SUMMARY ADDENDUM

TO

PRELIMINARY ENGINEERING REPORT

DATED July 2020					
FOR					
North Mercer Water District – Water System Improvements (Name of Project)					
APPLICANT CONTACT PERSON Mischell Lee, Office Manager					
APPLICANT PHONE NUMBER (859) 865-2292					
APPLICANT TAX IDENTIFICATION NUMBER (TIN) 61-0648569					

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 proposed project is to replace approximately 22.5 miles of water main scattered throughout the NMWD system. The majority of these transmission mains are of asbestos cement material and have been in service for over forty years. Additionally, some of these mains are undersized for the volume of water that needs to be transported through this area. These mains are scattered throughout the distribution system and are present in seven different areas of the distribution system.

Of the seven areas of replacement to be conducted, two of these will include improvement in pipe size. These two areas are located at the beginning of Kirkwood Road on US 127 and on Mackville Road between the Rose Hill Tank and Johnson Road. All other water mains to be replaced will remain the same size. The water mains and service lines in all of these areas have been targeted for replacement due to the number of leaks that District personnel have encountered in recent years.

Additionally, the project will replace approximately 475 customer service lines that are older and are susceptible to various malfunctions due to the age. These replacements will help to reduce the District's overall operating expenses.

Lastly, should project funds be available the District will seek to install automatic flush hydrants, replace a control valve in an existing pump station (US 127), add additional chlorinators throughout the distribution system, conduct well testing to examine the potential for additional sources of water, conduct building improvements for the existing maintenance building and install security equipment at the main office.

II. FACILITY CHARACTERISTICS OF EXISTING SEWER SYSTEM N/A

A.	Sewage Treatment:
1.	<i>Type</i>
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)

E. Sewage Collection System: Lineal Feet of Collector Lines, by size 6" _____ 8"____ 10" ______, 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. 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. The District currently purchases water from the City of Harrodsburg and the South Anderson Water District. The District's contract with the City of Harrodsburg has forty (40) more years until maturity and the contract with South Anderson Water District has forty-five (45) years until maturity. The length of the these contracts ensures a consistent supply of potable water to the District's customers for the foreseeable future. If the applicant purchases water: Seller(s): City of Harrodsburg Price/1,000 gallons: 1. \$2.30 Seller(s): South Anderson Water District_____ Price/1,000 gallons: 2. \$3.55 Present Estimated Market Value of Existing System: \$ ____10,06,070.00

D. Number and Capacity of Sewage Lift Stations

III.

B.	Water Storage:			
	Type: Ground Storage Tank	_ Elevated Tan	k <u>1</u>	
	Standpipe 4	Other		
	Number of Storage Structures	5		
	Total Storage Volume Capacity	988,000 Gallor	ns	
	Date Storage Tank(s) Constructed	1983, 1989 an	d 2017	
C.	Water Distribution System:			
	Pipe Material AC, P	VC, Cast Iron		
	Lineal Feet of Pipe: 2" & 3" Diameter _	279,900	4"	764,850
	6"644,90	00	8"	93,650
	10"7,400		12"	600
	All pipe footage is an estimate only.			
	Date(s) Water Lines Constructed		1960 - pres	ent
	Number and Capacity of Pump Station(s) <u>6; 215</u>	0 gpm	<u></u>
D.	Condition of Existing Water System:			
	Briefly describe the condition and suitab	oility for continue	ed use of faci	lity now owned by
	the applicant. Include any major renova	ation that will be	needed with	in five to ten
	years.			
	The North Mercer Water District's	s system is	currently i	n fair condition.
	Renovations/upgrades over the next five	e to ten years w	ill continue to	improve the older,
	undersized sections of the system and p	<u>rovide a safe, re</u>	<u>liable source</u>	of drinking water to
	the customers.			
E.	Percentage of Water Loss Existing Syste	em <u>21%</u>		

IV. EXISTING LONG-TERM INDEBTEDNESS

A. List of Bonds and Notes:

Date <u>of Issue</u>	Bond/Note <u>Holder</u>	Principal <u>Balance</u>	Payment <u>Date</u>	Bond Type Water/Sewer*	Amount on Deposit in Reserve Account
2011 Issue	USDA RD	\$1,874,000	Semi-Annu	<u>al 100</u> %	<u>3.75</u> % <u>\$</u>
2011 Issue	<u>USDA RD</u>	\$1,547,000	Semi-Annu	<u>al</u> <u>100</u> %	<u>3.00</u> %\$
2010 Issue	KRWFC	\$1,790,000	Semi-Annu	<u>al</u> <u>100</u> %	<u>2.20</u> %\$
2016 Issue	KRWFC	<u>\$1,845,000</u>	Semi-Annu	<u>al</u> <u>100</u> %	<u>4.10</u> %\$

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

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

		Payment Year 2020		Payment Year 2021		Payment Year 2022	
Date <u>of Issue</u>	Bond/Note <u>Holder</u>	Principal <u>Payment</u>	Interest <u>Payment</u>	Principal <u>Payment</u>	Interest <u>Payment</u>	Principal Payment	Interest <u>Payment</u>
2011 Issue	USRD	29,000	64,575	30,000	63,487	31,000	62,362
2011 Issue	USRD	26,500	42,075	27,500	41,280	28,500	40,455
2010 Issue	KRWFC	106,000	37,740	111,000	33,304	114,500	33,389
2016 Issue	KRWFC	53,000	70,673	58,000	68,992	60,000	62,355
Total		<u>\$214,500</u>	215,063	226,500	207,063	234,000	<u>198,561</u>

V. <u>EXISTING SHORT-TERM INDEBTEDNESS</u>

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

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

VI. LAND AND RIGHTS - EXISTING SYSTEM(S)

Number of Treatment Plant Sites:	Water		Sewer	N/A	
Number of Storage Tank Sites	Water	5	Sewer	N/A	
Number of Pump Stations:	Water	6	Sewer	N/A	
Total Acreage:	Water	15 Acres_	Sewer	N/A Acres	<u>s</u>
Purchase Price:	Water	\$	Sewer \$	N/A	

VII. <u>NUMBER OF EXISTING USERS</u>

	Water	Sewer
Residential (In Town) *		<u>.</u>
Residential (Out of Town) *	4,901	<u> </u>
Non-Residential (In Town)		<u>.</u>
Non-Residential (Out of Town)	131	<u>.</u>
Total	5,032	<u> </u>
Number to Total Potential Users Living in the Service Area	250	<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.

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

	Meter Size	Water Connection Fee	Sewer Connection Fee					
	<u>5/8" x 3/4"</u>	\$ 650.00 (Residential)	\$ <u>N/A</u>					
		\$	\$ <u>N/A</u>					
IX.	SEWER RATES	SEWER RATES - EXISTING SYSTEM N/A						
	Percentage of Wa	ater Bill % Minin	num Charge \$					
	Other: (If Charge	Not Based on Water Bill)						
	Date This Rate W	ent Into Effect						

X. WATER RATES - EXISTING SYSTEM

Existing Rate Schedule:

5/8" Meters		
First 1,000	18.22	Minimum
Over 1,000	7.69	Per 1,000 gallons
1" Meters		
First 2,500	29.76	Minimum
Over 2,500	7.69	Per 1,000 gallons
2" Meters		
First 10,000	87.43	Minimum
Over 10,000	7.69	Per 1,000 gallons
Bulk Sales	.50	per 80 gallons

Date This Rate Went Into Effect May 19, 2017

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

For Period 01/01/2019 to 12/31/2019.

ANALYSIS	OF ACTU	JAL WATE	R USAGE - I	EXISTIN	G SYSTE	М							
				Resi	dential		Co	mmercial		В	ulk		
MONTHLY	WATER	USAGE		No. of	Usage		No. of	Usage		No. of	Usage		
			Average	Users	1,000	Average	Users		Average	Users	1,000		
5/8" r	neter												
0 -	1,000 Gal.		983	860	845	989	100	99					
1,000 &	Over Gal.		4,268	3824	16,321	13,691	75	1,027			0		
1" m	eter												
0 -	2,500 Gal.		1,988	4	8	2,250	2	5					
2,500 8	Over Gal.		11,742	21	247	25,113	5	126					
2" m	eter												
0 - 1	0,000 Gal.		7,900	1	8	5,733	1	6					
10,000 8	Over Gal.		59,542	1	60	37,168	3	112					
Bulk	Sales								35	1	0.04		
			Subtotal	4711	17,488		186	1,373		1	0.04		
Average M	onthly Usa	ige			3,712			7,382			35		
			Totals	4711	17488		186	1373.027		1	0.035		
			Total Water Purchased and/or Produced				281,933,000						
			Total Wate	er Sold (0	Gallons)			236,824,000	(226,335.	000 Sale	s + 10,489	,000 Leak	Adjustme

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 (\ Purchase Contract if applicable.	NTP). Also descril	oe the adequ	acy of Water	
Water Supply described in Section	on III-A.			
B. Water Storage:				
Type: Ground Storage Tank		Elevated Ta	ank <u>1</u>	
Standpipe	<u>4</u>	_ Other		
Number of Storage Structures _	<u>5_</u>			
Total Storage Volume Capacity	988,000			
C. Water Distribution System: Pipe Material _PVC, AC, Cast Iro	on.			
Lineal Feet of Pipe: 3" Diameter			764,850	
·	<u>279,900</u> 00		93,650	
	<u> </u>			
Number and Capacity of Pump S				
LAND AND RIGHTS - PROPOSE				
Number of Treatment Plant Sites	0			
Number of Pump Sites	0			
Number of Other Sites				
Total Acreage	0			Acres
Purchase Price	\$ 0			

XVI.

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.

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

Meter Size	Connection Fee
5/8" x 3/4"	\$ 650.00
1 - Inch	\$ Actual Cost
1-1/2 Inch	\$ Actual Cost
2 - Inch	\$ Actual Cost
3 - Inch	\$
4 - Inch	\$
<u>5 - Inch</u>	\$
6 - Inch	\$

XXII. WATER RATES - PROPOSED

A. Proposed Rate Schedule without RUS Grant:

	5/8" Meters		
•	First 1,000	20.00	Minimum
	Over 1,000	9.40	Per 1,000 gallons
	1" Meters		
•	First 2,500	35.50	Minimum
	Over 2,500	9.40	Per 1,000 gallons
			_
	2" Meters		
	First 10,000	105.00	Minimum
	Over 10,000	9.40	Per 1,000 gallons
	•		, 0
	Bulk Sales	.50	per 80 gallons
			F 21 22 350110

B. Recommended Rate Schedule with RUS Grant:

5/8" Meters		
First 1,000	19.31	Minimum
Over 1,000	8.15	Per 1,000 gallons
1" Meters		
First 2,500	31.55	Minimum
Over 2,500	8.15	Per 1,000 gallons
2" Meters		
First 10,000	92.68	Minimum
Over 10,000	8.15	Per 1,000 gallons
		· ·
Bulk Sales	.50	per 80 gallons

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

XXV. FORECAST OF W	ATER USAGE	- INCOME -	EXISTIN	G SYSTEM											-
MONTHLY WATER USA	GE_				AVERAGE			Residential			Commercial			Bulk	
	AVE	RAGE			RATE		No. of	Usage	Income	No. of	Usage	Income	No. of	Usage	Income
	Residential	Commercial	Bulk	Residential	Commercial	<u>Bulk</u>	Users	1,000		Users	1,000		Users	1,000	
5/8 x 3/4 meter															
0 - 1,000 Gal.	983	989		\$ 20.00	\$ 20.00		860	845	17,200	100	99	2,000			
1,000 & Over Gal.	4,268	13,691		\$ 50.72	\$ 139.30		3824	16,321	193,950	75	1,027	10,447			
1" meter															
0 - 2,500 Gal.	1,988	2,250		\$ 35.50	\$ 35.50		4	8	142	2	5	71			
2,500 & Over Gal.	11,742	25,113		\$ 122.37	\$ 248.06		21	247	2,570	5	126	1,240			
2" meter															
0 - 10,000 Gal.	7,900	5,733		\$ 105.00	\$ 105.00		1	8	105	1	6	105			
10,000 & Over Gal.	59,542	37,168		\$ 570.69	\$ 360.38		1	60	571	3	112	1,081			
Bulk			35			\$ 0.02							1	0	219
	Sub-Total						4,711	17,488	\$214,538	186	1,373	\$14,945	1	0	\$219
Average Monthly Rate				\$ 36.09											
Average Monthly Usage								3,712			7,382			35	
	Totals						4,711	17.488	\$214,538	186	1,373	\$14,945	1	0	\$ 219

					Year En	יל ממום	019
					T Car En	unig Z	013
Α	Operating	Income:					
7 (.	Operating						
	Water Sale	26				\$	2,364,20
			ct/Late Cha	rae Fees/Custom	ner Tan		71,81
			Late Ona	lgo i oco/ ocoron	ioi rap	Ψ	7 1,01
	011101 (200	, , , ,					
		Less Allo	wances and	Deductions			
	Total Oper	ating Incor	ne			\$	2,436,02
							_,,
B.	Operation	and Mainte	enance Exp	enses:			
					ed by National		
	710000141	lon on raga			,		
	Operation	Expense				\$	1,341,57
			 se				1,011,01
						\$	187,20
				ense			352,20
	, tarriii otro						002,20
	Total Oper	ating Expe	enses			\$	1,880,98
	Total Open	Jan. 19 = 71 p c					.,000,00
	Net Opera	tina Incom	e			\$	555,04
	, tot opera	ing mooni					000,01
C.	Non-Opera	tina Incom	ne:				
	Interest on	Deposits				\$	10,65
			Rent				4,49
	2 11 12 1 (12 2			ance Costs			(5,13
							(0,10
	Total Non-	Operating	Income			\$	10,01
							-,-
D.	Net Incom	e				\$	565,05
							,
E.	Debt Repa	vment:					
	RUS Intere	est				\$	108,46
							53,50
							112,18
	Non-RUS I	Principal				_	165,00
	Total Debt	Repayme	nt			\$	439,15
F.	Balance A	vailable for	Coverage			\$	125,90
	Short Lived	d Assets					
	Debt Rese	rve					
	Existing D	ebt Reserv	<i>r</i> e				
	E.	Water Sale Disconnect Other (Des Total Oper B. Operation (Based on Associati Operation Maintenan Customer Administra Total Oper Net Operat C. Non-Operat Interest on Other (Ider Total Non-I D. Net Income RUS Interes RUS Prince Non-RUS I Non-RUS I Non-RUS I Total Debt F. Balance A Short Lived Debt Rese	Water Sales Disconnect/Reconner Other (Describe) Less Allor Total Operating Incor B. Operation and Mainte (Based on Uniform S Association of Regular Associatio	Water Sales Disconnect/Reconnect/Late Cha Other (Describe) Less Allowances and Total Operating Income B. Operation and Maintenance Expe (Based on Uniform System of Ac Association of Regulatory Utility Operation Expense Maintenance Expense Customer Accounts Expense Administrative and General Expe Total Operating Income C. Non-Operating Income C. Non-Operating Income: Interest on Deposits Other (Identify) Rent Bond Issue Total Non-Operating Income E. Debt Repayment: RUS Interest RUS Principal Non-RUS Interest Non-RUS Principal Total Debt Repayment F. Balance Available for Coverage Short Lived Assets	Water Sales Disconnect/Reconnect/Late Charge Fees/Custom Other (Describe) Less Allowances and Deductions Total Operating Income B. Operation and Maintenance Expenses: (Based on Uniform System of Accounts prescribe Association of Regulatory Utility Commissioners Operation Expense Maintenance Expense Customer Accounts Expense Administrative and General Expense Total Operating Income C. Non-Operating Income C. Non-Operating Income: Interest on Deposits Other (Identify) Bond Issuance Costs 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 Short Lived Assets Debt Reserve	Water Sales Disconnect/Reconnect/Late Charge Fees/Customer Tap 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) Operation Expense Maintenance Expense Customer Accounts Expense Administrative and General Expense Total Operating Expenses Net Operating Income C. Non-Operating Income Interest on Deposits Other (Identify) Rent Bond Issuance Costs 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 Short Lived Assets Debt Reserve	Water Sales Disconnect/Reconnect/Late Charge Fees/Customer Tap 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) Operation Expense Customer Accounts Expense Customer Accounts Expense Administrative and General Expense Total Operating Expenses Net Operating Income C. Non-Operating Income Interest on Deposits Other (Identify) Bond Issuance Costs Total Non-Operating Income S. D. Net Income E. Debt Repayment: RUS Interest RUS Principal Non-RUS Interest Non-RUS Principal Total Debt Repayment F. Balance Available for Coverage Short Lived Assets Debt Reserve

	(1st Full Year of O	ATING BUDGET - (WATER S	Year Ending 2	022
		UT GRANT	Teal Ending 2	022
٨		OI GRANI		
۹.	Operating Income:			
	Water Sales		\$	2 756 /12
		nost/Late Charge Foos	\$	2,756,412
	Other (Describe)	nect/Late Charge Fees customer tap fees	Φ	80,000
	Other (Describe)	customer tap lees		
	Ιρςς Δ	lowances and Deductions		
	LC33 A	ilowanices and Deductions		
	Total Operating Inc	rome	\$	2,836,412
	Total Operating inc	VOLITIE	Ψ	2,000,412
В.	Operation and Mai	ntenance Expenses:		
- .		System of Accounts prescri	ibed by National	
		egulatory Utility Commission		
	7100001411011 01 114	galatery Stilley Commiscions	olo)	
	Operation Expense	9	\$	1,530,957
	Maintenance Expe		Ψ	1,000,001
	Customer Account		\$	213,629
	Administrative and		\$	401,929
			· ·	,
	Total Operating Ex	penses	\$	2,146,515
			· ·	_, ,
	Net Operating Inco	me	\$	689,897
	J 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			,
C.	Non-Operating Inco	ome:		
	Interest on Deposit	ts	\$	12,000
	Other (Identify)	Rent	\$	4,500
	` '			
	Total Non-Operatin	g Income	\$	16,500
D.	Net Income		\$	706,397
Ε	Debt Repayment:			
	RUS Interest		\$	167,000
	RUS Principal		\$	118,000
	Non-RUS Interest		\$	95,744
	Non-RUS Principal		\$	175,000
	Total Debt Repayn	nent	\$	555,744
F.	Balance Available		\$	150,653
	Short Lived Assets		\$	75,000
	Debt Reserve		\$	12,000
	Balance Available		\$	63,653
	Coverage Ratio			1.27

XV. <u>ESTIMATED PROJECT COST – WATER</u>

CDBG (If applicable)

Other (Specify)
Other (Specify)
TOTAL

Development	\$ 2,650,000
Land and Rights	
Legal	60,000
Engineering	360,000
Interest	65,000
Contingencies	265,000
Initial Operating and Maintenance	0
Other (Refinance existing loan)	0
TOTAL	\$ 3,400,000
XXXVI. PROPOSED PROJECT FUNDING	
Applicant - User Connection Fees	\$0
Other Applicant Contribution	0
RUS Loan	3,400,000.00
RUS Grant	0
ARC Grant (If applicable)	0

\$ 3,400,000

NMWD Water System Improvements Summary Addendum

Funding Option 1 - 40 year Payback Schedule with Grant First Year of Operation - Year Ending in 2022

		perauon - 10		-		
Total Project Cost						\$3,400,000
Duonaga d Francisco						
Proposed Funding					_	
RD Grant Funds						\$850,000
Proposed Bond Amount						\$2,550,000
Troposed Bolla Filliodik						Ψ2,550,000
Proposed Debt Service						
RD Loan Annual Debt Ser	vice					\$91,200
40 years @	1.875%					
RD Loan Debt Service Co	verage (10% of A	Annual Debt Serv	ice)			\$9,120
		<u>Total l</u>	<u> New Project .</u>	<u>Debt Service</u>		\$100,320
Additional Expenses & A		t Service				
Estimated Annual O & M	Increase					\$115,131
Short-Lived Assets						\$25,000
Debt Reserve						
	T-4-1 A 11:4:-		1 4 : - i 4 - J	Dalet Camina	+	¢140 121
	<u> 10tai Aaaitio</u>	nal Expenses &	Anticipatea I	<u>Debt Service</u>		\$140,131
Total Annual Increase (Tot	al Mary Drainat D	alat Camriaa Ta		F \		¢240.451
			ıtal Δddıtıonal	Hynencecl		3 //III /I 3 I
				_	_	
Balance Available for Cove				_	-	
	erage (For Planne	d & Ongoing Im	mediate Projec	cts)	-	\$100,909
	erage (For Planne		mediate Projec	cts)	-	\$100,909
	erage (For Planne Tot	d & Ongoing Im tal Additional A	mediate Projec	cts)	-	\$100,909
Balance Available for Cove	Total Revenue Requir	d & Ongoing Im tal Additional A	mediate Projec	cts)	- -	\$100,909 \$139,542
Balance Available for Cove	Total Revenue Requir	d & Ongoing Im tal Additional A	mediate Projec	ue Required	- -	\$100,909 \$139,542 \$139,542
Balance Available for Cove	Total Revenue Requir	d & Ongoing Im tal Additional A	mediate Projec	ue Required	- -	\$100,909 \$139,542 \$139,542 \$2,364,209
Balance Available for Cove	Total Revenue Requir	d & Ongoing Im tal Additional A ed	nnual Reven	ue Required	- -	\$100,909 \$139,542 \$139,542 \$2,364,209
Balance Available for Cove	Total Revenue Requirer Revenue	tal Additional A ed 2019 Existing	nnual Reven Percentage R Proposed	ue Required	- -	\$100,909 \$139,542 \$139,542 \$2,364,209
Balance Available for Cove	Total Revenue Requirer Revenue	d & Ongoing Im tal Additional A ed	nnual Reven	ue Required	- -	\$100,909 \$139,542 \$139,542 \$2,364,209
Balance Available for Cove	Total Revenue Requirer Revenue In Gallons 5/8" Meter	tal Additional A ed 2019 Existing Rates	nnual Reven Percentage R Proposed Rates	ue Required	- -	\$100,909 \$139,542 \$139,542 \$2,364,209
Balance Available for Cove	Total Revenue Requirer Revenue In Gallons 5/8" Meter First 1,000	tal Additional A ed 2019 Existing Rates	nnual Reven Percentage R Proposed Rates	ue Required	-	\$100,909 \$139,542 \$139,542 \$2,364,209
Balance Available for Cove	Total Revenue Requirer Revenue In Gallons 5/8" Meter First 1,000 Over 1,000	tal Additional A ed 2019 Existing Rates	nnual Reven Percentage R Proposed Rates	ue Required	÷	\$100,909 \$139,542 \$139,542 \$2,364,209
Balance Available for Cove	In Gallons 5/8" Meter First 1,000 Over 1,000 1" Meter	tal Additional A ed 2019 Existing Rates \$18.22 \$7.69	Percentage R Proposed Rates \$19.31 \$8.15	ue Required	÷	\$100,909 \$139,542 \$139,542 \$2,364,209
Balance Available for Cove	In Gallons 5/8" Meter First 1,000 Over 1,000 I" Meter First 2,500	tal Additional A ed 2019 Existing Rates \$18.22 \$7.69	nnual Reven Percentage R Proposed Rates \$19.31 \$8.15	ue Required	÷	\$100,909 \$139,542 \$139,542 \$2,364,209
Balance Available for Cove	In Gallons 5/8" Meter First 1,000 Over 1,000 1" Meter First 2,500 Over 2,500	tal Additional A ed 2019 Existing Rates \$18.22 \$7.69	Percentage R Proposed Rates \$19.31 \$8.15	ue Required		\$100,909 \$139,542 \$139,542 \$2,364,209
Balance Available for Cove	In Gallons 5/8" Meter First 1,000 Over 1,000 I" Meter First 2,500 Over 2,500 2" Meter	tal Additional A ed 2019 Existing Rates \$18.22 \$7.69 \$29.76 \$7.69	Percentage R Proposed Rates \$19.31 \$8.15 \$31.55 \$8.15	ue Required	-	\$100,909 \$139,542 \$139,542 \$2,364,209
Balance Available for Cove	In Gallons 5/8" Meter First 1,000 Over 1,000 I" Meter First 2,500 Over 2,500 2" Meter First 10,000	tal Additional A ed 2019 Existing Rates \$18.22 \$7.69 \$29.76 \$7.69	Percentage R Proposed Rates \$19.31 \$8.15 \$31.55 \$8.15	ue Required		\$100,909 \$139,542 \$139,542 \$2,364,209
Balance Available for Cove	In Gallons 5/8" Meter First 1,000 Over 1,000 I" Meter First 2,500 Over 2,500 2" Meter	tal Additional A ed 2019 Existing Rates \$18.22 \$7.69 \$29.76 \$7.69	Percentage R Proposed Rates \$19.31 \$8.15 \$31.55 \$8.15	ue Required		\$2,364,209

NMWD Water System Improvements Summary Addendum

Funding Option 2 - 40 year Payback Schedule with no Grant First Year of Operation - Year Ending in 2022

Total Project Cost						\$3,400,000
Proposed Funding						
1 Toposcu Funding						
RD Grant Funds						\$0
Proposed Bond Amount						\$3,400,000
Troposed Bolld / Milodik						ψ3,400,000
Proposed Debt Service						
RD Loan Annual Debt Service	vice					\$121,590
40 years @	1.875%					ψ1 21 ,550
RD Loan Debt Service Co		Annual Debt Serv	rice)			\$12,160
						+ - - ,- • •
		Total .	New Project	Debt Service		\$133,750
			<i>,</i>			,,
Additional Expenses & A	Anticipated Deb	t Service				
Estimated Annual O & M I						\$265,531
Short-Lived Assets						\$75,000
Debt Reserve						
					+	
	Total Addition	onal Expenses &	. Anticipated	Debt Service		\$340,531
Total Annual Increase (Total	al New Project D	Debt Service + To	otal Additiona	l Expenses)		\$474,281
Balance Available for Cove	erage (For Planne	ed & Ongoing Im	mediate Proje	ects)	-	\$85,909
	<u>To</u>	tal Additional A	nnual Rever	nue Required		\$388,372
Total Additional Annua		ed				\$388,372
Total 2019 Billed Water	er Revenue				÷	\$2,364,209
		1	Percentage K	Rate Increase		17.00%
		2018 Existing	Proposed			
		Rates	Rates			
	In Gallons					
	5/8" Meter		***			
	First 1,000	\$18.22	\$20.00			
	Over 1,000	\$7.69	\$9.40			
	1" Meter		*** **			
	First 2,500	\$29.76	\$35.50			
	Over 2,500	\$7.69	\$9.40			
	2" Meter		\$107.00			
	First 10,000	\$87.43	\$105.00			
	Over 10,000	\$7.69	\$9.40			
	Bulk Rate	\$0.50	\$0.50			
		(25)				
		(35)				