



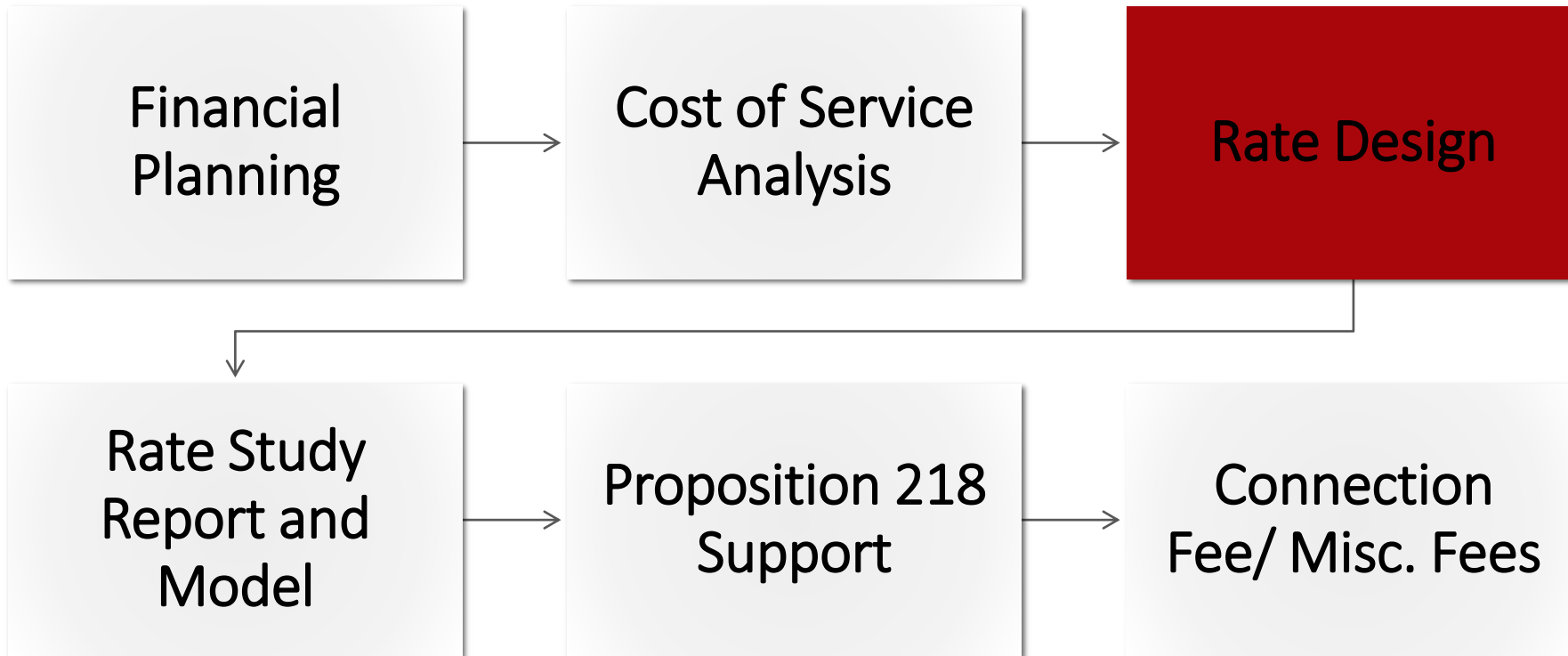
Wastewater Rate Study Recommendations

Hilton Creek Community Services District

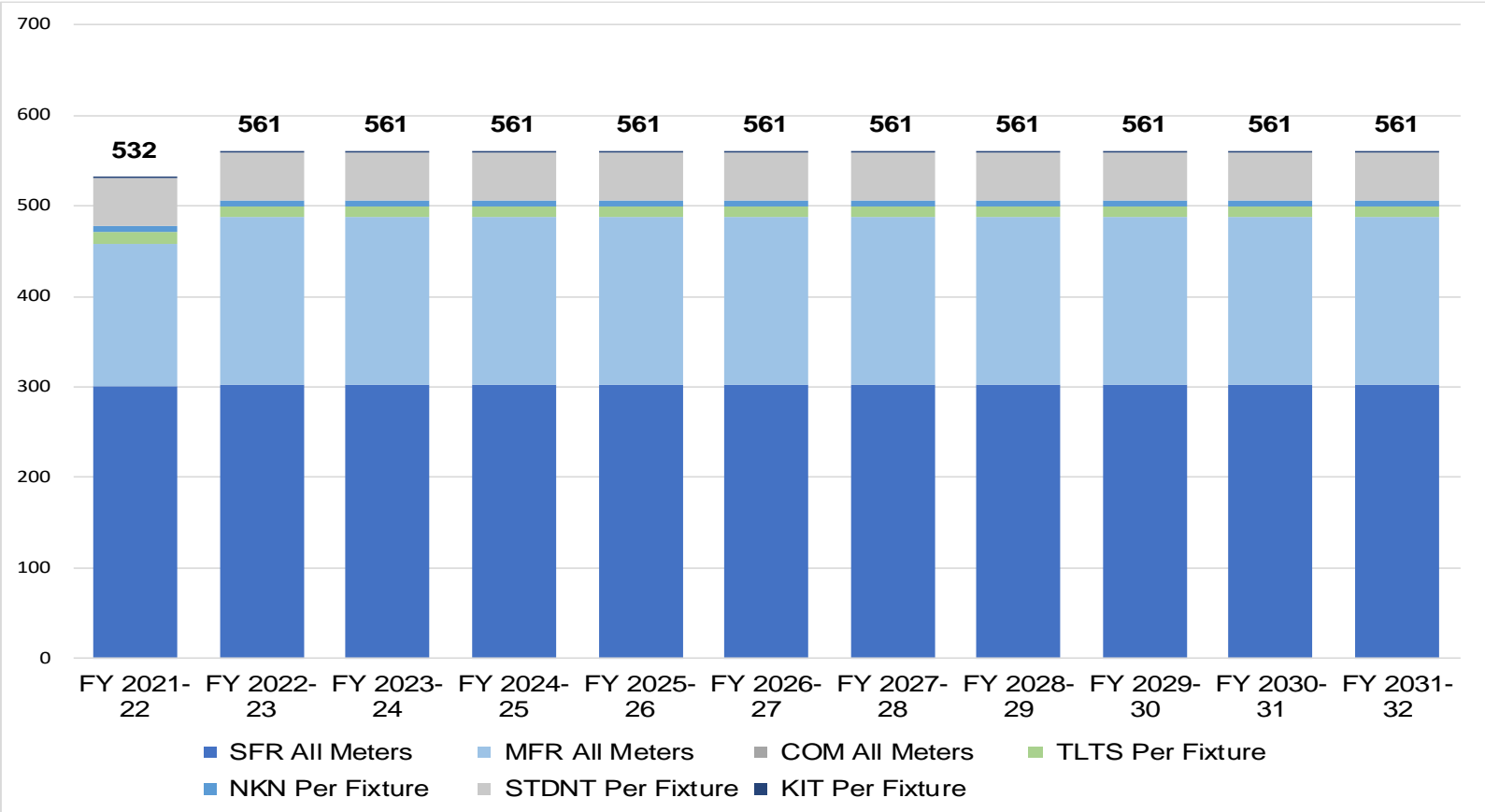
ROBERT D. NIEHAUS, INC.

AUGUST 22, 2022

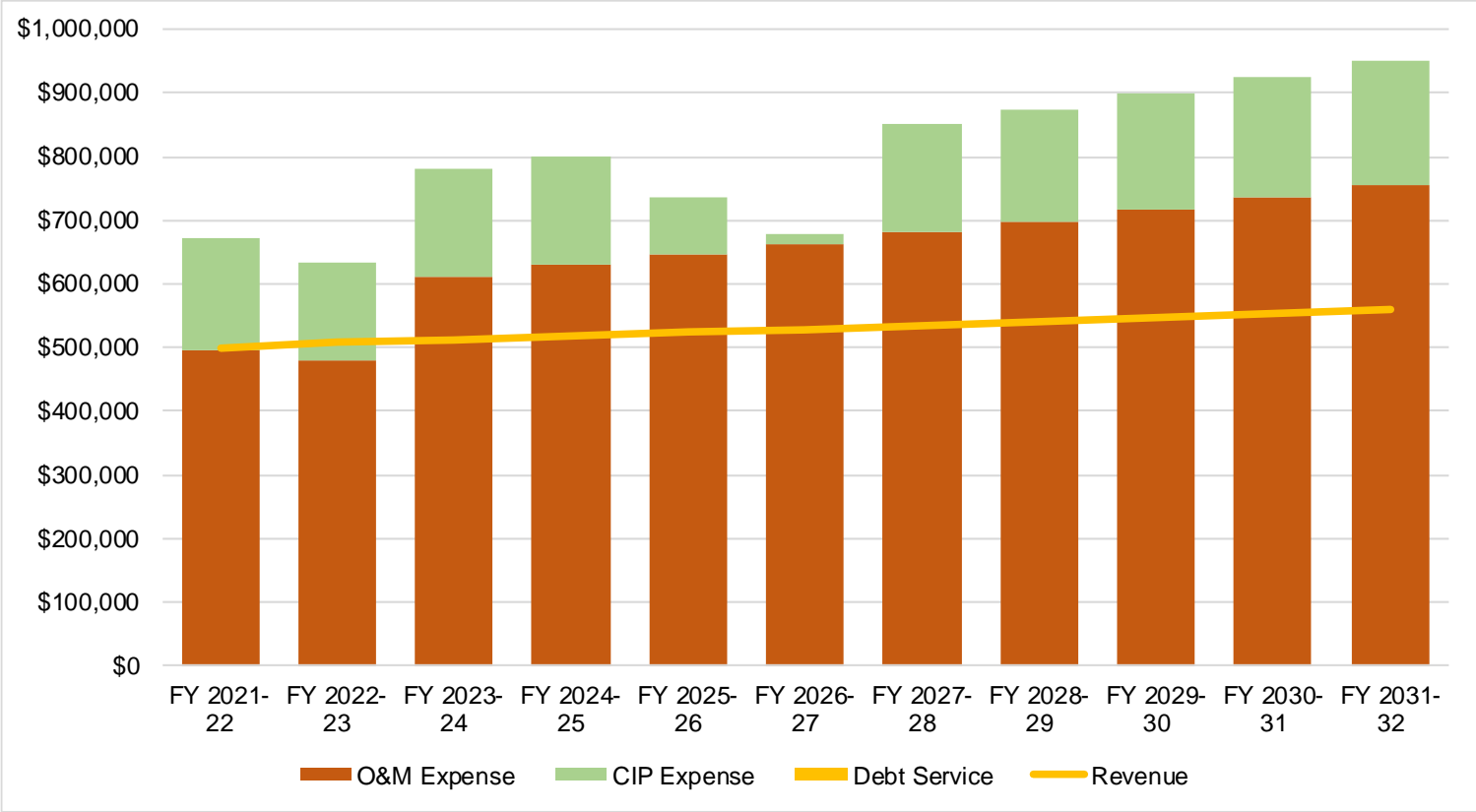
Project Approach



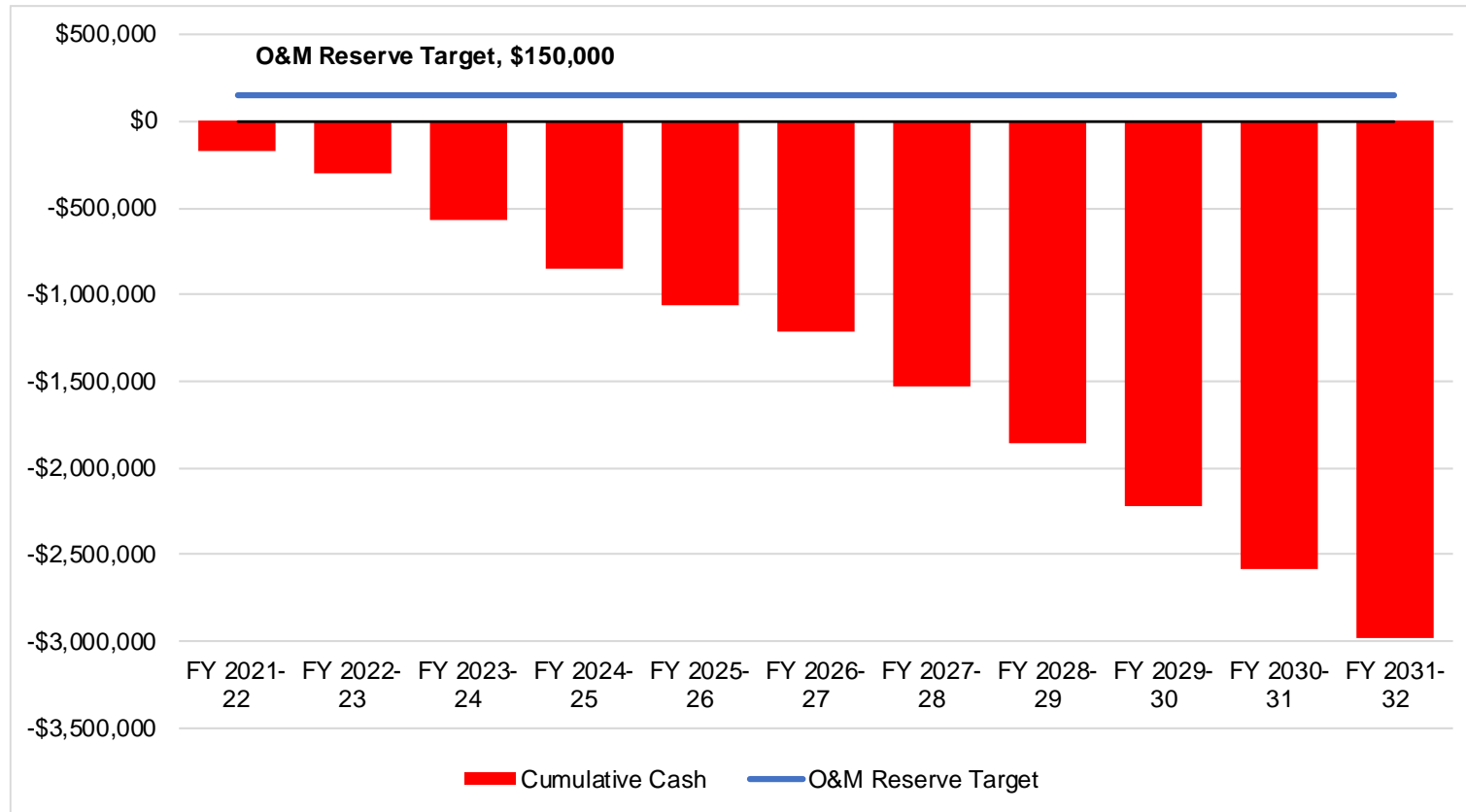
Billing Unit Growth (Current Categories)



Financial Plan



Reserve Balance



Revenue Adjustments

Option 1

- Solves immediate cash flow issues
- No adjustments in future years needed
- Funds all O&M and capital

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Revenue Adjustment	35.0%	25.0%	5.0%	0.0%	0.0%

Option 2

- Uses debt issuance to smooth increases (\$400K over ten years)
- Similar long-term rate impact
- Funds all O&M and Capital and Maintains coverage ratio

	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
Revenue Adjustment	25.0%	10.0%	10.0%	10.0%	10.0%

Cost of Service Analysis

Mass Balance Analysis – Determine the relative strength and flow of customer classes

- No water use data
- Total flow ~26.7 MGY
- EPA averages for flow and strength

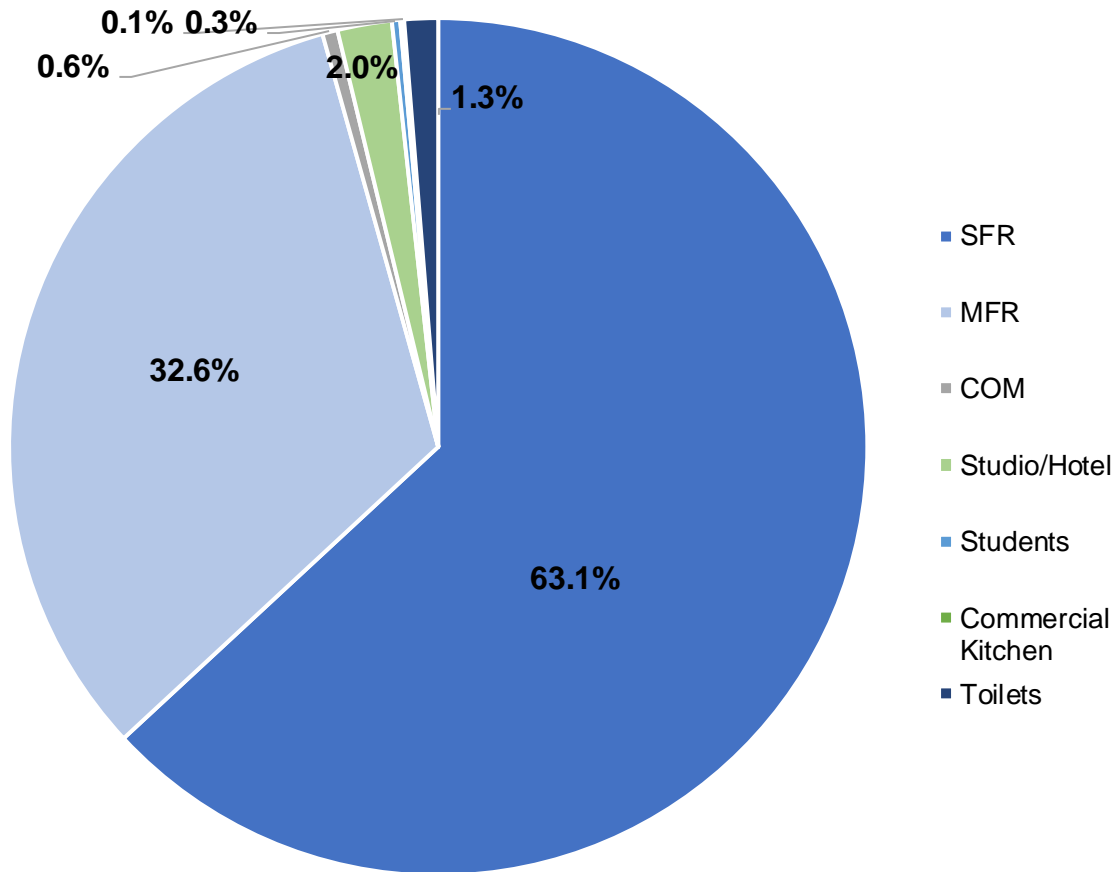
Fixture	Unit Size	Daily Flow per Unit in Gallons	BOD in milligrams per Liter	TSS in milligrams per Liter
Single Family Residential	1	150	175	175
Multi-Family Residential	1	150	175	175
Commercial	1	100	150	150
Studio/Hotel Rooms	1	100	175	175
Students (School)	1	10	150	150
Commercial Kitchen	1	50	1,082	209
Toilets	15	4	124	650

Average Use of Kitchen x3 meals

Toilets assumed to be used 15 times a day



Cost of Service Analysis Allocation



Fixture	COS
SFR	63.1%
MFR	32.6%
COM	0.6%
Studio/Hotel	2.0%
Students	0.3%
Commercial Kitchen	0.1%
Toilets	1.3%

Rate Category Adjustments

Current	EDU	Count	Proposed	EDU	Count
Single Family Residential	1.00	302	Single Family Residential	1.00	301
Multi-Family Residential	1.00	185	Multi-Family Residential	1.00/0.98*	25/160
Commercial	1.00	0	Commercial	0.62	4
Toilets	0.73	13	Toilets	0.65	11
No Kitchen Units	0.43	6	Studio/Hotel Rooms	0.65	18
Students (School)	0.04	53	Students (School)	0.03	53
Commercial Kitchen	0.98	2	Commercial Kitchen	0.83	1

*Cost of billing related expenses are removed for multi-family units beyond the first unit



Rate Recommendations

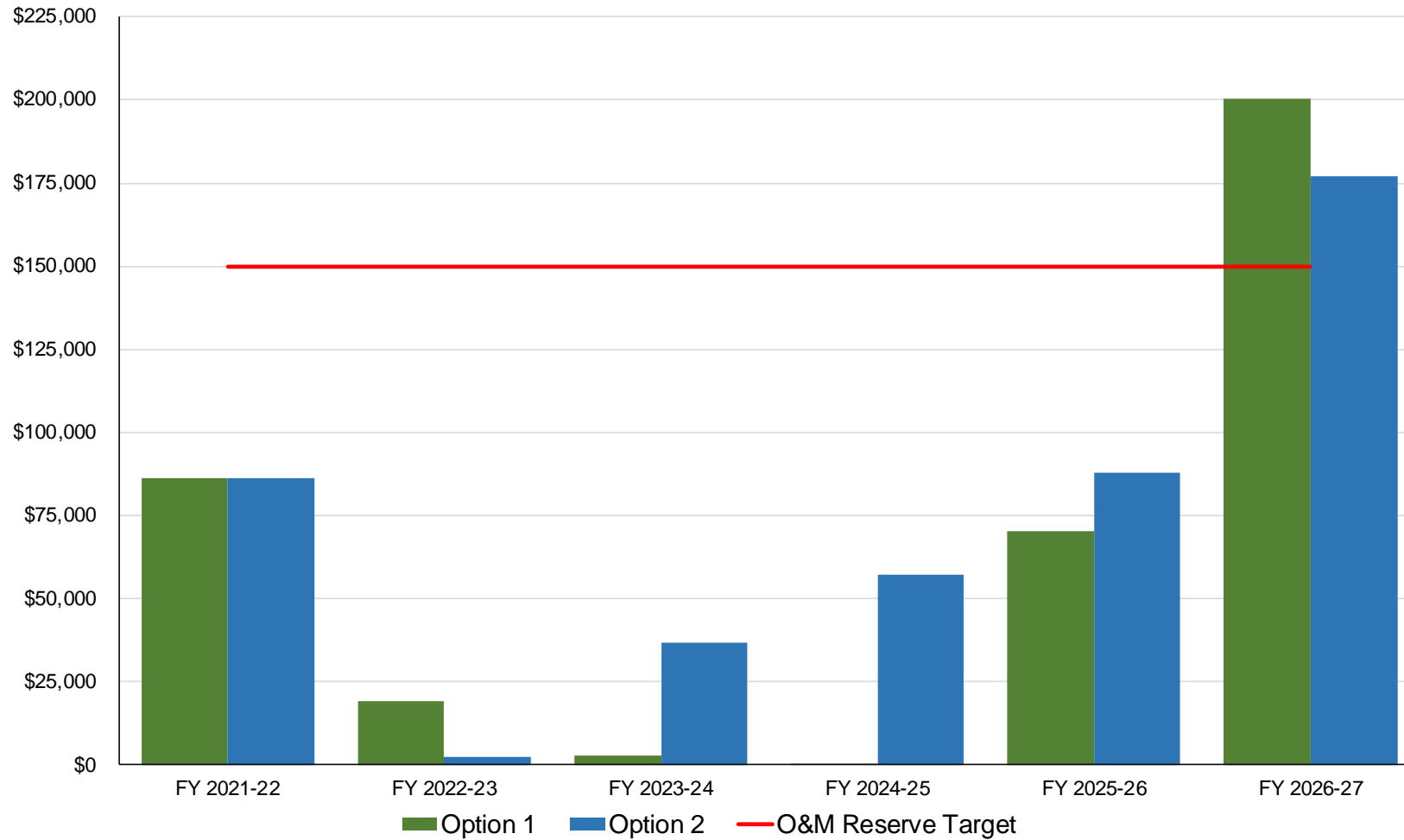
Category	Current	Category	Option 1	Option 2
Single-Family Residential	\$110.62	Single-Family Residential	\$157.44	\$145.78
Multi-Family Residential	\$110.62	Full-sized MFR Units	\$157.44/\$128.20	\$145.78/\$118.70
Commercial	\$110.62	Commercial	\$68.45	\$63.38
Toilets	\$80.98	Toilets	\$86.67	\$80.25
No Kitchen Nightly	\$47.32	Studios/Hotel Rooms	\$85.47	\$79.14
Students	\$3.92	School/Church	\$4.42	\$4.09
Kitchen	\$107.90	Kitchen	\$109.80	\$101.67

Account	Customer	Full Size	MFR 2nd Unit+	Commercial	Extra Toilet	Kitchen	No kitchen	Students	Studio/ Hotel Room	Current Rates	Proposed Rates Option 1	% Difference	Proposed Rates Option 2	% Difference
	Option 1	\$157.44	128.2	\$68.45	\$86.67	\$109.80		\$4.42	\$85.47					
	Option 2	\$145.78	124.06	\$63.38	\$80.25	\$101.67		\$4.09	\$79.14					
	Residential (all)									\$110.62	\$157.44	42.3%	\$145.78	31.8%
6012005	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
6012019	MFR	1	7	0	0	0	0	0	0	\$884.96	\$1,054.84	19.2%	\$1,014.20	14.6%
6013012	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
6014001	MFR	1	2	0	0	0	0	0	0	\$331.86	\$413.84	24.7%	\$393.90	18.7%
6015020	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
6017021	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
6018004	MFR	1	2	0	0	0	0	0	0	\$331.86	\$413.84	24.7%	\$393.90	18.7%
6018018	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
6020013	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
6021001	MFR	1	0	0	0	0	0	0	8	\$995.58	\$841.17	-15.5%	\$778.87	-21.8%
6021013	MH	1	34.3486	0	0	0	0	0	0	\$3,910.26	\$4,560.94	16.6%	\$4,407.06	12.7%
6021019	Commercial	0	0	1	2	0	0	0	0	\$272.58	\$241.78	-11.3%	\$223.87	-17.9%
6021020	Commercial	0	0	1	1	0	0	0	0	\$161.92	\$155.11	-4.2%	\$143.62	-11.3%
6021021	School/Church	0	0	0	8	1	0	53	0	\$853.74	\$1,037.32	21.5%	\$960.48	12.5%
6021028	Hotel	1	0	0	0	0	0	0	8	\$742.38	\$841.17	13.3%	\$778.87	4.9%
6021029	MH	1	9.37697	0	0	0	0	0	0	\$1,147.90	\$1,359.57	18.4%	\$1,309.08	14.0%
6021032	MFR	1	13	0	0	0	0	0	0	\$1,548.68	\$1,824.04	17.8%	\$1,758.56	13.6%
6021033	Commercial	0	0	1	0	0	0	0	0	\$80.98	\$68.45	-15.5%	\$63.38	-21.7%
6021051	MFR	1	1	0	0	0	0	0	0	\$224.24	\$285.64	27.4%	\$269.84	20.3%
6021061	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
6021062	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
6023005	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
6023015	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
6023056	Hotel	1	4	0	0	0	0	0	2	\$647.74	\$841.17	29.9%	\$800.29	23.6%
6024010	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
6025015	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
60290191	MFR	1	10	0	0	0	0	0	0	\$1,216.82	\$1,439.44	18.3%	\$1,386.38	13.9%
60290192	MFR	1	15	0	0	0	0	0	0	\$1,769.92	\$2,080.45	17.5%	\$2,006.68	13.4%
60290193	MFR	1	9	0	0	0	0	0	0	\$1,106.20	\$1,311.24	18.5%	\$1,262.32	14.1%
6030009	MFR	1	1	0	0	0	0	0	0	\$221.24	\$285.64	29.1%	\$269.84	22.0%
6021063	Commercial	0	0	1	0	0	0	0	0	\$110.62	\$68.45	-38.1%	\$63.38	-42.7%

Rate Impacts



Adjusted Financial Plans



5-year Rate Plan

Option 1	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
SFR/MFR 1st. Unit	\$157.44	\$196.80	\$206.64	\$206.64	\$206.64
MFR 2nd Unit+	\$128.20	\$160.25	\$168.26	\$168.26	\$168.26
Commercial	\$68.45	\$85.56	\$89.83	\$89.83	\$89.83
Studios/Hotel Rooms	\$85.47	\$106.83	\$112.18	\$112.18	\$112.18
School/Church	\$4.42	\$5.52	\$5.80	\$5.80	\$5.80
Kitchen	\$109.80	\$137.25	\$144.11	\$144.11	\$144.11
Toilets	\$86.67	\$108.33	\$113.75	\$113.75	\$113.75
Option 2	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27
SFR/MFR 1st. Unit	\$145.78	\$160.35	\$176.39	\$194.03	\$213.43
MFR 2nd Unit+	\$118.70	\$130.57	\$143.63	\$158.00	\$173.79
Commercial	\$63.38	\$69.71	\$76.68	\$84.35	\$92.79
Studios/Hotel Rooms	\$79.14	\$87.05	\$95.75	\$105.33	\$115.86
School/Church	\$4.09	\$4.50	\$4.95	\$5.45	\$5.99
Kitchen	\$101.67	\$111.83	\$123.02	\$135.32	\$148.85
Toilets	\$80.25	\$88.27	\$97.10	\$106.81	\$117.49



Questions?
