

KENTUCKY GUIDE 7
MAY 1998

SUMMARY ADDENDUM
TO
PRELIMINARY ENGINEERING REPORT

DATED May 31, 2018

FOR

KY 192/KY 1003 Waterline Replacements & Sandy Gap/Dixie Bend P.S. Replacement Project
(Name of Project)

APPLICANT CONTACT PERSON: Morris Vaughn, (Manager)

APPLICANT PHONE NUMBER: (606) 678-5501

APPLICANT TAX IDENTIFICATION NUMBER (TIN): 61-128354

ITEMS IN BOLD ITALIC PRINT ARE APPLICABLE TO SEWER SYSTEMS.

In order to avoid unnecessary delays in application processing, the applicant and its consulting engineer should prepare a summary of the preliminary report in accordance with this Guide.

Please complete the applicable sections of the Summary Addendum. ***Please note, if water and sewer revenue will both be taken as security for the loan, all user information and characteristics of both utility systems will be needed even though the project will benefit only one utility.***

Feasibility reviews and grant determinations may be processed more accurately and more rapidly if the Summary/Addendum is submitted simultaneously with the preliminary engineering report, or as soon thereafter as possible.

I. GENERAL

- A. Proposed Project: Provide a brief description of the proposed project. In addition to this summary, the applicant/engineer should submit a project map of the service area.

The primary focus of this project is to replace existing water lines and booster pump stations with new lines and pump stations. Waterlines along KY 192 and KY 1003 have given the Association problems over the years with leaks and breaks due to the lines being undersized and the increased demand in the system. These lines will be replaced and upgraded from 4" PVC, SDR-26 pipe to 8" PVC, SDR-17 and 8" D.I., CL350 pipe along KY 192 and to 6" D.I., CL350 along KY 1003. These lines will be far less susceptible to breaks and leaks due to the upgrade in pressure classification, which currently plague the existing PVC, SDR-26 lines. The new line will also provide increased hydraulic capacity to serve the extents of SWA's system for many years to come. A regulating station and new 4" PVC, SDR-17 waterline on Blaze Valley Road will also be constructed in this project. The connector will let SWA abandon a creek crossing that has caused problems for many years.

Along with the line replacements and installations, the KY 192, Sandy Gap, and Dixie Bend Pump Stations will be replaced, and the pumps at the existing Dahl Pump Station will be upgraded. The three pump stations have performed well, but have reached the end of their usable lives due to increased demands in these areas of the system. The three pump stations currently are located below ground and will be replaced with above ground pump stations to allow for more work space and ease of access for site checks at the pump stations. During the original construction of Dahl Pump Station, it was known that the pumps would need to be upgraded at some point in the future and the building was designed for that scenario. New, more efficient pumps will be installed in the Dahl Pump Station, and all pump stations will be equipped with telemetry communications to allow for the Association to save on operational costs of these pump stations. With these new and upgraded stations, Southeastern Water Association will now be able to reliably and efficiently provide water across the system for the foreseeable future without issue.

II. FACILITY CHARACTERISTICS OF EXISTING SEWER SYSTEM – N/A

A. Sewage Treatment:

1. Type _____

2. Method of Sludge Disposal _____

3. Cost per 1,000 gallons if sewage treatment is contracted:

\$ _____

4. Date Constructed _____

B. Treatment Capacity of Sewage Treatment Plant _____

C. Type of Sewage Collector System (Describe) _____

D. Number and Capacity of Sewage Lift Stations _____

E. Sewage Collection System:

Lineal Feet of Collector Lines, by size 6" _____ 8" _____

10" _____ 12" _____, Larger _____

Date(s) Constructed _____

F. Conditions of Existing System: Briefly describe the conditions and suitability for continued use of facility now owned by the applicant. Include any major renovation that will be needed within five to ten years.

III. FACILITY CHARACTERISTICS OF EXISTING WATER SYSTEM

- A. Water Source: Describe adequacy of source (quality and quantity). Include an explanation of raw water source, raw water intake structure, treatment plant capacity, and current level of production (WTP). Also describe the adequacy of Water Purchase Contract if applicable.

Southeastern Water Association purchases all of its treated water from Somerset Utilities. Southeastern Water Association does not own or operate its own water treatment plant (WTP). The treatment plant operated by Somerset Utilities treats water from Lake Cumberland. The Somerset WTP has a designed treatment capacity of 10 MGD, but is currently undergoing a second major expansion to increase the treatment capacity to 16.0 MGD. The Somerset WTP is currently averaging a production rate of 7.25 MGD with a peak production of 9.92 MGD.

If the applicant purchases water:

Seller(s):

1. Somerset Utilities
2. _____
3. _____

Price/1,000 gallons:

1. \$ 2.50
2. _____
3. _____

Present Estimated Market Value of Existing System: \$ 34,753,232*

* Value obtained from 2016 Audited Financial Statement, pg. 9

B. Water Storage:

Type:	Ground Storage Tank	3	Elevated Tank	5
	Standpipe	3	Other	0
Number of Storage Structures		11		
Total Storage Volume Capacity		1,700,000 gallons		
Date Storage Tank(s) Constructed		1970-2008		

C. Water Distribution System:

Pipe Material	Ductile Iron, PVC			
Linear Feet of Pipe:	2" Diameter	20,189	3"	1,065,313
	4"	498,485	6"	668,519
	8"	42,287	12"	1,205
	16"	20,034		

Date(s) Water Lines Constructed Ongoing improvements since 1970.

Number and Capacity of Pump Station(s) 11 booster pump stations ranging from 80 to 550 GPM.

D. Condition of Existing Water System:

Briefly describe the condition and suitability for continued use of facility now owned by the applicant. Include any major renovation that will be needed within five to ten years.

A majority of the existing distribution system was constructed prior to the merger that created Southeastern Water Association. Since then, only a select few of the distribution system lines and components have been replaced. Several waterlines have been extended to the outskirts of eastern Pulaski County, which puts more stress on these existing lines due to the increased demand throughout the system. The existing lines that are to be replaced in this project have a lower pressure classification than what is needed to carry the demand in the system in an efficient manner. These lines need to be replaced to avoid further leaks and breaks due to high pressure. With these line and pump station replacements, Southeastern Water Association will be improving their system for future demand needs and growth.

E. Percentage of Water Loss Existing System 13.8%

IV. EXISTING LONG-TERM INDEBTEDNESS

A. List of Bonds and Notes:

<u>Date of Issue</u>	<u>Bond/Note Holder</u>	<u>Principal Balance</u>	<u>Payment Date</u>	<u>Bond Type Water/Sewer*</u>	<u>Amount on Deposit in Reserve Account</u>
<u>1995 Issue</u>	<u>RD</u>	<u>\$ 136,000</u>	<u>9/14</u>	<u>100% / 0%</u>	<u>\$ _____</u>
<u>1995 Issue</u>	<u>RD</u>	<u>\$ 237,000</u>	<u>9/14</u>	<u>100% / 0%</u>	<u>\$ _____</u>
<u>1997 Issue</u>	<u>RD</u>	<u>\$ 165,100</u>	<u>2/12</u>	<u>100% / 0%</u>	<u>\$ _____</u>
<u>1997 Issue</u>	<u>RD</u>	<u>\$ 250,000</u>	<u>2/12</u>	<u>100% / 0%</u>	<u>\$ _____</u>
<u>2004 Issue</u>	<u>RD</u>	<u>\$ 1,833,000</u>	<u>9/17</u>	<u>100% / 0%</u>	<u>\$ _____</u>
<u>2006 Issue</u>	<u>RD</u>	<u>\$ 2,754,000</u>	<u>11/8</u>	<u>100% / 0%</u>	<u>\$ _____</u>
<u>2011 Issue</u>	<u>RD</u>	<u>\$ 3,995,000</u>	<u>2/2</u>	<u>100% / 0%</u>	<u>\$ _____</u>
<u>2015 Issue</u>	<u>KRWA</u>	<u>\$ 2,980,000</u>	<u>3/10</u>	<u>100% / 0%</u>	<u>\$ _____</u>

* If a combined issue, show attributable portion to each system.

B. Principal and Interest Payments: (Begin with Next Fiscal Year Payment)

<u>Date of Issue</u>	<u>Bond/Note Holder</u>	<u>Payment Year 2019</u> <u>Principal & Interest Payment</u>		<u>Payment Year 2020</u> <u>Principal & Interest Payment</u>		<u>Payment Year 2021</u> <u>Principal & Interest Payment</u>	
<u>1995 Issue</u>	<u>RD</u>	<u>\$6,600</u>		<u>\$6,600</u>		<u>\$6,600</u>	
<u>1995 Issue</u>	<u>RD</u>	<u>\$12,660</u>		<u>\$12,660</u>		<u>\$12,660</u>	
<u>1997 Issue</u>	<u>RD</u>	<u>\$8,100</u>		<u>\$8,100</u>		<u>\$8,100</u>	
<u>1997 Issue</u>	<u>RD</u>	<u>\$12,636</u>		<u>\$12,636</u>		<u>\$12,636</u>	
<u>2004 Issue</u>	<u>RD</u>	<u>\$101,736</u>		<u>\$101,736</u>		<u>\$101,736</u>	
<u>2006 Issue</u>	<u>RD</u>	<u>\$149,964</u>		<u>\$149,964</u>		<u>\$149,964</u>	
<u>2011 Issue</u>	<u>RD</u>	<u>\$160,799</u>		<u>\$160,799</u>		<u>\$160,799</u>	
<u>2015 Issue</u>	<u>KRWA</u>	<u>\$140,000</u>	<u>\$89,948</u>	<u>\$140,000</u>	<u>\$85,748</u>	<u>\$145,000</u>	<u>\$81,473</u>
<u>Total P&I</u>		<u>\$682,443</u>		<u>\$678,243</u>		<u>\$678,968</u>	

V. EXISTING SHORT-TERM INDEBTEDNESS

A. List of All Short Term Debts: (Do Not Show Any Debt Listed in Paragraph IV Above)

<u>Lender or Lessor</u>	<u>Date of Issue (Month & Year)</u>	<u>Principal Balance</u>	<u>Purpose (Water and/ or Sewer)</u>	<u>Payment Date</u>	<u>Principal & Interest Payment (P&I)</u>	<u>Date to Be Paid In Full</u>
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

VI. LAND AND RIGHTS - EXISTING SYSTEM(S)

Number of Treatment Plant Sites:	Water	<u>0</u>	<i>Sewer</i>
Number of Storage Tank Sites	Water	<u>11</u>	<i>Sewer</i>
Number of Pump Stations:	Water	<u>11</u>	<i>Sewer</i>
Total Acreage:	Water	<u>6.04 Acre</u>	<i>Sewer</i> <u> Acres</u>
Purchase Price:	Water	\$ <u>311,000</u>	<i>Sewer</i>

VII. NUMBER OF EXISTING USERS

	<i>Water</i>	<i>Sewer</i>
Residential (In Town)*	<u>7,442</u>	<u>N/A</u>
Residential (Out of Town)*	<u>0</u>	<u>“</u>
Non-Residential (In Town)	<u>0</u>	<u>“</u>
Non-Residential (Out of Town)	<u>0</u>	<u>“</u>
Total**	<u>7,442</u>	<u>“</u>
Number to Total Potential Users Living in the Service Area	<u>8,680</u>	<u>“</u>

*Note: Residential Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residence.

** Data obtained from 2016 PSC Report

VIII. CURRENT WATER AND SEWER CONNECTION FEES FOR EACH SIZE WATER METER CONNECTION

<u>Meter Size</u>	<u>Water Connection Fee</u>	<u>Sewer Connection Fee</u>
5/8" x 3/4"	\$ 515.00	\$ N/A
Larger Meters	Actual Cost	\$

IX. SEWER RATES - EXISTING SYSTEM - N/A

Percentage of Water Bill _____ % Minimum Charge \$ _____

Other: (If Charge Not Based on Water Bill) _____

Date This Rate Went Into Effect _____

X. WATER RATES - EXISTING SYSTEM

Existing Rate Schedule:

Meter Size: 5/8" x 3/4"

First	<u>2,000</u>	Gallons @	<u>\$ 25.15</u>	Minimum bill.
Over	<u>2,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Date This Rate Went Into Effect August 1, 2012

Meter Size: 1"

First	<u>5,000</u>	Gallons @	<u>\$ 57.85</u>	Minimum bill.
Over	<u>5,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Date This Rate Went Into Effect August 1, 2012

Meter Size: 1 1/2"

First	<u>10,000</u>	Gallons @	<u>\$ 112.35</u>	Minimum bill.
Over	<u>10,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Date This Rate Went Into Effect August 1, 2012

Meter Size: 2"

First	<u>20,000</u>	Gallons @	<u>\$ 221.35</u>	Minimum bill.
Over	<u>20,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Date This Rate Went Into Effect August 1, 2012

Meter Size: 3"

First	<u>30,000</u>	Gallons @	<u>\$ 330.35</u>	Minimum bill.
Over	<u>30,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Date This Rate Went Into Effect August 1, 2012

Meter Size: 4"

First	<u>50,000</u>	Gallons @	<u>\$ 548.35</u>	Minimum bill.
Over	<u>50,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Date This Rate Went Into Effect August 1, 2012

Meter Size: 6"

First	<u>100,000</u>	Gallons @	<u>\$ 1,093.35</u>	Minimum bill.
Over	<u>100,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Date This Rate Went Into Effect August 1, 2012

Wholesale Rate.....\$3.69 per 1,000 Gallons.

Date This Rate Went Into Effect: August 1, 2012

XI. ANALYSIS OF ACTUAL SEWER USAGE - EXISTING SYSTEM - 12 MONTH PERIOD

For Period N/A to N/A .

All Meter Sizes

<u>Monthly Sewer Usage</u>	<u>Average</u>	<u>Residential</u>		<u>Non-Residential</u>	
		<u>No. of Users</u>	<u>Usage (1000)</u>	<u>No. of Users</u>	<u>Usage (1000)</u>
0 - 2,000 Gallons	1,000	_____	_____	_____	_____
2,000 - 3,000 Gallons	2,500	_____	_____	_____	_____
3,000 - 4,000 Gallons	3,500	_____	_____	_____	_____
4,000 - 5,000 Gallons	4,500	_____	_____	_____	_____
5,000 - 6,000 Gallons	5,500	_____	_____	_____	_____
6,000 - 7,000 Gallons	6,500	_____	_____	_____	_____
7,000 - 8,000 Gallons	7,500	_____	_____	_____	_____
8,000 - 9,000 Gallons	8,500	_____	_____	_____	_____
9,000 - 10,000 Gallons	9,500	_____	_____	_____	_____
10,000 - 11,000 Gallons	10,500	_____	_____	_____	_____
11,000 - 12,000 Gallons	11,500	_____	_____	_____	_____
12,000 - 13,000 Gallons	12,500	_____	_____	_____	_____
13,000 - 14,000 Gallons	13,500	_____	_____	_____	_____
14,000 - 15,000 Gallons	14,500	_____	_____	_____	_____
15,000 - 16,000 Gallons	15,500	_____	_____	_____	_____
16,000 - 17,000 Gallons	16,500	_____	_____	_____	_____
17,000 - 18,000 Gallons	17,500	_____	_____	_____	_____
18,000 - 19,000 Gallons	18,500	_____	_____	_____	_____
19,000 - 20,000 Gallons	19,500	_____	_____	_____	_____
_____ - _____ Gallons	_____	_____	_____	_____	_____
_____ - _____ Gallons	_____	_____	_____	_____	_____
_____ - _____ Gallons	_____	_____	_____	_____	_____
	Total	() ()	() ()	() ()	() ()
	Average Usage	() ()	() ()	() ()	() ()

XII. ANALYSIS OF ACTUAL WATER USAGE - EXISTING SYSTEM - 12 MONTH PERIOD

For Period January 1, 2016 to December 31, 2016

5/8" x 3/4" Meters			Residential		Non-Residential	
Usage Bracket	Unit	Average	No. of Users	Usage (1,000 Gal.)	No. of Users	Usage (1,000 Gal.)
0 - 2,000	Gallons	0	830	0	13	0
2,000 - Over	Gallons	3,680	6,455	278,061.0	134	13,132.6
		Subtotal	7,285	278,061.0	147	13,132.6

1" Meters			Residential		Non-Residential	
Usage Bracket	Unit	Average	No. of Users	Usage (1,000 Gal.)	No. of Users	Usage (1,000 Gal.)
0 - 5,000	Gallons	0	0	0	2	0
5,000 - Over	Gallons	22,110	0	0	4	1,194.2
		Subtotal	0	0	6	1,194.2

1 1/2" Meters			Residential		Non-Residential	
Usage Bracket	Unit	Average	No. of Users	Usage (1,000 Gal.)	No. of Users	Usage (1,000 Gal.)
0 - 10,000	Gallons	0	0	0	0	0
10,000 - Over	Gallons	0	0	0	0	0
		Subtotal	0	0	0	0

2" Meters			Residential		Non-Residential	
Usage Bracket	Unit	Average	No. of Users	Usage (1,000 Gal.)	No. of Users	Usage (1,000 Gal.)
0 - 20,000	Gallons	0	0	0	2	0
20,000 - Over	Gallons	38,760	0	0	2	930.3
		Subtotal	0	0	4	930.3

3" Meters			Residential		Non-Residential	
Usage Bracket	Unit	Average	No. of Users	Usage (1,000 Gal.)	No. of Users	Usage (1,000 Gal.)
0 - 30,000	Gallons	0	0	0	0	0
30,000 - Over	Gallons	0	0	0	0	0
		Subtotal	0	0	0	0

4" Meters			Residential		Non-Residential	
Usage Bracket	Unit	Average	No. of Users	Usage (1,000 Gal.)	No. of Users	Usage (1,000 Gal.)
0 - 50,000	Gallons	0	0	0	0	0
50,000 - Over	Gallons	0	0	0	0	0
		Subtotal	0	0	0	0

6" Meters			Residential		Non-Residential	
Usage Bracket	Unit	Average	No. of Users	Usage (1,000 Gal.)	No. of Users	Usage (1,000 Gal.)
0 - 100,000	Gallons	0	0	0	0	0
100,000 - Over	Gallons	0	0	0	0	0
		Subtotal	0	0	0	0

Total Water Purchased
Total Water Sold

512,474,000 Gallons
306,886,000 Gallons

XIII. FACILITY CHARACTERISTICS OF PROPOSED SEWER SYSTEM – N/A

A. Sewage Treatment:

1. Type _____

2. Method of Sludge Disposal _____

3. Cost per 1,000 gallons if sewage treatment is contracted:
\$ _____

B. Treatment Capacity of Sewage Treatment Plant _____

C. Type of Sewage Collector System (Describe) _____

D. Number and Capacity of Sewage Lift Stations _____

E. Sewage Collection System:

Lineal Feet of Collector Lines, by size 6" _____ 8" _____
10" _____ 12" _____, Larger _____

XIV. LAND AND RIGHTS - PROPOSED SEWER SYSTEM – N/A

Number of Treatment Plant Sites _____

Number of Pump Sites _____

Number of Other Sites _____

Total Acreage _____ **Acres**

Purchase Price \$ _____

XV. FACILITY CHARACTERISTICS OF PROPOSED WATER SYSTEM

- A. Water Source: Describe adequacy of source (quality and quantity). Include an explanation of raw water source, raw water intake structure, treatment plant capacity, and current level of production (WTP). Also describe the adequacy of Water Purchase Contract if applicable.

The City of Somerset is the regional provider of treated water in Pulaski County. The raw water is sourced from Lake Cumberland, has essentially unlimited quantity along with excellent quality. SWA purchases all of its treated water from Somerset at a wholesale rate for distribution in their system through eight (8) separate interconnects around the eastern border of the City. The Somerset Water Treatment Plant (WTP) is located along the banks of Lake Cumberland between U.S. 27 and Old Monticello Road. The plant was originally constructed in 1957 with the first major expansion occurring in 1996 that increased the rated capacity to 10.0 Million Gallons per Day (MGD). The WTP is currently undergoing a second major expansion that will increase the rated treatment capacity to 16.0 MGD, with the ability to easily expand to 20.0 MGD in the future. The current average daily production is approximately 7.25 MGD.

- B. Water Storage:

Type: Ground Storage Tank 0 Elevated Tank 0
 Standpipe 0 Other _____
 Number of Storage Structures 0
 Total Storage Volume Capacity 0

- C. Water Distribution System:

Pipe Material PVC, Ductile Iron
 Lineal Feet of Pipe: 2" Diameter _____ 3" 900
 4" 4,150 _____ 6" 7,800
 8" 31,600 _____ 10" _____

Number and Capacity of Pump Station(s) Three (3) New Pump Stations @ 150, 200, 350 GPM respectively & One (1) Pump Station Rehab @ 250 GPM

XVI. LAND AND RIGHTS - PROPOSED WATER SYSTEM

Number of Treatment Plant Sites	0
Number of Pump Sites	2
Number of Other Sites	1
Total Acreage	0.2
Purchase Price	\$4,000

XVII. NUMBER OF NEW SEWER USERS – N/A

*Residential (In Town) **

*Residential (Out of Town) **

Non-Residential (In Town)

Non-Residential (Out of Town)

Total

Number to Total Potential Users Living in the Service Area

**Note: Residential Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residences.*

XVIII. PROPOSED SEWER CONNECTION FEES FOR EACH SIZE WATER METER CONNECTION – N/A

<u>Meter Size</u>	<u>Connection Fee</u>
<u>5/8" x 3/4"</u>	<u>\$</u>
<u>1 - Inch</u>	<u>\$</u>
<u>1-1/2 Inch</u>	<u>\$</u>
<u>2 - Inch</u>	<u>\$</u>
<u>3 - Inch</u>	<u>\$</u>
<u>4 - Inch</u>	<u>\$</u>
<u>5 - Inch</u>	<u>\$</u>
<u>6 - Inch</u>	<u>\$</u>

XIX. NUMBER OF NEW WATER USERS

Residential (In Town)*	0
Residential (Out of Town)*	0
Non-Residential (In Town)	0
Non-Residential (Out of Town)	0
Total	0
Number to Total Potential Users Living in the Service Area	0

*Note: Residential Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residences.

XX. PROPOSED WATER CONNECTION FEES FOR EACH SIZE WATER METER CONNECTION:

<u>Meter Size</u>	<u>Connection Fee</u>
<u>5/8" x 3/4"</u>	<u>\$ 515.00</u>
<u>Larger Meters</u>	<u>\$ Actual Cost</u>

XXI. SEWER RATES – PROPOSED – N/A

A. Proposed Rate Schedule without RUS Grant:

Percentage of Water Bill _____ % Minimum Charge \$ _____

Other: (If Charge Not Based on Water Bill) _____

Proposed Rate Schedule: (Without RUS Grant)

<i>First</i>	_____	Gallons @ \$ _____	Minimum.
<i>Next</i>	_____	Gallons @ \$ _____	per 1,000 Gallons.
<i>Next</i>	_____	Gallons @ \$ _____	per 1,000 Gallons.
<i>Next</i>	_____	Gallons @ \$ _____	per 1,000 Gallons.
<i>Next</i>	_____	Gallons @ \$ _____	per 1,000 Gallons.
<i>Next</i>	_____	Gallons @ \$ _____	per 1,000 Gallons.
<i>All Over</i>	_____	Gallons @ \$ _____	per 1,000 Gallons.

The above proposed rate, without RUS grant, must be completed for each grant. If the applicant/engineer desires, there is no objection to recommending a proposed rate with an estimated RUS grant in the Table below. However, the preparer should remember that the Table (A) above must be completed prior to Table (B).

B. Recommended Rate Schedule with RUS Grant:

Percentage of Water Bill _____ % Minimum Charge \$ _____

Other: (If Charge Not Based on Water Bill) _____

Recommended Rate Schedule: (With RUS Grant)

<i>First</i>	_____	Gallons @ \$ _____	Minimum.
<i>Next</i>	_____	Gallons @ \$ _____	per 1,000 Gallons.
<i>Next</i>	_____	Gallons @ \$ _____	per 1,000 Gallons.
<i>Next</i>	_____	Gallons @ \$ _____	per 1,000 Gallons.
<i>Next</i>	_____	Gallons @ \$ _____	per 1,000 Gallons.
<i>Next</i>	_____	Gallons @ \$ _____	per 1,000 Gallons.
<i>All Over</i>	_____	Gallons @ \$ _____	per 1,000 Gallons.

If more than one rate, use additional sheets.

XXII. WATER RATES - PROPOSED

A. Proposed Rate Schedule without RUS Grant: (0.00% Increase)

Meter Size: 5/8" x 3/4"

First	<u>2,000</u>	Gallons @	<u>\$ 25.15</u>	Minimum bill.
Over	<u>2,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Meter Size: 1"

First	<u>5,000</u>	Gallons @	<u>\$ 57.85</u>	Minimum bill.
Over	<u>5,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Meter Size: 1 1/2"

First	<u>10,000</u>	Gallons @	<u>\$ 112.35</u>	Minimum bill.
Over	<u>10,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Meter Size: 2"

First	<u>20,000</u>	Gallons @	<u>\$ 221.35</u>	Minimum bill.
Over	<u>20,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Meter Size: 3"

First	<u>30,000</u>	Gallons @	<u>\$ 330.35</u>	Minimum bill.
Over	<u>30,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Meter Size: 4"

First	<u>50,000</u>	Gallons @	<u>\$ 548.35</u>	Minimum bill.
Over	<u>50,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Meter Size: 6"

First	<u>100,000</u>	Gallons @	<u>\$ 1,093.35</u>	Minimum bill.
Over	<u>100,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Wholesale Rate.....\$3.69 per 1,000 Gallons.

The above proposed rate, without RUS grant, must be completed for each grant. If the applicant/engineer desires, there is no objection to recommending a proposed rate with an estimated RUS grant in the Table below. However, the preparer should remember that the Table (A) above must be completed prior to Table (B).

B. Recommended Rate Schedule with RUS Grant: (0.00% Increase)

Meter Size: 5/8" x 3/4"

First	<u>2,000</u>	Gallons @	<u>\$ 25.15</u>	Minimum bill.
Over	<u>2,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Meter Size: 1"

First	<u>5,000</u>	Gallons @	<u>\$ 57.85</u>	Minimum bill.
Over	<u>5,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Meter Size: 1 1/2"

First	<u>10,000</u>	Gallons @	<u>\$ 112.35</u>	Minimum bill.
Over	<u>10,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Meter Size: 2"

First	<u>20,000</u>	Gallons @	<u>\$ 221.35</u>	Minimum bill.
Over	<u>20,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Meter Size: 3"

First	<u>30,000</u>	Gallons @	<u>\$ 330.35</u>	Minimum bill.
Over	<u>30,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Meter Size: 4"

First	<u>50,000</u>	Gallons @	<u>\$ 548.35</u>	Minimum bill.
Over	<u>50,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Meter Size: 6"

First	<u>100,000</u>	Gallons @	<u>\$ 1,093.35</u>	Minimum bill.
Over	<u>100,000</u>	Gallons @	<u>\$ 10.90</u>	Per 1,000 Gallons.

Wholesale Rate.....\$3.69 per 1,000 Gallons.

**XXIII. FORECAST OF SEWER USAGE - INCOME - EXISTING SYSTEM - EXISTING
USERS - N/A**

<u>Meter Size*</u>	<u>Monthly Sewer Usage</u>	<u>Average Rate</u>	<u>Residential</u>		<u>Non-Residential</u>	
			<u>No. of Users**</u>	<u>Usage (1000)</u>	<u>Income</u>	<u>No. of Users</u>
<u>Income</u>						<u>Usage (1000)</u>
	0 - 2,000 Gallons	1,000				
	2,000 - 3,000 Gallons	2,500				
	3,000 - 4,000 Gallons	3,500				
	4,000 - 5,000 Gallons	4,500				
	5,000 - 6,000 Gallons	5,500				
	6,000 - 7,000 Gallons	6,500				
	7,000 - 8,000 Gallons	7,500				
	8,000 - 9,000 Gallons	8,500				
	9,000 - 10,000 Gallons	9,500				
5/8	10,000 - 11,000 Gallons	10,500				
x	11,000 - 12,000 Gallons	11,500				
3/4	12,000 - 13,000 Gallons	12,500				
Inch	13,000 - 14,000 Gallons	13,500				
	14,000 - 15,000 Gallons	14,500				
	15,000 - 16,000 Gallons	15,500				
	16,000 - 17,000 Gallons	16,500				
	17,000 - 18,000 Gallons	17,500				
	18,000 - 19,000 Gallons	18,500				
	19,000 - 20,000 Gallons	19,500				
	- Gallons					
	- Gallons					
	- Gallons					
	Sub-Total		()	()	()	()
	Average Monthly Rate ()					
	Average Monthly Usage		()			()

* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

** Number of users should reflect the actual number of "meter settings".

	-	Gallons							
	-	Gallons							
1- Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Sub-Total		()	()	()	()	()	()

	-	Gallons							
	-	Gallons							
1-1/2 Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Sub-Total		()	()	()	()	()	()

	-	Gallons							
	-	Gallons							
2- Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Sub-Total		()	()	()	()	()	()

	-	Gallons							
	-	Gallons							
3- Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Sub-Total		()	()	()	()	()	()

	-	Gallons							
	-	Gallons							
4- Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Sub-Total		()	()	()	()	()	()

* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

** Number of users should reflect the actual number of "meter settings".

	-	Gallons							
	-	Gallons							
5-	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Sub-Total		()	()	()	()	()	()
	-	Gallons							
	-	Gallons							
6-	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Sub-Total		()	()	()	()	()	()
	-	TOTALS		()	()	()	()	()	()

MULTI-FAMILY AND APARTMENT USER ANALYSIS - N/A

If billed as a typical user, the information should be included in the residential information above. If not billed as a typical residential user, please explain below.

<u>Name of Unit</u>	<u>Number of Units</u>	<u>Number of Meters</u>	<u>Revenue Calculations</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

** Number of users should reflect the actual number of "meter settings".

XXIV. FORECAST OF SEWER USAGE - INCOME - NEW USERS - EXTENSION ONLY -
N/A

<i>Meter Size*</i>	<i>Monthly Sewer Usage</i>	<i>Average Rate</i>	<i>Residential</i>		<i>Non-Residential</i>	
			<i>No. of Users** (1000)</i>	<i>Usage Income (1000)</i>	<i>No. of Users (1000)</i>	<i>Usage Income (1000)</i>
	0 - 2,000 Gallons	1,000				
	2,000 - 3,000 Gallons	2,500				
	3,000 - 4,000 Gallons	3,500				
	4,000 - 5,000 Gallons	4,500				
	5,000 - 6,000 Gallons	5,500				
	6,000 - 7,000 Gallons	6,500				
	7,000 - 8,000 Gallons	7,500				
	8,000 - 9,000 Gallons	8,500				
	9,000 - 10,000 Gallons	9,500				
5/8	10,000 - 11,000 Gallons	10,500				
x	11,000 - 12,000 Gallons	11,500				
3/4	12,000 - 13,000 Gallons	12,500				
Inch	13,000 - 14,000 Gallons	13,500				
	14,000 - 15,000 Gallons	14,500				
	15,000 - 16,000 Gallons	15,500				
	16,000 - 17,000 Gallons	16,500				
	17,000 - 18,000 Gallons	17,500				
	18,000 - 19,000 Gallons	18,500				
	19,000 - 20,000 Gallons	19,500				
	- Gallons					
	- Gallons					
	- Gallons					
	Sub-Total		()	()	()	()
	Average Monthly Rate ()					
	Average Monthly Usage		()		()	

* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

** Number of users should reflect the actual number of "meter settings".

	-	Gallons							
	-	Gallons							
1-	-	Gallons							
	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Sub-Total		()	()	()	()	()	()

	-	Gallons							
	-	Gallons							
1-1/2	-	Gallons							
	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Sub-Total		()	()	()	()	()	()

	-	Gallons							
	-	Gallons							
2-	-	Gallons							
	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Sub-Total		()	()	()	()	()	()

	-	Gallons							
	-	Gallons							
3-	-	Gallons							
	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Sub-Total		()	()	()	()	()	()

	-	Gallons							
	-	Gallons							
4-	-	Gallons							
	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Sub-Total		()	()	()	()	()	()

* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

** Number of users should reflect the actual number of "meter settings".

	-	Gallons							
	-	Gallons							
5-	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
	-	Gallons							
		Sub-Total		()	()	()	()	()	()

	-	Gallons							
	-	Gallons							
6-	-	Gallons							
Inch	-	Gallons							
	-	Gallons							
	-	Gallons							
		Sub-Total		()	()	()	()	()	()

TOTALS () () () () () ()

MULTI-FAMILY AND APARTMENT USER ANALYSIS - N/A

If billed as a typical user, the information should be included in the residential information above. If not billed as a typical residential user, please explain below.

<u>Name of Unit</u>	<u>Number of Units</u>	<u>Number of Meters</u>	<u>Revenue Calculations</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

** Number of users should reflect the actual number of "meter settings".

XXV. FORECAST OF WATER USAGE - INCOME - EXISTING SYSTEM - EXISTING USERS

(For Period: January 1, 2016 to December 31, 2016)

DEMONSTRATION OF BILLING ANALYSIS ACCURACY

5/8" x 3/4" RESIDENTIAL WATER USE TABLE

Water Use (Gal.)	Number Bills	Total Usage (1,000 Gal.)	First 2,000	Over 2,000
First 2,000	9,960	0.0	0.0	
Over 2,000	77,460	278,061.0	154,920.0	123,141.0
TOTALS	87,420	278,061.0	154,920.0	123,141.0

5/8" x 3/4" RESIDENTIAL REVENUE TABLE

Water Use	No. Bills	Gallons (1,000)	Existing Rates	Revenue
First 2,000 gallons	87,420	154,920.0	\$25.15 Minimum Bill	\$2,198,613.00
Over 2,000 gallons		123,141.0	\$10.90 per 1,000 Gal.	\$1,342,236.90
ANNUAL REVENUE				\$3,540,849.90

5/8" x 3/4" COMMERCIAL WATER USE TABLE

Water Use (Gal.)	Number Bills	Total Usage (1,000 Gal.)	First 2,000	Over 2,000
First 2,000	156	0.0	0.0	
Over 2,000	1,608	13,132.6	3,216.0	9,916.6
TOTALS	1,764	13,132.6	3,216.0	9,916.6

5/8" x 3/4" COMMERCIAL REVENUE TABLE

Water Use	No. Bills	Gallons (1,000)	Existing Rates	Revenue
First 2,000 gallons	1,764	3,216.0	\$25.15 Minimum Bill	\$44,364.60
Over 2,000 gallons		9,916.6	\$10.90 per 1,000 Gal.	\$108,090.40
ANNUAL REVENUE				\$152,455.00

1" COMMERCIAL WATER USE TABLE

Water Use (Gal.)	Number Bills	Total Usage (1,000 Gal.)	First 5,000	Over 5,000
First 5,000	18	0.0	0.0	
Over 5,000	54	1,194.2	270.0	924.2
TOTALS	72	1,194.2	270.0	924.2

1" COMMERCIAL REVENUE TABLE

Water Use			No. Bills	Gallons (1,000)	Existing Rates	Revenue
First	5,000	gallons	172	360.0	\$57.85 Minimum Bill	\$4,165.20
Over	5,000	gallons		834.2	\$10.90 per 1,000 Gal.	\$10,073.78
ANNUAL REVENUE						\$14,238.98

2" COMMERCIAL WATER USE TABLE

Water Use (Gal.)	Number Bills	Total Usage (1,000 Gal.)	First 20,000	Over 20,000
First 20,000	24	0.0	0.0	
Over 20,000	24	930.3	480.0	450.3
TOTALS		48	930.3	480.0

2" COMMERCIAL REVENUE TABLE

Water Use			No. Bills	Gallons (1,000)	Existing Rates	Revenue
First	20,000	gallons	48	480.0	\$221.35 Minimum Bill	\$10,624.80
Over	20,000	gallons		450.3	10.90 per 1,000 Gal.	\$4,908.27
ANNUAL REVENUE						\$15,533.07

TOTAL REVENUE

Meter Size	No. Bills	Revenue
5/8" x 3/4" Residential	87,420	\$3,540,849.90
5/8" x 3/4" Commercial	1,764	\$152,455.00
1" Commercial	72	\$14,238.98
2" Commercial	48	\$15,533.07
TOTAL REVENUE		\$3,723,076.95

TOTAL RESALE REVENUE

Utility	Gallons (1,000)	Existing Rate	Revenue
City of Burnside	7,673	\$3.69 per 1,000 Gal.	\$28,313.37
ANNUAL REVENUE			\$28,313.37

Total Residential Revenue	\$3,540,849.90
Total Commercial Revenue	182,227.05
Total Resale Revenue	28,313.37
Total Revenue from Taxes & Penalties	198,049.31
Annual Revenue from Billing Analysis.....	\$3,949,439.63
Water Sales Reported in 2016 Financial Statement.....	\$4,023,160.00
Percent Error	1.83%

FORECAST WITH THE PROPOSED RATES

5/8" x 3/4" RESIDENTIAL WATER USE TABLE

Water Use (Gal.)	Number Bills	Total Usage (1,000 Gal.)	First 2,000	Over 2,000
First 2,000	9,960	0.0	0.0	
Over 2,000	77,460	278,061.0	154,920.0	123,141.0
TOTALS	87,420	278,061.0	154,920.0	123,141.0

5/8" x 3/4" RESIDENTIAL REVENUE TABLE

Water Use	No. Bills	Gallons (1,000)	Existing Rates	Revenue
First 2,000 gallons	87,420	154,920.0	\$25.15 Minimum Bill	\$2,198,613.00
Over 2,000 gallons		123,141.0	\$10.90 per 1,000 Gal.	\$1,342,236.90
ANNUAL REVENUE				\$3,540,849.90

5/8" x 3/4" COMMERCIAL WATER USE TABLE

Water Use (Gal.)	Number Bills	Total Usage (1,000 Gal.)	First 2,000	Over 2,000
First 2,000	156	0.0	0.0	
Over 2,000	1,608	13,132.6	3,216.0	9,916.6
TOTALS	1,764	13,132.6	3,216.0	9,916.6

5/8" x 3/4" COMMERCIAL REVENUE TABLE

Water Use	No. Bills	Gallons (1,000)	Existing Rates	Revenue
First 2,000 gallons	1,764	3,216.0	\$25.15 Minimum Bill	\$44,364.60
Over 2,000 gallons		9,916.6	\$10.90 per 1,000 Gal.	\$108,090.40
ANNUAL REVENUE				\$152,455.00

1" COMMERCIAL WATER USE TABLE

Water Use (Gal.)	Number Bills	Total Usage (1,000 Gal.)	First 5,000	Over 5,000
First 5,000	18	0.0	0.0	
Over 5,000	54	1,194.2	270.0	924.2
TOTALS	72	1,194.2	270.0	924.2

1" COMMERCIAL REVENUE TABLE

Water Use		No. Bills	Gallons (1,000)	Existing Rates		Revenue
First	5,000 gallons	72	360.0	\$57.85	Minimum Bill	\$4,165.20
Over	5,000 gallons		834.2	\$10.90	per 1,000 Gal.	\$10,073.78
ANNUAL REVENUE						\$14,238.98

2" COMMERCIAL WATER USE TABLE

Water Use (Gal.)	Number Bills	Total Usage (1,000 Gal.)	First 20,000	Over 20,000
First 20,000	24	0.0	0.0	
Over 20,000	24	930.3	480.0	450.3
TOTALS		48	930.3	480.0

2" COMMERCIAL REVENUE TABLE

Water Use		No. Bills	Gallons (1,000)	Existing Rates		Revenue
First	20,000 gallons	48	480.0	\$221.35	Minimum Bill	\$10,624.80
Over	20,000 gallons		450.3	10.90	per 1,000 Gal.	\$4,908.27
ANNUAL REVENUE						\$15,533.07

TOTAL REVENUE

Meter Size	No. Bills	Revenue
5/8" x 3/4" Residential	87,420	\$3,540,849.90
5/8" x 3/4" Commercial	1,764	\$152,455.00
1" Commercial	72	\$14,238.98
2" Commercial	48	\$15,533.07
TOTAL REVENUE		\$3,723,076.95

TOTAL RESALE REVENUE

Utility	Gallons (1,000)	Existing Rate	Revenue
City of Burnside	7,673	\$3.69 per 1,000 Gal.	\$28,313.37
ANNUAL REVENUE			\$28,313.37

Total Residential Revenue	\$3,540,849.90
Total Commercial Revenue	182,227.05
Total Resale Revenue	28,313.37
Total Revenue from Taxes & Penalties	198,049.31
Forecasted Revenue from 0.00% Rate Increase.....	\$3,949,439.63
Less Revenue from 2016 Rates.....	\$3,949,439.63
Additional Revenue Generated Through Rate Increase.....	\$ 0.00

MULTI-FAMILY AND APARTMENT USER ANALYSIS – N/A

If billed as a typical user, the information should be included in the residential information above. If not billed as a typical residential user, please explain below.

<u>Name of Unit</u>	<u>Number of Units</u>	<u>Number of Meters</u>	<u>Revenue Calculations</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

* Breakdown of meter size usage is not required unless different water rates are charged based on size of water meter.

** Number of users should reflect the actual number of "meter settings".

XXVI. FORECAST OF WATER USAGE - INCOME - NEW USERS - EXTENSION ONLY - NO NEW USERS

Meter Size*	Monthly Sewer Usage	Average Rate	Residential		Non-Residential	
			No. of Users** (1000)	Usage Income (1000)	No. of Users (1000)	Usage (1000)
	0 - 2,000 Gallons	1,000				
	2,000 - 3,000 Gallons	2,500				
	3,000 - 4,000 Gallons	3,500				
	4,000 - 5,000 Gallons	4,500				
	5,000 - 6,000 Gallons	5,500				
	6,000 - 7,000 Gallons	6,500				
	7,000 - 8,000 Gallons	7,500				
	8,000 - 9,000 Gallons	8,500				
	9,000 - 10,000 Gallons	9,500				
5/8	10,000 - 11,000 Gallons	10,500				
x	11,000 - 12,000 Gallons	11,500				
3/4	12,000 - 13,000 Gallons	12,500				
Inch	13,000 - 14,000 Gallons	13,500				
	14,000 - 15,000 Gallons	14,500				
	15,000 - 16,000 Gallons	15,500				
	16,000 - 17,000 Gallons	16,500				
	17,000 - 18,000 Gallons	17,500				
	18,000 - 19,000 Gallons	18,500				
	19,000 - 20,000 Gallons	19,500				
	- Gallons					
	- Gallons					
	- Gallons					
	Sub-Total		()	()	()	()
	Average Monthly Rate ()					
	Average Monthly Usage			()		()

* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

** Number of users should reflect the actual number of "meter settings".

	-	Gallons							
	-	Gallons							
1-		Gallons							
		Gallons							
		Gallons							
		Gallons							
	-	Gallons							
	-	Gallons							
		Sub-Total			() () ()	() () ()			

	-	Gallons							
	-	Gallons							
1-1/2		Gallons							
		Gallons							
		Gallons							
		Gallons							
	-	Gallons							
	-	Gallons							
		Sub-Total			() () ()	() () ()			

	-	Gallons							
	-	Gallons							
2-		Gallons							
		Gallons							
		Gallons							
		Gallons							
	-	Gallons							
	-	Gallons							
		Sub-Total			() () ()	() () ()			

	-	Gallons							
	-	Gallons							
3-		Gallons							
		Gallons							
		Gallons							
		Gallons							
	-	Gallons							
	-	Gallons							
		Sub-Total			() () ()	() () ()			

	-	Gallons							
	-	Gallons							
4-		Gallons							
		Gallons							
		Gallons							
		Gallons							
	-	Gallons							
	-	Gallons							
		Sub-Total			() () ()	() () ()			

* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

** Number of users should reflect the actual number of "meter settings".

5-Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
		Sub-Total	()	()	()	()	()	()
6-Inch	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
	-	Gallons						
		Sub-Total	()	()	()	()	()	()
		TOTALS	()	()	()	()	()	()

MULTI-FAMILY AND APARTMENT USER ANALYSIS

If billed as a typical user, the information should be included in the residential information above. If not billed as a typical residential user, please explain below.

<u>Name of Unit</u>	<u>Number of Units</u>	<u>Number of Meters</u>	<u>Revenue Calculations</u>

* Breakdown of meter size usage is not required unless different sewer rates are charged based on size of water meter.

** Number of users should reflect the actual number of "meter settings".

XXVII. CURRENT OPERATING BUDGET - (SEWER SYSTEM) – N/A
(As of the last full operating year.)

A. Operating Income:

<i>Sewer Revenue</i>	\$ _____
<i>Late Charge Fees</i>	_____
<i>Other (Describe)</i>	_____
<i>Less Allowances and Deductions</i>	(_____)
Total Operating Income	\$ _____

B. Operation and Maintenance Expenses:

(Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)

<i>Operation Expense</i>	\$ _____
<i>Maintenance Expense</i>	_____
<i>Customer Accounts Expense</i>	_____
<i>Administrative and General Expense</i>	_____
Total Operating and Maintenance Expenses	\$ _____
Net Operating Income	\$ _____

C. Non-Operating Income:

<i>Interest on Deposits</i>	\$ _____
<i>Other (Identify)</i>	_____
Total Non-Operating Income	\$ _____

D. Net Income	\$ _____
----------------------	----------

E. Debt Repayment:

<i>RUS Interest</i>	\$ _____
<i>RUS Principal</i>	_____
<i>Non-RUS Interest</i>	_____
<i>Non-RUS Principal</i>	_____
Total Debt Repayment	\$ _____

F. Balance Available for Coverage	\$ _____
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**XXVIII. PROPOSED OPERATING BUDGET - (SEWER SYSTEM) - EXISTING SYSTEM
AND NEW USERS (1st Full Year of Operation) Year Ending N/A**

A. Operating Income:

<i>Sewer Revenue</i>	\$ _____
<i>Late Charge Fees</i>	_____
<i>Other (Describe)</i>	_____
<i>Less Allowances and Deductions</i>	(_____)
Total Operating Income	\$ _____

B. Operation and Maintenance Expenses:

*(Based on Uniform System of Accounts prescribed by National Association of
Regulatory Utility Commissioners)*

<i>Operation Expense</i>	\$ _____
<i>Maintenance Expense</i>	_____
<i>Customer Accounts Expense</i>	_____
<i>Administrative and General Expense</i>	_____
Total Operating and Maintenance Expenses	\$ _____
Net Operating Income	\$ _____

C. Non-Operating Income:

<i>Interest on Deposits</i>	\$ _____
<i>Other (Identify)</i>	_____
Total Non-Operating Income	\$ _____

D. Net Income

\$ _____

E. Debt Repayment:

<i>RUS Interest</i>	\$ _____
<i>RUS Principal</i>	_____
<i>Non-RUS Interest</i>	_____
<i>Non-RUS Principal</i>	_____
Total Debt Repayment	\$ _____

F. Balance Available for Coverage

\$ _____

XXIX. PROPOSED OPERATING BUDGET - (SEWER SYSTEM) - NEW USERS - EXTENSION ONLY (1st Full Year of Operation) Year Ending N/A

A. Operating Income:	
<i>Sewer Revenue</i>	\$ _____
<i>Late Charge Fees</i>	_____
<i>Other (Describe)</i>	_____
<i>Less Allowances and Deductions</i>	(_____)
Total Operating Income	\$ _____
B. Operation and Maintenance Expenses:	
<i>(Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)</i>	
<i>Operation Expense</i>	\$ _____
<i>Maintenance Expense</i>	_____
<i>Customer Accounts Expense</i>	_____
<i>Administrative and General Expense</i>	_____
Total Operating and Maintenance Expenses	\$ _____
Net Operating Income	\$ _____
C. Non-Operating Income:	
<i>Interest on Deposits</i>	\$ _____
<i>Other (Identify)</i>	_____
Total Non-Operating Income	\$ _____
D. Net Income	\$ _____
E. Debt Repayment:	
<i>RUS Interest</i>	\$ _____
<i>RUS Principal</i>	_____
<i>Non-RUS Interest</i>	_____
<i>Non-RUS Principal</i>	_____
Total Debt Repayment	\$ _____
F. Balance Available for Coverage	\$ _____

XXX. CURRENT OPERATING BUDGET - (WATER SYSTEM)

(As of the last full operating year.)

Ending December 31, 2016

A. Operating Income:	
Water Sales	\$ 4,023,160
Cost of Water Sold	(1,411,337)
Total Operating Income	\$ 2,611,823
B. Operation and Maintenance Expenses:	
Wages	\$ 384,200
Maintenance	179,233
Insurance	188,696
Other General and Administrative	108,116
Customer Billing	102,529
Directors' Fees	39,500
Office Expense	78,291
Bad Debt	13,882
Professional Services	78,792
Tax and License	34,312
Short Lived Assets	306,775
Total O&M Expenses	\$ 1,514,306
C. Non-Operating Income (Expense):	
Capital Contributions – Federal Grants	\$ ---
Capital Contributions – Other Grants	---
Gain(Loss) on Sale	825
Membership Fees Collected	4,710
Tap-on Fees Collected, Net of Amount Refunded	35,535
Interest Income	17,092
Total Non-Operating Income	\$ 58,162
D. Net Income:	\$ 1,155,679
E. Debt Repayment:	
Existing RUS Interest	\$ 293,702
Existing RUS Principal	158,793
Non-RUS Interest	95,407
Non-RUS Principal	124,999
Total Debt Repayment	\$ 672,901
F. Balance Available for Coverage:	\$ 482,778

XXXI. PROPOSED OPERATING BUDGET - (WATER SYSTEM) - EXISTING SYSTEM
AND NEW USERS (1st Full Year of Operation) Year Ending 2020

A. Operating Income:	
Water Sales	\$ 4,104,229
Cost of Water Sold	(1,434,054)
Total Operating Income	\$ 2,670,174
B. Operation and Maintenance Expenses:	
Wages	\$ 503,608
Maintenance	175,654
Insurance	247,342
Other General and Administrative	141,718
Customer Billing	134,394
Directors' Fees	51,777
Office Expense	102,623
Bad Debt	18,197
Professional Services	103,280
Tax and License	44,976
Short Lived Assets	306,775
Total O&M Expenses	\$ 1,830,344
C. Non-Operating Income (Expense):	
Capital Contributions – Federal Grants	\$ ---
Capital Contributions – Other Grants	---
Gain(Loss) on Sale	700
Membership Fees Collected	4,000
Tap-on Fees Collected, Net of Amount Refunded	30,181
Interest Income	14,517
Total Non-Operating Income	\$ 49,398
D. Net Income:	\$ 889,228
E. Debt Repayment:	
Existing RUS Interest	\$ 290,764
Existing RUS Principal	236,213
Non-RUS Interest	85,748
Non-RUS Principal	140,000
Total Debt Repayment	\$ 752,725
F. Balance Available for Coverage:	\$ 136,503

XXXII. PROPOSED OPERATING BUDGET - (WATER SYSTEM) - NEW USERS -
EXTENSION ONLY (1st Full Year of Operation) Year Ending N/A

A. Operating Income:	
Water Sales	\$ _____
Disconnect/Reconnect/Late Charge Fees	_____
Other (Describe)	_____
Less Allowances and Deductions	(_____)
Total Operating Income	\$ _____
B. Operation and Maintenance Expenses:	
(Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)	
Source of Supply Expense	\$ _____
Pumping Expense	_____
Water Treatment Expense	_____
Transmission and Distribution Expense	_____
Customer Accounts Expense	_____
Administrative and General Expense	_____
Total Operating Expenses	\$ _____
Net Operating Income	\$ _____
C. Non-Operating Income:	
Interest on Deposits	\$ _____
Other (Identify)	_____
Total Non-Operating Income	\$ _____
D. Net Income	\$ _____
E. Debt Repayment:	
RUS Interest	\$ _____
RUS Principal	_____
Non-RUS Interest	_____
Non-RUS Principal	_____
Total Debt Repayment	\$ _____
F. Balance Available for Coverage	\$ _____

XXXIII. ESTIMATED PROJECT COST – SEWER – N/A
(Round to nearest \$100)

	<u>Collection</u>	<u>Treatment</u>	<u>Total</u>
<i>Development</i>	_____	_____	_____
<i>Land and Rights</i>	_____	_____	_____
<i>Legal</i>	_____	_____	_____
<i>Engineering</i>	_____	_____	_____
<i>Interest</i>	_____	_____	_____
<i>Contingencies</i>	_____	_____	_____
<i>Initial Operating and Maintenance</i>	_____	_____	_____
<i>Other</i>	_____	_____	_____
TOTAL	_____	_____	_____

XXXIV. PROPOSED PROJECT FUNDING – SEWER – N/A

	<u>Collection</u>	<u>Treatment</u>	<u>Total</u>
<i>Applicant - User Contribution Fees</i>	_____	_____	_____
<i>Other - Applicant Contribution</i>	_____	_____	_____
<i>RUS Loan</i>	_____	_____	_____
<i>RUS Grant</i>	_____	_____	_____
<i>ARC Grant (If applicable)</i>	_____	_____	_____
<i>CDBG (If applicable)</i>	_____	_____	_____
<i>Other (Specify)</i>	_____	_____	_____
<i>Other (Specify)</i>	_____	_____	_____

XXXV. ESTIMATED PROJECT COST - WATER

Construction Cost	\$ 2,134,000
Contingency	210,200
Engineering Design	192,500
Construction Observation	96,300
Preliminary Engineering Report	12,000
Environmental	25,000
Legal Fees	20,000
Lands & Rights	20,000
Interim Interest	35,000
TOTAL	\$ 2,745,000

XXXVI. PROPOSED PROJECT FUNDING

RUS Grant	\$ 823,000
RUS Loan	\$ 1,922,000
TOTAL	\$ 2,745,000