



ReWa Board Meeting
February 9, 2021



Trunk and Treatment Rate Structure Change

ReWa Strategic Plan

- Established in 2017
- Critical Objectives
 - Invest in employees
 - Manage assets – infrastructure reliability
 - Increase awareness and understanding
 - Maintain financial viability – needs & affordability
 - Enhance practices – quality products & services

Rate History: 2016 to Present

- Rate increase in 2018

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Base charge per month	\$ 11.00	\$ 11.00	\$ 12.00	\$ 12.00	\$ 12.00	\$ 12.00
Volume charge/1k gallons						
Residential	5.61	5.61	5.86	5.86	5.86	5.86
Commercial	5.33	5.33	5.57	5.57	5.57	5.57
CIP spend	\$ 42.5M	\$ 44.3M	\$ 50.6M	\$ 50.1M	\$ 73.0M	\$ 80.0M
Cumulative CIP spend						\$ 340.5M

In FY17, rate projections for FY18 - FY20 were based on an average of \$60 million annual CIP

Reasons for Rate Increase

- Wet weather impacts
- Investment in infrastructure needs
- Aging infrastructure
- Growth/capacity needs
- Regulatory impacts
- SCRS costs

Proposed FY21 – 25 Capital Improvements Plan Summary

(in Millions)

Budget Category	FY21	FY22	FY23	FY24	FY25	5-Yr Total
Capitalized Salaries	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 1.5	\$ 7.5
Conveyance System: Lines	22.3	10.0	19.7	17.4	23.1	92.5
Conveyance System: PS and FM	9.3	9.6	9.3	15.0	13.5	56.7
Information Technology	1.4	1.3	1.3	1.3	1.3	6.6
New Service Area	13.2	24.3	15.8	9.0	0.7	63.0
Other Priority Projects	4.5	5.3	8.0	4.3	1.3	23.4
Retail Collection System	0.9	0.2	2.1	0.7	0.1	4.0
System Planning	4.5	2.2	1.1	0.8	0.8	9.4
WRRF Facilities	22.4	25.2	20.8	29.9	37.5	135.8
	\$ 80.0	\$ 79.6	\$ 79.6	\$ 79.9	\$ 79.8	\$ 398.9

Proposed Rate Increase

- Two-year base charge phase-in
 - 50% in 2022 & remainder in 2023
 - Rate Increases
 - Jan 1, 2022: **7.0%** (Volume-Only)
 - Jan 1, 2023: **4.6%** (Volume-Only)
 - Average 4K gallon residential customer increase
 - Jan 1, 2022: \$2.02, 5.70%
 - Jan 1, 2023: \$1.89, 5.05%
- **Note: Unused Capacity phase-out**

Proposed Base and Volume Charges

	FY20	FY21	FY22	FY23	FY24
Base Charges					
5/8" / 3/4"	\$ 12.00	\$ 12.00	\$ 12.38	\$ 12.75	\$ 12.75
1"	12.00	12.00	15.92	19.83	19.83
1.5"	12.00	12.00	24.78	37.55	37.55
2"	12.00	12.00	35.41	58.81	58.81
3"	12.00	12.00	60.21	108.41	108.41
4"	12.00	12.00	95.64	179.27	179.27
6"	12.00	12.00	184.21	356.42	356.42
8"	12.00	12.00	290.50	569.00	569.00
Volume Charges					
Residential (1)	\$ 5.86	\$ 5.86	\$ 6.27	\$ 6.56	\$ 6.56
Commercial (1)	5.57	5.57	5.96	6.23	6.23
Industrial (2)	5.86	5.86	6.27	6.56	6.56
(1) Represents volume charges per 1,000 gallons of metered water					
(2) Represents volume charges per 1,000 gallons of metered wastewater					

Meter Size Breakdown (FY19 Estimate)

	Residential	Commercial	Industrial (W Meter)	Industrial (WW Meter)	Total	%
5/8" / 3/4"	126,781	8,010	11	5	134,807	95.9%
1"	66	2,695	13	9	2,783	2.0%
1.5"	4	1,796	11	5	1,816	1.3%
2"	-	788	13	11	812	0.6%
3"	-	203	4	23	230	0.2%
4"	-	45	6	10	61	0.0%
6"	-	4	3	5	12	0.0%
8"	-	8	-	6	14	0.0%
Total	126,851	13,549	61	74	140,535	100.0%

Questions?

