in (out) | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59 Net change in balance sheet items | | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 60 Ending Cash | | | | | 1,359,716 | 494,065 | 61,542 | 1,258,275 | 1,499,337 | 1,783,070 | 2,038,223 | 2,438,706 | 2,923,904 | 2,069,342 | 2,771,299 |
| 61 Restricted Cash | | | | | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 |
| 62 Unrestricted Cash | | | | | 1,357,996 | 492,345 | 59,822 | 1,256,555 | 1,497,617 | 1,781,350 | 2,036,503 | 2,436,986 | 2,922,184 | 2,067,622 | 2,769,579 |
| 63 | | | | | | | | | | | | | | | |
| 64 Ending Net Assets | | | | | 1,350,959 | 700,071 | 1,332,127 | 1,577,730 | 1,896,267 | 2,305,702 | 2,892,459 | 3,595,247 | 4,393,836 | 5,268,790 | 6,348,669 |
| 65 | | | | | | | | | | | | | | | |
| 66 Target Unrestricted Cash (6 mo Operating + Following Year Debt Service) | | | | | | 1,412,419 | 2,787,268 | 2,860,829 | 3,020,050 | 3,064,924 | 3,111,195 | 3,159,496 | 3,228,041 | 3,391,254 | 3,584,278 |
| 67 Unrestricted Cash Percent | | | | | | 4% | 45% | 52% | 59% | 66% | 78% | 92% | 64% | 82% | 100% |

Option 3



| | Actual | | Estimated | | Projected | | | | | | | | | | |
|--|--------|------|-----------|-----------|-----------|--------------|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 |
| 9 | | | | | | | | | | | | | | | |
| 10 Beginning net assets | | | | | 1,357,709 | 1,350,959 | 700,071 | 1,385,125 | 1,670,855 | 2,016,579 | 2,440,198 | 3,028,677 | 3,719,465 | 4,491,737 | 5,325,748 |
| 11 | | | | | | | | | | | | | | | |
| 12 Operating Revenues | | | | | | | | | | | | | | | |
| 13 Water Charges - Base Fees | | | | | 874,595 | 941,555 | 2,134,201 | 2,219,667 | 2,305,133 | 2,390,600 | 2,550,348 | 2,638,379 | 2,810,483 | 2,903,437 | 3,086,282 |
| 14 Water Charges - Volumetric | | | | | | 84,258 | 478,246 | 482,156 | 489,924 | 497,692 | 520,623 | 528,391 | 552,446 | 560,409 | 585,424 |
| 15 Bulk Water Sales | | | | | | 70,000 | 126,685 | 127,952 | 129,231 | 130,524 | 131,829 | 134,465 | 137,155 | 139,898 | 142,696 |
| 16 Water Charges - Meter Installs | | | | | 17,877 | 10,000 | 10,100 | 10,201 | 10,303 | 10,406 | 10,510 | 10,720 | 10,935 | 11,153 | 11,376 |
| 17 Water Tap Fees (indexed annually based on borrowing rate) | | | | | 376,200 | 300,000 | 816,439 | 844,851 | 877,631 | 911,683 | 947,057 | 1,008,563 | 1,047,695 | 1,088,345 | 1,130,573 |
| 18 Other | | | | | 49,671 | 37,500 | 37,875 | 38,254 | 38,636 | 39,023 | 39,413 | 40,201 | 41,005 | 41,825 | 42,662 |
| 19 Total Operating Revenues | | | | | 1,318,342 | 1,443,313 | 3,603,545 | 3,723,080 | 3,850,859 | 3,979,927 | 4,199,780 | 4,360,720 | 4,599,718 | 4,745,068 | 4,999,012 |
| 20 | | | | | | | | | | | | | | | |
| 21 Operating Expenses | | | | | | | | | | | | | | | |
| 22 Operating and Maintenance (prior year line 22 added in) | | | | | 992,481 | 992,481 | 1,022,255 | 1,073,512 | 1,126,923 | 1,182,570 | 1,240,540 | 1,300,921 | 1,364,408 | 1,430,532 | 1,499,393 |
| 23 Added Production Cost from Growth | | | | | | 19,990 | 20,587 | 21,203 | 21,838 | 22,491 | 23,747 | 24,457 | 25,189 | 25,943 | |
| 24 Administration (50%) | | | | | 317,855 | 501,152 | 516,186 | 531,672 | 547,622 | 564,050 | 580,972 | 598,401 | 616,353 | 634,844 | 653,889 |
| 25 Depreciation - Water | | | | | | 339,824 | 988,749 | 1,028,123 | 1,096,687 | 1,107,826 | 1,119,298 | 1,131,115 | 1,180,138 | 1,266,380 | 1,279,292 |
| 26 Total Operating Expenses | | | | | 1,310,335 | 1,833,456 | 2,547,180 | 2,653,894 | 2,792,435 | 2,876,283 | 2,963,300 | 3,054,184 | 3,185,357 | 3,356,945 | 3,458,518 |
| 27 | | | | | | | | | | | | | | | |
| 28 Net Operations | 0 | 0 | 0 | 0 | 8,007 | (390,143) | 1,056,365 | 1,069,186 | 1,058,424 | 1,103,644 | 1,236,480 | 1,306,535 | 1,414,361 | 1,388,123 | 1,540,495 |
| 29 Non operating revenues (expenses) | | | | | | | | | | | | | | | |
| 30 Interest Income | 0 | 0 | 0 | 0 | 500 | 2,470 | 308 | 6,556 | 7,962 | 9,517 | 10,864 | 12,875 | 15,241 | 10,836 | 14,141 |
| 31 Interest Expense - Existing Debt | | | | | (15,256) | (12,612) | (9,911) | (7,152) | (4,334) | (1,455) | 0 | 0 | 0 | 0 | 0 |
| 32 Interest Expense - New Debt 2023-2032 | | | | 0 | | (361,707) | (722,861) | (716,328) | (688,087) | (658,864) | (628,623) | (597,330) | (564,947) | (531,438) | |
| 34 Costs of Issuance | | | | | | (250,604) | (60,000) | | | | | | (60,000) | | |
| 35 Total non operating revenue (expenses) | 0 | 0 | 0 | 0 | (14,756) | (260,746) | (371,311) | (783,457) | (712,700) | (680,025) | (648,000) | (615,748) | (642,089) | (554,111) | (517,297) |
| 36 | | | | | | | | | | | | | | | |
| 37 Net increase (decrease) in resources | 0 | 0 | 0 | 0 | (6,749) | (650,889) | 685,055 | 285,729 | 345,724 | 423,619 | 588,480 | 690,787 | 772,272 | 834,011 | 1,023,198 |
| 38 | | | | | | | | | | | | | | | |
| 39 Operating Transfer In (Out) | | | | | | | | | | | | | | | |
| 40 Capital Contributions | | | | | | | | | | | | | | | |
| 41 Cumulative Effect of Change in Acct Principle | | | | | | | | | | | | | | | |
| 42 PILOT Payment | | | | | | | | | | | | | | | |
| 43 Ending Net Assets | 0 | 0 | 0 | 0 | 1,350,959 | 700,071 | 1,385,125 | 1,670,855 | 2,016,579 | 2,440,198 | 3,028,677 | 3,719,465 | 4,491,737 | 5,325,748 | 6,348,946 |
| 44 CIP Funding | | | | | | | | | | | | | | | |
| 45 Purchase of Capital Assets - Water | 0 | 0 | 0 | 0 | (740,000) | (27,942,000) | (300,000) | (2,809,000) | (318,270) | (327,818) | (337,653) | (347,782) | (3,548,920) | (368,962) | (380,031) |
| 46 Capital Contributions | | | | | | 5,000,000 | 0 | | | | | | | | |
| 47 Principal Payments on Existing bonds | | | | | (118,902) | (121,458) | (124,073) | (126,745) | (129,476) | (132,265) | | | | | |
| 48 Bonds Issued | | | | | | 22,942,000 | 2,560,000 | | | | | 1,750,704 | | | |
| 49 Advance from (to) other funds | | | | | | | | | | | | | | | |
| 50 Principal Payments on Advance from other funds | | | | | | | | | | | | | | | |
| 51 Future Debt Principal | | | | 0 | | | | (656,920) | (683,744) | (802,026) | (967,919) | (1,000,922) | (1,035,074) | (1,070,415) | (1,181,343) |
| 52 | | | | | | | | | | | | | | | |
| 53 Beginning Cash | | | | | 1,359,716 | 494,065 | 61,542 | 1,311,273 | 1,592,461 | 1,903,382 | 2,172,718 | 2,574,924 | 3,048,122 | 2,167,243 | 2,828,257 |
| 54 Add net operations (line 23) | | | | 0 | 8,007 | (390,143) | 1,056,365 | 1,069,186 | 1,058,424 | 1,103,644 | 1,236,480 | 1,306,535 | 1,414,361 | 1,388,123 | 1,540,495 |
| 55 Add back depreciation (line 27) | | | | 0 | 0 | 339,824 | 988,749 | 1,028,123 | 1,096,687 | 1,107,826 | 1,119,298 | 1,131,115 | 1,180,138 | 1,266,380 | 1,279,292 |
| 56 Add net non operating (line 34) | | | | 0 | (14,756) | (260,746) | (371,311) | (783,457) | (712,700) | (680,025) | (648,000) | (615,748) | (642,089) | (554,111) | (517,297) |
| 57 Add capital and bond (lines 40-49) | | | | 0 | (858,902) | (121,458) | (424,073) | (1,032,665) | (1,131,490) | (1,262,109) | (1,305,572) | (1,348,704) | (2,833,290) | (1,439,377) | (1,561,374) |
| 58 Add transfer in (out) | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59 Net change in balance sheet items | | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 60 Ending Cash | | | | 1,359,716 | 494,065 | 61,542 | 1,311,273 | 1,592,461 | 1,903,382 | 2,172,718 | 2,574,924 | 3,048,122 | 2,167,243 | 2,828,257 | 3,569,373 |
| 61 Restricted Cash | | | | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 | 1,720 |
| 62 Unrestricted Cash | | | | 1,357,996 | 492,345 | 59,822 | 1,309,553 | 1,590,741 | 1,901,662 | 2,170,998 | 2,573,204 | 3,046,402 | 2,165,523 | 2,826,537 | 3,567,653 |
| 63 | | | | | | | | | | | | | | | |
| 64 Ending Net Assets | | | | | 1,350,959 | 700,071 | 1,385,125 | 1,670,855 | 2,016,579 | 2,440,198 | 3,028,677 | 3,719,465 | 4,491,737 | 5,325,748 | 6,348,946 |
| 65 | | | | | | | | | | | | | | | |
| 66 Target Unrestricted Cash (6 mo Operating + Following Year Debt Service) | | | | | | 1,412,419 | 2,787,268 | 2,860,829 | 3,020,050 | 3,064,924 | 3,111,195 | 3,159,496 | 3,228,041 | 3,391,254 | 3,584,278 |
| 67 Unrestricted Cash Percent | | | | | | 4% | 47% | 56% | 63% | 71% | 83% | 96% | 67% | 83% | 100% |

Bulk Water



| Water Station Totals 2017-2022 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---------------------------------|--------------------|---------------------|--------------------|---------------------|--------------------|---------------------|--------------------|---------------------|--------------------|---------------------|--------------------|---------------------|--------------|--------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
| Bulk Water Stations | 2017 Total Gallons | Total Revenue | 2018 Total Gallons | Total Revenue | 2019 Total Gallons | Total Revenue | 2020 Total Gallons | Total Revenue | 2021 Total Gallons | Total Revenue | 2022 Total Gallons | Total Revenue | | | Base | Option 1 | Option 2 | Option 3 | | | | | | | | | | | | | | | | | | |
| Jan | 85,838 | \$ 1,025.27 | 112,444 | \$ 1,349.34 | 147,394 | \$ 1,768.03 | 9,001 | \$ 110.08 | 134,588 | \$1,686.74 | 17,791 | \$440.19 | 24.74 | 42.83 | 761.90 | 64.00 | 1,138.62 | 68.80 | 1,224.02 | 59.75 | 1,063.01 | | | | | | | | | | | | | | | |
| Feb | 126,302 | \$ 1,515.63 | 116,422 | \$ 139.07 | 88,784 | \$ 1,065.30 | 122,849 | \$ 1,477.19 | 166,683 | \$2,121.85 | 43,956 | \$1,074.23 | 24.44 | 42.825 | 1,882.42 | 64.00 | 2,813.18 | 68.80 | 3,024.17 | 59.75 | 2,626.37 | | | | | | | | | | | | | | | |
| Mar | 151,618 | \$ 1,819.38 | 118,178 | \$ 1,417.55 | 41,941 | \$ 503.29 | 188,752 | \$ 2,272.80 | 242,080 | \$3,024.15 | 143,201 | \$3,467.85 | 24.22 | 42.825 | 6,132.58 | 64.00 | 9,164.86 | 68.80 | 9,852.23 | 59.75 | 8,556.26 | | | | | | | | | | | | | | | |
| Apr | 165,047 | \$ 1,827.07 | 89,771 | \$ 1,077.25 | 97,753 | \$ 1,078.82 | 216,817 | \$ 2,622.42 | 304,165 | \$3,821.38 | 131,463 | \$3,249.89 | 24.72 | 42.825 | 5,629.90 | 64.00 | 8,413.63 | 68.80 | 9,044.65 | 59.75 | 7,854.91 | | | | | | | | | | | | | | | |
| May | 528,548 | \$ 6,279.25 | 175,064 | \$ 2,096.21 | 202,650 | \$ 2,362.70 | 247,481 | \$ 3,057.42 | 323,865 | \$4,105.09 | 110,072 | \$2,603.82 | 23.66 | 42.825 | 4,713.83 | 64.00 | 7,044.61 | 68.80 | 7,572.95 | 59.75 | 6,576.80 | | | | | | | | | | | | | | | |
| Jun | 345,141 | \$ 3,714.42 | 363,473 | \$ 4,321.04 | 255,323 | \$ 3,057.89 | 316,552 | \$ 3,866.43 | 383,647 | \$4,875.78 | 124,245 | \$3,068.97 | 24.70 | 42.825 | 5,320.79 | 64.00 | 7,951.68 | 68.80 | 8,548.06 | 59.75 | 7,423.64 | | | | | | | | | | | | | | | |
| Jul | 231,717 | \$ 2,562.21 | 285,940 | \$ 3,156.69 | 177,231 | \$ 2,125.68 | 477,025 | \$ 5,895.12 | 303,870 | \$3,799.74 | 156,936 | \$3,714.94 | 23.67 | 42.825 | 6,720.78 | 64.00 | 10,043.90 | 68.80 | 10,797.20 | 59.75 | 9,376.93 | | | | | | | | | | | | | | | |
| Aug | 214,060 | \$ 2,537.68 | 214,661 | \$ 2,575.94 | 176,890 | \$ 2,122.61 | 462,390 | \$ 5,713.95 | 46,911 | \$595.07 | 220,175 | \$5,492.57 | 24.95 | 42.825 | 9,428.99 | 64.00 | 14,091.20 | 68.80 | 15,148.04 | 59.75 | 13,155.46 | | | | | | | | | | | | | | | |
| Sep | 99,830 | \$ 1,131.55 | 160,002 | \$ 1,920.06 | 146,655 | \$ 1,759.80 | 320,733 | \$ 3,962.08 | 145,361 | \$3,590.07 | 157,250 | \$3,927.95 | 24.98 | 42.825 | 6,734.23 | 64.00 | 10,064.00 | 68.80 | 10,818.80 | 59.75 | 9,395.69 | | | | | | | | | | | | | | | |
| Oct | 127,632 | \$ 1,491.28 | 230,053 | \$ 2,759.47 | 143,811 | \$ 1,725.66 | 281,000 | \$ 3,462.31 | 246,639 | \$6,151.35 | 126,603 | \$3,165.52 | 25.00 | 42.825 | 5,421.77 | 64.00 | 8,102.59 | 68.80 | 8,710.29 | 59.75 | 7,564.53 | | | | | | | | | | | | | | | |
| Nov | 130,532 | \$ 1,560.17 | 155,311 | \$ 1,863.73 | 97,351 | \$ 1,167.76 | 231,521 | \$ 2,858.92 | 140,241 | \$3,581.05 | 144,377 | \$3,584.87 | 24.83 | 42.825 | 6,182.95 | 64.00 | 9,240.13 | 68.80 | 9,933.14 | 59.75 | 8,626.53 | | | | | | | | | | | | | | | |
| Dec | 92,184 | \$ 1,106.23 | 117,436 | \$ 1,409.26 | 43,253 | \$ 518.02 | 28,100 | \$ 3,462.31 | 139,575 | \$3,489.76 | 117,987 | \$2,927.47 | 24.81 | 42.825 | 5,052.79 | 64.00 | 7,551.17 | 68.80 | 8,117.51 | 59.75 | 7,049.72 | | | | | | | | | | | | | | | |
| Total | 2,298,449 | \$ 26,570.14 | 2,138,755 | \$ 24,085.61 | 1,619,036 | \$ 19,255.56 | 5,804,439 | \$ 38,761.03 | 2,577,625 | \$40,842.03 | 1,494,056 | \$36,718.27 | 24.58 | | 63,982.95 | | 95,619.58 | | 102,791.05 | | 89,269.85 | | | | | | | | | | | | | | | |
| Coin Op Station | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Jan | 632,012 | \$ 3,160.06 | 470,752 | \$ 2,353.76 | 340,048 | \$ 3,570.50 | 422,172 | \$ 4,432.81 | 456,324 | \$5,809.00 | 213,752 | \$5,343.80 | 25.00 | 42.825 | 9,153.93 | 64.00 | 13,680.13 | 68.80 | 14,706.14 | 59.75 | 12,771.68 | | | | | | | | | | | | | | | |
| Feb | 692,474 | \$ 3,462.37 | 208,165 | \$ 2,081.65 | 352,738 | \$ 3,703.75 | 328,643 | \$ 3,450.75 | 424,878 | \$5,408.70 | 210,449 | \$5,261.23 | 25.00 | 42.825 | 9,012.48 | 64.00 | 13,468.74 | 68.80 | 14,478.89 | 59.75 | 12,574.33 | | | | | | | | | | | | | | | |
| Mar | 856,684 | \$ 4,283.42 | 240,575 | \$ 2,405.75 | 346,119 | \$ 3,634.25 | 353,929 | \$ 3,716.25 | 239,026 | \$3,042.80 | 233,615 | \$5,840.38 | 25.00 | 42.825 | 10,004.56 | 64.00 | 14,951.36 | 68.80 | 16,072.71 | 59.75 | 13,958.50 | | | | | | | | | | | | | | | |
| Apr | 863,562 | \$ 4,317.81 | 272,035 | \$ 2,720.35 | 434,071 | \$ 4,557.75 | 456,000 | \$ 4,788.00 | 395,316 | \$5,032.37 | 259,414 | \$6,485.35 | 25.00 | 42.825 | 11,109.40 | 64.00 | 16,602.50 | 68.80 | 17,847.68 | 59.75 | 15,499.99 | | | | | | | | | | | | | | | |
| May | 1,791,116 | \$ 8,955.58 | 327,000 | \$ 3,270.00 | 371,057 | \$ 3,896.10 | 384,095 | \$ 4,033.00 | 454,326 | \$5,783.57 | 247,891 | \$6,197.28 | 25.00 | 42.825 | 10,615.93 | 64.00 | 15,865.02 | 68.80 | 17,054.90 | 59.75 | 14,811.49 | | | | | | | | | | | | | | | |
| Jun | 1,505,862 | \$ 7,529.31 | 355,875 | \$ 3,558.75 | 383,929 | \$ 4,031.25 | 557,886 | \$ 5,857.80 | 623,698 | \$7,939.68 | 242,070 | \$6,051.75 | 25.00 | 42.825 | 10,366.65 | 64.00 | 15,492.48 | 68.80 | 16,654.42 | 59.75 | 14,463.68 | | | | | | | | | | | | | | | |
| Jul | 1,193,030 | \$ 5,965.15 | 478,802 | \$ 4,788.02 | 538,838 | \$ 5,657.80 | 674,548 | \$ 7,082.75 | 580,130 | \$7,385.05 | 312,716 | \$7,817.90 | 25.00 | 42.825 | 13,392.06 | 64.00 | 20,013.82 | 68.80 | 21,514.86 | 59.75 | 18,684.78 | | | | | | | | | | | | | | | |
| Aug | 1,127,394 | \$ 5,636.97 | 571,725 | \$ 5,717.25 | 492,095 | \$ 5,167.00 | 659,381 | \$ 6,923.50 | 519,547 | \$6,613.83 | 413,016 | \$10,325.40 | 25.00 | 42.825 | 17,687.41 | 64.00 | 26,433.02 | 68.80 | 28,415.50 | 59.75 | 24,677.71 | | | | | | | | | | | | | | | |
| Sep | 756,826 | \$ 3,784.13 | 554,337 | \$ 5,543.37 | 445,024 | \$ 4,672.75 | 561,190 | \$ 5,892.50 | 286,588 | \$7,164.70 | 232,469 | \$5,811.73 | 25.00 | 42.825 | 9,955.48 | 64.00 | 14,878.02 | 68.80 | 15,993.87 | 59.75 | 13,890.02 | | | | | | | | | | | | | | | |
| Oct | 777,260 | \$ 3,886.30 | 406,881 | \$ 4,068.81 | 352,571 | \$ 3,702.00 | 407,619 | \$ 4,280.00 | 180,087 | \$4,502.18 | 200,583 | \$5,014.58 | 25.00 | 42.825 | 8,589.97 | 64.00 | 12,837.31 | 68.80 | 13,800.11 | 59.75 | 11,984.83 | | | | | | | | | | | | | | | |
| Nov | 781,126 | \$ 3,905.63 | 406,775 | \$ 4,067.75 | 318,690 | \$ 3,346.25 | 411,549 | \$ 4,321.26 | 197,558 | \$4,938.95 | 87,018 | \$2,175.45 | 25.00 | 42.825 | 3,726.55 | 64.00 | 5,569.15 | 68.80 | 5,986.84 | 59.75 | 5,199.33 | | | | | | | | | | | | | | | |
| Dec | 659,342 | \$ 3,296.71 | 408,175 | \$ 4,081.75 | 333,548 | \$ 3,502.25 | 371,167 | \$ 3,897.25 | 212,006 | \$5,300.15 | 93,452 | \$2,336.30 | 25.00 | 42.825 | 4,002.08 | 64.00 | 5,980.93 | 68.80 | 6,429.50 | 59.75 | 5,583.76 | | | | | | | | | | | | | | | |
| Totals | 11,636,688 | \$ 8,183.44 | 4,701,097 | \$ 44,657.21 | 4,708,729 | \$ 49,441.65 | 5,588,179 | \$ 58,675.87 | 4,569,484 | \$68,920.98 | 2,746,445 | \$68,661.13 | 25.00 | | 117,616.51 | | 175,772.48 | | 188,955.42 | | 164,100.09 | | | | | | | | | | | | | | | |
| Grand total | 13,935,137 | \$84,753.58 | 6,839,852 | \$68,742.82 | 6,327,764 | \$68,697.21 | 11,392,618 | \$97,436.90 | 7,147,109 | \$109,763.01 | 4,240,501 | \$105,379.40 | 24.85 | | 181,599.46 | | 271,392.06 | | 291,746.47 | | 253,369.93 | | | | | | | | | | | | | | | |
| Total production gallons | 88,236,189 | | 91,948,648 | | 90,154,179 | | 72,031,739 | | 104,830,977 | | 114,827,196 | | | | 75.00% | 136,199.59 | | 135,696.03 | | 145,873.23 | | 126,684.97 | | | | | | | | | | | | | | |
| Percentage to Bulk Water | 15.79% | | 7.44% | | 7.02% | | 15.82% | | 6.82% | | 3.69% | | | | | | | | | | | | | | | | | | | | | | | | | |

| Capital Cost | CLARICONE | PLATE SETTLER W/ MEMBRANE FILTRATION | PLATE SETTLER W/ MIXED MEDIA FILTER | PULSAPAK | ACTIFLO W/ MIXED MEDIA FILTER |
|--|----------------------|---|--|----------------------|----------------------------------|
| | ALT 1 | ALT 2A | ALT 2B | ALT 3 | ALT 4 |
| Site Civil | \$ 272,000 | \$ 266,000 | \$ 287,000 | \$ 259,000 | \$ 313,000 |
| Structural | \$ 127,000 | \$ 923,000 | \$ 878,000 | \$ 471,000 | \$ 635,000 |
| Architectural | \$ 5,141,000 | \$ 3,880,000 | \$ 4,172,000 | \$ 3,763,000 | \$ 3,472,000 |
| Process/Mechanical | \$ 5,098,000 | \$ 5,085,000 | \$ 4,172,000 | \$ 6,200,000 | \$ 5,650,000 |
| HVAC | \$ 1,596,000 | \$ 1,524,000 | \$ 1,419,000 | \$ 1,604,000 | \$ 1,511,000 |
| Electrical | \$ 1,915,000 | \$ 1,828,000 | \$ 1,703,000 | \$ 1,925,000 | \$ 1,813,000 |
| Capital Cost Subtotal | \$ 14,149,000 | \$ 13,506,000 | \$ 12,579,000 | \$ 14,222,000 | \$ 13,394,000 |
| Contingency | \$ 4,245,000 | \$ 4,052,000 | \$ 3,774,000 | \$ 4,267,000 | \$ 4,019,000 |
| Mobilization / Demobilization | \$ 708,000 | \$ 676,000 | \$ 629,000 | \$ 712,000 | \$ 670,000 |
| Contractor Overhead and Profit | \$ 2,830,000 | \$ 2,702,000 | \$ 2,516,000 | \$ 2,845,000 | \$ 2,679,000 |
| Bonding and Insurance | \$ 425,000 | \$ 406,000 | \$ 378,000 | \$ 427,000 | \$ 402,000 |
| Total Opinion of Probable Construction Cost | \$ 22,357,000 | \$ 21,342,000 | \$ 19,876,000 | \$ 22,473,000 | \$ 21,164,000 |

Notes:

| Engineering/Administrative Cost | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Design (10%) | \$ 2,236,000 | \$ 2,134,000 | \$ 1,988,000 | \$ 2,247,000 | \$ 2,116,000 |
| Construction Mgmt./Inspection (8%) | \$ 1,789,000 | \$ 1,707,000 | \$ 1,590,000 | \$ 1,798,000 | \$ 1,693,000 |
| Administrative (2%) | \$ 447,000 | \$ 427,000 | \$ 398,000 | \$ 449,000 | \$ 423,000 |
| Total (Engineering/Administrative) | \$ 4,472,000 | \$ 4,268,000 | \$ 3,976,000 | \$ 4,494,000 | \$ 4,232,000 |
| Total Project Cost | \$ 26,829,000 | \$ 25,610,000 | \$ 23,852,000 | \$ 26,967,000 | \$ 25,396,000 |

| Buildout Operation, Maintenance, and Replacement Costs | ALT 1 | ALT 2A | ALT 2B | ALT 3 | ALT 4 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Annual Labor | \$ 267,000 | \$ 267,000 | \$ 267,000 | \$ 267,000 | \$ 267,000 |
| Annual Chemical | \$ 288,000 | \$ 288,000 | \$ 288,000 | \$ 288,000 | \$ 288,000 |
| Annual Power | \$ 82,000 | \$ 98,000 | \$ 82,000 | \$ 82,000 | \$ 82,000 |
| Annualized Equipment Replacement | | | | | |
| General Equipment Maintenance | \$ 67,000 | \$ 29,000 | \$ 28,000 | \$ 84,000 | \$ 52,000 |
| Membrane Replacement | \$ - | \$ 67,000 | \$ - | \$ - | \$ - |
| Filter Media Replacement | \$ - | \$ - | \$ 11,000 | \$ - | \$ 11,000 |
| TOTAL ANNUAL COST | \$ 704,000 | \$ 749,000 | \$ 676,000 | \$ 721,000 | \$ 700,000 |
| Net Present Value | \$ 39,334,000 | \$ 39,110,000 | \$ 35,738,000 | \$ 39,848,000 | \$ 37,813,000 |

Town of Silt WTP Facility Plan
DRAFT Planning Cost

| | | | | | | | |
|--|--|------------|-------------|----------------------|--------------------------------|---------------------|-------------------|
| Date: 6/15/2022 | | | | | | | |
| Last Updated: | | | | | | | |
| Calculated By: MDS | | | | | Equipment Installation Factor: | | 30% |
| Checked By: | | | | | 2021-2023 Inflation Factor: | | 1.06 |
| Subject: | | | | | RS Means Location Factor: | | 1.00 |
| Cost | | Qty | Unit | Cost per unit | Material Cost | Install Cost | TOTAL |
| Site Civil | | | | | | | |
| Clearing and Grubbing | | 1 | LS | 10,000 | 11,000 | | 11,000 |
| Excavation | | 1,300 | CY | 30 | 41,000 | | 41,000 |
| Backfill | | 400 | CY | 40 | 17,000 | | 17,000 |
| Structural Fill | | 700 | ea | 90 | 67,000 | | 67,000 |
| Asphalt | | 5,000 | SF | 5 | 27,000 | | 27,000 |
| Site Grading | | 1 | LS | 50,000 | 53,000 | | 53,000 |
| Site Pipe | | 150 | LF | 350 | 56,000 | | 56,000 |
| Subtotal | | | | | | | 272,000 |
| Structural | | | | | | | |
| Shallow Foundation Footer | | 100 | CY | 1,200 | 127,000 | | 127,000 |
| Slab on Grade | | 300 | CY | 1,200 | 382,000 | | 382,000 |
| Subtotal | | | | | | | 127,000 |
| Architectural | | | | | | | |
| Claricone Building | | 5,400 | sf | 750 | 4,293,000 | | 4,293,000 |
| Existing Building and Plate Settler Demo | | 1 | LS | 300,000 | 318,000 | | 318,000 |
| Existing Building Architectural | | 1 | LS | 500,000 | 530,000 | | 530,000 |
| Subtotal | | | | | | | 5,141,000 |
| Process/Mechanical | | | | | | | |
| Claricone Equipment | | 1 | LS | 2,100,000 | 2,226,000 | 668,000 | 2,894,000 |
| ACH Tanks | | 2 | ea | 20,000 | 42,000 | 13,000 | 55,000 |
| Sodium Hypochlorite Tanks | | 2 | ea | 20,000 | 42,000 | 13,000 | 55,000 |
| Chemical Feed Pumps and Associated Equipment | | 4 | ea | 5,000 | 21,000 | 6,000 | 27,000 |
| UV Equipment | | 1 | LS | 1,000,000 | 1,060,000 | 318,000 | 1,378,000 |
| Interior Process Piping | | 1 | LS | 500,000 | 530,000 | 159,000 | 689,000 |
| Subtotal | | | | | | | 5,098,000 |
| HVAC | | | | | | | |
| Planning Estimate | | | | 15% | | | 1,596,000 |
| Subtotal | | | | | | | 1,596,000 |
| Electrical | | | | | | | |
| Planning Estimate | | | | 18% | | | 1,915,000 |
| Subtotal | | | | | | | 1,915,000 |
| Capital Cost Subtotal | | | | | | | 14,149,000 |
| Contingency | | | | | | 30% | 4,245,000 |
| Mobilization / Demobilization | | | | | | 5% | 708,000 |
| Contractor Overhead and Profit | | | | | | 20% | 2,830,000 |
| Bonding and Insurance | | | | | | 3% | 425,000 |
| Opinion of Probable Construction Cost | | | | | | | 22,357,000 |
| Planning, Regulatory, and Engineering | | | | | | 20% | 4,472,000 |
| Total Estimated Project Cost | | | | | | | 26,829,000 |
| Range Low | | | | | | -30% | 18,780,300 |
| Range High | | | | | | 50% | 40,243,500 |
| Class 4 Estimate | | | | | | | |
| | | | | | | | |

Town of Silt WTP Facility Plan
DRAFT Planning Cost

| Date: 6/15/2022 | | | | | | | |
|--|------------|------|---------------|---------------|--------------------------------|-------|-------------------|
| Last Updated: | | | | | | | |
| Calculated By: MDS | | | | | Equipment Installation Factor: | | 30% |
| Checked By: | | | | | 2021-2023 Inflation Factor: | | 1.06 |
| Subject: | | | | | RS Means Location Factor: | | 1.00 |
| Cost | Qty | Unit | Cost per unit | Material Cost | Install Cost | TOTAL | |
| Site Civil | | | | | | | |
| Clearing and Grubbing | 1 | LS | 10,000 | 11,000 | | | 11,000 |
| Excavation - Plate Settler | 800 | CY | 30 | 25,000 | | | 25,000 |
| Backfill - Plate Settler | 300 | CY | 40 | 13,000 | | | 13,000 |
| Structural Fill - Plate Settler | 400 | CY | 90 | 38,000 | | | 38,000 |
| Excavation - Membranes | 500 | CY | 30 | 16,000 | | | 16,000 |
| Backfill - Membranes | 200 | CY | 40 | 8,000 | | | 8,000 |
| Structural Fill - Membranes | 200 | CY | 90 | 19,000 | | | 19,000 |
| Asphalt | 5,000 | SF | 5 | 27,000 | | | 27,000 |
| Site Grading | 1 | LS | 50,000 | 53,000 | | | 53,000 |
| Site Pipe | 150 | LF | 350 | 56,000 | | | 56,000 |
| Subtotal | | | | | | | 266,000 |
| Structural | | | | | | | |
| Shallow Foundation Footer - Plate Settler Building | 50 | CY | 1,200 | 64,000 | | | 64,000 |
| Slab on Grade - Plate Settler Building | 300 | CY | 1,200 | 382,000 | | | 382,000 |
| Shallow Foundation Footer - Membrane Building | 30 | CY | 1,200 | 38,000 | | | 38,000 |
| Slab on Grade - Membrane Building | 100 | CY | 1,200 | 127,000 | | | 127,000 |
| Flocculation Tank Walls | 90 | CY | 1,400 | 134,000 | | | 134,000 |
| Settler Tank Walls | 120 | CY | 1,400 | 178,000 | | | 178,000 |
| Subtotal | | | | | | | 923,000 |
| Architectural | | | | | | | |
| New Plate Settler Building | 3,200 | sf | 550 | 1,866,000 | | | 1,866,000 |
| New Membrane and chemical Building | 2,000 | sf | 550 | 1,166,000 | | | 1,166,000 |
| Existing Building and Plate Settler Demo | 1 | LS | 300,000 | 318,000 | | | 318,000 |
| Existing Building Architectural | 1 | LS | 500,000 | 530,000 | | | 530,000 |
| Subtotal | | | | | | | 3,880,000 |
| Process/Mechanical | | | | | | | |
| Plate Settler Equipment | 1 | LS | 590,000 | 625,000 | 188,000 | | 813,000 |
| PS and Membrane Filtration Skids | 1 | LS | 1,750,000 | 1,855,000 | 557,000 | | 2,412,000 |
| ACH Tanks | 2 | ea | 20,000 | 42,000 | 13,000 | | 55,000 |
| Sodium Hypochlorite Tanks | 2 | ea | 20,000 | 42,000 | 13,000 | | 55,000 |
| Chemical Feed Pumps and Associated Equipment | 4 | ea | 5,000 | 21,000 | 6,000 | | 27,000 |
| Green sand | 1 | LS | 750,000 | 795,000 | 239,000 | | 1,034,000 |
| Interior Process Piping | 1 | LS | 500,000 | 530,000 | 159,000 | | 689,000 |
| Subtotal | | | | | | | 5,085,000 |
| HVAC | | | | | | | |
| Planning Estimate | | | 15% | | | | 1,524,000 |
| Subtotal | | | | | | | 1,524,000 |
| Electrical | | | | | | | |
| Planning Estimate | | | 18% | | | | 1,828,000 |
| Subtotal | | | | | | | 1,828,000 |
| Capital Cost Subtotal | | | | | | | 13,506,000 |
| Contingency | | | | | 30% | | 4,052,000 |
| Mobilization / Demobilization | | | | | 5% | | 676,000 |
| Contractor Overhead and Profit | | | | | 20% | | 2,702,000 |
| Bonding and Insurance | | | | | 3% | | 406,000 |
| Opinion of Probable Construction Cost | | | | | | | 21,342,000 |
| Planning, Regulatory, and Engineering | | | | | 20% | | 4,269,000 |
| Total Estimated Project Cost | | | | | | | 25,611,000 |
| Range Low | | | | | -30% | | 17,927,700 |
| Range High | | | | | 50% | | 38,416,500 |
| Class 4 Estimate | -30 to +50 | | | | | | |

Town of Silt WTP Facility Plan
DRAFT Planning Cost

| Date: 6/15/2022 | | | | | | | |
|---|------------|------|---------------|---------------|--------------------------------|---------|-------------------|
| Last Updated: | | | | | | | |
| Calculated By: MDS | | | | | Equipment Installation Factor: | | 30% |
| Checked By: | | | | | 2021-2023 Inflation Factor: | | 1.06 |
| Subject: | | | | | RS Means Location Factor: | | 1.00 |
| | | | | | | | |
| Cost | Qty | Unit | Cost per unit | Material Cost | Install Cost | TOTAL | |
| Site Civil | | | | | | | |
| Clearing and Grubbing | 1 | LS | 10,000 | | 11,000 | | 11,000 |
| Excavation - Plate Settler | 800 | CY | 30 | | 25,000 | | 25,000 |
| Backfill - Plate Settler | 300 | CY | 40 | | 13,000 | | 13,000 |
| Structural Fill - Plate Settler | 400 | CY | 90 | | 38,000 | | 38,000 |
| Excavation - Mixed Media Filters | 700 | CY | 30 | | 22,000 | | 22,000 |
| Backfill - Mixed Media Filters | 300 | CY | 40 | | 13,000 | | 13,000 |
| Structural Fill - Mixed Media Filters | 300 | CY | 90 | | 29,000 | | 29,000 |
| Asphalt | 5,000 | SF | 5 | | 27,000 | | 27,000 |
| Site Grading | 1 | LS | 50,000 | | 53,000 | | 53,000 |
| Site Pipe | 150 | LF | 350 | | 56,000 | | 56,000 |
| Subtotal | | | | | | | 287,000 |
| Structural | | | | | | | |
| Shallow Foundation Footer - Plate Settler Building | 50 | CY | 1,200 | | 64,000 | | 64,000 |
| Slab on Grade - Plate Settler Building | 400 | CY | 1,200 | | 509,000 | | 509,000 |
| Shallow Foundation Footer - Mixed Media Filter Building | 40 | CY | 1,200 | | 51,000 | | 51,000 |
| Slab on Grade - Mixed Media Filter Building | 200 | CY | 1,200 | | 254,000 | | 254,000 |
| Subtotal | | | | | | | 878,000 |
| Architectural | | | | | | | |
| New Plate Settler Building | 3,200 | sf | 550 | | 1,866,000 | | 1,866,000 |
| Mixed Media Filter Building | 2,500 | sf | 550 | | 1,458,000 | | 1,458,000 |
| Existing Building and Plate Settler Demo | 1 | LS | 300,000 | | 318,000 | | 318,000 |
| Existing Building Architectural | 1 | LS | 500,000 | | 530,000 | | 530,000 |
| Subtotal | | | | | | | 4,172,000 |
| Process/Mechanical | | | | | | | |
| Plate Settler Equipment | 1 | LS | 590,000 | | 625,000 | 188,000 | 813,000 |
| Mixed Media Filter Equipment | 1 | LS | 1,100,000 | | 1,166,000 | 350,000 | 1,516,000 |
| ACH Tanks | 2 | ea | 20,000 | | 42,000 | 13,000 | 55,000 |
| Sodium Hypochlorite Tanks | 2 | ea | 20,000 | | 42,000 | 13,000 | 55,000 |
| Chemical Feed Pumps and Associated Equipment | 4 | ea | 5,000 | | 21,000 | 6,000 | 27,000 |
| UV Equipment | 1 | LS | 700,000 | | 742,000 | 223,000 | 965,000 |
| Interior Process Piping | 1 | LS | 500,000 | | 530,000 | 159,000 | 689,000 |
| Subtotal | | | | | | | 4,120,000 |
| HVAC | | | | | | | |
| Planning Estimate | | | 15% | | | | 1,419,000 |
| Subtotal | | | | | | | 1,419,000 |
| Electrical | | | | | | | |
| Planning Estimate | | | 18% | | | | 1,703,000 |
| Subtotal | | | | | | | 1,703,000 |
| Capital Cost Subtotal | | | | | | | |
| | | | | | | | 12,579,000 |
| Contingency | | | | | | 30% | 3,774,000 |
| Mobilization / Demobilization | | | | | | 5% | 629,000 |
| Contractor Overhead and Profit | | | | | | 20% | 2,516,000 |
| Bonding and Insurance | | | | | | 3% | 378,000 |
| Opinion of Probable Construction Cost | | | | | | | |
| Planning, Regulatory, and Engineering | | | | | | 20% | 3,976,000 |
| Total Estimated Project Cost | | | | | | | 23,852,000 |
| Range Low | | | | | | -30% | 16,696,400 |
| Range High | | | | | | 50% | 35,778,000 |
| Class 4 Estimate | -30 to +50 | | | | | | |

Town of Silt WTP Facility Plan
DRAFT Planning Cost

| | | | | | | | |
|---|--|------------|-------------|----------------------|--------------------------------|---------------------|-------------------|
| Date: 6/15/2022 | | | | | | | |
| Last Updated: | | | | | | | |
| Calculated By: MDS | | | | | Equipment Installation Factor: | | 30% |
| Checked By: | | | | | 2021-2023 Inflation Factor: | | 1.06 |
| Subject: | | | | | RS Means Location Factor: | | 1.00 |
| Cost | | Qty | Unit | Cost per unit | Material Cost | Install Cost | TOTAL |
| Site Civil | | | | | | | |
| Clearing and Grubbing | | 1 | LS | 10,000 | 11,000 | | 11,000 |
| Excavation - Pulsapak Building | | 1,200 | CY | 30 | 38,000 | | 38,000 |
| Backfill - Pulsapak Building | | 400 | CY | 40 | 17,000 | | 17,000 |
| Structural Fill - Pulsapak Building | | 600 | CY | 90 | 57,000 | | 57,000 |
| Asphalt | | 5,000 | SF | 5 | 27,000 | | 27,000 |
| Site Grading | | 1 | LS | 50,000 | 53,000 | | 53,000 |
| Site Pipe | | 150 | LF | 350 | 56,000 | | 56,000 |
| Subtotal | | | | | | | 259,000 |
| Structural | | | | | | | |
| Shallow Foundation Footer - Pulsapak Building | | 70 | CY | 1,200 | 89,000 | | 89,000 |
| Slab on Grade - Pulsapak Building | | 300 | CY | 1,200 | 382,000 | | 382,000 |
| Subtotal | | | | | | | 471,000 |
| Architectural | | | | | | | |
| Pulsapak Building | | 5,000 | sf | 550 | 2,915,000 | | 2,915,000 |
| Existing Building and Plate Settler Demo | | 1 | LS | 300,000 | 318,000 | | 318,000 |
| Existing Building Architectural | | 1 | LS | 500,000 | 530,000 | | 530,000 |
| Subtotal | | | | | | | 3,763,000 |
| Process/Mechanical | | | | | | | |
| Pulsapak Equipment | | 1 | LS | 2,900,000 | 3,074,000 | 922,000 | 3,996,000 |
| ACH Tanks | | 2 | ea | 20,000 | 42,000 | 13,000 | 55,000 |
| Sodium Hypochlorite Tanks | | 2 | ea | 20,000 | 42,000 | 13,000 | 55,000 |
| Chemical Feed Pumps and Associated Equipment | | 4 | ea | 5,000 | 21,000 | 6,000 | 27,000 |
| UV Equipment | | 1 | LS | 1,000,000 | 1,060,000 | 318,000 | 1,378,000 |
| Interior Process Piping | | 1 | LS | 500,000 | 530,000 | 159,000 | 689,000 |
| Subtotal | | | | | | | 6,200,000 |
| HVAC | | | | | | | |
| Planning Estimate | | | | 15% | | | 1,604,000 |
| Subtotal | | | | | | | 1,604,000 |
| Electrical | | | | | | | |
| Planning Estimate | | | | 18% | | | 1,925,000 |
| Subtotal | | | | | | | 1,925,000 |
| Capital Cost Subtotal | | | | | | | 14,222,000 |
| Contingency | | | | | | 30% | 4,267,000 |
| Mobilization / Demobilization | | | | | | 5% | 712,000 |
| Contractor Overhead and Profit | | | | | | 20% | 2,845,000 |
| Bonding and Insurance | | | | | | 3% | 427,000 |
| Opinion of Probable Construction Cost | | | | | | | 22,473,000 |
| Planning, Regulatory, and Engineering | | | | | | 20% | 4,495,000 |
| Total Estimated Project Cost | | | | | | | 26,968,000 |
| Range Low | | | | | | -30% | 18,877,600 |
| Range High | | | | | | 50% | 40,452,000 |
| Class 4 Estimate | | | | | | | |
| | | | | | | | |



Table 3.1
2022 Debt Service Per EQR - 20 Year CWRPDA w/No Principal Forgiveness

Town of Silt, CO

| Year | Debt Payment (1) | 1.10x Coverage | New Debt Calculation | | Equivalent Residential | | | New Operational Cost | | | Projected Population (4) | New Taps (5) | Tap Fee and Growth Projection | | | Funds Available | Year | | | |
|--------|------------------|----------------|----------------------|----------------|------------------------|----------|---------|----------------------|-------|--------|--------------------------|--------------|-------------------------------|-------------------|-------------------|-----------------|-----------|-------------|---------|--------|
| | | | Tap Fee Revenue (2) | Total Required | 1-Jan | Annual | Monthly | Operational Cost (3) | 1-Jan | Annual | | | Monthly | Tap Fee 6,606 (6) | Revenue Available | | | Amount Used | | |
| 2020 | | | | | | | | | | | | | | | | | 2020 | | | |
| 2021 | | | | | | | | | | | 3,673 | | | | | | 2021 | | | |
| 2022 | | | | 20,477 | 1,372 | 14.93 | 1.24 | | | | | | | | | | 2022 | | | |
| 2023 | 18,616 | 1,862 | | | 1,372 | | | | | | 1,372 | 0.00 | 0.00 | 3,852 | 60 | 6,606 | 393,698 | 57,936 | 335,762 | 2023 |
| 2024 | 526,695 | 52,669 | (57,936) | 521,428 | 1,432 | 364.23 | 30.35 | | | | 1,432 | 0.00 | 0.00 | 4,031 | 60 | 6,836 | 407,399 | 200,611 | 206,788 | 2024 |
| 2025 | 1,823,739 | 182,374 | (200,611) | 1,805,501 | 1,491 | 1,210.77 | 100.90 | 368,000 | | | 1,491 | 246.78 | 20.57 | 4,209 | 60 | 7,101 | 423,206 | 202,832 | 220,374 | 2025 |
| 2026 | 1,843,929 | 184,393 | (202,832) | 1,825,489 | 1,551 | 1,177.13 | 98.09 | 379,040 | | | 1,551 | 244.42 | 20.37 | 4,388 | 60 | 7,376 | 439,626 | 202,767 | 236,859 | 2026 |
| 2027 | 1,843,341 | 184,334 | (202,767) | 1,824,907 | 1,610 | 1,133.20 | 94.43 | 390,411 | | | 1,610 | 242.43 | 20.20 | 4,567 | 60 | 7,662 | 456,684 | 202,701 | 253,983 | 2027 |
| 2028 | 1,842,732 | 184,273 | (202,701) | 1,824,305 | 1,670 | 1,092.40 | 91.03 | 402,124 | | | 1,670 | 240.79 | 20.07 | 4,750 | 61 | 7,960 | 486,343 | 202,631 | 283,712 | 2028 |
| 2029 | 1,842,102 | 184,210 | (202,631) | 1,823,681 | 1,731 | 1,053.48 | 87.79 | 414,187 | | | 1,731 | 239.26 | 19.94 | 4,934 | 61 | 8,269 | 505,213 | 202,560 | 302,653 | 2029 |
| 2030 | 1,841,450 | 184,145 | (202,560) | 1,823,036 | 1,792 | 1,017.21 | 84.77 | 426,613 | | | 1,792 | 238.04 | 19.84 | 5,117 | 61 | 8,589 | 524,815 | 202,485 | 322,330 | 2030 |
| 2031 | 1,840,776 | 184,078 | (202,485) | 1,822,368 | 1,853 | 983.31 | 81.94 | 439,411 | | | 1,853 | 237.10 | 19.76 | 5,301 | 61 | 8,923 | 545,178 | 202,409 | 342,769 | 2031 |
| 2032 | 1,840,078 | 184,008 | (202,409) | 1,821,677 | 1,914 | 951.57 | 79.30 | 452,594 | | | 1,914 | 236.42 | 19.70 | 5,484 | 61 | 9,269 | 566,331 | 202,329 | 364,002 | 2032 |
| 2033 | 1,839,355 | 183,936 | (202,329) | 1,820,962 | 1,976 | 921.77 | 76.81 | 466,171 | | | 1,976 | 235.98 | 19.66 | 5,704 | 73 | 9,629 | 705,773 | 202,247 | 503,526 | 2033 |
| 2034 | 1,838,608 | 183,861 | (202,247) | 1,820,222 | 2,049 | 888.43 | 74.04 | 480,157 | | | 2,049 | 234.36 | 19.53 | 5,924 | 73 | 10,002 | 733,157 | 202,162 | 530,995 | 2034 |
| 2035 | 1,837,834 | 183,783 | (202,162) | 1,819,456 | 2,122 | 857.38 | 71.45 | 494,561 | | | 2,122 | 233.05 | 19.42 | 6,144 | 73 | 10,390 | 761,603 | 202,074 | 559,530 | 2035 |
| 2036 | 1,837,034 | 183,703 | (202,074) | 1,818,664 | 2,195 | 828.40 | 69.03 | 509,398 | | | 2,195 | 232.03 | 19.34 | 6,364 | 73 | 10,793 | 791,154 | 201,983 | 589,171 | 2036 |
| 2037 | 1,836,206 | 183,621 | (201,983) | 1,817,844 | 2,269 | 801.27 | 66.77 | 524,680 | | | 2,269 | 231.27 | 19.27 | 6,584 | 73 | 11,212 | 821,850 | 201,888 | 619,962 | 2037 |
| 2038 | 1,835,349 | 183,535 | (201,888) | 1,816,996 | 2,342 | 775.83 | 64.65 | 540,420 | | | 2,342 | 230.75 | 19.23 | 6,848 | 88 | 11,647 | 1,024,952 | 201,791 | 823,161 | 2038 |
| 2039 | 1,834,462 | 183,446 | (201,791) | 1,816,118 | 2,430 | 747.37 | 62.28 | 556,633 | | | 2,430 | 229.07 | 19.09 | 7,112 | 88 | 12,099 | 1,064,720 | 201,690 | 863,030 | 2039 |
| 2040 | 1,833,545 | 183,354 | (201,690) | 1,815,209 | 2,518 | 720.89 | 60.07 | 573,332 | | | 2,518 | 227.69 | 18.97 | 7,376 | 88 | 12,569 | 1,106,031 | 201,585 | 904,446 | 2040 |
| 2041 | 1,832,595 | 183,259 | (201,585) | 1,814,269 | 2,606 | 696.19 | 58.02 | 590,532 | | | 2,606 | 226.60 | 18.88 | 7,640 | 88 | 13,056 | 1,148,945 | 201,477 | 947,468 | 2041 |
| 2042 | 1,831,612 | 183,161 | (201,477) | 1,813,296 | 2,694 | 673.09 | 56.09 | 608,248 | | | 2,694 | 225.78 | 18.81 | 7,904 | 88 | 13,563 | 1,193,524 | 201,366 | 992,158 | 2042 |
| 2043 | 1,830,596 | 183,060 | (201,366) | 1,812,290 | 2,782 | 651.43 | 54.29 | 626,495 | | | 2,782 | 225.20 | 18.77 | | | | | | | 2043 |
| 2044 | 1,829,544 | 182,954 | 0 | 2,012,498 | 2,782 | 723.40 | 60.28 | 645,290 | | | 2,782 | 231.95 | 19.33 | | | | | | | 2044 |
| 2045 | | | | | 2,782 | 0.00 | 0.00 | 664,649 | | | 2,782 | 238.91 | 19.91 | | | | | | | 2045 |
| 2046 | | | | | 2,782 | 0.00 | 0.00 | 684,588 | | | 2,782 | 246.08 | 20.51 | | | | | | | 2046 |
| 2047 | | | | | 2,782 | 0.00 | 0.00 | 705,126 | | | 2,782 | 253.46 | 21.12 | | | | | | | 2047 |
| 2048 | | | | | 2,782 | 0.00 | 0.00 | 726,280 | | | 2,782 | 261.06 | 21.76 | | | | | | | 2048 |
| 2049 | | | | | 2,782 | 0.00 | 0.00 | 748,068 | | | 2,782 | 268.90 | 22.41 | | | | | | | 2049 |
| 2050 | | | | | 2,782 | 0.00 | 0.00 | 770,510 | | | 2,782 | 276.96 | 23.08 | | | | | | | 2050 |
| 2051 | | | | | 2,782 | 0.00 | 0.00 | 793,626 | | | 2,782 | 285.27 | 23.77 | | | | | | | 2051 |
| 2052 | | | | | 2,782 | 0.00 | 0.00 | 817,434 | | | 2,782 | 293.83 | 24.49 | | | | | | | 2052 |
| 2053 | | | | | 2,782 | 0.00 | 0.00 | 841,957 | | | 2,782 | 302.64 | 25.22 | | | | | | | 2053 |
| 2054 | | | | | 2,782 | 0.00 | 0.00 | 867,216 | | | 2,782 | 311.72 | 25.98 | | | | | | | 2054 |
| 2055 | | | | | | | | | | | | | | | | | | | | 2055 |
| 2056 | | | | | | | | | | | | | | | | | | | | 2056 |
| TOTALS | 37,280,197 | 3,728,020 | (3,897,524) | 37,110,692 | | | | | | | | | | 1,410 | | 14,100,201 | 3,897,524 | 10,202,677 | | TOTALS |

- (1) Debt payment based on 20 year amortization with an interest rate extrapolated off of 2022A Series plus 150 bps
- (2) Based on 10% of total debt payment. Sourced from projected Tap Fee Revenue from the year prior. See Note 6.
- (3) Based on additional operating costs as estimated by Dewberry
- (4) Source: Section 3 Town of Silt Water Treatment Plant Master Plan
- (5) Source: <https://colorado.hometownlocator.com/co/garfield/silt.cfm#demographic>
- (6) Tap fee calculation is based on 1/3 Project cost divided by Total New Units/Growth. Fee indexed based on borrowing rate assumption if 3.48%.



Table 3.1
2022 Debt Service Per EQR - 20 Year CWRPDA w/Principal Forgiveness

Town of Silt, CO

| Year | Debt Payment (1) | 1.10x Coverage | New Debt Calculation | | Equivalent Residential | | | New Operational Cost | | | Projected Population (4) | New Taps (5) | Tap Fee and Growth Projection | | | Funds Available | Year | | | | |
|--------|------------------|----------------|----------------------|----------------|------------------------|--------|---------|----------------------|-------|--------|--------------------------|--------------|-------------------------------|-------------------|-------------------|-----------------|-----------|-------------|---------|------|------|
| | | | Tap Fee Revenue (2) | Total Required | 1-Jan | Annual | Monthly | Operational Cost (3) | 1-Jan | Annual | | | Monthly | Tap Fee 6,606 (6) | Revenue Available | | | Amount Used | | | |
| 2020 | | | | | | | | | | | | | | | | | 2020 | | | | |
| 2021 | | | | | | | | | | | 3,673 | | | | | | 2021 | | | | |
| 2022 | | | | 0 | 1,372 | 0.00 | 0.00 | | | | | | | | | | 2022 | | | | |
| 2023 | | | | | 1,432 | 250.13 | 20.84 | | | | 1,372 | 0.00 | 0.00 | 3,852 | 60 | 6,606 | 393,698 | 39,788 | 353,910 | 2023 | |
| 2024 | 361,707 | 36,171 | (39,788) | 358,090 | 1,432 | 250.13 | 20.84 | | | | 1,432 | 0.00 | 0.00 | 4,031 | 60 | 6,836 | 407,399 | 164,305 | 243,094 | 2024 | |
| 2025 | 1,493,681 | 149,368 | (164,305) | 1,478,744 | 1,491 | 991.65 | 82.64 | 368,000 | 1,491 | 246.78 | 20.57 | 4,209 | 60 | 7,101 | 423,206 | 166,537 | 256,669 | | 2025 | | |
| 2026 | 1,513,972 | 151,397 | (166,537) | 1,498,833 | 1,551 | 966.49 | 80.54 | 379,040 | 1,551 | 244.42 | 20.37 | 4,388 | 60 | 7,376 | 439,626 | 166,484 | 273,142 | | 2026 | | |
| 2027 | 1,513,489 | 151,349 | (166,484) | 1,498,354 | 1,610 | 930.42 | 77.54 | 390,411 | 1,610 | 242.43 | 20.20 | 4,567 | 60 | 7,662 | 456,684 | 166,429 | 290,255 | | 2027 | | |
| 2028 | 1,512,990 | 151,299 | (166,429) | 1,497,860 | 1,670 | 896.92 | 74.74 | 402,124 | 1,670 | 240.79 | 20.07 | 4,750 | 61 | 7,960 | 486,343 | 166,372 | 319,971 | | 2028 | | |
| 2029 | 1,512,473 | 151,247 | (166,372) | 1,497,348 | 1,731 | 864.97 | 72.08 | 414,187 | 1,731 | 239.26 | 19.94 | 4,934 | 61 | 8,269 | 505,213 | 166,313 | 338,900 | | 2029 | | |
| 2030 | 1,511,938 | 151,194 | (166,313) | 1,496,818 | 1,792 | 835.18 | 69.60 | 426,613 | 1,792 | 238.04 | 19.84 | 5,117 | 61 | 8,589 | 524,815 | 166,252 | 358,563 | | 2030 | | |
| 2031 | 1,511,383 | 151,138 | (166,252) | 1,496,270 | 1,853 | 807.35 | 67.28 | 439,411 | 1,853 | 237.10 | 19.76 | 5,301 | 61 | 8,923 | 545,178 | 166,189 | 378,989 | | 2031 | | |
| 2032 | 1,510,810 | 151,081 | (166,189) | 1,495,702 | 1,914 | 781.29 | 65.11 | 452,594 | 1,914 | 236.42 | 19.70 | 5,484 | 61 | 9,269 | 566,331 | 166,124 | 400,207 | | 2032 | | |
| 2033 | 1,510,217 | 151,022 | (166,124) | 1,495,115 | 1,976 | 756.83 | 63.07 | 466,171 | 1,976 | 235.98 | 19.66 | 5,704 | 73 | 9,629 | 705,773 | 166,056 | 539,717 | | 2033 | | |
| 2034 | 1,509,603 | 150,960 | (166,056) | 1,494,507 | 2,049 | 729.45 | 60.79 | 480,157 | 2,049 | 234.36 | 19.53 | 5,924 | 73 | 10,002 | 733,157 | 165,987 | 567,170 | | 2034 | | |
| 2035 | 1,508,969 | 150,897 | (165,987) | 1,493,879 | 2,122 | 703.96 | 58.66 | 494,561 | 2,122 | 233.05 | 19.42 | 6,144 | 73 | 10,390 | 761,603 | 165,914 | 595,689 | | 2035 | | |
| 2036 | 1,508,311 | 150,831 | (165,914) | 1,493,228 | 2,195 | 680.16 | 56.68 | 509,398 | 2,195 | 232.03 | 19.34 | 6,364 | 73 | 10,793 | 791,154 | 165,839 | 625,314 | | 2036 | | |
| 2037 | 1,507,631 | 150,763 | (165,839) | 1,492,555 | 2,269 | 657.89 | 54.82 | 524,680 | 2,269 | 231.27 | 19.27 | 6,584 | 73 | 11,212 | 821,850 | 165,762 | 656,088 | | 2037 | | |
| 2038 | 1,506,928 | 150,693 | (165,762) | 1,491,859 | 2,342 | 637.00 | 53.08 | 540,420 | 2,342 | 230.75 | 19.23 | 6,848 | 88 | 11,647 | 1,024,952 | 165,682 | 859,270 | | 2038 | | |
| 2039 | 1,506,200 | 150,620 | (165,682) | 1,491,138 | 2,430 | 613.64 | 51.14 | 556,633 | 2,430 | 229.07 | 19.09 | 7,112 | 88 | 12,099 | 1,064,720 | 165,599 | 899,121 | | 2039 | | |
| 2040 | 1,505,446 | 150,545 | (165,599) | 1,490,391 | 2,518 | 591.89 | 49.32 | 573,332 | 2,518 | 227.69 | 18.97 | 7,376 | 88 | 12,569 | 1,106,031 | 165,513 | 940,518 | | 2040 | | |
| 2041 | 1,504,667 | 150,467 | (165,513) | 1,489,620 | 2,606 | 571.61 | 47.63 | 590,532 | 2,606 | 226.60 | 18.88 | 7,640 | 88 | 13,056 | 1,148,945 | 165,425 | 983,520 | | 2041 | | |
| 2042 | 1,503,860 | 150,386 | (165,425) | 1,488,821 | 2,694 | 552.64 | 46.05 | 608,248 | 2,694 | 225.78 | 18.81 | 7,904 | 88 | 13,563 | 1,193,524 | 165,333 | 1,028,191 | | 2042 | | |
| 2043 | 1,503,025 | 150,302 | (165,333) | 1,487,995 | 2,782 | 534.87 | 44.57 | 626,495 | 2,782 | 225.20 | 18.77 | | | | | | | | | 2043 | |
| 2044 | 1,502,161 | 150,216 | 0 | 1,487,377 | 2,782 | 593.95 | 49.50 | 645,290 | 2,782 | 231.95 | 19.33 | | | | | | | | | 2044 | |
| 2045 | | | | | 2,782 | 0.00 | 0.00 | 664,649 | 2,782 | 238.91 | 19.91 | | | | | | | | | | 2045 |
| 2046 | | | | | 2,782 | 0.00 | 0.00 | 684,588 | 2,782 | 246.08 | 20.51 | | | | | | | | | | 2046 |
| 2047 | | | | | 2,782 | 0.00 | 0.00 | 705,126 | 2,782 | 253.46 | 21.12 | | | | | | | | | | 2047 |
| 2048 | | | | | 2,782 | 0.00 | 0.00 | 726,280 | 2,782 | 261.06 | 21.76 | | | | | | | | | | 2048 |
| 2049 | | | | | 2,782 | 0.00 | 0.00 | 748,068 | 2,782 | 268.90 | 22.41 | | | | | | | | | | 2049 |
| 2050 | | | | | 2,782 | 0.00 | 0.00 | 770,510 | 2,782 | 276.96 | 23.08 | | | | | | | | | | 2050 |
| 2051 | | | | | 2,782 | 0.00 | 0.00 | 793,626 | 2,782 | 285.27 | 23.77 | | | | | | | | | | 2051 |
| 2052 | | | | | 2,782 | 0.00 | 0.00 | 817,434 | 2,782 | 293.83 | 24.49 | | | | | | | | | | 2052 |
| 2053 | | | | | 2,782 | 0.00 | 0.00 | 841,957 | 2,782 | 302.64 | 25.22 | | | | | | | | | | 2053 |
| 2054 | | | | | 2,782 | 0.00 | 0.00 | 867,216 | 2,782 | 311.72 | 25.98 | | | | | | | | | | 2054 |
| 2055 | | | | | | | | | | | | | | | | | | | | | 2055 |
| 2056 | | | | | | | | | | | | | | | | | | | | | 2056 |
| TOTALS | 30,519,459 | 3,051,946 | (3,191,903) | 30,379,502 | | | | | | | | 1,410 | | 14,100,201 | 3,191,903 | 10,908,299 | | | TOTALS | | |

- (1) Debt payment based on 20 year amortization with an interest rate extrapolated off of 2022A Series plus 150 bps
- (2) Based on 10% of total debt payment. Sourced from projected Tap Fee Revenue from the year prior. See Note 6.
- (3) Based on additional operating costs as estimated by Dewberry
- (4) Source: Section 3 Town of Silt Water Treatment Plant Master Plan
- (5) Source: <https://colorado.hometownlocator.com/co/garfield/silt.cfm#demographic>
- (6) Tap fee calculation is based on 1/3 Project cost divided by Total New Units/Growth. Fee indexed based on borrowing rate assumption if 3.48%.

Table 3.1
2022 Debt Service Per EQR - 30 Year CWRPDA w/No Principal Forgiveness

Town of Silt, CO

| Year | Debt Payment (1) | 1.10x Coverage | New Debt Calculation | | Equivalent Residential | | | New Operational Cost | | | Projected Population (4) | New Taps (5) | Tap Fee and Growth Projection | | | Funds Available | Year | | |
|--------|------------------|----------------|----------------------|----------------|------------------------|--------|---------|----------------------|-------|--------|--------------------------|--------------|-------------------------------|-------------------|-------------------|-----------------|------------|-------------|------|
| | | | Tap Fee Revenue (2) | Total Required | 1-Jan | Annual | Monthly | Operational Cost (3) | 1-Jan | Annual | | | Monthly | Tap Fee 6,606 (6) | Revenue Available | | | Amount Used | |
| 2020 | | | | | | | | | | | | | | | | | 2020 | | |
| 2021 | | | | | | | | | | | 3,673 | | | | | | 2021 | | |
| 2022 | | | | | | | | | | | | | | | | | 2022 | | |
| 2023 | 33,969 | 3,397 | | 37,366 | 1,372 | 27.23 | 2.27 | | | | | | | | | | 2023 | | |
| 2024 | 598,711 | 59,871 | (65,858) | 592,724 | 1,432 | 414.03 | 34.50 | | | 1,372 | 0.00 | 0.00 | 3,852 | 60 | 6,606 | 393,698 | 65,858 | 327,840 | 2024 |
| 2025 | 1,498,952 | 149,895 | (164,885) | 1,483,962 | 1,491 | 995.15 | 82.93 | 368,000 | 1,491 | 246.78 | 20.57 | 4,031 | 60 | 6,855 | 408,580 | 164,885 | 243,695 | 2025 | |
| 2026 | 1,521,104 | 152,110 | (167,321) | 1,505,893 | 1,551 | 971.04 | 80.92 | 379,040 | 1,551 | 244.42 | 20.37 | 4,209 | 60 | 7,115 | 424,024 | 167,321 | 256,703 | 2026 | |
| 2027 | 1,520,731 | 152,073 | (167,280) | 1,505,523 | 1,610 | 934.88 | 77.91 | 390,411 | 1,610 | 242.43 | 20.20 | 4,567 | 60 | 7,383 | 440,052 | 167,280 | 272,772 | 2027 | |
| 2028 | 1,520,344 | 152,034 | (167,238) | 1,505,141 | 1,670 | 901.28 | 75.11 | 402,124 | 1,670 | 240.79 | 20.07 | 4,934 | 61 | 7,663 | 456,686 | 167,238 | 289,449 | 2028 | |
| 2029 | 1,519,943 | 151,994 | (167,194) | 1,504,743 | 1,731 | 869.24 | 72.44 | 414,187 | 1,731 | 239.26 | 19.94 | 4,750 | 61 | 7,952 | 485,877 | 167,194 | 318,684 | 2029 | |
| 2030 | 1,519,527 | 151,953 | (167,148) | 1,504,332 | 1,792 | 839.38 | 69.95 | 426,613 | 1,792 | 238.04 | 19.84 | 4,934 | 61 | 8,253 | 504,244 | 167,148 | 337,096 | 2030 | |
| 2031 | 1,519,094 | 151,909 | (167,100) | 1,503,903 | 1,853 | 811.47 | 67.62 | 439,411 | 1,853 | 237.10 | 19.76 | 5,117 | 61 | 8,565 | 523,304 | 167,100 | 356,204 | 2031 | |
| 2032 | 1,518,647 | 151,865 | (167,051) | 1,503,460 | 1,914 | 785.34 | 65.45 | 452,594 | 1,914 | 236.42 | 19.70 | 5,301 | 61 | 8,888 | 543,085 | 167,051 | 376,034 | 2032 | |
| 2033 | 1,518,181 | 151,818 | (167,000) | 1,502,999 | 1,976 | 760.82 | 63.40 | 466,171 | 1,976 | 235.98 | 19.66 | 5,484 | 61 | 9,224 | 563,613 | 167,000 | 396,614 | 2033 | |
| 2034 | 1,517,698 | 151,770 | (166,947) | 1,502,521 | 2,049 | 733.37 | 61.11 | 480,157 | 2,049 | 234.36 | 19.53 | 5,704 | 73 | 9,573 | 701,710 | 166,947 | 534,763 | 2034 | |
| 2035 | 1,517,197 | 151,720 | (166,892) | 1,502,025 | 2,122 | 707.80 | 58.98 | 494,561 | 2,122 | 233.05 | 19.42 | 5,924 | 73 | 9,935 | 728,235 | 166,892 | 561,343 | 2035 | |
| 2036 | 1,516,677 | 151,668 | (166,834) | 1,501,510 | 2,195 | 683.93 | 56.99 | 509,398 | 2,195 | 232.03 | 19.34 | 6,144 | 73 | 10,311 | 755,762 | 166,834 | 588,928 | 2036 | |
| 2037 | 1,516,137 | 151,614 | (166,775) | 1,500,976 | 2,269 | 661.60 | 55.13 | 524,680 | 2,269 | 231.27 | 19.27 | 6,364 | 73 | 10,700 | 784,330 | 166,775 | 617,555 | 2037 | |
| 2038 | 1,515,577 | 151,558 | (166,713) | 1,500,421 | 2,342 | 640.66 | 53.39 | 540,420 | 2,342 | 230.75 | 19.23 | 6,584 | 73 | 11,105 | 813,978 | 166,713 | 647,264 | 2038 | |
| 2039 | 1,514,995 | 151,500 | (166,649) | 1,499,845 | 2,430 | 617.22 | 51.44 | 556,633 | 2,430 | 229.07 | 19.09 | 6,848 | 88 | 11,525 | 1,014,156 | 166,649 | 847,507 | 2039 | |
| 2040 | 1,514,393 | 151,439 | (166,583) | 1,499,249 | 2,518 | 595.41 | 49.62 | 573,332 | 2,518 | 227.69 | 18.97 | 7,112 | 88 | 11,960 | 1,052,491 | 166,583 | 885,908 | 2040 | |
| 2041 | 1,513,766 | 151,377 | (166,514) | 1,498,628 | 2,606 | 575.07 | 47.92 | 590,532 | 2,606 | 226.60 | 18.88 | 7,376 | 88 | 12,412 | 1,092,275 | 166,514 | 925,761 | 2041 | |
| 2042 | 1,513,117 | 151,312 | (166,443) | 1,497,986 | 2,694 | 556.05 | 46.34 | 608,248 | 2,694 | 225.78 | 18.81 | 7,640 | 88 | 12,881 | 1,133,563 | 166,443 | 967,120 | 2042 | |
| 2043 | 1,512,443 | 151,244 | (166,369) | 1,497,318 | 2,782 | 538.22 | 44.85 | 626,495 | 2,782 | 225.20 | 18.77 | 7,904 | 88 | 13,368 | 1,176,412 | 166,369 | 1,010,043 | 2043 | |
| 2044 | 1,511,743 | 151,174 | 0 | 1,662,918 | 2,782 | 597.74 | 49.81 | 645,290 | 2,782 | 231.95 | 19.33 | | | | | | | 2044 | |
| 2045 | 1,511,017 | 151,102 | 0 | 1,662,119 | 2,782 | 597.45 | 49.79 | 664,649 | 2,782 | 238.91 | 19.91 | | | | | | | 2045 | |
| 2046 | 1,510,264 | 151,026 | 0 | 1,661,290 | 2,782 | 597.16 | 49.76 | 684,588 | 2,782 | 246.08 | 20.51 | | | | | | | 2046 | |
| 2047 | 1,509,482 | 150,948 | 0 | 1,660,430 | 2,782 | 596.85 | 49.74 | 705,126 | 2,782 | 253.46 | 21.12 | | | | | | | 2047 | |
| 2048 | 1,508,671 | 150,867 | 0 | 1,659,538 | 2,782 | 596.53 | 49.71 | 726,280 | 2,782 | 261.06 | 21.76 | | | | | | | 2048 | |
| 2049 | 1,507,828 | 150,783 | 0 | 1,658,611 | 2,782 | 596.19 | 49.68 | 748,068 | 2,782 | 268.90 | 22.41 | | | | | | | 2049 | |
| 2050 | 1,506,955 | 150,695 | 0 | 1,657,650 | 2,782 | 595.85 | 49.65 | 770,510 | 2,782 | 276.96 | 23.08 | | | | | | | 2050 | |
| 2051 | 1,506,048 | 150,605 | 0 | 1,656,653 | 2,782 | 595.49 | 49.62 | 793,626 | 2,782 | 285.27 | 23.77 | | | | | | | 2051 | |
| 2052 | 1,505,107 | 150,511 | 0 | 1,655,618 | 2,782 | 595.12 | 49.59 | 817,434 | 2,782 | 293.83 | 24.49 | | | | | | | 2052 | |
| 2053 | 1,504,130 | 150,413 | 0 | 1,654,544 | 2,782 | 594.73 | 49.56 | 841,957 | 2,782 | 302.64 | 25.22 | | | | | | | 2053 | |
| 2054 | 1,503,117 | 150,312 | 0 | 1,653,429 | 2,782 | 594.33 | 49.53 | 867,216 | 2,782 | 311.72 | 25.98 | | | | | | | 2054 | |
| 2055 | | | | | | | | | | | | | | | | | | 2055 | |
| 2056 | | | | | | | | | | | | | | | | | | 2056 | |
| TOTALS | 46,025,562 | 4,602,556 | (3,234,796) | 47,393,323 | | | | | | | | 1,410 | | | 13,996,076 | 3,234,796 | 10,761,281 | TOTALS | |

- (1) Debt payment based on 30 year amortization with an interest rate extrapolated off of 2022A Series plus 150 bps
- (2) Based on 10% of total debt payment. Sourced from projected Tap Fee Revenue from the year prior. See Note 6.
- (3) Based on additional operating costs as estimated by Dewberry
- (4) Source: Section 3 Town of Silt Water Treatment Plant Master Plan
- (5) Source: <https://colorado.hometownlocator.com/co/garfield/silt.cfm#demographic>
- (6) Tap fee calculation is based on 1/3 Project cost divided by Total New Units/Growth. Fee indexed based on borrowing rate assumption if 3.78%.



Table 3.1
2022 Debt Service Per EQR - 30 Year CWRPDA w/Principal Forgiveness

Town of Silt, CO

| Year | Debt Payment (1) | 1.10x Coverage | New Debt Calculation | | Equivalent Residential | | | New Operational Cost | | | Projected Population (4) | New Taps (5) | Tap Fee and Growth Projection | | | Funds Available | Year | | |
|--------|------------------|----------------|----------------------|----------------|------------------------|--------|---------|----------------------|-------|--------|--------------------------|--------------|-------------------------------|-------------------|-------------------|-----------------|------------|-------------|------|
| | | | Tap Fee Revenue (2) | Total Required | 1-Jan | Annual | Monthly | Operational Cost (3) | 1-Jan | Annual | | | Monthly | Tap Fee 6,606 (6) | Revenue Available | | | Amount Used | |
| 2020 | | | | | | | | | | | | | | | | | 2020 | | |
| 2021 | | | | | | | | | | | | | | | | | 2021 | | |
| 2022 | | | | | | | | | | | 3,673 | | | | | | 2022 | | |
| 2023 | | | | 0 | 1,372 | 0.00 | 0.00 | | | | | | | | | | 2023 | | |
| 2024 | 414,866 | 41,487 | (45,635) | 410,717 | 1,432 | 286.89 | 23.91 | | | 1,372 | 0.00 | 0.00 | | | | | 2024 | | |
| 2025 | 1,226,698 | 122,670 | (134,937) | 1,214,431 | 1,491 | 814.40 | 67.87 | 368,000 | | 1,432 | 0.00 | 0.00 | 4,031 | 60 | 6,606 | 393,698 | 45,635 | 348,063 | 2025 |
| 2026 | 1,248,914 | 124,891 | (137,381) | 1,236,425 | 1,551 | 797.28 | 66.44 | 379,040 | | 1,491 | 246.78 | 20.57 | 4,209 | 60 | 7,115 | 424,024 | 137,381 | 286,644 | 2026 |
| 2027 | 1,248,608 | 124,861 | (137,347) | 1,236,122 | 1,610 | 767.59 | 63.97 | 390,411 | | 1,551 | 244.42 | 20.37 | 4,388 | 60 | 7,383 | 440,052 | 137,347 | 302,706 | 2027 |
| 2028 | 1,248,291 | 124,829 | (137,312) | 1,235,808 | 1,610 | 767.59 | 63.97 | 390,411 | | 1,610 | 242.43 | 20.20 | 4,567 | 60 | 7,663 | 456,686 | 137,312 | 319,374 | 2028 |
| 2029 | 1,247,961 | 124,796 | (137,276) | 1,235,482 | 1,670 | 740.00 | 61.67 | 402,124 | | 1,670 | 240.79 | 20.07 | 4,750 | 61 | 7,952 | 485,877 | 137,276 | 348,602 | 2029 |
| 2030 | 1,247,619 | 124,762 | (137,238) | 1,235,143 | 1,731 | 713.70 | 59.47 | 414,187 | | 1,731 | 239.26 | 19.94 | 4,934 | 61 | 8,253 | 504,244 | 137,238 | 367,005 | 2030 |
| 2031 | 1,247,264 | 124,726 | (137,199) | 1,234,792 | 1,792 | 689.18 | 57.43 | 426,613 | | 1,792 | 238.04 | 19.84 | 5,117 | 61 | 8,565 | 523,304 | 137,199 | 386,105 | 2031 |
| 2032 | 1,246,897 | 124,690 | (137,159) | 1,234,428 | 1,853 | 666.27 | 55.52 | 439,411 | | 1,853 | 237.10 | 19.76 | 5,301 | 61 | 8,888 | 543,085 | 137,159 | 405,926 | 2032 |
| 2033 | 1,246,515 | 124,651 | (137,117) | 1,234,050 | 1,914 | 644.81 | 53.73 | 452,594 | | 1,914 | 236.42 | 19.70 | 5,484 | 61 | 9,224 | 563,613 | 137,117 | 426,497 | 2033 |
| 2034 | 1,246,118 | 124,612 | (137,073) | 1,233,657 | 1,976 | 624.68 | 52.06 | 466,171 | | 1,976 | 235.98 | 19.66 | 5,704 | 73 | 9,573 | 701,710 | 137,073 | 564,637 | 2034 |
| 2035 | 1,245,707 | 124,571 | (137,028) | 1,233,250 | 2,049 | 602.14 | 50.18 | 480,157 | | 2,049 | 234.36 | 19.53 | 5,924 | 73 | 9,935 | 728,235 | 137,028 | 591,207 | 2035 |
| 2036 | 1,245,279 | 124,528 | (136,981) | 1,232,826 | 2,122 | 581.15 | 48.43 | 494,561 | | 2,122 | 233.05 | 19.42 | 6,144 | 73 | 10,311 | 755,762 | 136,981 | 618,781 | 2036 |
| 2037 | 1,244,836 | 124,484 | (136,932) | 1,232,387 | 2,195 | 561.55 | 46.80 | 509,398 | | 2,195 | 232.03 | 19.34 | 6,364 | 73 | 10,700 | 784,330 | 136,932 | 647,398 | 2037 |
| 2038 | 1,244,377 | 124,438 | (136,881) | 1,231,933 | 2,269 | 543.21 | 45.27 | 524,680 | | 2,269 | 231.27 | 19.27 | 6,584 | 73 | 11,105 | 813,978 | 136,881 | 677,096 | 2038 |
| 2039 | 1,243,899 | 124,390 | (136,829) | 1,231,460 | 2,342 | 526.02 | 43.83 | 540,420 | | 2,342 | 230.75 | 19.23 | 6,848 | 88 | 11,525 | 1,014,156 | 136,829 | 877,327 | 2039 |
| 2040 | 1,243,404 | 124,340 | (136,774) | 1,230,970 | 2,430 | 506.77 | 42.23 | 556,633 | | 2,430 | 229.07 | 19.09 | 7,112 | 88 | 11,960 | 1,052,491 | 136,774 | 915,717 | 2040 |
| 2041 | 1,242,890 | 124,289 | (136,718) | 1,230,461 | 2,518 | 488.87 | 40.74 | 573,332 | | 2,518 | 227.69 | 18.97 | 7,376 | 88 | 12,412 | 1,092,275 | 136,718 | 955,557 | 2041 |
| 2042 | 1,242,357 | 124,236 | (136,659) | 1,229,933 | 2,606 | 472.16 | 39.35 | 590,532 | | 2,606 | 226.60 | 18.88 | 7,640 | 88 | 12,881 | 1,133,563 | 136,659 | 996,904 | 2042 |
| 2043 | 1,241,803 | 124,180 | (136,598) | 1,229,385 | 2,694 | 456.55 | 38.05 | 608,248 | | 2,694 | 225.78 | 18.81 | 7,904 | 88 | 13,368 | 1,176,412 | 136,598 | 1,039,814 | 2043 |
| 2044 | 1,241,229 | 124,123 | 0 | 1,365,352 | 2,782 | 441.91 | 36.83 | 626,495 | | 2,782 | 225.20 | 18.77 | | | | | | | 2044 |
| 2045 | 1,240,633 | 124,063 | 0 | 1,364,696 | 2,782 | 430.78 | 35.83 | 645,290 | | 2,782 | 231.95 | 19.33 | | | | | | | 2045 |
| 2046 | 1,240,014 | 124,001 | 0 | 1,364,016 | 2,782 | 420.54 | 34.88 | 664,649 | | 2,782 | 238.91 | 19.91 | | | | | | | 2046 |
| 2047 | 1,239,372 | 123,937 | 0 | 1,363,309 | 2,782 | 410.30 | 33.93 | 684,588 | | 2,782 | 246.08 | 20.51 | | | | | | | 2047 |
| 2048 | 1,238,706 | 123,871 | 0 | 1,362,577 | 2,782 | 400.05 | 33.03 | 705,126 | | 2,782 | 253.46 | 21.12 | | | | | | | 2048 |
| 2049 | 1,238,015 | 123,801 | 0 | 1,361,816 | 2,782 | 389.78 | 32.17 | 726,280 | | 2,782 | 261.06 | 21.76 | | | | | | | 2049 |
| 2050 | 1,237,297 | 123,730 | 0 | 1,361,026 | 2,782 | 379.53 | 31.32 | 748,068 | | 2,782 | 268.90 | 22.41 | | | | | | | 2050 |
| 2051 | 1,236,553 | 123,655 | 0 | 1,360,208 | 2,782 | 369.28 | 30.47 | 770,510 | | 2,782 | 276.96 | 23.08 | | | | | | | 2051 |
| 2052 | 1,235,779 | 123,578 | 0 | 1,359,357 | 2,782 | 359.03 | 29.62 | 793,626 | | 2,782 | 285.27 | 23.77 | | | | | | | 2052 |
| 2053 | 1,234,978 | 123,498 | 0 | 1,358,475 | 2,782 | 348.78 | 28.77 | 817,434 | | 2,782 | 293.83 | 24.49 | | | | | | | 2053 |
| 2054 | 1,234,146 | 123,415 | 0 | 1,357,561 | 2,782 | 338.53 | 27.92 | 841,957 | | 2,782 | 302.64 | 25.22 | | | | | | | 2054 |
| 2055 | | | | | 2,782 | 328.28 | 27.07 | 867,216 | | 2,782 | 311.72 | 25.98 | | | | | | | 2055 |
| 2056 | | | | | | | | | | | | | | | | | | | 2056 |
| TOTALS | 37,681,023 | 3,768,102 | (2,647,073) | 38,802,052 | | | | | | | | | 1,410 | | 13,996,076 | 2,647,073 | 11,349,003 | TOTALS | |

- (1) Debt payment based on 20 year amortization with an interest rate extrapolated off of 2022A Series plus 150 bps
- (2) Based on 10% of total debt payment. Sourced from projected Tap Fee Revenue from the year prior. See Note 6.
- (3) Based on additional operating costs as estimated in Section 7 of the Town of Silt Water Treatment Plant Master Plan
- (4) Source: Section 3 Town of Silt Water Treatment Plant Master Plan
- (5) Source: <https://colorado.hometownlocator.com/co/garfield/silt.cfm#demographic>
- (6) Tap fee calculation is based on 1/3 Project cost divided by Total New Units/Growth. Fee indexed based on borrowing rate assumption if 3.78%.



Design and Engineering Grant - Guidance

Eligible 'Soft Cost' Reimbursable Expenses

| | |
|---|---|
| • Engineering design | • Contract administration |
| • CDPHE submittals/reviews | • Project Needs Assessment |
| • SRF funding administration | • Land acquisition negotiations |
| • Geotechnical engineering services | • Design related water quality or sludge quality testing |
| • Design related collection/distribution line photo/video documentation | • Environmental report |
| • Site location approval application | • Process Design Report |
| • Basis of Design Report | • Permit application and associated costs (ie: PELS, alternatives analysis) |
| • Design related plan reproduction | • WQCD application fees (PEL, Site App, Plan Review, etc.) |
| • Legal fees associated with the D&E principle forgiveness loan agreement | • Design related test wells |
| • Advertising for public meeting, bidding | |

Ineligible 'Soft Cost' Expenses for D&E Grants

| | |
|--|---|
| • Construction management | • Construction observation |
| • SRF construction loan related legal fees | • Construction costs |
| • O&M manual | • Land acquisition |
| • Extending utilities to the site | • Other funding source coordination or submittals |



Memo

To: Jeff Layman, Administrator

From: Jim Mann, UMBFSI

Date: November 25, 2022

CC: Trey Fonner, Public Works
Patrick Radabaugh, Dewberry
Tony Zancanella, ZA Engineering

Subject: **Preliminary** Plant Upgrade User Impacts

UMBFSI has been working with the Town and the Town's engineers to determine the impacts of the proposed construction of a new water treatment plant in Silt. In our evaluation, we have used the following assumptions:

- Community Growth of 1,410 residential units through 2042
- Plant Construction Cost - \$27,942,000
 - 2/3 of plant cost to meet existing needs
 - 1/3 of plant cost to meet growth needs (Tap Fee established by dividing 1/3 plant cost by 1,410 residential units)
- Additional Operating Costs \$368,000 Annually
- Financed through the Colorado Water Resources and Power Development Authority (rate extrapolated off 2022A issue plus 150 bps)
- Amortized over a 20 or 30-year period on a level basis

Based on the above, the impact to the Equivalent Residential Customer (EQR) ranges dependent upon whether the Town receives principal forgiveness, the Town chooses a 20 or 30-year amortization, the interest rate that is achieved in the borrowing and the amount of growth that is achieved on an annual basis.

Section 3 of the Towns Water Master Plan identifies that the population will grow to 7,904 persons by 2042. Section 3 further breaks out population trends that been calculated on a linear basis. Silt demographics indicate there is just over 3.00 persons living per dwelling unit, which when coupled with the growth factors indicate that between 60 and 88 new dwelling units would be absorbed on an annual basis.

With the anticipated cost of the project being \$27.942 MM and the assumption that one-third of the new plant cost will be related to upsizing the plant to accommodate growth, approximately \$9.134 MM of the total project cost would be recovered from future tap fees. To recover the new growth project cost, the Town's tap fee would need to be initially set at \$6,606. We would further recommend that the tap fee be indexed annually at whatever the borrowing rate is established at.



For the purposes of offsetting the annual debt payments, we have assumed that the tap fees would reduce the annual debt payments by 10%. This is set conservatively to avoid an over-reliance on annual growth in the Town. Excess funds would be available to accelerate debt repayment, additional system improvements, and/or improve the Town’s water system budgetary reserves.

It has been estimated that the operation of the new plant will cost an additional \$368,000 annually, which for planning purposes we have indexed annually at 3.00%. The added operational costs will result in approximately \$20/month cost per EQR and is the same regardless of which funding option the Town ultimately chooses.

The construction of the new plant will result in a borrowing that will be between \$21.753 MM and \$27.209 MM, dependent upon amortization (20 or 30 years), potential for principal forgiveness (\$5.00 MM), and the borrowing final interest rate. At this point we have estimated the interest rate to be 3.48% for a 20-year issue and 3.78% for a 30-year issue.

With anticipated growth spreading costs over a larger denominator, the highest impact year will likely be the first year the Town is paying both principal and interest. For debt purposes only, the monthly impact will be between \$67.87 and \$100.90 per EQR.

When coupled with the increase in operational costs, the monthly impact will be between \$88.32 and \$121.46 per EQR.

The chart to the right depicts the impact of both the debt service and operational costs of the new plant.

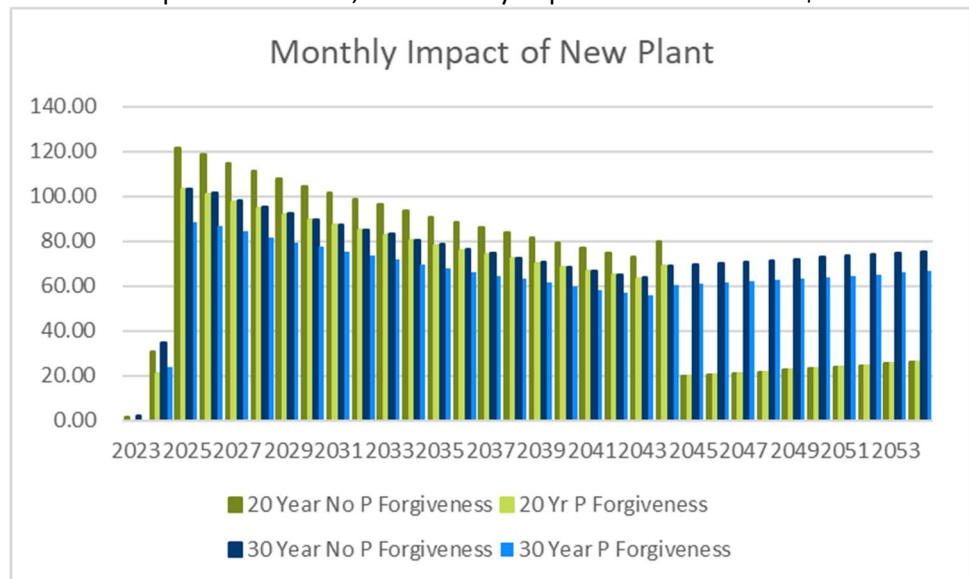
This above monthly costs will be in addition to the existing average user paying a monthly water bill of \$47.03.

At this point we have not made any

recommendations on the overall rate structure of the Town, i.e. how much of the required revenues are based on your connection and how much is based on the amount of water used. The above simply reflects what will be required from each EQR.

Future discussion items will include whether to finance the project over a 20 or 30-year period and how the rates should be established to recoup the required revenue.

Attached are several sheets with the raw data for the above chart and impact calculations.



BUSINESS CASE REQUEST

Town of Silt ("The Town"), Garfield County

| | | | | |
|-----------------------------|-----------------------|-------------------------|------------------------|---------------------|
| Recommendation: | APPROVAL | Funding sources: | <u>Est. DWRF Loan:</u> | <u>\$30,200,000</u> |
| Est. Project Total: | \$30,200,000 | | Total: | \$30,200,000 |
| Est. Amount of Loan: | \$30,200,000 | | | |
| Pledge: | Water & Sewer Revenue | | | |

Project Description: Improvements to the Town of Silt water treatment plant (WTP) are necessary to address existing plant limitations, including filtration capacity and aging equipment. Proposed improvements to the facility include improved pretreatment, added filtration, and a water tank for additional storage. These improvements will help the WTP meet current demands, prepare for future growth, and improve resiliency.

Recommendation: Due to the lack of highly reliable data and anticipated cost burden of the proposed loan, we recommend approval of the Town’s request for Disadvantaged Community (DAC) status. If approved, the Town will have access to a Design and Engineering Grant, a reduced interest rate for the first \$3 million repayable loan, and base program principal forgiveness (PF), in addition to Bipartisan Infrastructure Law (BIL) PF. The Town narrowly missed qualifying for DAC status due to a not highly reliable median household income (MHI) estimate. Historical MHI data shows the Town’s MHI is consistently very close to the benchmark, and is growing more slowly than the state MHI. Additionally, the Town will meet two secondary factors at loan application, because the impact of the proposed debt burden and the associated rate increases will pose a substantial burden to the community.



In order to qualify as a disadvantaged community (DAC), an applicant must meet one (1) of three (3) scenarios.

1. Meets benchmarks for P1, and either P2 or P3
2. Meets benchmarks for P1, not for P2 or P3, and meets two or more secondary factors
3. P1 is unreliable. Meets benchmarks for P2 and P3, and two or more secondary factors

| <u>Factor</u> | <u>Entity Figures</u> | <u>Benchmark</u> | <u>Qualify?</u> | <u>Notes</u> |
|--|-----------------------|------------------|-----------------|---|
| P1: MHI | \$59,477 | <=\$60,185 | ? | +/- \$19,602; The Town’s MHI meets the benchmark, but is not highly reliable with 20.0% CV. The upper bound of the MHI is \$79,079 and the lower bound is \$39,875. |
| P2: MHV | \$301,900 | <=\$369,900 | Yes | |
| P3: County Unemployment or County Jobs | 4.7% 3.2% | >=7.1% <= 0% | No | |
| S1: County MHI | \$75,435 | <=\$60,185 | No | |
| S2: Population change | 13.08% | <=0.0% | No | |
| S3: AV/Households | \$36,864 | <=\$21,569 | No | |
| S4: Current system debt | 0.64% | >0.73% | No | |
| S5: Current system cost | 2.85% | >2.27% | ? | Does not meet the benchmark using the top of MHI band: 2.14%. |

BUSINESS CASE REQUEST

Town of Silt (“The Town”), Garfield County

The Town is currently eligible for BIL PF. The Town’s funding package will ultimately depend on the amount of the loan request and availability of funds. However, based on current funding levels and PF caps/maxes, there are a few potential funding scenarios:

Scenario 1: \$30 million loan (no BIL or DAC PF; no funds available or ineligible).

Scenario 2: \$25 million loan; \$5 million BIL PF (BIL eligible, DAC business case rejected or no funds available).

Scenario 3: \$22.7 million loan; \$5 million BIL PF; up to \$2 million DAC PF; \$300,000 D&E (business case approved; DAC eligible)

It should be noted that the requested loan amount is expected to change as the Town moves through the design process, and the above scenarios are for illustration only.

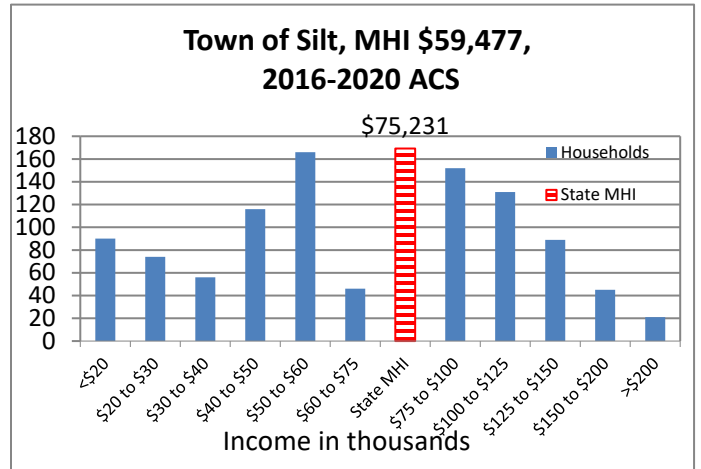
Explanation of Factors

Existing debt as of December 31, 2021:

| Executed | Lender | DAC? | Term End | Pledge | Outstanding | Interest Rate | Annual Payment |
|----------|----------------------------------|------|----------|--------------------|-------------|---------------|----------------|
| 2020 | Water & Wastewater Revenue Bonds | N/A | 2027 | Wastewater Revenue | \$2,591,800 | 2.2% | \$465,305 |

P1: The Town’s MHI met the benchmark, but is considered not highly reliable due to a coefficient of variation (CV) that is above the DAC acceptance criteria of 12%. The full band of the Town’s possible MHI is \$39,875 to \$79,079. This means that the Census Bureau has determined at the 90% statistical confidence level that the Town’s actual MHI may fall anywhere in that band. The Town’s estimated MHI is below the benchmark, and the lower MHI bound falls well under the benchmark.

It is reasonable to believe that the actual MHI falls somewhere near the estimated MHI. Up until the current set of ACS data, the Town consistently had a reliable MHI that was just above the DAC benchmark. Looking at the Town’s MHI trend, it appears the Town’s MHI growth lags behind that of the state; the ratio of the Town’s MHI relative to that of the state has decreased from 90% to 79% over the five most recent data sets.



MHI History

| ACS | MHI | MOE | CV | CO MHI | % of CO MHI |
|-------|----------|------------|--------|----------|-------------|
| 12-16 | \$56,477 | ± \$7,537 | 8.12% | \$62,520 | 90% |
| 13-17 | \$56,764 | ± \$3,816 | 4.09% | \$65,458 | 87% |
| 14-18 | \$57,011 | ± \$6,212 | 6.62% | \$68,811 | 83% |
| 15-19 | \$58,779 | ± \$8,522 | 8.81% | \$72,331 | 81% |
| 16-20 | \$59,477 | ± \$19,602 | 20.03% | \$75,231 | 79% |

BUSINESS CASE REQUEST
Town of Silt (“The Town”), Garfield County

There is no available substitute data. Two block groups bisect the Town and both are unreliable, as is the tract. The County is not a good substitute MHI per a T-test.

| MHI - ACS 16-20 | | | |
|------------------------|------------|------------|-----------|
| ACS - Geography | MHI | MOE | CV |
| Silt | \$59,477 | ± \$19,602 | 20.03% |
| Tract: 9519.01 | \$75,568 | ± \$18,091 | 14.55% |
| Garfield County | \$75,435 | ± \$4,012 | 3.23% |

P2: The Town’s MHV has hovered around 80% of the state MHV over the last five data sets. While home values are increasing, the Town is not experiencing the same boom in housing prices seen across the state.

| MHV History | | | | | |
|--------------------|------------|------------|-----------|---------------|--------------------|
| ACS | MHV | MOE | CV | CO MHV | % of CO MHV |
| 12-16 | \$204,900 | ± \$16,955 | 5.03% | \$264,600 | 77% |
| 13-17 | \$223,900 | ± \$20,165 | 5.47% | \$286,100 | 78% |
| 14-18 | \$258,500 | ± \$24,601 | 5.59% | \$313,600 | 82% |
| 15-19 | \$277,800 | ± \$14,749 | 3.23% | \$343,300 | 81% |
| 16-20 | \$301,900 | ± \$23,150 | 4.66% | \$369,900 | 82% |

P3: The County has experienced job growth over the last 10-years and the 24-month unemployment rate was lower than the benchmark.

The Town believes that about 90% of residents that report to work in-person must commute for work, as the Town has very few commercial businesses within its boundaries. Additionally, the Town has experienced the closure of a number of businesses in the last four years: two hardware stores, one small grocery store, and the closure of several oil and gas warehouses and office spaces. There is also no grocery store in Town, so between the lack of local places of work and businesses, as well as the water treatment capacity issues, the Town faces challenges in attracting new residents and businesses.

S1: The County MHI exceeded the benchmark, but, per a T-test, is not representative of the Town.

S2: The Town experienced approximately 13% population growth over the last 10-years. The Town’s Water Treatment Plant Master Plan states the existing facility has a 0.6 MGD capacity, well below the design capacity of 1.0 MGD. As a result, the Town is considering limiting additional taps until the infrastructure issues are rectified. While future growth might be restricted by infrastructure limitations, according to the master plan the water treatment plant is currently able to meet production demands.

S3: The Town’s assessed value per housing unit exceeded the benchmark. Despite not having many businesses in Town, commercial property comprises about one-third of the Town’s assessed value, which is likely why the Town does not meet this benchmark despite having a lower MHV.

S4: With a score of 0.64%, the Town narrowly misses this benchmark (0.73%), which measures current debt per tap relative to MHV.

As the Town looks to complete the drinking water project, it anticipates approximately \$30,200,000 in additional debt according to the project needs assessment. The loan request may increase or decrease depending on how project costs change prior to loan application. Using an estimated loan of \$30,200,000, the Town will meet/exceed the S4b benchmark (0.73%) for this criterion at 8.05%.

BUSINESS CASE REQUEST
Town of Silt (“The Town”), Garfield County

S5: The Town’s ratio of current system cost per tap compared to MHI, 2.85%, meets the benchmark (2.27%) when using the MHI of \$59,477. However, because the MHI is unreliable, the top of the MHI band must also be considered. When using the top of the MHI band, \$79,079, the calculation moves to 2.14%, which also does not meet the 2.27% benchmark.

When including the projected debt of \$30,200,000, the calculation moves to 5.58%, which meets the S5b benchmark of 2.15%. The benchmark is also met when using the top of the MHI band (\$79,079), 4.20%.

Eligibility Determination for Bipartisan Infrastructure Law (BIL) Principal Forgiveness:

The Town was deemed eligible for BIL principal forgiveness during the August 9, 2022 pre-qualification meeting. In order to qualify for BIL principal forgiveness, a community must score three (3) points using the BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. Additionally, a community with DAC status is automatically eligible for BIL principal forgiveness. The Town scores 5 points using the following criteria:

BIL PF DETERMINATION

| | Benchmark | | Borrower | Points |
|---|-----------|---|----------|----------|
| 1. Five Year % Change in Population | 1.00% | > | 7.31% | 0 |
| 2a: County Job Loss | 0 | > | 3.24% | 0 |
| 2b: County Unemployment | 7.10% | < | 4.70% | |
| 3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point) | \$75,231 | > | \$59,477 | 1 |
| | \$94,039 | < | | |
| 4: Rates to MHI | 1.39% | < | 2.45% | 1 |
| 5: Project addresses removal of lead or emerging contaminants | Yes | | No | 0 |
| 6: % Minority | 25% | < | 36% | 1 |
| 7: % Households Housing Burdened | 30% | < | 49% | 1 |
| 8: % Population under 200% Poverty Level | 35% | < | 40% | 1 |
| 9: % Population under 200% Poverty Level + % Population over 65 years old | 50% | < | 46% | 0 |
| 10: Meets DAC criteria | Yes | | No | 0 |
| Total Points Scored: | | | | 5 |

2022 SRF Disadvantaged Community Criteria

Loan Terms

| | |
|-----------------|---------------|
| Amount of Loan: | \$ 30,200,000 |
| Interest Rate: | 2.50% |
| Term (years): | 20 |
| Annual Payment: | \$ 1,928,053 |

| | | |
|-------------------|--------------------|--------------------------------------|
| Applicant: | Town of Silt | |
| | Test Result | Conditions met to be DAC |
| | N | Test 1: P1 & P2 or P3 |
| | N | Test 2: P1, Not P2 or P3, & 2+ S1-S5 |
| | N | Test 3: P1 ??, P2 & P3, & 2+ S1-S5 |

| | | Benchmark | Applicant | Result | Notes on Data Used |
|--|----|------------------|------------------|---------------|---|
| Current Population (2020) | <= | 10,000 | 3,536 | Y | |
| Population 5 years ago (2016) | | | 3,295 | | |
| Population 10 years ago (2011) | | | 3,127 | | |
| Primary Factors | | | | | |
| P1 MHI (Place) | <= | \$ 60,185 | 59,477 | Y | BG, tract unreliable and exceed benchmark. County not an acceptable sub per t test. See 7-2022 version of DAC template for T-test data. |
| Margin of Error (MOE) | ± | | 19,602 | Sub | |
| Reliability (CV) | <= | 12.0% | 20.2% | N | |
| P2 MHV (Place) | <= | \$ 369,900 | 301,900 | Y | |
| Margin of Error (MOE) | ± | | 23,150 | | |
| Reliability (CV) | <= | 12.0% | 4.7% | Y | |
| P3 24 Month Unemployment (County) or 10 Year % Chng. Jobs (County) | >= | 7.10% | 4.70% | N | |
| Jobs (2020) | <= | 0.0% | 3.2% | N | |
| Jobs (2011) | | | 32,618 | | |
| | | | 31,593 | | |

Priority Factor Count 1

Secondary Factors

| | | | | | |
|-------------------------------------|----|-----------|------------|---|--|
| S1 MHI (County) | <= | \$ 60,185 | 75,435 | N | |
| Margin of Error (MOE) | ± | | 4,012 | | |
| Reliability (CV) | <= | 12.0% | 3.2% | Y | |
| S2 10 Year % Chng. Population | <= | 0.00% | 13.08% | N | |
| S3 Assessed Value / Housing Unit | <= | \$ 21,569 | 36,884 | N | |
| Assessed Value | | | 37,584,330 | | |
| Total Housing Units | | | 1019 | | |
| S4 Current Debt / Tap / MHV | > | 0.73% | 0.64% | N | If MHV CV > 12%, calculate result at top of band |
| WS Current + Projected Debt/Tap/MHV | > | 0.73% | 8.05% | Y | Result |
| S4b 80th percentile | > | 2.09% | 8.05% | Y | |
| S5 System Full Cost / Tap / MHI | > | 2.27% | 2.85% | Y | If MHI CV > 12%, calculate result at top of band |
| Projected Rate @ 110% Coverage | > | 2.15% | 5.58% | Y | 2.14% No |
| S5b 80th percentile | > | 3.14% | 5.58% | Y | 4.20% Yes |

Secondary Factor Count 1

System Data for S4 and S5: To be completed by DLG

| | |
|-------------------------|-----------|
| Taps or EQR's | 1,350 |
| Total Debt | 2,591,800 |
| Principal | 400,600 |
| Interest | 72,920 |
| Operating Expenses | 1,837,239 |
| Operating Transfers Out | 0 |
| Depreciation | 447,598 |



Determining Loan Principal Forgiveness within the Bipartisan Infrastructure Law: Colorado State Revolving Fund

Updated February 2023

Overview

The Bipartisan Infrastructure Law (BIL), signed November 15, 2021, creates five new categories of funding for the State Revolving Funds for the 2022-2026 federal fiscal years. The new funding comes with a requirement that a certain percentage of the funds is distributed as grants or loan principal forgiveness to “disadvantaged communities”. The five new funding categories are:

- Drinking Water Supplemental
- Wastewater Supplemental
- Lead Service Line Replacement
- Drinking Water Emerging Contaminants
- Wastewater Emerging Contaminants

This guide describes how the Colorado State Revolving Fund program determines eligibility for grants or loan forgiveness in the new funding categories created by the BIL. This guide should be used alongside the [Defining Disadvantaged Communities](#) guide and [data glossary](#). State Revolving Fund programs that existed prior to new BIL funding are referred to as the “base” program, and may still be utilized by communities who do not qualify for BIL funding.

Applicability

The following criteria applies to the BIL drinking water and wastewater supplemental funding and lead service line funding. The drinking water and wastewater emerging contaminants funding may go to non-disadvantaged communities, but communities considered disadvantaged will be prioritized if there are more requests for funding than funding available. If prioritization is needed, SRF staff will also use the prioritization criteria outlined in the annual Drinking Water Revolving Fund and Water Pollution Control Revolving Fund [Intended Use Plans](#).

Eligible Borrowers

Local governments, including Colorado municipalities, counties, and special districts, are eligible to receive loan principal forgiveness. Private non-profits are not eligible to receive loan principal forgiveness.



Timing of Eligibility Determination

Eligibility for BIL loan principal forgiveness will be assessed during the pre-qualification meeting with a prospective borrower. If a community is determined eligible, the prospective borrower will have 18-months from the date of the meeting to complete the required program steps and apply for the loan. Any communities that are not eligible at the pre-qualification meeting, or those that do not submit an application within 18-months, will be re-evaluated when the loan application is submitted.

What if my community is not eligible?

Local governments not meeting the above criteria may request loan principal forgiveness by requesting a business case. The business case will be drafted by DOLA, with assistance from the applicant, and presented to the CWRPDA board for approval. It will describe the demographics of the population served and demonstrate that a substantial portion of the project scope positively serves, protects, or benefits a disadvantaged or disproportionately impacted area or population.

A business case will include relevant data such as:

- How many block groups meet [one or more Disproportionately Impacted Community criteria](#) as defined by the Environmental Justice Act (HB21-1266) or score above the median on [CDPHE's Climate Equity Data Viewer](#).
- An in-depth discussion of community demographics and risk factors, including, but not limited, to the nine BIL eligibility criteria. Other information that demonstrates community demographics and risk factors including:
 - Economic and business challenges
 - Historical challenges related to community inequities
 - Population on fixed income/SSI
 - Customer assistance programs
 - Bill payment rates and rate affordability

Communities that choose to not pursue a business case, or those with an unsuccessful business case, may still apply for funding through the drinking water or wastewater base programs.

How will loan principal forgiveness be distributed?

BIL loan principal forgiveness will be distributed in a loan package with a proportional ratio of loan to loan principal forgiveness for the drinking water and wastewater supplemental categories and the drinking water lead service line category. The proportional ratio does not apply to the drinking water and wastewater emerging contaminants categories since those funds will be distributed as 100% loan principal forgiveness. Access to loan principal



forgiveness is subject to funding availability, and the CWRPDA board has the discretion to establish a maximum amount of loan principal forgiveness a community or project may receive.

For some communities, the base program may be a better deal. Some communities may also need a funding package that combines BIL and base funds. SRF staff intend to work with applicants to determine the best funding package.

Eligibility Criteria for Bipartisan Infrastructure Law Loan Principal Forgiveness

A local government applicant may receive Bipartisan Infrastructure Law funds with loan principal forgiveness if the applicant:

1. Meets the base program's [disadvantaged communities criteria](#)
OR
2. Scores three (3) points or more using the following metrics:

| Qualification Criteria | 2023 Benchmark | Points |
|---|---|-------------|
| Population growth is slower than the state's over 5 years. | 0.95% | 1 |
| Total possible score of 1 point: County-level job loss over 10-years (0.5 point). Counties with \geq a 24-month average unemployment rate that exceeds the state's plus 1% (0.5 point). | Job loss: 0.00% 24-month average unemployment + 1%: 5.61% | 1 |
| Community Median Household Income is less than the State Median Household Income (1 point). | State MHI: \$80,184 | 1 |
| Community Median Household Income that exceeds 125% of the State Median Household Income will lose one point (-1 point). | ----- 125% of State MHI: \$100,230 | ----- -1 |



| | | |
|--|--|---|
| Rates compared to Median Household Income exceed the ratio of estimated annual median rates to state Median Household Income. | 1.44% (combined water and sewer) 0.83% (water) 0.60% (sewer) | 1 |
| The prospective borrower's project removes lead or emerging contaminants to reduce drinking water health risks. | Yes | 1 |
| Percentage of population within a community that identifies as minority is equal to or greater than two-thirds of communities in the state. | 30% | 1 |
| Percentage of population within a community that are housing burdened is equal to or greater than two-thirds of communities in the state. | 35% | 1 |
| Percentage of the population within a community living under 200% of poverty level that is equal to or greater than two-thirds of communities in the state. | 35% | 1 |
| Combined percent of population living under 200% of poverty level (200%) + percent of population over 65 years is greater than or equal to two-thirds of communities in the state. | 55% | 1 |

Criteria Explanation and Data Notes

1. Population growth rate is slower than the state's over 5 years.
 - a. Data source: State Demography Office population estimates are used for Colorado municipalities. For special districts, population is estimated using *number of taps * 2.5*.
 - b. Website: <https://coloradodemography.github.io/population/data/county-muni-timeseries/>
 - c. Calculate as:



- i. $=(_{2021_Population}/_{2017_Population})^{(1/4)}-1$
 - ii. Or using Excel: =RATE(4,-,_{2017_Population},_{2021_Population})
2. County-level job loss over 10-years and/or counties with \geq a 24-month average unemployment rate that exceeds the state's plus 1%.
 - a. Both benchmarks match a criteria used in the base program disadvantaged community determination.
 - b. Data source: State Demography Office and Bureau of Labor Statistics. Benchmark to be updated annually.
 - c. Website: <https://demography.dola.colorado.gov/assets/html/gis.html>
3. Community Median Household Income is less than the State Median Household Income. If the community's Median Household Income exceeds 125% of the State Median Household Income, the community will lose one point.
 - a. Data source: Most current release of 5-year American Community Survey (ACS) data. Benchmark will be updated annually with the release of the next set of ACS data.
 - b. Website: https://gis.dola.colorado.gov/CensusAPI_Map_2021/?lat=39&lng=-104.8&z=9&s=50&v=mhi&sn=jenks&cs=mh1&cl=7
4. Rates compared to Median Household Income exceed the ratio of estimated annual median rates to state Median Household Income.
 - a. This benchmark is set by comparing the state Median Household Income with the estimated state median water and sewer rates. DOLA calculates estimated median water and sewer rates annually in a statistical report.
 - b. To calculate:
 - i. First determine the average residential water and or sewer monthly bill based on the typical water or sewer usage/consumption. For example, if your base rate is \$10/month, and there is a usage fee of \$2 per 1,000 gallons used, and your average residential customer uses 10,000 gallons of water per tap per month, your average monthly bill is \$30. This is calculated as $\$10+(10 \times 2)$.
 - ii. Multiply the the average monthly bill by 12 to get the average annual amount: $\$30 \times 12 = \360
 - iii. Divide the average annual bill by the community MHI and multiply by 100 to get the final ratio: $(\$360 \div \$72,311) \times 100 = 0.50\%$
 - c. Data source:
 - i. Median Household Income: Most current release of 5-year American Community Survey (ACS) data. Benchmark will be updated annually with the release of the next set of ACS data.



1. Website:
https://gis.dola.colorado.gov/CensusAPI_Map_2021/?lat=39&lng=-104.8&z=9&s=50&v=mhi&sn=jenks&cs=mh1&cl=7
- ii. Current applicant rate structure and typical usage/consumption data (if the rate structure is not a flat fee).
5. The prospective borrower's project removes lead or emerging contaminants to reduce drinking water health risks.
 - a. Data source: reported by the borrower.
6. Percentage of population within a community that identifies as minority is equal to or greater than two-thirds of communities in the state.
 - a. Data source: Most current release of 5-year American Community Survey (ACS) data. Benchmark will be updated annually with the release of the next set of ACS data.
 - b. Website:
https://gis.dola.colorado.gov/CensusAPI_Map_2021/?lat=39&lng=-104.8&z=9&s=50&v=mhi&sn=jenks&cs=mh1&cl=7
7. Percentage of population within a community that are housing burdened is equal to or greater than two-thirds of communities in the state
 - a. "Housing burdened" means those who spend more than 30% of their income on housing costs. This criteria includes both renters and homeowners.
 - b. Data source: Most current release of 5-year American Community Survey (ACS) data. Benchmark will be updated annually with the release of the next set of ACS data.
 - c. Website:
https://gis.dola.colorado.gov/CensusAPI_Map_2021/?lat=39&lng=-104.8&z=9&s=50&v=mhi&sn=jenks&cs=mh1&cl=7. The data viewer separates the data for renters and homeowners. DOLA uses a formula to combine the renter and homeowner housing burden data based on the overall proportions of homeowners and renters.
8. Percentage of the population within a community living under 200% of poverty level that is equal to or greater than two-thirds of communities in the state.
 - a. Data source: Most current release of 5-year American Community Survey (ACS) data. Benchmark will be updated annually with the release of the next set of ACS data.
 - b. Website:
https://gis.dola.colorado.gov/CensusAPI_Map_2021/?lat=39&lng=-104.8&z=9&s=50&v=mhi&sn=jenks&cs=mh1&cl=7



9. Combined percent of population living under 200% of poverty level (200%) + percent of population over 65 years is greater than or equal to two-thirds of communities in the state.
 - a. Data source: Most current release of 5-year American Community Survey (ACS) data. Benchmark will be updated annually with the release of the next set of ACS data.
 - b. Website:
https://gis.dola.colorado.gov/CensusAPI_Map_2021/?lat=39&lng=-104.8&z=9&s=50&v=mhi&sn=jenks&cs=mh1&cl=7. Age and poverty are presented separately and need to be added together to get a community's score.

Note:

The Census Bureau and American Community Survey present data for municipalities, counties, and areas defined as a census designated place. This data is also presented for census tracts, which are subgroups of counties, and block groups, which are subgroups of tracts. For municipalities, census designated places, and special districts that have service areas that closely match the boundaries of a municipality or census designated place, this data will be used to determine eligibility. However, DOLA may also look at block groups and tracts, if the place data does not yield eligible criteria. For all other special districts, DOLA created a methodology to assess multiple block groups, census tracts, or municipalities that fall within the district's boundaries. Please contact DOLA for more information or to discuss the eligibility of a specific prospective borrower.



8/19/2022

Jeff Layman
Town Administrator
231 N. 7th Street
PO Box 70
Silt, CO 81652-8730

Re: Town of Silt Drinking Water Revolving Fund (DWRF)
Pre-Qualification Review Letter
DWRF Project No. 210320D-Q, Garfield County
PWSID # CO0123710

Dear Jeff Layman:

The Colorado Department of Public Health and Environment (CDPHE) Water Quality Control Division (Division) received the Town's Pre-Qualification Form on July 11, 2022. A Pre-Qualification Meeting, attended by those listed on the attached sign-in sheet, was held on August 9, 2022.

The information from the Pre-Qualification Form and Meeting were reviewed by the Colorado State Revolving Fund (SRF) agencies: CDPHE, Colorado Department of Local Affairs (DOLA), and Colorado Water Resources & Power Development Authority (Authority). This letter provides a summary of the review.

The SRF agencies recommend the Town of Silt proceed to the next stages of the DWRF loan application process with SRF program conditions and requirements as described below.

Preliminary Eligibility Assessment

List of Project Components from the Prequalification Form:

1. Upgrade existing treatment plant and increase capacity
 - a. Add pretreatment (coagulation/flocculation/sedimentation system with ballasted flocculation)
 - b. New mixed media filtration with green sand
 - c. UV disinfection
 - d. Chlorine disinfection
2. New finished water storage tank
3. New distribution pumping

Prequalification Form In Line With the 2022 IUP:

The Engineering Section has reviewed the proposed project scope with respect to the 2022 IUP. All parts of the proposed project meet the IUP Project Description: **NO**

The proposed project components that are listed in the 2022 IUP Project Description are:

- Improvement/Expansion of Water Treatment Facilities
- Construction or Rehabilitation of Distribution and/or Transmission Lines
- Water Supply Facilities
- Water Meters

If NO, the following parts of the proposed project scope described in the Prequalification Form are NOT in the IUP and ARE NOT ELIGIBLE:

- New finished water storage tank

The new finished water storage tank is not eligible for funding in 2022. The new finished water storage tank is updated on the 2023 eligibility survey and this portion of the project will be eligible for funding in 2023.

Preliminary Environmental Determination

ENVIRONMENTAL ASSESSMENT

The project appears to require preparation of an Environmental Assessment (EA). To comply with the requirements of the National Environmental Policy Act, it was determined by the Division that the project has the potential to impact federal crosscutters and does not meet the criteria of the State Environmental Review Policy for a Categorical Exclusion (CatEx) as it includes an increase in design capacity higher than the 30% threshold, along with potential wetlands and floodplain impact.

The above determination is preliminary and is subject to change based upon review of the Project Needs Assessment (PNA). Furthermore, any changes to the project may require re-evaluation of the determination.

If the project is to be co-funded with a federal agency. The SRF program may defer to the lead federal agency regarding environmental report submissions and environmental clearance. However, all Colorado SRF program requirements must still be met, and the Grants and Loans Unit will require review of all environmental documents to verify requirements are met.

Preliminary Financial Analysis

A preliminary financial analysis has been completed by DOLA and is attached to this memo. Please review the memo for important notes and recommendations.

- The **Town of Silt** is eligible for BIL principal forgiveness and may receive a portion of the loan as principal forgiveness, subject to funding availability and any applicable principal forgiveness caps. This determination is effective for a loan application received within 18-months from the date of the pre-qualification meeting. If the loan application is received after 18-months, eligibility will be re-evaluated at that time using current criteria.

Anticipated Project Timeline

Key milestones for the project are as follows:

| Description | Anticipated Date |
|--|------------------|
| Submit Project Needs Assessment (PNA) | September 2022 |
| Submit Environmental Assessment (EA) | January 2023 |
| Submit Basis of Design Report (BDR) - DWRf | January 2023 |
| Submit Plans and Specifications | September 2022 |
| Submit Loan Application | January 2023 |
| Construction Start Date | August 2023 |
| Construction Completion Date | August 2025 |



*The borrower should anticipate at least 12 months from Pre-Qualification Application to Loan Application. This allows required technical reviews and responses to be addressed and approved prior to loan application submittal.

Important Notes and Requirements

- If the project is to be co-funded, all additional funds should be awarded or secured before submitting a loan application.
- This project is deemed a CO SRF Equivalency project and/or intends to pursue BIL funding. The project is required to meet certain federal requirements. The equivalency requirements are specified below in the list of specifications that apply to the project.
- A public meeting is required to inform citizens in the affected area of the proposed project. The meeting must be publicly noticed in a local newspaper a minimum of one time at least 30 days prior to the meeting. The meeting must include a discussion of project alternatives, preferred alternative, projected rate increases, construction and environmental impacts of the project. Projects requiring an EA must provide a draft EA for review at the meeting. An affidavit of publication, agenda, meeting minutes, and list of attendees must be submitted to the Division.
- The project is required to comply with federal requirements as described and detailed in the ***Colorado SRF Required Specifications***. The following requirements apply from the specifications:
 - Davis-Bacon Prevailing Wages
 - American Iron & Steel (AIS)
 - Suspension and Debarment, Equal Opportunity & Civil Rights, OSHA, and Archeological & Historic Preservation Act

SRF Equivalency and BIL funded projects are required to comply with the following specification in addition to the list above:

- Build America, Buy America (BABA) - **IMPORTANT: EPA has yet to issue guidance regarding BABA. Project and funding approval timelines may be delayed until guidance is issued.**
- Disadvantaged Business Enterprise Procurement
- Signage
- Prohibition of Certain Telecom. & Video Surveillance Services or Equipment
- This project is required to comply with the following SRF Certifications as applicable:
 - [Architectural and Engineering Services](#) procurement certification complying with the Brooks Act 40 U.S.C. 1101 *et seq.* is required for BIL funded projects.
 - Technical, Managerial and Financial Review
- The following requirements must be met prior to submitting a loan application:
 - PNA Approval; Public Meeting; submission of EA; submission of BDR; submission of Final Plans & Specifications, and SRF Self-Certification form (if applicable).
- All State Revolving Fund recipients are required to include the ***Colorado SRF Required Specifications*** in the bid package and construction documents. The bid package must be submitted to the Grants and Loans Unit project manager for approval prior to any bidding. Submit bid package and construction documents a minimum of 14 days prior to bid advertising. This requirement also includes all materials and equipment procurement, Construction Manager at Risk (CMAR) requests for proposals, Design-Build contracts, and any other construction related contracts.
- The environmental clearance must be completed prior to starting construction. This means that the Categorical Exclusion (CatEx) has been published or the Finding of No Significant Impact (FNSI) has been published and the 30-day comment period has lapsed with no comments or all comments, if any, have been resolved.



- This letter does not guarantee the award of funds. Award of funds is subject to meeting technical and SRF requirements, and approval by the Authority Board of Directors.

Resources:

- Information regarding the Bipartisan Infrastructure Law (BIL) and important updates regarding the funding are posted at <https://cdphe.colorado.gov/wqibill>

Thank you for your interest in the revolving fund program. I look forward to working with you on this project and should you have any questions, please contact me at 720-446-9073 or by email at sean.oliver@state.co.us.

Sincerely,



Sean Oliver
Project Manager
Grants and Loans Unit
Water Quality Control Division

cc:

Trey Fonner - Public Works Director
Patrick Radabaugh - Dewberry Engineering
Michelle Kemp - WQCD ES Engineer
Desiree Santerre DOLA Representative
Austin Reichel - Authority Representative
Dana Hlavac - DOLA Northwest Regional Manager
Matt Alms, WQCD Grants and Loans Unit
Alex Hawley, WQCD Grants and Loans Unit
Mark Henderson, WQCD Grants and Loans Unit

Enclosures: DOLA Financial Analysis
Pre Qualification Meeting Sign-in Sheet





MEMORANDUM

To: Sean Oliver, CDPHE
Cc: Austin Reichel and Ian Loffert, CWRPDA
From: Desi Santerre, DLG
Date: August 9, 2022
Re: Town of Silt (the “Town”) Final Pre-Qual Review

The Department of Local Affairs (DOLA) reviewed the Pre-Qualification Form submitted July 11, 2022 and conducted a preliminary financial analysis of the proposed project.

Pre-Qualification Review

Prior to DWRF Loan application and approval additional information/actions are needed to ensure the project and applicant will be recommended for DWRF Loan approval:

- The Town should be prepared to increase rates as needed to meet loan coverage ratio and reserve requirements.
- Additional funding sources should be secured prior to loan application
- It is recommended to involve bond counsel early in the SRF process to avoid TABOR-related delays (especially if the Town is pursuing grant funding).

Financial Analysis:

- The 2020 operating ratio was strong at 130%.
- Based on 2020 financials and using an estimated interest rate of 2.5% and a 20-year loan term, additional annual revenue of about \$1,970,741, or \$121.65 per tap per month, would increase the coverage ratio to 110% including tap fee revenue.
- The Town desires a 30-year loan term if possible. Loan term eligibility is based on the useful life of project components. For a 30-year loan with estimated 2.75% interest rate, the required per tap rate increase moves to \$91.76.
- The Town has engaged a consultant to analyze rates and needed rate increases in preparation for this project. The Town also plans to pursue additional grant funding for the project. BIL principal forgiveness will help to reduce the required rate increases, but securing additional grants will likely be instrumental in ensuring project affordability.
- Ultimately, the required rate increase will depend on the loan request and term, principal forgiveness award amount, most current available financial statements, and any recently enacted rate increases.





Eligibility Determination for Bipartisan Infrastructure Law (BIL) Principal Forgiveness:

In order to qualify for BIL principal forgiveness, a community must score three (3) points using the BIL Principal Forgiveness Eligibility Criteria outlined in the Intended Use Plans. The Town scores 5 points using the following criteria:

BIL PF DETERMINATION

| | Benchmark | | Borrower | Points |
|---|-----------|---|----------|--------|
| 1. Five Year % Change in Population | 1.00% | > | 7.31% | 0 |
| 2a: County Job Loss | 0 | > | 3.24% | 0 |
| 2b: County Unemployment | 7.10% | < | 4.70% | |
| 3: Median Household Income, or MHI exceeds 125% of state MHI (-1 point) | \$75,231 | > | \$59,477 | 1 |
| | \$94,039 | < | | |
| 4: Rates to MHI | 1.39% | < | 2.45% | 1 |
| 5: Project addresses removal of lead or emerging contaminants | Yes | | No | 0 |
| 6: % Minority | 25% | < | 36% | 1 |
| 7: % Households Housing Burdened | 30% | < | 49% | 1 |
| 8: % Population under 200% Poverty Level | 35% | < | 40% | 1 |
| 9: % Population under 200% Poverty Level + % Population over 65 years old | 50% | < | 46% | 0 |
| Total Points Scored: | | | | 5 |

The Town is eligible for BIL principal forgiveness and may receive a portion of their loan as principal forgiveness, subject to funding availability and any applicable principal forgiveness caps. This determination is effective a loan application received within 18-months from the date of the pre-qualification meeting. If the loan application is received after 18-months, the Town’s eligibility will be re-evaluated at that time using current criteria.





COLORADO
Department of Local Affairs
 Division of Local Government

| | | | | |
|--|-----------------------|------------------------------|-------------------|--------------|
| Applicant: | Town of Silt | Grants/other sources: | DWRF Loan: | \$30,000,000 |
| Project Total: | \$30,000,000 | | Total: | \$30,000,000 |
| Amount of Loan: | \$30,000,000 | | | |
| Est. Interest Rate, & Term: | 2.5%, 20 years | | | |
| Debt Service: | 1,915,285 | | | |
| Pledge: | Water & Sewer Revenue | | | |

| TRENDS | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
|---------------------------------|-----------|-----------|-----------|-----------|-----------|---------|-------|
| Population | 3,295 | 3,348 | 3,415 | 3,478 | 3,536 | | |
| Number of Water Taps | | | 1,320 | 1,330 | 1,340 | 1,350 | 1,372 |
| Number of Sewer Taps | | | 1,320 | 1,330 | 1,340 | 1,350 | 1,372 |
| Assessed Value (\$000) | | 28,872 | 31,474 | 32,109 | 36,450 | 37,584 | |
| Actual Value (\$000) | | 233,665 | 287,376 | 291,455 | 343,924 | 349,085 | |
| Median Household Income (\$) | | | | | 59,477 | | |
| MHI - State (\$) | | | | | 75,231 | | |
| Median House Value (\$) | | | | | 301,900 | | |
| MHV - State (\$) | | | | | 369,900 | | |
| Monthly Water Rate (\$) | | | 44.27 | 45.91 | 47.84 | 49.12 | 53.09 |
| Monthly Sewer Rate (\$) | | | 56.85 | 58.81 | 61.05 | 64.54 | 68.39 |
| Residential Water Tap Fee (\$) | | | 5,836 | 5,836 | 5,836 | 6,500 | 9,000 |
| Residential Sewer Tap Fee (\$) | | | 5,836 | 5,836 | 5,836 | 6,500 | 6,500 |
| Total W&S Revenue (\$) | 1,809,348 | 1,986,484 | 2,005,165 | 2,008,894 | 2,134,575 | | |
| Tap/Development Fees (\$) | 170,411 | 259,468 | 202,670 | 138,896 | 202,576 | | |
| W&S Operating Revenue (\$) | 1,628,309 | 1,717,678 | 1,786,025 | 1,850,694 | 1,925,887 | | |
| W&S Operating Expenses (\$) | 1,160,736 | 1,134,470 | 1,147,897 | 1,344,809 | 1,481,384 | | |
| W&S Net Operating Income (\$) | 467,573 | 583,208 | 638,128 | 505,885 | 444,503 | | |
| W&S Debt (\$) | 4,208,924 | 3,894,572 | 3,564,751 | 3,235,000 | 2,992,400 | | |
| Total Debt (\$) | 4,236,414 | 3,952,664 | 3,600,903 | 3,235,000 | 3,047,364 | | |
| W&S Debt Service (\$) | 486,818 | 479,534 | 484,925 | 473,210 | 470,108 | | |
| W&S Debt Service/Tap/Month (\$) | | | 30.61 | 29.65 | 29.24 | | |
| W&S Fund Reserves (\$) | 1,768,614 | 1,634,750 | 2,019,858 | 2,048,466 | 2,123,687 | | |

| CURRENT INDICATORS | 2020 | Weak | Average | Strong |
|--|-----------|------------|-----------------|------------|
| Total Debt per Capita (\$): | 862 | >\$2,000 | \$1,000 - 2,000 | X <\$1,000 |
| Total + New Debt/Capita (\$): | 9,346 | X >\$2,000 | \$1,000 - 2,000 | <\$1,000 |
| Total Debt/Tap (\$): | 2,274 | >\$5,000 | \$2,500-5,000 | X <\$2,500 |
| Total Debt + New Debt/Tap (\$): | 24,662 | X >\$5,000 | \$2,500-5,000 | <\$2,500 |
| Current W&S Debt/Tap (\$): | 2,233 | X >\$2,000 | \$1,000 - 2,000 | <\$1,000 |
| Current W&S + New W&S Debt/Tap (\$): | 24,621 | X >\$2,000 | \$1,000 - 2,000 | <\$1,000 |
| Total Debt/Assessed Value: | 8.36% | >50% | 25-50% | X <25% |
| Total Debt + New W&S Debt/Assessed Value: | 91% | X >50% | 25-50% | <25% |
| Total Debt/Actual Value: | 0.89% | >10% | 5-10% | X <5% |
| Total Debt + New W&S Debt/Actual Value: | 9.61% | >10% | X 5-10% | <5% |
| Curr. W&S Debt + New Debt/Tap/MHI: | 41% | X >20% | 10-20% | <10% |
| W&S Fund Current Ratio (CA/CL): | 530% | <100% | 100-200% | X >200% |
| W&S Fund Reserves/Current Expense: | 109% | <50% | 50-100% | X >100% |
| W&S Operating Ratio (OR/OE): | 130% | <100% | 100-120% | X >120% |
| Coverage Ratio (TR-OE)/DS: | 139% | <110% | 110-125% | X >125% |
| Coverage Ratio (TR-OE)/DS Excluding Tap Fees: | 96% | X <110% | 110-125% | >125% |
| Coverage Ratio with New Loan: | 27% | X <110% | 110-125% | >125% |
| Coverage Ratio with New Loan Excluding Tap Fees: | 19% | X <110% | 110-125% | >125% |
| Current Annual W&S Rates/MHI: | 0.97% | >3.0% | 1.5-3.0% | X <1.5% |
| Current W&S Rates + New W&S Debt Service/MHI: | 3.37% | X >3.0% | 1.5-3.0% | <1.5% |
| Operation and Maintenance Reserve: | 143% | <25% | 25-50% | X >50% |
| Total: | 10 | | 1 | 10 |



Pre-Qualification Meeting – Sign-in Sheet

State Revolving Fund

Town of Silt - 8/9/2022

| Name | Affiliation | Email | Phone |
|-------------------|--------------|------------------------------|--------------|
| Matt Alms | CDPHE | Matt.alms@state.co.us | 303-692-6264 |
| Michelle Kemp | CDPHE | Michelle.kemp@state.co.us | 303-692-6337 |
| Austin Reichel | CWRPDA | areichel@cwrpda.com | 303-830-1550 |
| Sean Oliver | CDPHE | Sean.oliver@state.co.us | 303-692-4018 |
| Mark Henderson | CDPHE | mark.henderson@state.co.us | |
| Jeff Layman | Town of Silt | jlayman@townofsilt.org | 970-876-2353 |
| Trey Fonner | Town of Silt | trey@townofsilt.org | 970-876-2353 |
| Patrick Radabaugh | Dewberry | pradabaugh@dewberry.com | 303-951-0642 |
| Desiree Santerre | DOLA | desiree.santerre@state.co.us | 303-864-7733 |

| | | | |
|-----------------|--------------|------------------------|--------------|
| Ian Loffert | CWRPDA | iloffert@cwrpda.com | 303-830-1550 |
| Tony Zancanella | Town of Silt | awz@za-engineering.com | |
| Lori Gracia | Dewberry | lgarcia@dewberry.com | |
| Chris Treese | CWRPDA Board | ctreese@comcast.net | |
| | | | |



1/4/2023

Jeff Layman
Town Administrator
231 N. 7th Street
PO Box 70
Silt, CO 81652-8730

Re: Town of Silt Drinking Water Revolving Fund (DWRF)
Pre-Qualification Review Letter
DWRF Project No. 210320D-Q, Garfield County
PWSID #CO0123710

Dear Jeff Layman:

The Water Quality Control Division (Division) has reviewed the Drinking Water Revolving Fund (DWRF) PNA prepared by Dewberry, and dated November 2022 for the Town of Silt. Further information is required prior to approval. Please submit written responses to all comments listed in the sections below.

General PNA Review Comments

- Please note that the submitted PNA appears to be missing required information. Written responses to the following comments as listed in the sections below must be submitted in order for the PNA review to continue and for the project to reach milestones prior to a loan application.
- Please note that there are affordability concerns based on the estimated project cost. Please refer to the Financial Analysis Comments section below and the attached financial analysis memo for more details.
- Section 8.9 Costs of the PNA form indicates that the opinion of probable cost for the selected alternative reflects a cost range of -30% to +50%. Please discuss if the project cost estimate will be refined in order to determine the required amount of funding and any proposed schedules for updating the cost.
- The proposed project schedule included in Section 8.11.1 of the PNA submittal appears to indicate submission of the loan application in early January. Please note that based on the State Revolving Fund program the following milestones should be completed prior to the loan application: PNA Approval, Public Meeting, submission of the Environmental Assessment (EA), submission of the Basis of Design Report (BDR) with final plans and specifications. Please provide a progress report regarding the above-mentioned milestones and any revisions to the proposed project schedule if applicable.

Engineering Section Review Comments

Please provide a written response to the following comments.

1. **Section 3.8 - Financial Status:**

Section 3.8 of the DW PNA requires the system to discuss current financial status and provide a 20-year cash flow projection for the system. The PNA indicates that the current financial status and the 20-year cash flow projection will be provided at the conclusion of the Town's rate study, which was reported to be soon. Please provide additional information regarding the current financial status and the 20-year cash flow projection with or prior to loan application.

2. Section 5.3.1 - Overall Distribution System Description:

Section 5.3.1 of the DW PNA requires the system to discuss overall distribution system descriptions, including estimated distribution system losses. The PNA indicates that the current estimated distribution losses appears to be minimal, but will be confirmed after the Town's water metering system is updated. Please provide additional information regarding the time frame for updating the water metering system, and once available the estimated distribution system losses.

3. Section 5.3.3 - Meters:

Section 5.3.3 of the DW PNA requires the system to discuss overall distribution system descriptions, including water meters. The PNA indicates that the existing distribution system includes water meters, but the Town's metering system will be updated to be more accurate. Please provide additional information regarding the time frame for updating the water metering system and the current plan for the updated water meter system.

4. Section 7.1 - Alternatives:

Section 7.1 of the DW PNA requires the system to provide a description of alternatives addressing the identified issues in Section 4, capital cost estimates and annual operation and maintenance costs, and advantages and disadvantages of each alternative. The PNA included a brief description of alternatives, an estimate of the total capital cost and annual operation and maintenance costs, and a brief description of advantages and disadvantages for each alternative. Please provide a more detailed description of each alternative including addressing treatment unit process redundancy and unit design flow rate, and a detailed breakdown of the total capital cost estimate for each alternative. Please also provide a detailed breakdown of estimated O&M costs for each alternative.

5. Section 8.3 - Proposed Process Flow Diagram:

Section 8.3 of the DW PNA requires the system to provide a proposed treatment facility process flow diagram as attachment 20. The PNA appears to have included a treatment facility process flow diagram for the existing system. Please provide a proposed treatment facility process flow diagram.

6. Section 8.5 - Environmental Impacts:

Section 8.5 of the DW PNA requires the system to describe direct and indirect impacts on floodplains, wetlands, wildlife habitat, historical and archaeological properties, etc., including any projected permits and certifications. The PNA indicates that a floodplain permit may be required for the improvements. Please provide a copy of the floodplain permit, if needed, with the basis of design submittal.

7. Section 8.7 - Construction Requirements:

Section 8.7 of the DW PNA requires the system to discuss construction concerns, limited access, or other conditions that affect cost of construction or operation of a facility. The PNA indicates that the site is not believed to have any known geological concerns and that a geotechnical investigation will be performed during the preliminary design stage of the project. Please provide the geotechnical investigation report with the basis of design submittal.



8. Section 8.9 - Costs:

Section 8.9 of the DW PNA requires the system to include a capital cost associated with the selected alternative. The PNA indicates a total overall project capital cost with a cost range of -30% to +50%, however the PNA does not appear to include a summary breakdown of the costs. Please provide additional information on the summary of capital costs associated with the selected alternative (a cost breakdown) including addressing treatment unit process redundancy, whether or not additional land is required and if any part of the existing water treatment plant will be reused/retrofitted. Section 8.9 of the DW PNA also requires the system to include an estimate of the project related increase in total average monthly user charges. The PNA indicates that an estimate of the project related increase in total average monthly user charges will be provided at the conclusion of the Town's rate study. Please provide additional information on the increase in total average monthly user charges once available.

9. Section 8.11.1 - Proposed Schedule:

Section 8.11.1 of the DW PNA requires the applicant to provide a proposed schedule for the project components. The proposed schedule was listed, however the Engineering Section has concerns about the project being able to meet the rapidly approaching proposed schedule dates for the project components as listed. Please provide updated proposed schedule dates for the project and any additional details in how the project plans to meet the schedule.

Final Environmental Determination

- The PNA indicated that a public meeting is scheduled for early January 2023. As noted in the Pre-Qualification Review letter dated 8/19/22 the meeting must be publicly noticed in a local newspaper a minimum of one time at least 30 days prior to the meeting. The meeting must include a discussion of project alternatives, preferred alternative, projected rate increases, construction and environmental impacts of the project. A draft EA must be provided for review at the meeting. An affidavit of publication, agenda, meeting minutes, and list of attendees must be submitted to the Division. Please submit the public meeting documentation upon completion of the public meeting.
 - It appears the project intends to pursue BIL funding. Please note that BIL and SRF Equivalency project are required to complete the following additional crosscutter coordination (in addition to meeting standard required NEPA coordination): SHPO Section 106 Consultation
 - Section 7 Consultation USFWS

The Preliminary Environmental Determination included in the Pre-Qualification Review Letter dated 8/19/22 requires preparation of an Environmental Assessment (EA). Final environmental determination and associated conditions will be included in the PNA Approval letter.

Financial Analysis Comments

- An updated financial analysis has been completed by DOLA and is attached to this memo. Please review the memo for important notes and recommendations.

Bipartisan Infrastructure Law (BIL) Principal Forgiveness Eligibility Review:

- The DOLA analyst reviewed the applicant's eligibility for BIL principal forgiveness based on the eligibility criteria outlined in the 2022 DWRP Intended Use Plan. Based on the evaluation, it appears the project qualifies for principal forgiveness. This is not a guarantee of funds and may be subject to prioritization, potential caps, and availability of funds. The determination was made at the August 9, 2022 pre-qualification meeting and is effective for 18-months from the date of the



determination. If the loan application is received after 18-months from the date of the determination, the eligibility must be re-evaluated at that time using current criteria.

- Confirmation of applicant's request for BIL funding is required and will be used to evaluate the loan package, including the amount of BIL principal forgiveness the applicant may be eligible for at loan application. **Please provide a written response indicating if Silt requests BIL funding.**

Technical, Managerial and Financial (TMF) Review:

The TMF components were evaluated and the following issues are unresolved and will need to be included in the loan agreement to be resolved prior to project completion:

- **Financial Criterion #F-2: Cash flow projection/analysis/financial plan**
With, or prior, to the loan application, please provide a 20-30 year cash flow projection or comparable financial spreadsheet. The cash flow projection must demonstrate at least 3- months operations and maintenance reserves and will cover the duration of the requested loan term. Additionally, the Town must be prepared to raise rates as required to meet the required loan coverage ratio.

This letter does not guarantee the award of funds. Award of funds is subject to meeting technical and SRF requirements, and approval by the Authority Board of Directors. Availability and terms of funding for both BIL and base program SRF funds are subject to change at any time.

Questions or clarifications can be directed to me via telephone at 720-446-9073, or via e-mail at sean.oliver@state.co.us.

Sincerely,



Sean Oliver
Project Manager
Grants and Loans Unit
Water Quality Control Division

ec: Trey Fonner - Public Works Director
Patrick Radabaugh, Dewberry Engineering
Doug Camrud, ES Engineering Review Unit Manager
Michelle Kemp, WQCD Engineering Section
Desi Santerre, Department of Local Affairs
Ian Loffert, Colorado Water Resources Power Development Authority
Austin Reichel, Colorado Water Resources Power Development Authority
Matt Alms, WQCD Grants and Loans Unit
Mark Henderson, WQCD Grants and Loans Unit





MEMORANDUM

To: Sean Oliver, WQCD Grants and Loans Unit
Cc: Ian Loffert, Austin Reichel, CWRPDA
From: Desi Santerre, Division of Local Government
Date: November 21, 2022, revised November 30, 2022
Re: DWRP PNA Review, and Technical, Managerial and Financial (TMF) Review Findings for the Town of Silt (the “Town”)

We have reviewed the materials associated with the Town’s DWRP project needs assessment.

TMF

Based on the TMF capacity criteria of the DWRP program, we found the following mandatory financial requirement needing follow up by the Town.

Financial Criterion #F-2: Cash flow projection/analysis/financial plan

With, or prior, to the loan application, please provide a 20-30 year cash flow projection or comparable financial spreadsheet. The cash flow projection must demonstrate at least 3-months operations and maintenance reserves and will cover the duration of the requested loan term.

Financial Analysis Update

The financial analysis was updated based on the estimated loan request of \$30,200,000 using 2021 audited financial statements.

- The 2021 tap fee revenue was significantly higher than the previous four years. The following analysis utilizes the five-year average of tap fee revenue, until it can be determined whether the increased revenue was a one-time increase or expected to be the start of a long-term trend
- Using an estimated interest rate of 4% and a 20-year loan term, additional annual revenue of \$2,343,208, or \$142.32 per tap per month would increase the coverage ratio to 110%.
- If the project is eligible for a 30-year term, the additional revenue needed moves to \$1,825,787 (\$110.90/tap/month).
- As a BIL-eligible applicant, the Town may qualify for a percentage of principal forgiveness at loan application. The amount depends on funding availability and caps or maxes that may be in place. The current principal forgiveness cap is \$5 million. If the Town were to receive the full \$5 million, the required rate increases move to \$91.68/tap/month, assuming a 30-year loan term.





COLORADO

Department of Local Affairs

Division of Local Government

- Exact required rate increases will be determined at loan application and will be based on a more detailed analysis of the loan request, principal forgiveness award, and historical and projected financial data.
- Based on the current analyses, there is reason for concern about the affordability of this project, particularly if tap fee revenue returns to its pre-2021 levels. It is understood the Town is trying to move this project along quickly and is in the process of a rate study. However, additional grant funding may be beneficial to improving the affordability of this project. Since other funding sources must be secured prior to DWRP loan application, please contact us ASAP if assistance is needed with exploring additional funding options.

Please contact us if we can provide additional information.



Funding Drinking Water and Wastewater Improvements with the State Revolving Fund

Water Quality Control Division - Grants and Loans Unit

Department of Local Affairs - Division of Local Government

Colorado Water Resources and Power Development Authority



Part 1

Explanation of Colorado's State Revolving Fund and involved agencies

Overview of eligible projects

Benefits of funding through the State Revolving Fund

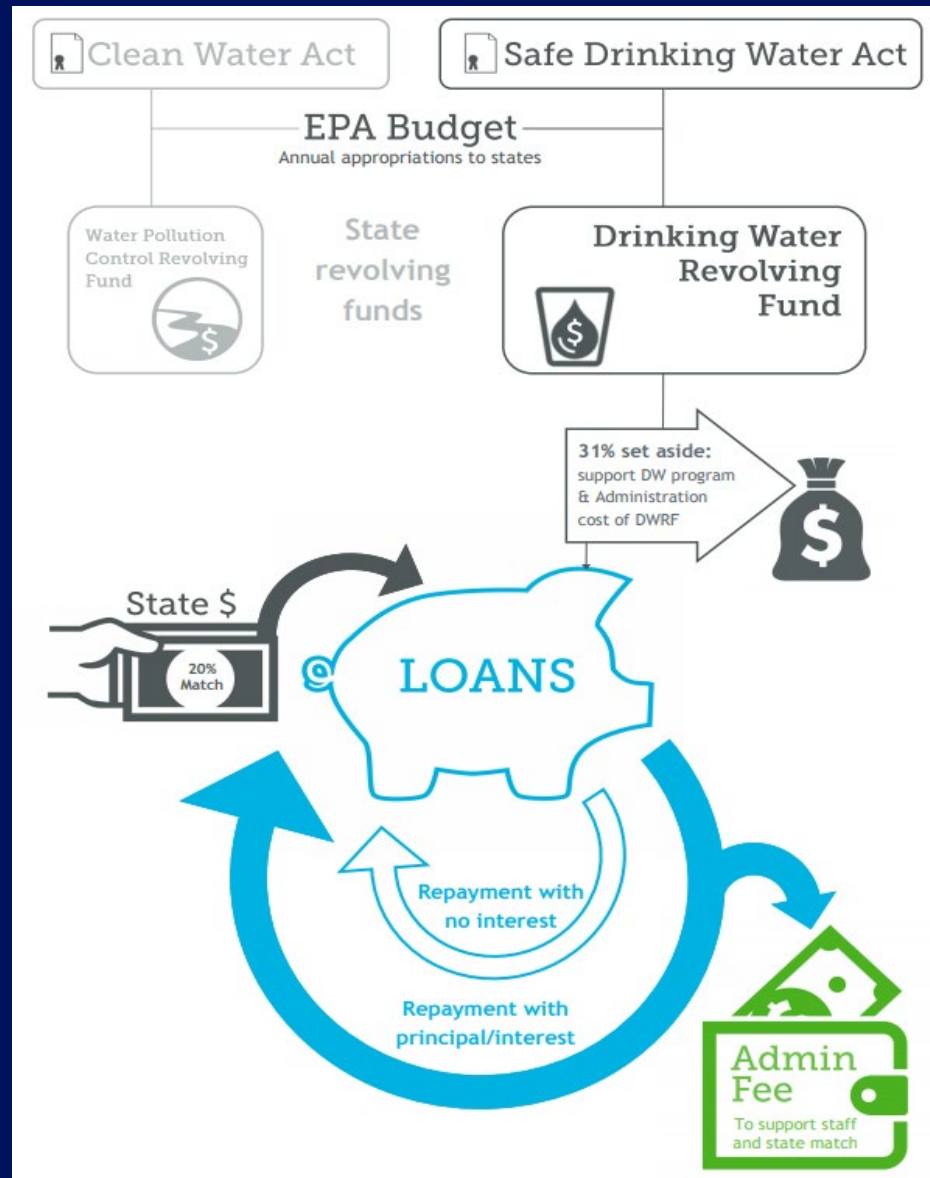
Review of commonly used co-funding programs



SRF: A perpetual funding source

Water Pollution Control Revolving Fund (WPCRF)

Drinking Water Revolving Fund (DWRF)



SRF Partner Agencies and Roles

Water Quality Control Division of the Colorado Department of Public Health & Environment (WQCD)

- Primacy agency.
- Program administration (including managing set asides and technical assistance programs).
- Technical review and advisory role.
- Federal reporting.

Colorado Water Resources & Power Development Authority (CWRPDA or “the Authority”)

- Financial structure.
- Manages budgets and investments.
- Disburses funds.
- Federal reporting.
- Provides state match.
- Loan portfolio monitoring.

Colorado Department of Local Affairs (DOLA)

- Conducts financial capacity assessments.
- Financial and managerial assistance to systems.
- Coordinates funding collaboration.
- SRF outreach.



State Revolving Fund Summary

Over 75 active projects

Total in excess of \$195,000,000

Colorado program totals since inception:

- DWRF Cap Grants received ~\$426M.
- WPCRF Cap Grants received ~\$399M.



Town of Breckenridge
Treatment Plant Project

Larger loan examples:

- Town of Breckenridge, DW ~\$57M
- Boxelder SD, WW ~\$28M

Smaller loan examples:

- East Alamosa WSD, DW ~\$1.6M
- Town of Genoa, WW ~\$50K

Program capacities:

- ~\$40M-\$70M annually for each program



Eligible Projects

- Drinking Water- Drinking Water Revolving Fund (DWRF)
- Wastewater- Water Pollution Control Revolving Fund (WPCRF)
 - Stormwater



Drinking Water Eligibility

Eligible Borrowers:

- **Public Water System:** Is a system for the provision of water for human consumption to the public through pipes or other constructed conveyances, if such system has at least fifteen service connections or regularly serves at least twenty-five individuals.
- Colorado local governments or private non-profits

Eligible Project Categories



1. Treatment
2. Transmission and Distribution
3. Source
4. Storage
5. Consolidation
6. Creation of a new system



Eligible & Ineligible Drinking Water Projects

Eligible Projects

- Replaces aging infrastructure
- Replacement of lead service lines
- Meters (flow, customer and master)
- Acquisition of Water Rights for public health protection or resiliency/redundancy that applies to existing populations and not for growth.
- Development of new sources to replace a contaminated drinking water source or to increase drought resilience
- Land acquisition
- Finished water reservoirs that are used for treatment processes which are located on the same property as treatment facility
- Restructure or consolidate water supplies
- Planning

Ineligible Projects

- Dams or rehabilitation of dams
- Reservoirs, except as mentioned in eligible example
- Drinking water monitoring costs
- Operations & maintenance costs
- Projects primarily for fire protection
- Projects for systems that lack adequate technical, managerial and financial capacity, **unless assistance will ensure compliance.**
- Projects for systems in significant noncompliance under the Safe Drinking Water Act, **unless funding will ensure compliance.**
- Projects primarily intended to serve future growth.



Wastewater Eligibility

Eligible Borrowers:

- Eligible Borrowers: Colorado local governments

Eligible Project Categories



1. Construction of a publicly owned treatment works (section 212)
2. Implementation of a management plan (section 319)
3. Development or implementation of a conservation and management plan (section 320)
4. Construction, repair, or replacement of decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage
5. For measures that manage, reduce, treat, or recapture stormwater or subsurface drainage water
6. Measures to reduce the demand for publicly owned treatment works capacity through water conservation, efficiency, or reuse
7. Development or implementation of watershed projects (section 122)
8. Reduction of energy consumption needs of the publicly owned treatment works
9. Reuse or recycling of wastewater, stormwater, or subsurface drainage water
10. Security measures for a publicly owned treatment works

Eligible & Ineligible Wastewater Projects

Eligible

- Centralized Wastewater Treatment
- Energy Conservation
- Stormwater
- Water Conservation
- Agricultural BMPs
- Decentralized Wastewater Treatment
- Resource Extraction
- Contaminated Sites
- Landfills
- Habitat Protection and Restoration
- Silviculture
- Desalination
- Groundwater Protection Restoration
- Surface Water Protection and Restoration
- Planning/Assessment
- Land acquisition (some exceptions)
- Forestry activities

Ineligible

- Operations and maintenance including:
 - Computers or software not related to process controls (general office use, timekeeping, billing)
 - Fines and penalties from compliance violations
- Projects primarily for growth



Stormwater Projects

- Same process as a waste water project - starting with the annual eligibility survey, environmental & design review.
- Recent project:
 - City of Evans
 - \$8,600,000 leveraged loan - repaid with stormwater fees
 - 2 major projects for new storm sewer structures and improvements to the stormwater control system



image - <http://drewpavelchak.com/projects/stormwater-infographic/>

Resources for more information about eligible projects

WQCD Project Manager Map:

<https://drive.google.com/file/d/1sgMNyANCinFoRZc7aI2NT5YhW-IN0tDq/view>

Overview of Clean Water State Revolving Fund Eligibilities:

https://www.epa.gov/sites/production/files/2016-07/documents/overview_of_cwsrf_eligibilities_may_2016.pdf

Drinking Water State Revolving Fund Eligibility Handbook:

https://www.epa.gov/sites/production/files/2017-06/documents/dwsrf_eligibility_handbook_june_13_2017_updated_508_version.pdf



State Revolving Fund Program

- Low interest loan program to finance the design and construction of public drinking water, wastewater and stormwater infrastructure projects.
- Direct loans: Projects up to \$3 million.
- Leveraged loans: Projects greater than \$3 million.
- Loan terms: Up to 30 years.
- **7 Loan application deadlines:** Jan. 15(Spring Issue), Feb. 15, April 15, June 15(Fall Issue), Aug. 15, Oct. 15, and Nov. 15.



SRF Direct Loan Benefits

- Interest rate accrual date and minimal first payment
- No Prepayment Penalty
- Project came under budget? Reduce loan by remaining amount at no fee (Principal Reduction)
- Loan repayment schedule flexibility
- Flexible Application Dates



SRF Leveraged Loan Benefits

- Significant interest rate savings (70-80% of the AAA market rate)
- No Continuing Disclosure or EMMA filings - we take care of those requirements
- We handle all Arbitrage Rebate calculations
- Loan repayment schedule flexibility and one simple loan on books
- Access to Bank Trustees and no Trustee Fees



Additional Ways to Access Reduced Interest Rates

- Green Project Reserve
- Disadvantaged Communities



Green Project Reserve (GPR)

- Currently available for clean water projects only (Water Pollution Control Revolving Fund)
- Green Project Reserve Categories:
 - Green infrastructure, Water Efficiency, Energy Efficiency and Environmentally Innovative Activities.
 - Categorically Green Projects - Clearly fall into and fill the GPR categorical definition
 - Business case may be required to demonstrate effectiveness proposed improvements

Green Components costs:



Greater than 15% but less than 20% of project cost.



Equal to or greater than 20% of project cost

Interest rates are:

- 1.5% loan interest rate on loans up to \$3 million
- Loans more than \$3 million, reduced rate on first \$3 million

- 0.5% loan interest rate on loans up to \$3 million
- Loans more than \$3 million, reduced rate on first \$3 million



Case Study #1: WPCRF Leveraged Loan with a GPR component - City of Gunnison

- **Project Description** - The project includes improvements at the existing wastewater treatment facility for the influent pumping, screening, oxidation ditch, secondary clarifiers, UV disinfection, dewatering, composting, SCADA, collection line repair and associated appurtenances.
- **Funding Package** - WPCRF \$9,541,520 @ 1.69%
GPR - \$3M @ 0.5%; Planning - \$10k; D&E - \$300k
(\$9,843,890 in project funds)
Total funding of \$12,851,520
- **Estimated Savings Over Life of Loan** ~ \$800,000
- **Notable Recent Subsidized Interest Rates (2020A)**- 1.28%, 1.29%, 1.59%, 1.60%

Interest rate

1.69% (2.42%
AAA Market Rate)



Disadvantaged Communities

- Population of 10,000 or less
- Meeting certain primary and secondary factors including:
 - Primary
 - Median Household Income (MHI)
 - Median Home Value (MHV)
 - County 24 month unemployment rate or job loss
 - Secondary
 - County Median Household Income (MHI)
 - County 10-year population change
 - Household assessed value
 - Current & projected system debt per tap to MHV
 - System full-cost per tap to MHI



SRF Grant Assistance

Planning Grants

- Up to \$10,000 per project
- Eligible projects: DW/WW/SW governmental entities; DW private, non-profit
- Meet Planning Grant criteria = DAC criteria for 2020
- On Eligibility List
- 20% match requirement
- Requires completed pre-qualification form and pre-qualification meeting

Design and Engineering Grants (D&E)

- Disadvantaged Community
- Eligible projects: DW/WW/SW governmental entities
- Grant size based on project type and expense. Maximum amount: \$300,000
- Requires approved Project Needs Assessment for a feasible project



Principal Forgiveness

- Availability varies, at times may be unavailable. *Currently only available for drinking water projects.*
- Eligibility for and amount of principal forgiveness determined at loan application
- Must be a Category 2 Disadvantaged Community
- Amount of forgiveness ranges from 20%-80% of loan request, current maximum of \$1,000,000



<https://dadsense.co/how-to-get-free-money/>



Principal Forgiveness

Upcoming change in 2022

- Starting January 1, 2022, Category 1 Disadvantaged Communities will also be eligible for Principal Forgiveness
- Amount of forgiveness ranges from 20%-80% of loan request, current maximum of \$400,000



Co-Funding

Challenges

Timing/order of applications/execution

Program requirements

Savings not guaranteed

Potential need for interim/bridge funding

Effort

Additional administrative duties for the entity

Keys to Success

Early planning: Get all potential funders to the table early in the planning process

Communication: Regular communication between applicant and funders



Additional Funding Resources

DOLA

- Community Development Block Grants
- Energy/Mineral Impact Assistance Fund Grants (Administrative, Tier 1 and Tier 2)
- Energy/Mineral Impact Loan Fund
- Small Communities Technical Services Program
- Contact Regional Manager with questions or to apply

WQCD

- Water Quality Improvement Fund Grant
- Small Communities Grant
- Stay informed: <https://colorado.us3.list-manage.com/subscribe?u=cacd027356b7c70aacd2a6529&id=a288b4a596>



Additional Funding Resources

CWRPDA

- Water Revenue Bond Program
- Small Hydropower Loan Program

CWCB

- Loan program and numerous grant programs for projects relating to water supply

USDA

- Grants and loans for drinking water and wastewater projects
- Emergency Community Water Assistance Grant



Additional Federal Funding

- American Rescue Plan
- Future Infrastructure Bill

Sign up to stay informed:

<https://colorado.us3.list-manage.com/subscribe?u=cacd027356b7c70aacd2a6529&id=a288b4a596>



<http://clipart-library.com/clipart/6iy5aR5KT.htm>



Additional Funding Resources

Available Financial Assistance document: <https://drive.google.com/file/d/1mi4VNQhxjcDdRU5jUpGSwVinx5a7X6R1/view?,authuser=0>

DOLA

Regional Manager map and contact information: cdola.colorado.gov/regional-managers

Energy and Mineral Impact Assistance Fund program website: <https://cdola.colorado.gov/funding-programs/energy/mineral-impact-assistance-fund-grant-eiaf>

Community Development Block Grant program website: <https://cdola.colorado.gov/community-development-block-grant>

WQCD

PM map: <https://drive.google.com/file/d/1sgMNYANCinFoRZc7aI2NT5YhW-IN0tDq/view>

SRF: <https://cdphe.colorado.gov/state-revolving-fund-information>

Grants: <https://cdphe.colorado.gov/water-quality/drinking-water-resources-for-water-systems/grants-and-loans/water-quality-grants>

Stay informed: <https://colorado.us3.list-manage.com/subscribe?u=cacd027356b7c70aacd2a6529&id=a288b4a596>

CWRPDA

<https://www.cwrpda.com/>

CWCB

Loans: <https://cwcw.colorado.gov/loans-grants/water-project-loan-program>

Grants: <https://cwcw.colorado.gov/grants>

USDA

Programs and CO office contact information: <https://www.rd.usda.gov/co>



Case Study #2: DWRF Direct Loan - Town of Hot Sulphur Springs

Project Description - The project consists of increasing the treatment capacity at the existing water treatment plant by adding a second skid.

Funding Package:

| | |
|-----------------------------|----------------------------|
| DWRF Direct Loan: | \$200,000 (0.5%; 30 years) |
| DWRF Principal Forgiveness: | \$300,000 |
| Town Reserves: | \$30,000 |
| DWRF D&E Grant: | \$70,000 |
| <u>2020 EIAF Grant:</u> | <u>\$200,000</u> |
| Total Project Cost: | \$800,000 |



Case Study #3: WPCRF Direct Loan with Co-Funding - Town of Peetz

Project Description: Wastewater treatment upgrades (lined lagoons), pump station, & piping.

Total Project Cost: \$3.57M

47% Grant Funding

Funding Package:

| | |
|-----------------------------------|--------|
| WPCRF Loan: | \$1M |
| EIAF Grant: | \$1M |
| Planning/ D&E grant: | \$260K |
| USDA Loan: | \$900K |
| USDA Grant: | \$413K |
| CoBank provided interim financing | |



<https://success.ada.org/en/dental-benefits/member-support-on-third-party-issues>



Questions?



BREAK



Part 2

Discussion of major project milestones, including how to get started in the State Revolving Fund Process

Overview of State Revolving Fund requirements





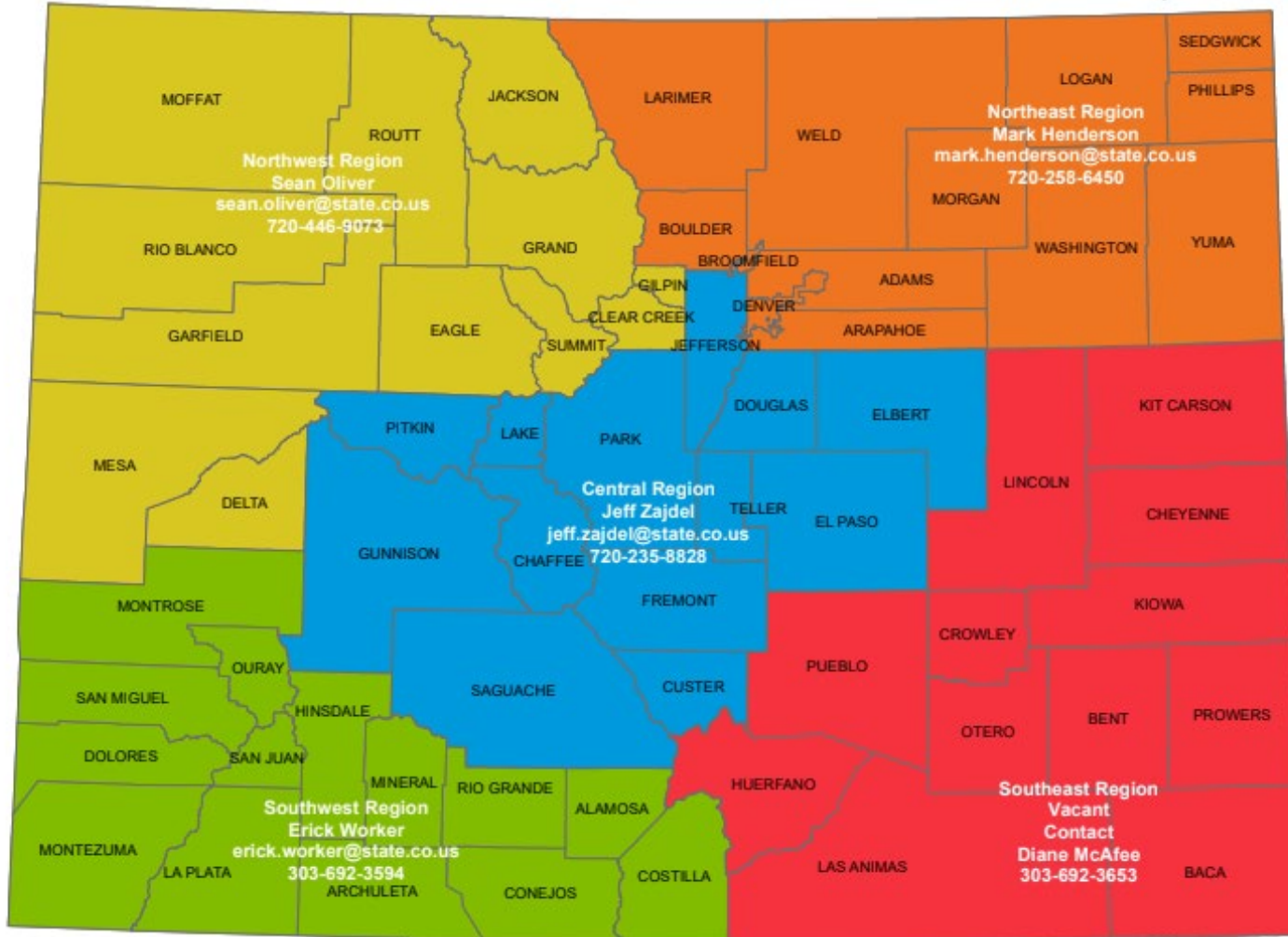
COLORADO
Water Quality Control Division
Department of Public Health & Environment

WQCD Grants and Loans Unit

Project Managers Map

Mark Henderson, Unit Manager, 720-258-6450
Diane McAfee, Program Assistant, 303-692-3653
Matt Alms, NEPA Specialist, 720-263-3743

Updated 01/2021



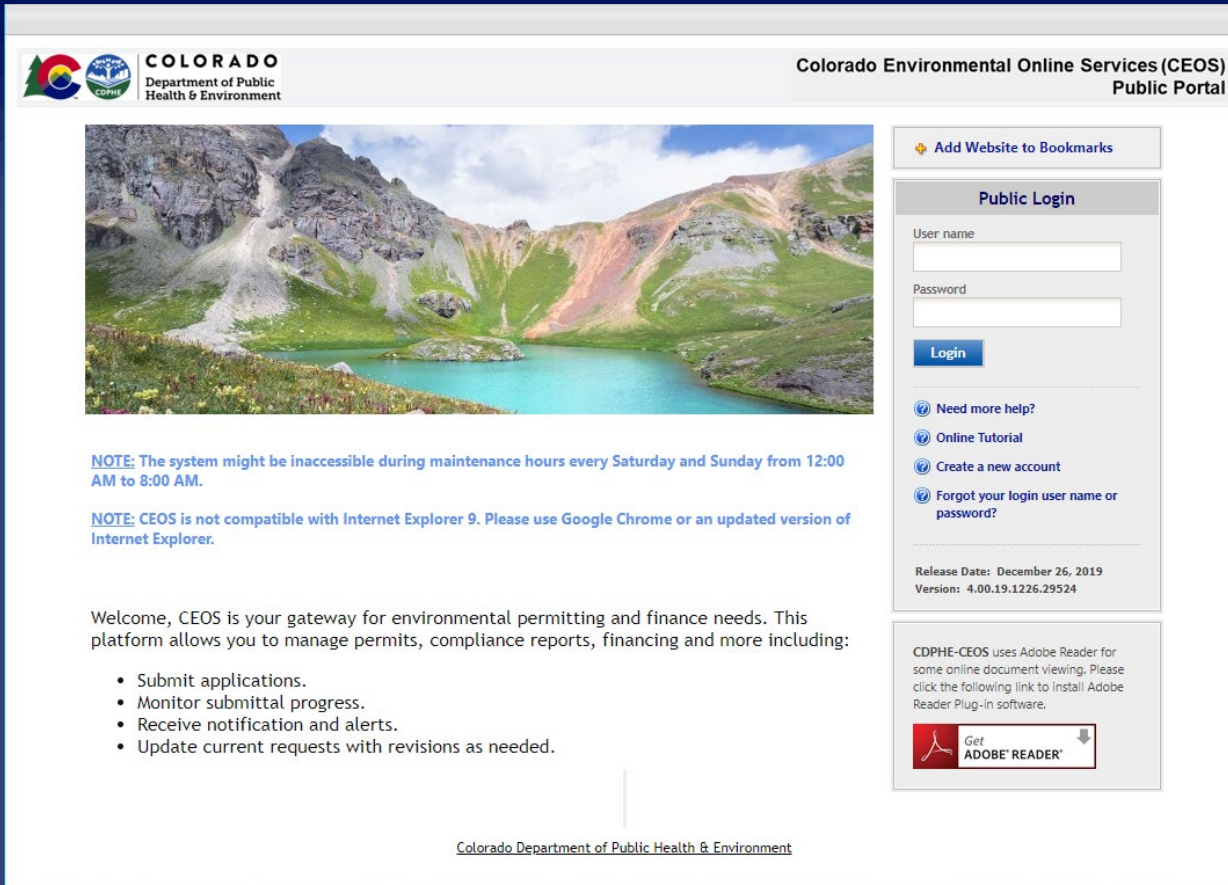
Water Quality Control Division Grants & Loans Unit Project Managers Map

For most up-to-date map:

<https://www.colorado.gov/pacific/cdp/he/wq-grants-and-loans-contacts>



Colorado Environment Online System (CEOS)



COLORADO
Department of Public Health & Environment

Colorado Environmental Online Services (CEOS)
Public Portal

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Public Login

User name

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Release Date: December 26, 2019
Version: 4.00.19.1226.29524

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NOTE: The system might be inaccessible during maintenance hours every Saturday and Sunday from 12:00 AM to 8:00 AM.

NOTE: CEOS is not compatible with Internet Explorer 9. Please use Google Chrome or an updated version of Internet Explorer.

Welcome, CEOS is your gateway for environmental permitting and finance needs. This platform allows you to manage permits, compliance reports, financing and more including:

- Submit applications.
- Monitor submittal progress.
- Receive notification and alerts.
- Update current requests with revisions as needed.

[Colorado Department of Public Health & Environment](#)

- Web based system designed to facilitate the SRF submittals to the SRF agencies using common browsers such as IE, Chrome, Firefox, Safari.
- Developed by WQCD
- Create and manage user accounts

Colorado Environment Online System (CEOS)

Colorado Environmental Online Services (CEOS) Public Portal

Begin submittal

Please select task. Click the "Start" button to create a new submittal or action. You can save a draft at any time.

Category: (All) Division: (All) Keyword: example: construction, air, water, and land... etc.

Search

Water Quality Control Division - Submittal Type List

1 - 14 of 14 displayed, total 0 item(s)

| Favorite | Apply Online | View form | Instruction | Submittal | Program | Division | Description |
|----------|--------------|-----------|-------------|-----------------------------------|-----------------------|--------------------------------|---|
| ♥ | Start | 📄 | 🔗 | DWRF01 - Eligibility Survey | Grants and Loans Unit | Water Quality Control Division | The DWRF eligibility survey is open. This form is submitted annually between June 1 and June 30 for purposes of identifying the 20-year capital improvement needs of all publicly owned water systems throughout the State of Colorado. All municipalities, counties, water and sanitation districts and other special districts are encouraged to participate. Completion of a survey is only the first step towards obtaining funding. It is not an application for funding and it does not obligate an entity to apply for financial assistance; however identifying capital improvement projects is a required prerequisite of securing funding offered through the State Revolving Fund programs. State Revolving Fund grants and loans cannot be extended to applicants who have not completed this important survey. |
| ♥ | Start | 📄 | N/A | DWRF02 - Pre-Qualification | Grants and Loans Unit | Water Quality Control Division | The pre-qualification submittal is the initial step to obtain funding through the state revolving fund program. |
| ♥ | Start | 📄 | N/A | DWRF03 - Project Needs Assessment | Grants and Loans Unit | Water Quality Control Division | The project needs assessment is a required technical document submittal, defining project alternatives, scope, environmental impacts, need and cost. |
| ♥ | Start | 📄 | N/A | DWRF04 - Public Meeting Documents | Grants and Loans Unit | Water Quality Control Division | Both the environmental review process and loan funding process require a process for public involvement and comment. |
| ♥ | Start | 📄 | N/A | DWRF05 - Environmental Assessment | Grants and Loans Unit | Water Quality Control Division | An environmental assessment may be required for compliance with the requirements of the National Environmental Policy Act (NEPA). |
| ♥ | Start | 📄 | N/A | DWRF06 - Process Design Report | Grants and Loans Unit | Water Quality Control Division | Process Design Report (PDR) |

- Submit SRF pre-qualification applications, project needs assessments, loan applications, pay requisitions, change orders, etc.
- Eliminate paper submittals
- Expedited review turn-around times



Major Program Milestones

Eligibility Survey



Pre-Qualification



Project Needs
Assessment (PNA)



Loan Application



Loan Execution



Construction

Environmental Review

- Preliminary Environmental Determination
- Final Environmental Determination
- Environmental Clearance

Design Review

- Design Submittal
- Design Review/ RFI
- Design Approval



Major Program Milestones

Eligibility Survey



Pre-Qualification



Project Needs
Assessment (PNA)



Loan Application



Loan Execution



Construction

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- Preliminary Environmental Determination
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Design Review

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- Design Approval



Annual Eligibility Survey



- **Who:** Municipalities, counties, special districts -
All publicly owned water and sewer systems, private nonprofit water systems, publicly owned stormwater systems.
- **What:** Identify all 20-year capital improvement needs.
- **When:** Survey submittal deadline: **JUNE 30 to be on list for next year**
- **Where:** <https://www.colorado.gov/pacific/cdphe/wq-eligibility-survey>
- **Why:** **Required annually**
 - First step to securing SRF funding.
 - Not an application for funding; just the first step.
 - Does not obligate an entity to apply.



Major Program Milestones

Eligibility Survey



Pre-Qualification



Project Needs
Assessment (PNA)



Loan Application



Loan Execution



Construction

Environmental Review

- Preliminary Environmental Determination
- Final Environmental Determination
- Environmental Clearance

Design Review

- Design Submittal
- Design Review/ RFI
- Design Approval



SRF Requirements - Environmental Review

- At Pre-Qual - Preliminary Env. Determination
- At Project Needs Assessment - Final Env. Determination
 - Categorical Exclusion (CatEx)
 - Environmental Assessment (EA)
 - Finding of No Significant Impact (FONSI)
 - Environmental Impact Statement (EIS)
- Public Participation and Comment Periods
 - All projects - Public meeting with public notification 30 days prior
 - EA/FONSI - State publishes FONSI with 30 day comment period.
- **NO CONSTRUCTION CAN BEGIN UNTIL ENVIRONMENTAL CLEARANCE IS COMPLETE.**



SRF Requirements - Design Review



- Pre-Qual: Preliminary Design Review (eligibility review)
 - Prior or during development of PNA
 - Submit for PELS / Water Quality Planning Targets / Permit considerations
 - Site Application
- Project Needs Assessment:
 - TMF approval for Drinking Water Projects
 - Identify if eligible for Streamline Review and/or Self-Certification
<https://cdphe.colorado.gov/design>
 - GPR Review and Approval
 - PDR Review & Approval
- Loan Application: Submit Final Plans and Specs.
- Loan Execution: Final Design Approval required.



Major Program Milestones

Eligibility Survey



Pre-Qualification



Project Needs
Assessment (PNA)



Loan Application



Loan Execution



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Environmental Review

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- Design Approval



SRF Requirements- Financial Requirements & Covenants

For most borrowers:

- Rate covenant (1.10)
- Additional Bonds Test (1.10)
- Operations & maintenance reserve (3 months of OE)
- General and Bond counsel opinion
- TABOR enterprise status or authorization by election



For some borrowers, as needed:

- Debt Service Reserve Fund (PNPs)
- Rate Stabilization Account (Tap fee reliant entities)



SRF Requirements- Financial Requirements & Covenants

- Annual Compliance Review
 - Submit audited financials by end of July, audits@cwrpda.com
 - Out of compliance - cooperation and communication
 - Compare to DLG's annual Direct Loan Portfolio Monitoring



https://www.clipartkey.com/view/hbRbJx_transparent-accountant-clipart-audit-clipart/



Different Types of Pledges/Enterprise Revenue

- Water



- Sewer



- Stormwater



- Combined (Water & Sewer; Water, Sewer, & Stormwater; etc.)
- All readily available revenue of the enterprise (HOAs/PNPs)
- General Obligation / Property Tax (Generally strongest pledge)
- Sales Tax (cannot pledge only sales tax, must combine with other, not a preferred pledge due to volatility)
- Any combination of the above

Major Program Milestones

Eligibility Survey



Pre-Qualification



Project Needs
Assessment (PNA)



Loan Application



Loan Execution



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SRF Construction Requirements

- Davis Bacon (Prevailing Wages)
- American Iron & Steel
- Archeological & Historic Preservation Act
- Civil Rights & Equal Employment Opportunity, Neutrality in Contracts, OSHA
- Disadvantaged Business Enterprise subcontracting
- Architectural & Engineering Services Procurement (WPCRF Only)
- Signage



Davis Bacon

Borrower's Responsibility

- Lock in the wage decision at bid opening/CMAR construction contract execution.
 - A project can have more than one wage determination, but the primary will be Heavy.
- Certified payrolls checked against wage decision/1444s.
- Payroll must be done weekly.
- Interviews (sample of workers from GC and subs).
- Davis Bacon poster posted at the job site (with EEO poster).
- If any apprentices, check they are in certified program and paid accordingly.

Link to poster: <https://www.dol.gov/whd/regs/compliance/posters/fedprojc.pdf>



American Iron and Steel

All iron and steel products that are 50% or greater by cost must be produced in the U.S.A.

This includes pipes, fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps, restraints, valves, structural steel, reinforced precast concrete, construction materials (roofing, ductwork, doors, fasteners, etc).

It is NOT Buy America, Buy American, Recovery Act, ARRA, etc.



American Iron and Steel

And then of course there are exceptions:

Mechanical

Electrical

Non-construction materials

Examples: pumps, motors, VFDs, valve actuators, flow meters, sensors, SCADA, disinfection systems, membrane filtration, aerators, blowers, etc.



American Iron and Steel

Borrower Responsibility

- Ensure the SRF specs with AIS is included in the contractor's agreement.
- Ensure all iron and steel products provided by the contractor has a certification.

Link to EPA guidance: <https://www.epa.gov/cwsrf/state-revolving-fund-american-iron-and-steel-ais-requirement>



Construction Process

1. Project Bidding
2. Pre-Construction
3. Construction
4. Project Completion



Major Program Milestones Questions?

1. Eligibility Survey



2. Pre-Qualification



3. Project Needs
Assessment



4. Loan Application



5. Loan Execution



6. Construction

Environmental Review

- Preliminary Environmental Determination
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Program Contact Information

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Websites

DOLA - <https://cdola.colorado.gov/>

CWRPDA - <https://www.cwrpda.com/>

WQCD GLU - <https://www.colorado.gov/pacific/cdphe/wq-grants-and-loans>

Colorado Environmental Online Services System (CEOS) -
<http://ceos.colorado.gov/CO/CEOS/Public>

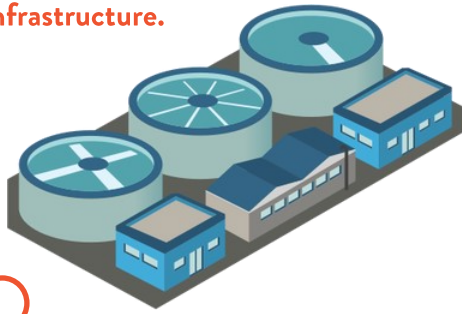




DRINKING WATER REVOLVING FUND

Your DWRF is a proven source of long-term funding for drinking water infrastructure.

2018:
\$111 million
Project capacity



Public and nonprofit entities are eligible

- Cities, towns, counties and other municipalities.
- Political subdivisions.
- Utilities.
- 501(c)(3) nonprofit groups.
- Special districts.



PROJECT TOOLS



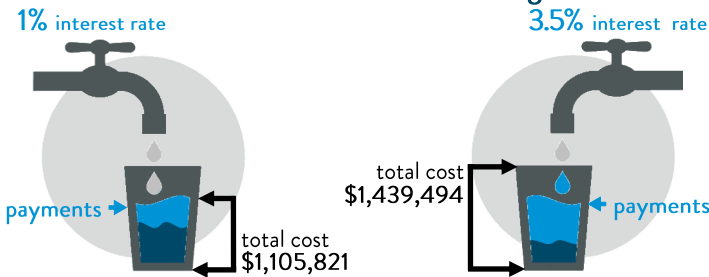
- Planning and design funds.
- Below-market rate construction loans.
- Interim financing.
- Loan forgiveness.
- Technical assistance.



Your repayments are returned to the fund to create a growing source of financing for your future projects.

SAVE BIG WITH DWRF!

Identical \$1,000,000 projects on 20-year terms
DWRF vs Market financing



Total savings \$333,673

Below-market funding is available for everything from planning to construction.



A wide variety of your project needs may be eligible

- New or improved treatment facilities.
- Transmission and distribution lines, including meters.
- Source water (not including dams or reservoirs).
- New or improved storage structures.
- Consolidation or creation of new systems.
- Security and energy efficiency projects.

You benefit from more than just saving with a low interest rate

- Terms up to 30 years.
- Unused portion of direct loan can go to principle.
- Can cover up to 100% of a project.
- Coordinates with other federal and state funding sources.
- No match required.
- Dedicated project manager.
- Repayment may be fixed or variable depending on your needs.
- Low annual debt services.
- Loan repayment doesn't begin until project completion.
- No maximum funding limit.
- Multi-year commitments.
- Repeat borrowing is easier.
- No prepayment penalty.

\$625 million projects funded in Colorado's DWRF history

Special incentives for disadvantaged communities

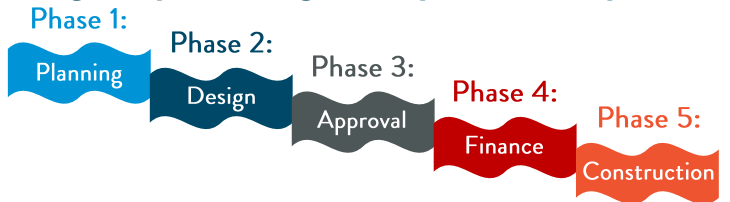
Direct loans for projects up to \$3 million

Leveraged loans for projects over \$3million



A 20-year history of funding Colorado's drinking water infrastructure.

We guide you through each phase of the process



ANY QUESTIONS?

cdphe_grantsandloans@state.co.us

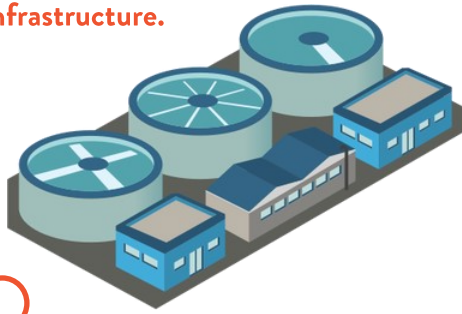
www.colorado.gov/cdphe/wq-grants-and-loans



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PROJECT TOOLS



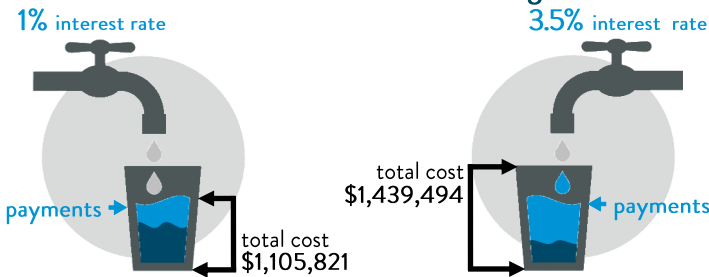
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www.colorado.gov/cdphe/wq-grants-and-loans

| | | 2017 | | | |
|------|--------------------|-------------------|-------------------|--------------------|--|
| Raw | | Backwash | Production | Raw | |
| Jan | 17,418,000 | 446,400 | 5,785,469 | 18,595,000 | |
| Feb | 14,369,000 | 571,200 | 5,878,086 | 17,081,000 | |
| Mar | 17,086,000 | 706,800 | 5,996,817 | 18,387,000 | |
| Apr | 19,267,000 | 648,000 | 6,591,020 | 19,099,000 | |
| May | 22,409,000 | 706,800 | 8,261,699 | 21,327,000 | |
| Jun | 24,054,000 | 576,000 | 8,540,726 | 24,278,000 | |
| July | 26,210,000 | 706,800 | 9,208,190 | 23,876,000 | |
| Aug | 19,176,000 | 9,991,739 | 8,664,610 | 22,877,000 | |
| Sep | 23,829,000 | 13,736,935 | 9,589,293 | 25,219,000 | |
| Oct | 23,017,000 | 669,600 | 8,623,269 | 20,900,000 | |
| Nov | 18,871,000 | 706,800 | 6,035,964 | 19,385,000 | |
| Dec | 18,640,000 | 669,600 | 5,883,105 | 20,120,000 | |
| | 244,346,000 | 30,136,674 | 89,058,248 | 251,144,000 | |
| | 37,591,692 | 4,636,411 | 13,701,269 | 38,637,538 | |

% of raw to backwash or recycled water

63.55%

% of increase in production per year

3.80%

% of production increase in total from 2017 to 2021

Note : information from 2017 to sept of 2020 was copied from hand written notes and ma

| 2018 | | | 2019 | | |
|-------------------|-------------------|--------------------|--------------------|-------------------|--------------------|
| Backwash | Production | Raw | Backwash | Production | Raw |
| 669,600 | 5,981,612 | 21,494,000 | 13,970,125 | 7,013,875 | 23,010,000 |
| 356,101 | 5,567,471 | 18,842,000 | 12,256,860 | 6,075,140 | 19,868,000 |
| 595,200 | 6,303,768 | 21,897,000 | 14,174,565 | 7,212,435 | 19,893,000 |
| 648,000 | 6,155,140 | 22,354,000 | 14,668,065 | 7,175,935 | 22,182,000 |
| 669,600 | 8,567,431 | 20,490,000 | 11,355,591 | 8,624,409 | 28,308,000 |
| 669,600 | 9,803,562 | 23,902,000 | 14,639,088 | 8,752,912 | 24,553,000 |
| 669,600 | 9,969,657 | 26,557,000 | 15,733,772 | 10,313,228 | 24,372,000 |
| 669,600 | 9,476,237 | 28,383,000 | 16,946,044 | 10,926,956 | 21,378,000 |
| 669,600 | 8,645,514 | 22,844,000 | 13,223,770 | 9,110,230 | 18,576,000 |
| 669,600 | 6,609,021 | 22,127,000 | 13,741,204 | 7,875,796 | 12,431,000 |
| 10,345,582 | 8,587,418 | 20,600,000 | 13,166,705 | 6,923,295 | 10,464,000 |
| 12,698,483 | 6,911,517 | 20,793,000 | 13,338,596 | 6,944,404 | 8,085,000 |
| 29,330,566 | 92,578,348 | 270,283,000 | 167,214,385 | 96,948,615 | 233,120,000 |
| 4,512,395 | 14,242,823 | 41,582,000 | 25,725,290 | 14,915,172 | 35,864,615 |
| | 63.14% | | | 64.13% | |
| | | 4.51% | | | 7.51% |

may not be 100% accurate

| 2020 | | | 2021 | | | 2022 | |
|-------------|-------------|--------------------|-------------|-------------|------------|------------|--|
| Backwash | Production | Raw | Backwash | Production | Raw | Backwash | |
| 15,458,095 | 7,551,905 | 12,220,816 | 3,674,528 | 8,468,888 | 18,645,578 | 10,118,820 | |
| 12,981,701 | 6,886,299 | 18,574,647 | 10,918,760 | 7,538,687 | | | |
| 12,643,690 | 7,249,310 | 18,598,312 | 9,881,622 | 8,580,690 | | | |
| 14,433,918 | 7,748,082 | 18,277,779 | 9,294,866 | 8,854,113 | | | |
| 18,475,373 | 9,832,263 | 18,602,275 | 8,442,313 | 8,752,962 | | | |
| 13,587,463 | 10,965,537 | 20,534,667 | 9,464,768 | 9,747,899 | | | |
| 12,784,783 | 11,587,217 | 18,231,755 | 7,176,004 | 10,366,751 | | | |
| 11,166,874 | 10,211,126 | 21,954,012 | 11,901,172 | 9,451,840 | | | |
| 9,582,139 | 8,993,861 | 23,636,802 | 14,281,280 | 8,778,522 | | | |
| 4,137,413 | 8,293,587 | 18,942,613 | 10,430,068 | 7,940,545 | | | |
| 3,225,160 | 7,075,840 | 18,926,130 | 10,644,928 | 8,225,202 | | | |
| -335,799 | 8,420,799 | 16,730,519 | 8,187,372 | 8,124,872 | | | |
| 128,140,810 | 104,815,826 | 225,230,327 | 114,297,681 | 104,830,971 | | | |
| 19,713,971 | 16,125,512 | 34,650,820 | 17,584,259 | 16,127,842 | | | |

55.04%

0.01%

53.46%

15.05%

Production

8,255,733

Water Plant Capacity Projection

| Year | Population | Meets AADD | Meets PDD |
|------|------------|------------|-----------|
| 2022 | 3,600 | Y | Y |
| 2027 | 4,567 | Y | N |
| 2032 | 5,484 | Y | N |
| 2037 | 6,584 | N | N |

AADD= Avg Annual Daily Demand

PDD=Peak Day Demand