

**OFFICE OF THE  
TOWN MANAGER**



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**Town of Shrewsbury**  
**MASSACHUSETTS 01545-5398**

March 15, 2006

To: Board of Selectmen

From: Daniel J. Morgado

Re: Water Revenue and Water Rates

Introduction

In June of 2003, the Board of Selectmen adopted a new residential water rate structure that was designed to be revenue neutral while at the same time create economic incentives for water conservation for high consumption users while rewarding our low consumption users.

In 2003, the Board studied ten scenarios and adopted scenario #10 which went into effect on June 1, 2003, which projected a 14.6% increase in revenue. The Board was concerned at the time in light of the experience of the Town of Westborough, that the more aggressive rate structure would reduce consumption and create a revenue shortfall. In addition, the period that was used for modeling purposes was very dry so consumption levels studied were up from previous years resulting in the Board erring on the side of caution.

I have studied the resulting impact of the new rate through November of 2005 and I have the opinion that the time has come to revisit this issue to make additional changes to affect consumption and to now raise additional funds in order to make capital improvements to the water system.

Contained within this memo are numerous summaries and projections of past water consumption and revenue together with projections based on proposed rate scenarios. We have also set forth for the Board a program of improvements that must be pursued over the next five years to maintain our water system in its best possible condition.

For the purpose of rate modeling we are using a twenty-four months period starting with the December 2003 billing cycle and ending with the November 2005 billing cycle. The use of this (24) month period will help smooth out the highs and lows of water consumption based upon climatic factors:

Period	Residential Consumption
Bill Cycles 2003-12 to 2004-11	644,306,471
Bill Cycles 2004-12 to 2005-11	641,233,195

As stated previous, the Board's goals back in 2003 were three fold:

1. Reward the lower consumption water user
2. Create economic incentives for conservation aimed at the higher consumption water user
3. Stay revenue neutral

The result are as follows:

1. By virtue of the lower minimum under the current rate, low water consumers did receive a reduction in their water bill. A comparison of the two rates is in order:

Usage	July 1, 1999 Rate	June 1, 2003 Rate
Minimum	\$24.00	\$15.00
Less than 5,000	\$0.00	\$0.00
5,000 to 24,999	\$1.80	\$2.50
25,000 to 49,999	\$1.80	\$4.50
50,000+	\$2.40	\$5.50

Any bill under 17,500 gallons per quarter saw a reduction under the rate schedule adopted in June of 2003. Of the 74,058 bills issued in the study period, 72% were either equal to or lower than the bill would have been if the rate structure had not been modified.

2. Conversely higher consumption customers saw their bills increase dramatically resulting for the more aggressive tiered structure. An example of the impact upon high consumption customers is shown in bill cycle 2005-10 which saw 55.6% of revenue serviced from consumption above 50,000 gallons (545 gpd; 8.38 persons @ 65 gpd) for the quarter. The following is a comparison of revenue generation of a low and high quarter:

<b>Detail of Revenues Per Rate Category</b> (2004-03 low consumption month; 2005-10 high consumption month – Section CS)						
	Current Rates		Rate Cycle 2004-03	Percent of Total	Rate Cycle 2005-10	Percent of Total
\$15.00 +	\$15.00	0-5000	\$5,580	5.4%	\$3,585	0.9%
	\$2.50	5,001-25,000	\$74,736	72.8%	\$75,354	18.0%
	\$4.50	25,001-50,000	\$17,077	16.6%	\$106,908	25.6%
	\$5.50	> 50,000	\$5,354	5.2%	\$232,435	55.6%
			<b>\$102,645</b>	<b>100%</b>	<b>\$418,276</b>	<b>100%</b>

- The new rate was slightly revenue positive for the (24) month period studied. As stated previously, the selected Scenario #10 was modeled to an increase of 14.6%. In practice, the cumulative revenue position varied thought the period dependent on water consumption which varied greatly from quarter to quarter. The cumulative revenue impact is shown below and finishes the study period at plus 7.9% which in light of the assumptions that had to be made in 2003 and the variants that must be dealt with is quite remarkable:

Months	Revenue Current Rates	Revenue Previous Rates	Change
2003-12	\$110,347	\$110,023	0.3%
2004-01	\$290,610	\$279,508	4.0%
2004-02	\$420,311	\$407,419	3.2%
2004-03	\$522,956	\$513,236	1.9%
2004-04	\$665,946	\$660,935	0.8%
2004-05	\$775,220	\$776,546	-0.2%
2004-06	\$873,195	\$880,007	-0.8%
2004-07	\$1,055,920	\$1,049,752	0.6%
2004-08	\$1,215,806	\$1,218,165	-0.2%
2004-09	\$1,365,116	\$1,348,864	1.2%
2004-10	\$1,766,028	\$1,620,296	9.0%
2004-11	\$1,938,072	\$1,794,540	8.0%
2004-12	\$2,066,950	\$1,953,742	5.8%
2005-01	\$2,232,692	\$2,114,854	5.6%
2005-02	\$2,365,301	\$2,244,771	5.4%
2005-03	\$2,466,773	\$2,349,316	5.0%
2005-04	\$2,623,603	\$2,505,891	4.7%
2005-05	\$2,743,237	\$2,628,116	4.4%
2005-06	\$2,840,950	\$2,731,669	4.0%
2005-07	\$3,015,856	\$2,943,373	2.5%
2005-08	\$3,179,775	\$3,089,795	2.9%
2005-09	\$3,346,131	\$3,228,800	3.6%
2005-10	\$3,764,407	\$3,507,944	7.3%
2005-11	\$3,954,942	\$3,666,280	7.9%

### Why a Change is Necessary

The reason to study this issue is three fold:

- We are under continuing pressure by the Commonwealth of Massachusetts to reduce average per capita demand to 65 gallons per person per day. The current rate of use is as follows:

Year	Per Capita	Average Daily Consumption (MGD)*
2002	91	3.864
2003	81	3.505
2004	75	3.632
2005	68	3.893**

\* Permit limit is 3.650 MGD

\*\* Large amount of unaccounted for water in 2005

While progress has been made, additional steps must be taken to ensure that the 65 gallons mandate is achieved. The laws of supply and demand state that an increase in price will reduce consumption thus the need to look at the rate structure.

2. In recent years, in addition to funding projects in the Capital Budget, we have embarked on an aggressive program of improvements to the water system such as:

Project	Appropriation	Year
Rte 9 Water Main Replacement	\$ 150,000.00	2005
Water Main Replacement - Various	\$ 300,000.00	2005
Water Tank Study and Design	\$ 50,000.00	2005
Water Main Replacement - Various	\$ 275,000.00	2003
Well Improvements (6-1)	\$ 25,000.00	2003
Oak Street Booster	\$ 550,000.00	2003
Rte 9 Water Main Replacement	\$ 1,500,000.00	2003
Well Improvements (6-2)	\$ 30,000.00	2003
Brooks Street Water Line	\$ 200,000.00	2002
Water System Design	\$ 75,000.00	2002
Home Farm Well Rehab	\$ 155,000.00	2002
Land Purchase Oak St Booster	\$ 75,000.00	2001
Temple Hill Water Tank	\$ 977,175.00	1999
Water System Y2K	\$ 108,000.00	1999
<b>Total*</b>	\$ 4,470,175.00	

\* In addition during this time the 1991 water bond was redeemed

Unfortunately, still more must be done as shown in the attached fiscal forecasts which calls for additional improvements over the next 5 years of some \$8,547,000.

Each year we generate nearly \$1 Million Dollars for capital improvements. Unfortunately the amount to be raise for improvements for the next five years is not sufficient to meet the demand requiring either fewer projects or an increase in revenue.

The Board of Selectmen will also need to settle on a process for determining any rate changes.

Please advise with any questions or if you require additional information.

Cc Jack Perreault  
Robert Tozeski  
Michael Hale  
Andre Beliveau

We can also change our funding practice which is currently pay-as-you-go meaning that we use current funds for all capital improvements. A smaller increase in rates is possible provided funds are borrowed.

### Other Sources of Revenue

1. Back in 2003, the Board choose not to alter the commercial rate out of concern the aggressive rate structure would suppress demand and thus create a revenue deficit. By not modify the commercial rate, a predictable “floor” was established. Table Four shows the impact of various rates of increase on the non-residential rate.
2. Another source of revenue the Board may consider is increasing the Water Conservation Fee (now \$1,000) and establishing a Connection Fee (now \$0; Sewer Connection fee is \$3,000 plus \$440/bedroom).

### Exhibits & Tables

I direct your attention to the attached exhibits

Exhibit/Table	Explanation
Forecasts #1 to #4	Show revenue and expenses over the period of FY 2007 to FY 2011 using various revenue assumptions
Table I	Residential Consumption Analysis
Table II	Rate Scenarios increasing residential revenue by 19%, 21% and 24%
Table III	Comparison of bills at various levels
Table IV	Summary of Non-Residential Revenue
Table V	Debt Schedule for a \$3 Million Bond

### Sewer Rates

At their meeting on February 14<sup>th</sup>, the Sewer Commission gave tentative approval to a rate increase of 18% for residential customers and 20% for commercial. The Commission took this action in reaction to the potential loss of the tax levy subsidy for the sewer option. While the loss of the subsidy will require a much larger increase, the accumulated reserves of the Sewer Department allow for the rate increase to transition in.

### Timetable

If at all possible, I wish to have the Board act on the question of water rates during the month of April so that the new rates may be effective for water sold after May, 2006.

# Water Department - Five Year Fiscal Forecast

## With No Change in Rate Structure

Forecast #1

Revenue	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Water Revenue	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000
Water Conservation Revenue (\$1,000 per)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 75,000	\$ 75,000
Water Connection Fee	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue</b>	<b>\$ 3,000,000</b>	<b>\$ 3,000,000</b>	<b>\$ 3,000,000</b>	<b>\$ 2,975,000</b>	<b>\$ 2,975,000</b>
<b>Operating Expenditure</b>					
Water Operation (assumes 10% annual increase)	\$ 2,004,296	\$ 2,204,726	\$ 2,425,198	\$ 2,667,718	\$ 2,934,490
Debt Service	\$ 2,004,296	\$ 2,204,726	\$ 2,425,198	\$ 2,667,718	\$ 2,934,490
<b>Capital Expenditure</b>					
Route 9 - Dewey to Maple	\$ 1,200,000				
Harrington to Old Mill	\$ 450,000				
Centech Extension	\$ 172,000				
Paint and Repair Hillside Tank	\$ 500,000				
Tank Replacement at Masonic	\$ 1,250,000				
W. Main to Harrington	\$ 500,000				
Blackstone Rd to Worcester line	\$ 475,000				
Route 20 - Yellow Freight to Cherry	\$ 350,000				
Crescent Street			\$ 485,000		
Maple Ave and Gage Lane			\$ 700,000		
Paint and Repair Masonic Tank #3			\$ 400,000		
Oak Street - Maple to Gale				\$ 150,000	
Lake Street from Grafton Street to Route 9				\$ 325,000	
Paint and Repair Oak Street Tank				\$ 200,000	
Edgemere Area Replacement					\$ 950,000
Equipment Replacement	\$ 40,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Water Services on Grafton Street					
Treatment Plant Upgrade ????					
<b>Total Expenditures</b>	<b>\$ 3,612,000</b>	<b>\$ 1,425,000</b>	<b>\$ 1,685,000</b>	<b>\$ 775,000</b>	<b>\$ 1,050,000</b>
	\$ 5,616,296	\$ 3,629,726	\$ 4,110,198	\$ 3,442,718	\$ 3,984,490
<b>Available Funds</b>					
Balance in Various Accounts	\$ 881,055				
Balance in Water Conservation Fund	\$ 486,958				
<b>Surplus/Deficit</b>	<b>\$ (1,248,283)</b>	<b>\$ (629,726)</b>	<b>\$ (1,110,198)</b>	<b>\$ (467,718)</b>	<b>\$ (1,009,490)</b>
<b>Cumulative</b>	<b>\$ (1,878,009)</b>	<b>\$ (2,988,207)</b>	<b>\$ (3,455,925)</b>	<b>\$ (4,465,415)</b>	<b>\$ (4,465,415)</b>

**Water Department - Five Year Fiscal Forecast  
With No Change in Rate Structure With \$3 Million Bond**

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
<b>Revenue</b>					
Water Revenue	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000
Water Conservation Revenue (\$1,000 per)	\$ 100,000	\$ 100,000	\$ 100,000	\$ 75,000	\$ 75,000
Water Connection Fee	\$ -	\$ -	\$ -	\$ -	\$ -
Bond Proceeds	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue</b>	<b>\$ 6,000,000</b>	<b>\$ 3,000,000</b>	<b>\$ 3,000,000</b>	<b>\$ 2,975,000</b>	<b>\$ 2,975,000</b>
<b>Operating Expenditure</b>					
Water Operation (assumes 10% annual increase)	\$ 2,004,296	\$ 2,204,726	\$ 2,425,198	\$ 2,667,718	\$ 2,934,490
Debt Service	\$ -	\$ 450,000	\$ 435,000	\$ 420,000	\$ 405,000
<b>Capital Expenditure</b>	<b>\$ 2,004,296</b>	<b>\$ 2,654,726</b>	<b>\$ 2,860,198</b>	<b>\$ 3,087,718</b>	<b>\$ 3,339,490</b>
Route 9 - Dewey to Maple	\$ 1,200,000				
Harrington to Old Mill	\$ 450,000				
Centech Extension	\$ 172,000				
Paint and Repair Hillside Tank	\$ 500,000				
Tank Replacement at Masonic	\$ 1,250,000				
W. Main to Harrington	\$ -	\$ 500,000			
Blackstone Rd to Worcester line	\$ -	\$ 475,000			
Route 20 - Yellow Freight to Cherry	\$ -	\$ 350,000			
Crescent Street			\$ 485,000		
Maple Ave and Gage Lane			\$ 700,000		
Paint and Repair Masonic Tank #3			\$ 400,000	\$ 150,000	
Oak Street - Maple to Gale				\$ 325,000	
Lake Street from Grafton Street to Route 9				\$ 200,000	
Paint and Repair Oak Street Tank					\$ 950,000
Edgemere Area Replacement					\$ 100,000
Equipment Replacement	\$ 40,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Water Services on Grafton Street					
Treatment Plant Upgrade ????					
<b>Total Expenditures</b>	<b>\$ 3,612,000</b>	<b>\$ 1,425,000</b>	<b>\$ 1,685,000</b>	<b>\$ 775,000</b>	<b>\$ 1,050,000</b>
<b>Available Funds</b>	<b>\$ 5,616,296</b>	<b>\$ 4,079,726</b>	<b>\$ 4,545,198</b>	<b>\$ 3,862,718</b>	<b>\$ 4,389,490</b>
Balance in Various Accounts					
Balance in Water Conservation Fund					
<b>Surplus/Deficit</b>	<b>\$ 1,751,717</b>	<b>\$ (1,079,726)</b>	<b>\$ (1,545,198)</b>	<b>\$ (887,718)</b>	<b>\$ (1,414,490)</b>
<b>Cumulative</b>	<b>\$ 671,991</b>	<b>\$ (873,207)</b>	<b>\$ (1,760,925)</b>	<b>\$ (3,175,415)</b>	<b>\$ (3,175,415)</b>



**Water Department - Five Year Fiscal Forecast  
With 10% Change in Rate Structure, \$3 Million Bond and Increased Water Conservation Fee and New Connection Fee**

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
<b>Revenue</b>					
Water Revenue	\$ 3,190,000	\$ 3,190,000	\$ 3,190,000	\$ 3,190,000	\$ 3,190,000
Water Conservation Revenue (\$1,500 per)	\$ 150,000	\$ 150,000	\$ 112,500	\$ 112,500	\$ 112,500
Water Connection Fee (\$1,500 per)	\$ 150,000	\$ 150,000	\$ 112,500	\$ 112,500	\$ 112,500
Bond Proceeds	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue</b>	\$ 6,490,000	\$ 3,490,000	\$ 3,415,000	\$ 3,415,000	\$ 3,415,000
<b>Operating Expenditure</b>					
Water Operation (assumes 10% annual increase)	\$ 2,004,296	\$ 2,204,726	\$ 2,425,198	\$ 2,667,718	\$ 2,934,490
Debt Service	\$ -	\$ 450,000	\$ 435,000	\$ 420,000	\$ 405,000
<b>Capital Expenditure</b>	\$ 2,004,296	\$ 2,654,726	\$ 2,860,198	\$ 3,087,718	\$ 3,339,490
Route 9 - Dewey to Maple	\$ 1,200,000				
Harrington to Old Mill	\$ 450,000				
Centech Extension	\$ 172,000				
Paint and Repair Hillside Tank	\$ 500,000				
Tank Replacement at Masonic	\$ 1,250,000				
W. Main to Harrington		\$ 500,000			
Blackstone Rd to Worcester line		\$ 475,000			
Route 20 - Yellow Freight to Cherry		\$ 350,000			
Crescent Street			\$ 485,000		
Maple Ave and Gage Lane			\$ 700,000		
Paint and Repair Masonic Tank #3			\$ 400,000		
Oak Street - Maple to Gale				\$ 150,000	
Lake Street from Grafton Street to Route 9				\$ 325,000	
Paint and Repair Oak Street Tank				\$ 200,000	
Edgemere Area Replacement					\$ 950,000
Equipment Replacement	\$ 40,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Water Services on Grafton Street					
Treatment Plant Upgrade ????					
<b>Total Expenditures</b>	\$ 3,612,000	\$ 1,425,000	\$ 1,685,000	\$ 775,000	\$ 1,050,000
	\$ 5,616,296	\$ 4,079,726	\$ 4,545,198	\$ 3,862,718	\$ 4,389,490
<b>Available Funds</b>					
Balance in Various Accounts	\$ 881,055				
Balance in Water Conservation Fund	\$ 486,958				
<b>Surplus/Deficit</b>	\$ 2,241,717	\$ (589,726)	\$ (1,130,198)	\$ (447,718)	\$ (974,490)
<b>Cumulative</b>	\$ 1,651,991	\$ 521,793	\$ 74,075	\$ (900,415)	

## Water Department - Five Year Fiscal Forecast

## With 15% Change in Rate Structure, \$3 Million Bond and Increased Water Conservation Fee and New Connection Fee

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
<b>Revenue</b>					
Water Revenue	\$ 3,335,000	\$ 3,335,000	\$ 3,335,000	\$ 3,335,000	\$ 3,335,000
Water Conservation Revenue (\$1,500 per)	\$ 150,000	\$ 150,000	\$ 112,500	\$ 112,500	\$ 112,500
Water Connection Fee (\$1,500 per)	\$ 150,000	\$ 150,000	\$ 112,500	\$ 112,500	\$ 112,500
Bond Proceeds	\$ 3,000,000	\$ -	\$ -	\$ -	\$ -
<b>Total Revenue</b>	\$ 6,635,000	\$ 3,635,000	\$ 3,560,000	\$ 3,560,000	\$ 3,560,000
<b>Operating Expenditure</b>					
Water Operation (assumes 10% annual increase)	\$ 2,004,296	\$ 2,204,726	\$ 2,425,198	\$ 2,667,718	\$ 2,934,490
Debt Service	\$ -	\$ 450,000	\$ 435,000	\$ 420,000	\$ 405,000
<b>Capital Expenditure</b>	\$ 2,004,296	\$ 2,654,726	\$ 2,860,198	\$ 3,087,718	\$ 3,339,490
Route 9 - Dewey to Maple	\$ 1,200,000				
Harrington to Old Mill	\$ 450,000				
Centech Extension	\$ 172,000				
Paint and Repair Hillside Tank	\$ 500,000				
Tank Replacement at Masonic	\$ 1,250,000				
W. Main to Harrington	\$ -	\$ 500,000			
Blackstone Rd to Worcester line	\$ -	\$ 475,000			
Route 20 - Yellow Freight to Cherry	\$ -	\$ 350,000			
Crescent Street			\$ 485,000		
Maple Ave and Gage Lane			\$ 700,000		
Paint and Repair Masonic Tank #3			\$ 400,000	\$ 150,000	
Oak Street - Maple to Gale				\$ 325,000	
Lake Street from Grafton Street to Route 9				\$ 200,000	
Paint and Repair Oak Street Tank					\$ 950,000
Edgemere Arca Replacement					\$ 100,000
Equipment Replacement	\$ 40,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Water Services on Grafton Street					
Treatment Plant Upgrade ????					
<b>Total Expenditures</b>	\$ 3,612,000	\$ 1,425,000	\$ 1,685,000	\$ 775,000	\$ 1,050,000
<b>Available Funds</b>	\$ 5,616,296	\$ 4,079,726	\$ 4,545,198	\$ 3,862,718	\$ 4,389,490
Balance in Various Accounts	\$ 881,055				
Balance in Water Conservation Fund	\$ 486,958				
<b>Surplus/Deficit</b>	\$ 2,386,717	\$ (444,726)	\$ (985,198)	\$ (302,718)	\$ (829,490)
<b>Cumulative</b>	\$ 1,941,991	\$ 956,793	\$ 654,075	\$ (175,415)	

Table One  
Residential Consumption Analysis  
December 2003 to November 2005

Bill Period Range (gal)	2003-12			2004-01			2004-02		
	Records	Cumul. Usage	Average	Records	Cumul. Usage	Average	Records	Cumul. Usage	Average
0	112	125,230	1,118	94	80,980	861	140	144,370	1,031
2,500	228	923,642	4,051	188	772,860	4,111	260	1,087,910	4,184
5,000	258	1,644,630	6,375	212	1,359,140	6,411	231	1,474,260	6,382
7,500	343	3,043,710	8,874	365	3,289,300	9,012	342	3,046,070	8,907
10,000	325	3,698,850	11,381	381	4,342,390	11,397	358	4,053,890	11,324
12,500	317	4,378,100	13,811	433	5,996,230	13,848	393	5,454,480	13,879
15,000	262	4,261,620	16,266	397	6,480,720	16,324	295	4,798,610	16,266
17,500	235	4,421,120	18,813	378	7,110,510	18,811	259	4,885,750	18,864
20,000	138	2,921,600	21,171	277	5,882,240	21,236	189	4,033,430	21,341
22,500	117	2,776,350	23,729	251	5,984,590	23,843	149	3,539,340	23,754
25,000	85	2,232,420	26,264	164	4,290,880	26,164	104	2,735,200	26,300
27,500	59	1,699,270	28,801	132	3,815,489	28,905	74	2,132,620	28,819
30,000	38	1,194,730	31,440	85	3,357	31,234	49	1,528,650	31,177
32,500	22	745,960	33,907	65	2,654,900	33,765	39	1,317,080	33,771
35,000	18	659,600	36,644	53	2,194,700	36,440	23	831,580	36,156
37,500	18	700,600	38,922	38	1,476,600	38,858	17	660,520	38,854
40,000	16	673,700	42,106	47	2,002,180	42,600	21	897,340	42,730
45,000	11	521,800	47,436	24	1,139,840	47,493	15	714,800	47,653
50,000	7	372,400	53,200	14	733,470	52,391	7	371,590	53,084
55,000	5	285,400	57,080	11	629,800	57,255	10	577,500	57,750
60,000	4	247,900	61,975	3	183,400	61,133	2	125,200	62,600
65,000	0	0	37,528,632	1	68,000	68,000	5	337,900	67,580
70,000	2	147,000	73,500	1	71,000	71,000	2	75,500	75,500
75,000	1	77,500	77,500	1	76,000	76,000	1	75,500	75,500
80,000	1	85,000	85,000	1	80,500	80,500	2	176,000	88,000
85,000	0	0	37,838,132	0	0	37,838,132	2	176,000	88,000
90,000	0	0	37,838,132	0	0	37,838,132	2	176,000	88,000
95,000	0	0	37,838,132	0	0	37,838,132	2	176,000	88,000
100,000	1	105,600	105,600	3	324,000	108,000	1	104,300	104,300
125,000	0	0	37,943,732	0	0	37,943,732	2	176,000	88,000
500,000	1	270,000	270,000	0	0	63,070,259	2,986	45,103,890	45,103,890
	2,624	38,213,732	270,000	3,620	63,070,259	63,070,259	2,986	45,103,890	45,103,890

Table One  
Residential Consumption Analysis  
December 2003 to November 2005

Bill Period Range (gal)	2004-03			2004-04			2004-05		
	Records	Cumul. Usage	Average	Records	Cumul. Usage	Average	Records	Cumul. Usage	Average
0	134	161,890	1,208	156	148,910	955	187	192,240	1,028
2,500	238	974,688	4,095	264	1,073,780	4,067	314	1,271,830	4,050
5,000	266	1,685,200	6,335	429	1,988,370	6,435	350	2,231,210	6,375
7,500	343	3,048,330	8,887	494	4,401,810	8,911	502	4,450,190	8,865
10,000	344	3,917,620	11,388	512	5,799,057	11,326	386	4,384,160	11,358
12,500	367	5,074,640	13,827	538	7,434,690	13,819	395	5,438,600	13,769
15,000	241	3,929,270	16,304	394	6,423,180	16,302	270	4,387,090	16,248
17,500	225	4,224,410	18,775	324	6,094,510	18,810	222	4,169,980	18,784
20,000	156	3,336,600	21,388	202	4,285,270	21,214	119	2,535,020	21,303
22,500	110	2,626,350	23,876	159	3,777,830	23,760	79	1,869,930	23,670
25,000	56	1,461,720	26,102	82	2,151,020	26,232	70	1,841,980	26,314
27,500	36	1,033,500	28,708	70	2,008,490	28,693	29	834,700	28,783
30,000	32	1,006,300	31,447	29	908,930	31,342	16	502,610	31,413
32,500	19	636,500	33,500	24	808,900	33,704	19	641,250	33,750
35,000	8	289,800	36,225	18	655,150	36,397	13	466,900	35,915
37,500	13	504,080	38,775	17	655,600	38,565	7	270,130	38,590
40,000	9	390,130	43,348	17	721,370	42,434	9	381,400	42,378
45,000	8	383,500	47,938	8	382,700	47,838	11	528,800	48,073
50,000	6	317,300	52,883	6	320,800	53,467	6	315,600	52,600
55,000	1	57,500	57,500	3	176,800	58,933	3	173,600	57,867
60,000	3	64,900	64,900	4	252,300	63,075	1	63,100	63,100
65,000	3	203,000	67,667	3,630	50,469,467	50,469,467	3	200,860	66,953
70,000	3	214,700	71,567	3,630	50,469,467	50,469,467	3,011	37,151,180	115,070
75,000	2	163,400	81,700	3,630	50,469,467	50,469,467	3,011	37,151,180	115,070
80,000	1	85,400	85,400	3,630	50,469,467	50,469,467	3,011	37,151,180	115,070
85,000	1	85,400	85,400	3,630	50,469,467	50,469,467	3,011	37,151,180	115,070
90,000	2	112,100	112,100	3,630	50,469,467	50,469,467	3,011	37,151,180	115,070
95,000	1	112,100	112,100	3,631	50,647,467	178,000	4	460,280	115,070
100,000	1	112,100	112,100	3,631	50,647,467	178,000	4	460,280	115,070
125,000	2,623	35,902,828	35,902,828	3,631	50,647,467	178,000	3,015	37,611,460	115,070
500,000	2,623	35,902,828	35,902,828	3,631	50,647,467	178,000	3,015	37,611,460	115,070
	2,623	35,902,828	35,902,828	3,631	50,647,467	178,000	3,015	37,611,460	115,070

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Bill Period Range (gal)	2004-06			2004-07			2004-08		
	Record	Cumul. Usage	Cumul.Usage Average	Record	Cumul. Usage	Cumul.Usage Average	Record	Cumul. Usage	Cumul.Usage Average
0	143	169,610	1,186	114	115,900	1,017	104	115,700	1,113
2,500	283	1,154,440	4,079	209	859,280	4,111	216	902,530	4,178
5,000	282	1,776,190	6,299	253	1,616,040	6,388	232	1,463,880	6,310
7,500	383	3,404,485	8,889	349	3,088,960	8,851	282	2,502,630	8,875
10,000	354	3,404,485	9,617	421	4,778,070	11,349	295	3,349,975	11,356
12,500	347	4,022,390	11,592	447	6,190,530	13,849	352	4,877,730	13,857
15,000	270	4,781,070	17,708	346	5,629,590	16,270	279	4,544,840	16,290
17,500	207	4,388,180	21,199	344	6,457,990	18,773	305	5,746,060	18,840
20,000	119	3,889,940	32,689	247	5,261,450	21,301	199	4,246,070	21,337
22,500	93	2,517,440	27,069	213	5,052,100	23,719	161	3,837,340	23,834
25,000	49	2,214,090	45,186	163	4,269,060	26,191	123	3,232,780	26,283
27,500	42	1,293,860	30,806	125	3,581,700	28,654	103	2,959,700	28,735
30,000	18	1,204,710	66,928	86	2,685,230	31,224	69	2,159,680	31,300
32,500	27	564,200	20,896	81	2,743,010	33,864	61	2,060,300	33,775
35,000	10	915,060	91,506	39	1,851,520	47,475	38	1,377,020	36,237
37,500	5	367,540	73,508	50	1,513,090	30,262	52	2,022,900	38,902
40,000	7	194,200	27,743	34	2,133,100	62,738	43	1,824,400	42,428
45,000	3	298,300	99,433	21	1,611,300	76,729	38	1,803,000	47,447
50,000	4	139,500	34,875	13	1,102,900	84,838	31	1,632,500	52,661
55,000	3	214,900	71,633	14	738,800	52,771	16	916,100	57,256
60,000	1	170,200	170,200	3	869,910	289,970	6	377,100	62,850
65,000	2	61,500	37,146,290	5	199,800	62,349,330	7	475,300	67,900
70,000	4	288,300	288,300	1	365,000	62,714,330	4	287,800	71,950
75,000	1	79,000	79,000	1	76,000	62,790,330	2	154,000	77,000
80,000	1	81,300	81,300	1	90,500	62,880,830	2	167,800	0
85,000	2	37,594,890	37,594,890	1	3,579	62,880,830	3,020	53,037,135	0
90,000	2	37,594,890	37,594,890	1	3,579	62,880,830	3,020	53,037,135	0
95,000	2	37,594,890	37,594,890	1	3,580	62,990,830	1	95,500	0
100,000	2	37,594,890	37,594,890	1	3,580	62,990,830	2	208,900	104,450
105,000	2	37,594,890	37,594,890	3,580	3,580	62,990,830	2	304,700	152,350
125,000	2,656	37,594,890	37,594,890	3,580	3,580	62,990,830	3,025	53,646,235	152,350
500,000	2,656	37,594,890	37,594,890	3,580	62,990,830	62,990,830	3,025	53,646,235	152,350

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Residential Consumption Analysis  
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Bill Period Range (gal)	2004-09			2004-10			2004-11		
	Record	Cumul. Usage	Cumul.Usage Average	Record	Cumul. Usage	Cumul.Usage Average	Record	Cumul. Usage	Cumul.Usage Average
0	105	119,410	1,137	87	88,750	1,020	118	135,960	1,152
2,500	182	740,690	4,070	141	614,930	4,361	257	1,097,510	4,270
5,000	213	1,357,570	6,374	147	931,740	6,338	216	1,379,020	6,384
7,500	265	2,358,710	8,901	172	1,535,630	8,928	266	2,388,260	8,978
10,000	220	2,502,080	11,373	199	2,269,500	11,405	271	3,057,030	11,281
12,500	266	3,696,360	13,896	276	3,841,070	13,917	321	4,470,660	13,927
15,000	215	3,519,860	16,371	265	4,334,170	16,355	273	4,427,460	16,218
17,500	235	4,426,750	18,837	245	4,610,240	18,817	269	5,098,300	18,953
20,000	172	3,663,240	21,298	227	4,852,320	23,078,350	197	4,208,120	21,361
22,500	185	4,435,570	23,847	219	5,210,060	23,790	177	4,205,500	23,760
25,000	132	3,461,760	26,225	178	4,695,480	26,379	132	3,476,600	26,338
27,500	92	2,645,040	28,750	160	4,617,860	28,862	114	3,288,750	28,849
30,000	62	1,941,450	31,314	122	3,828,400	31,380	60	2,337,300	31,264
32,500	50	1,696,100	33,922	133	4,501,930	33,849	69	2,337,300	33,874
35,000	35	1,268,500	36,243	101	3,673,200	36,368	42	1,532,800	36,495
37,500	35	1,359,200	38,834	110	4,275,900	38,872	34	1,319,100	38,797
40,000	48	2,036,790	42,433	145	6,172,900	42,572	70	2,986,450	42,664
45,000	23	1,095,500	47,630	119	5,687,690	47,796	42	1,999,300	47,602
50,000	31	2,567,162,910	52,416	94	4,948,630	52,645	31	1,620,400	52,271
55,000	18	1,040,100	57,783	76	4,382,100	57,659	20	1,161,500	58,075
60,000	11	692,800	62,982	61	3,277,817,800	62,587	13	815,300	62,715
65,000	8	542,000	67,750	61	3,338,412,100	67,674	12	809,400	62,715
70,000	16	1,157,000	72,313	48	3,386,349,930	72,915	7	509,000	72,714
75,000	6	468,970	78,162	49	3,435,382,150	77,990	7	547,100	78,157
80,000	3	245,900	81,967	29	3,464,239,900	82,755	7	581,200	83,029
85,000	4	350,460	87,615	25	3,489,219,500	87,700	4	348,300	87,075
90,000	3	278,400	99,000	24	3,513,222,300	97,152,530	2	187,000	93,500
95,000	1	99,000	99,000	16	3,529,156,310	98,715,630	1	98,000	93,500
100,000	1	107,600	207,000	63	3,592,690,350	105,619,190	1	109,000	109,000
125,000	1	207,000	49,138,720	47	3,639,721,750	112,836,690	4	593,500	148,375
500,000	2,639	49,138,720	207,000	3	3,642,113,722,490	295,267	3,037	56,663,670	0

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Bill Period Range (gal)	2004-12			2005-01			2005-02		
	Records	Cumul. Usage	Cumul.Usage Average	Record	Cumul. Usage	Cumul.Usage Average	Record	Cumul. Usage	Cumul.UsageAverage
0	151	133,253	882	149	147,580	990	139	145,680	1,048
2,500	199	806,943	4,055	242	1,003,000	4,145	247	1,038,960	4,206
5,000	202	1,291,430	6,393	263	1,692,620	6,436	260	1,659,820	6,384
7,500	260	2,295,700	8,830	436	3,905,130	8,957	368	3,281,182	8,916
10,000	261	2,958,220	11,334	421	4,792,382	11,383	327	3,711,750	11,351
12,500	295	4,094,090	13,878	480	6,627,750	13,808	371	5,275,502	14,220
15,000	267	4,348,490	16,286	406	24,796,212	16,325	323	5,920,830	18,331
17,500	217	4,092,180	18,858	338	6,346,430	18,776	315	3,861,660	12,259
20,000	198	4,187,290	21,148	248	5,266,400	21,235	181	3,417,540	18,881
22,500	144	3,438,320	23,877	197	4,167,730	23,745	144	2,333,140	16,202
25,000	102	2,667,470	26,152	125	3,290,000	26,320	89	2,246,000	25,236
27,500	104	2,982,790	28,681	106	3,058,120	28,850	78	1,276,760	16,369
30,000	49	1,537,020	31,368	62	1,946,900	31,402	43	1,456,600	35,527
32,500	39	1,318,600	33,810	52	1,766,810	33,977	41	586,680	13,644
35,000	23	834,240	36,271	24	871,400	36,308	16	503,870	31,492
37,500	25	963,000	38,520	31	1,209,250	39,008	13	713,500	54,885
40,000	28	1,176,800	42,029	34	1,442,770	42,434	17	421,780	24,811
45,000	31	1,481,900	47,803	14	658,600	47,043	9	413,540	45,949
50,000	12	629,300	52,442	12	628,800	52,400	8	438,290	54,786
55,000	7	407,400	58,200	6	347,400	57,900	6	746,200	124,367
60,000	1	64,500	64,500	8	497,410	62,176	12	204,920	17,077
65,000	4	270,400	67,600	1	68,700	68,700	3	74,300	24,767
70,000	5	363,900	72,780	4	288,460	72,115	1	79,200	39,807,704
75,000	3	233,000	77,667	2	155,900	77,950	1	248,200	40,055,904
80,000	1	82,000	82,000	2	164,400	82,200	3	86,000	40,141,904
85,000	4	90,500	90,500	0	57,481,692	57,481,692	1	92,600	40,234,504
90,000	1	197,000	98,500	0	57,481,692	57,481,692	1	339,800	40,574,304
95,000	2	120,000	98,500	0	57,481,692	57,481,692	0	339,800	40,574,304
100,000	1	261,300	130,650	2	348,000	174,000	2	339,800	40,574,304
125,000	2	43,327,036	43,327,036	2	57,829,692	57,829,692	2	3,019	40,574,304
500,000	2,638	43,327,036	43,327,036	3,665	57,829,692	57,829,692	3,019	40,574,304	40,574,304

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Bill Period Range (gal)	2005-03			2005-04			2005-05		
	Records	Cumul. Usage	Cumul.UsageAverage	Record	Cumul. Usage	Cumul.UsageAverage	Record	Cumul. Usage	Cumul.UsageAverage
0	137	151,256	1,104	146	134,200	919	180	171,620	953
2,500	280	1,100,487	3,930	238	975,270	4,098	300	1,236,450	4,122
5,000	278	1,764,470	6,347	267	1,707,020	6,393	304	1,952,990	6,424
7,500	360	3,213,160	8,925	480	4,290,690	8,939	426	3,757,028	8,819
10,000	337	3,819,510	11,334	474	5,385,638	11,362	366	4,121,860	11,262
12,500	345	4,766,620	13,816	538	7,434,750	13,819	396	5,464,430	13,799
15,000	244	4,003,870	16,409	387	6,316,240	16,321	310	5,046,368	16,279
17,500	221	4,174,180	18,888	359	6,763,790	18,841	247	4,639,530	18,784
20,000	148	3,157,312	21,333	244	5,200,410	21,313	136	2,889,960	21,250
22,500	75	1,788,510	23,847	202	4,798,670	23,756	120	2,865,760	23,881
25,000	58	1,519,100	26,191	96	2,519,800	26,248	77	2,027,450	26,331
27,500	45	1,290,520	28,678	83	2,385,380	28,740	49	1,412,140	28,819
30,000	22	684,900	31,132	40	1,256,600	31,415	17	1,165,000	31,486
32,500	12	410,100	34,175	40	1,357,890	33,947	17	545,300	32,076
35,000	9	327,000	36,333	15	544,130	36,275	7	250,800	35,829
37,500	10	393,100	39,310	23	889,650	38,680	17	657,050	38,650
40,000	18	773,500	42,972	14	600,720	42,909	12	510,300	42,525
45,000	9	422,990	46,999	17	813,500	47,853	12	566,700	47,225
50,000	4	208,900	52,225	8	426,500	53,313	10	302,300	51,770
55,000	3	172,800	57,600	1	56,000	56,000	3	177,600	59,200
60,000	2	123,400	61,700	3	186,300	62,100	1	60,800	60,800
65,000	2	73,300	73,300	1	65,700	65,700	2	144,300	72,150
70,000	1	85,000	85,000	2	148,000	74,000	1	78,900	78,900
75,000	1	93,300	93,300	3,678	54,256,848	54,256,848	1	3,031	40,325,236
80,000	1	98,600	98,600	3,678	54,256,848	54,256,848	3,031	40,325,236	0
85,000	1	103,900	103,900	3,678	54,256,848	54,256,848	3,031	40,325,236	0
90,000	1	109,200	109,200	3,679	54,349,848	54,349,848	3,031	40,325,236	0
95,000	1	114,500	114,500	3,681	54,572,848	111,500	1	96,000	40,421,236
100,000	1	119,800	119,800	2	223,000	111,500	1	112,100	40,533,336
125,000	1	154,000	154,000	2	446,400	223,200	2	411,600	40,944,936
500,000	2,623	34,893,285	34,893,285	3,683	55,019,248	55,019,248	3,035	40,944,936	40,944,936



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Residential Consumption Analysis  
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Bill Period Range (gal)	2005-06			2005-07			2005-08		
	Records	Cumul. Usage	Cumul.UsageAverage	Records	Cumul. Usage	Cumul.Usage Average	Record	Cumul. Usage	Cumul.UsageAverage
0	142	168,890	1,189	122	123,680	1,014	100	109,910	1,099
2,500	289	1,169,110	4,045	211	844,960	4,005	228	941,990	4,132
5,000	316	2,001,800	6,335	269	1,726,410	6,418	229	1,461,930	6,384
7,500	399	3,580,750	8,974	441	3,933,790	8,920	321	2,836,930	8,838
10,000	319	3,609,380	11,315	443	5,026,000	11,345	294	3,336,221	11,348
12,500	355	4,929,786	13,887	454	6,273,640	13,819	335	4,651,920	13,886
15,000	257	4,196,112	16,327	348	5,668,910	16,290	282	4,618,200	16,377
17,500	209	3,927,880	18,794	352	6,645,800	18,880	263	4,945,000	18,802
20,000	133	2,828,020	21,263	262	5,587,830	21,328	175	3,717,570	21,243
22,500	101	2,403,878	23,801	218	5,202,880	23,866	120	4,411,770	23,765
25,000	46	1,207,790	26,256	128	3,381,800	26,420	104	3,153,540	30,323
27,500	29	827,930	28,549	109	2,375,100	21,790	71	2,992,370	42,146
30,000	20	628,600	31,430	76	2,091,800	27,524	68	2,224,510	32,713
32,500	13	436,800	33,600	62	1,160,300	18,715	52	2,290,700	44,052
35,000	13	471,710	36,285	32	1,200,800	37,525	44	2,686	42,816
37,500	5	196,300	39,260	31	1,579,070	50,938	62	1,704,200	27,487
40,000	10	416,800	41,680	37	1,198,980	32,405	29	2,643,900	91,169
45,000	6	284,500	47,417	25	841,900	33,676	18	1,384,500	76,917
50,000	8	415,100	51,888	16	1,041,400	65,088	16	947,480	59,218
55,000	1	59,100	59,100	18	631,100	35,061	16	2,827	58,225
60,000	2	118,200	59,100	10	273,000	27,300	8	998,740	124,843
65,000	2	177,400	88,700	4	366,800	36,125	3	547,200	182,400
70,000	2	143,500	71,750	2	152,600	76,300	5	218,900	43,780
75,000	2	143,500	71,750	2	152,600	76,300	5	218,900	43,780
80,000	2	143,500	71,750	2	152,600	76,300	5	218,900	43,780
85,000	2	143,500	71,750	2	152,600	76,300	5	218,900	43,780
90,000	2	143,500	71,750	2	152,600	76,300	5	218,900	43,780
95,000	1	93,000	93,000	3	311,300	57,592,550	2	2,852	160,167
100,000	1	93,000	93,000	3	311,300	57,592,550	2	2,852	160,167
125,000	1	115,900	115,900	3,677	57,592,550	57,592,550	2,855	54,663,181	0
500,000	2,675	34,112,636	34,112,636	3,677	57,592,550	57,592,550	2,855	54,663,181	0

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Bill Period Range (gal)	2005-09			2005-10			2005-11		
	Record	Cumul. Usage	Cumul.UsageAverage	Record	Cumul. Usage	Cumul.Usage Average	Records	Cumul. Usage	Cumul.UsageAverage
0	103	113,100	113,100	99	98,660	98,660	117	118,770	1,015
2,500	182	745,591	858,691	140	239	559,540	219	897,970	4,100
5,000	176	461	1,113,130	129	368	824,540	216	1,374,470	6,363
7,500	237	698	2,113,338	207	575	1,841,583	296	2,622,831	8,861
10,000	204	902	2,305,890	246	821	2,823,500	248	2,812,510	11,341
12,500	229	1,131	3,174,110	273	1,094	3,782,060	310	4,281,490	13,811
15,000	210	1,341	3,434,780	260	1,354	4,239,890	247	4,041,030	16,360
17,500	217	1,558	4,082,600	271	1,625	5,113,110	231	4,350,810	18,835
20,000	160	1,718	3,430,510	230	1,855	4,905,290	175	2,059	24,244,621
22,500	195	1,913	4,644,774	201	2,056	4,794,970	181	2,240	28,565,701
25,000	99	2,012	2,602,460	132	2,188	3,481,600	85	2,325	31,750,371
27,500	117	2,129	3,375,990	164	2,352	4,731,740	84	2,409	35,163,271
30,000	78	2,207	2,438,540	119	2,471	3,720,380	51	2,460	37,831,761
32,500	83	2,290	2,801,200	101	2,572	3,428,400	51	2,511	2,668,490
35,000	58	2,348	2,472,500	87	2,659	3,163,800	71	2,582	2,855,730
37,500	47	2,395	1,978,500	90	2,749	3,503,600	56	2,638	1,859,300
40,000	66	2,461	1,150,940	129	2,878	5,487,500	35	2,673	1,987,790
45,000	52	2,513	936,600	132	3,010	6,310,360	32	2,705	3,014,100
50,000	38	2,551	669,200	97	3,107	5,099,840	19	2,724	47,548,681
55,000	20	2,571	869,730	94	3,201	5,422,810	15	2,739	50,213,761
60,000	15	2,586	464,600	67	3,268	4,210,400	13	2,752	52,056,511
65,000	10	2,596	496,300	62	3,330	4,192,100	8	2,760	52,056,511
70,000	12	2,608	528,600	46	3,376	2,876,800	14	2,774	53,908,811
75,000	6	2,614	528,600	37	3,413	3,483,300	14	2,778	55,109,811
80,000	6	2,620	280,300	42	3,455	2,978,760	8	2,781	56,127,211
85,000	6	2,626	96,000	34	3,489	3,873,700	4	2,783	57,075,311
90,000	3	2,629	565,500	42	3,531	2,623,200	3	2,781	57,695,811
95,000	1	2,630	161,000	27	3,558	8,262,100	2	2,783	58,843,611
100,000	5	2,635	47,574,383	75	3,633	7,229,400	5	2,793	59,196,011
125,000	1	2,636	47,574,383	46	3,679	567,900	2,793	2,793	59,669,011
500,000	2,636	47,574,383	47,574,383	2	3,681	113,630,833	2,793	2,793	60,221,811
				3,681	113,630,833	113,630,833	2,793	61,071,111	61,071,111

Table Two  
Rate Scenarios  
March 2006

Covering the period from December 2003 to November 2005 (24 months)

Current Rates	Scenario # 1			Scenario # 2			Scenario # 3		
	New Revenue	Difference	% Difference	New Revenue	Difference	% Difference	New Revenue	Difference	% Difference
Minimum	\$ 15.00	\$ 16.50	10.00%	\$ 16.50	\$ 16.50	10.00%	\$ 16.50	\$ 16.50	10.00%
0 - 5,000	\$ -	\$ -		\$ -	\$ -		\$ -	\$ -	
5,001 - 25,000	\$ 2.50	\$ 2.75	10.00%	\$ 2.85	\$ 2.75	14.00%	\$ 2.75	\$ 2.75	10.00%
25,001 - 35,000	\$ 4.50	\$ 5.00	11.11%	\$ 5.10	\$ 5.10	13.33%	\$ 4.75	\$ 4.75	5.56%
35,001 - 50,000	\$ 4.50	\$ 5.00	11.11%	\$ 5.10	\$ 5.10	13.33%	\$ 6.00	\$ 6.00	33.33%
> 50,000	\$ 5.50	\$ 6.00	9.09%	\$ 6.10	\$ 6.10	10.91%	\$ 7.50	\$ 7.50	36.36%
2003-12	\$110,347	\$ 121,659	10%	\$ 124,254	\$ 13,907	13%	\$ 122,760	\$ 12,413	11%
2004-01	\$180,263	\$ 198,833	10%	\$ 203,406	\$ 23,143	13%	\$ 200,012	\$ 19,749	11%
2004-02	\$129,701	\$ 142,956	10%	\$ 146,064	\$ 16,363	13%	\$ 143,973	\$ 14,272	11%
2004-03	\$102,645	\$ 113,344	10%	\$ 115,712	\$ 13,067	13%	\$ 114,123	\$ 11,478	11%
2004-04	\$142,990	\$ 157,557	10%	\$ 160,914	\$ 17,924	13%	\$ 158,057	\$ 15,067	11%
2004-05	\$109,274	\$ 120,352	10%	\$ 122,740	\$ 13,466	12%	\$ 121,232	\$ 11,958	11%
2004-06	\$97,975	\$ 108,165	10%	\$ 110,362	\$ 12,387	13%	\$ 108,675	\$ 10,700	11%
2004-07	\$182,724	\$ 201,386	10%	\$ 205,955	\$ 23,231	13%	\$ 203,146	\$ 20,422	11%
2004-08	\$159,886	\$ 236,016	48%	\$ 240,970	\$ 81,084	51%	\$ 253,729	\$ 93,843	59%
2004-09	\$149,310	\$ 164,549	10%	\$ 168,231	\$ 18,921	13%	\$ 168,621	\$ 19,311	13%
2004-10	\$400,912	\$ 441,591	10%	\$ 451,208	\$ 50,296	13%	\$ 477,669	\$ 76,757	19%
2004-11	\$172,044	\$ 249,741	45%	\$ 254,972	\$ 82,928	48%	\$ 269,423	\$ 97,379	57%
2004-12	\$128,878	\$ 238,535	85%	\$ 243,303	\$ 114,425	89%	\$ 264,552	\$ 135,674	105%
2005-01	\$165,742	\$ 182,707	10%	\$ 186,749	\$ 21,007	13%	\$ 184,101	\$ 18,359	11%
2005-02	\$132,609	\$ 146,154	10%	\$ 149,317	\$ 16,708	13%	\$ 147,825	\$ 15,216	11%
2005-03	\$101,473	\$ 111,746	10%	\$ 114,039	\$ 12,566	12%	\$ 112,758	\$ 11,285	11%
2005-04	\$156,830	\$ 172,663	10%	\$ 176,428	\$ 19,598	12%	\$ 173,941	\$ 17,111	11%
2005-05	\$119,634	\$ 131,787	10%	\$ 134,510	\$ 14,876	12%	\$ 133,063	\$ 13,429	11%
2005-06	\$97,713	\$ 107,761	10%	\$ 109,938	\$ 12,225	13%	\$ 108,331	\$ 10,618	11%
2005-07	\$174,906	\$ 306,545	75%	\$ 312,749	\$ 137,843	79%	\$ 336,760	\$ 161,854	93%
2005-08	\$163,919	\$ 180,700	10%	\$ 184,728	\$ 20,809	13%	\$ 184,231	\$ 20,312	12%
2005-09	\$166,356	\$ 183,416	10%	\$ 187,551	\$ 21,195	13%	\$ 188,601	\$ 22,245	13%
2005-10	\$418,276	\$ 460,524	10%	\$ 470,437	\$ 52,161	12%	\$ 501,245	\$ 82,969	20%
2005-11	\$190,535	\$ 210,357	10%	\$ 215,025	\$ 24,490	13%	\$ 217,513	\$ 26,978	14%
24 months	\$ 3,954,942	\$ 4,689,044	19%	\$ 4,789,562	\$ 834,620	21%	\$ 4,894,341	\$ 939,399	24%

Table Three  
Comparison of Various Water Rate Scenarios  
March 2006

Quarterly Usage	Current Rate \$15.00 Minimum(5k); 5k to 25k \$2.50/1000 gals; 25k to 50k \$4.50/ 1000 gals; Over 50k \$5.50/1000 gals		Proposed Rate #1 \$16.50 Minimum(5k); 5k to 25k \$2.75/1000 gals; 25k to 35k \$5.00/1000 gals; 35k to 50k \$5.00/1000 gals;Over 50k \$6.00/1000 gals		Proposed Rate #2 \$16.50 Minimum(5k); 5k to 25k \$2.85/1000 gals; 25k to 35k \$5.10/1000 gals; 35k to 50k \$5.10/1000 gals;Over 50k \$6.10/1000 gals								
	Cost Per Thousand	Increase over Current	Cost Per Thousand	Percent	Cost Per Thousand	Increase over Current	Percent	Cost Per Thousand	Increase over Current	Percent	Cost Per Thousand		
1,000 to 5,000	\$15.00	\$1.50	\$16.50	10.00%	\$16.50	\$1.50	10.00%	\$16.50	\$1.50	10.00%	\$16.50	\$1.50	10.00%
6,000	\$17.50	\$1.75	\$19.25	10.00%	\$19.25	\$1.75	10.00%	\$19.35	\$1.85	10.57%	\$19.35	\$1.85	10.57%
7,000	\$20.00	\$2.00	\$22.00	10.00%	\$22.00	\$2.00	10.00%	\$22.20	\$2.20	11.00%	\$22.20	\$2.20	11.00%
8,000	\$22.50	\$2.81	\$24.75	10.00%	\$24.75	\$2.25	10.00%	\$25.05	\$2.55	11.33%	\$25.05	\$2.55	11.33%
9,000	\$25.00	\$2.78	\$27.50	10.00%	\$27.50	\$2.50	10.00%	\$27.90	\$2.90	11.60%	\$27.90	\$2.90	11.60%
10,000	\$27.50	\$2.75	\$30.25	10.00%	\$30.25	\$2.75	10.00%	\$30.75	\$3.25	11.82%	\$30.75	\$3.25	11.82%
11,000	\$30.00	\$2.73	\$33.00	10.00%	\$33.00	\$3.00	10.00%	\$33.60	\$3.60	12.00%	\$33.60	\$3.60	12.00%
12,000	\$32.50	\$2.71	\$35.75	10.00%	\$35.75	\$3.25	10.00%	\$36.45	\$3.95	12.15%	\$36.45	\$3.95	12.15%
13,000	\$35.00	\$2.69	\$38.50	10.00%	\$38.50	\$3.50	10.00%	\$39.30	\$4.30	12.29%	\$39.30	\$4.30	12.29%
14,000	\$37.50	\$2.68	\$41.25	10.00%	\$41.25	\$3.75	10.00%	\$42.15	\$4.65	12.40%	\$42.15	\$4.65	12.40%
15,000	\$40.00	\$2.67	\$44.00	10.00%	\$44.00	\$4.00	10.00%	\$45.00	\$5.00	12.50%	\$45.00	\$5.00	12.50%
16,000	\$42.50	\$2.66	\$46.75	10.00%	\$46.75	\$4.25	10.00%	\$47.85	\$5.35	12.59%	\$47.85	\$5.35	12.59%
17,000	\$45.00	\$2.65	\$49.50	10.00%	\$49.50	\$4.50	10.00%	\$50.70	\$5.70	12.67%	\$50.70	\$5.70	12.67%
18,000	\$47.50	\$2.64	\$52.25	10.00%	\$52.25	\$4.75	10.00%	\$53.55	\$6.05	12.74%	\$53.55	\$6.05	12.74%
19,000	\$50.00	\$2.63	\$55.00	10.00%	\$55.00	\$5.00	10.00%	\$56.40	\$6.40	12.80%	\$56.40	\$6.40	12.80%
20,000	\$52.50	\$2.63	\$57.75	10.00%	\$57.75	\$5.25	10.00%	\$59.25	\$6.75	12.86%	\$59.25	\$6.75	12.86%
21,000	\$55.00	\$2.62	\$60.50	10.00%	\$60.50	\$5.50	10.00%	\$62.10	\$7.10	12.91%	\$62.10	\$7.10	12.91%
22,000	\$57.50	\$2.61	\$63.25	10.00%	\$63.25	\$5.75	10.00%	\$64.95	\$7.45	12.96%	\$64.95	\$7.45	12.96%
23,000	\$60.00	\$2.61	\$66.00	10.00%	\$66.00	\$6.00	10.00%	\$67.80	\$7.80	13.00%	\$67.80	\$7.80	13.00%
24,000	\$62.50	\$2.60	\$68.75	10.00%	\$68.75	\$6.25	10.00%	\$70.65	\$8.15	13.04%	\$70.65	\$8.15	13.04%
25,000	\$67.00	\$2.68	\$73.75	10.07%	\$73.75	\$6.75	10.07%	\$75.75	\$8.75	13.06%	\$75.75	\$8.75	13.06%
26,000	\$71.50	\$2.75	\$78.75	10.14%	\$78.75	\$7.25	10.14%	\$80.85	\$9.35	13.08%	\$80.85	\$9.35	13.08%
27,000	\$76.00	\$2.81	\$83.75	10.20%	\$83.75	\$7.75	10.20%	\$86.95	\$9.95	13.09%	\$86.95	\$9.95	13.09%
28,000	\$80.50	\$2.88	\$88.75	10.25%	\$88.75	\$8.25	10.25%	\$91.05	\$10.55	13.11%	\$91.05	\$10.55	13.11%
29,000	\$85.00	\$2.93	\$93.75	10.29%	\$93.75	\$8.75	10.29%	\$96.15	\$11.15	13.12%	\$96.15	\$11.15	13.12%
30,000	\$89.50	\$2.98	\$98.75	10.34%	\$98.75	\$9.25	10.34%	\$101.25	\$11.75	13.13%	\$101.25	\$11.75	13.13%
31,000	\$94.00	\$3.03	\$103.75	10.37%	\$103.75	\$9.75	10.37%	\$106.35	\$12.35	13.14%	\$106.35	\$12.35	13.14%
32,000	\$98.50	\$3.08	\$108.75	10.41%	\$108.75	\$10.25	10.41%	\$111.45	\$12.95	13.15%	\$111.45	\$12.95	13.15%
33,000	\$103.00	\$3.12	\$113.75	10.44%	\$113.75	\$10.75	10.44%	\$116.55	\$13.55	13.16%	\$116.55	\$13.55	13.16%
34,000	\$107.50	\$3.16	\$118.75	10.47%	\$118.75	\$11.25	10.47%	\$121.65	\$14.15	13.16%	\$121.65	\$14.15	13.16%
35,000	\$112.00	\$3.20	\$123.75	10.49%	\$123.75	\$11.75	10.49%	\$126.75	\$14.75	13.17%	\$126.75	\$14.75	13.17%
36,000	\$116.50	\$3.24	\$128.75	10.52%	\$128.75	\$12.25	10.52%	\$131.85	\$15.35	13.18%	\$131.85	\$15.35	13.18%
37,000	\$121.00	\$3.27	\$133.75	10.54%	\$133.75	\$12.75	10.54%	\$136.95	\$15.95	13.18%	\$136.95	\$15.95	13.18%
38,000	\$125.50	\$3.30	\$138.75	10.56%	\$138.75	\$13.25	10.56%	\$142.05	\$16.55	13.19%	\$142.05	\$16.55	13.19%
39,000	\$130.00	\$3.33	\$143.75	10.58%	\$143.75	\$13.75	10.58%	\$147.15	\$17.15	13.19%	\$147.15	\$17.15	13.19%

Table Three  
Comparison of Various Water Rate Scenarios  
March 2006

Quarterly Usage	Current Rate		Proposed Rate #1		Proposed Rate #2		Increase over Current	Percent	Cost Per Thousand	Increase over Current	Percent	Cost Per Thousand
	\$15.00 Minimum(5k); 5k to 25k \$2.50/1000 gals.; 25k to 50k \$4.50/1000 gals.; Over 50k \$5.50/1000 gals	\$16.50 Minimum(5k); 5k to 25k \$2.75/1000 gals.; 25k to 35k \$5.00/1000 gals.; 35k to 50k \$5.00/1000 gals.;Over 50k \$6.00/1000 gals	\$16.50 Minimum(5k); 5k to 25k \$2.85/1000 gals.; 25k to 35k \$5.10/1000 gals.; 35k to 50k \$5.10/1000 gals.;Over 50k \$6.10/1000 gals	\$16.50 Minimum(5k); 5k to 25k \$2.85/1000 gals.; 25k to 35k \$5.10/1000 gals.; 35k to 50k \$5.10/1000 gals.;Over 50k \$6.10/1000 gals								
40,000	\$134.50	\$3.36	\$148.75	\$14.25	10.59%	\$3.72	\$17.75	13.20%	\$3.81	\$152.25	\$17.75	\$3.81
41,000	\$139.00	\$3.39	\$153.75	\$14.75	10.61%	\$3.75	\$18.35	13.20%	\$3.84	\$157.35	\$18.35	\$3.84
42,000	\$143.50	\$3.42	\$158.75	\$15.25	10.63%	\$3.78	\$18.95	13.21%	\$3.87	\$162.45	\$18.95	\$3.87
43,000	\$148.00	\$3.44	\$163.75	\$15.75	10.64%	\$3.81	\$19.55	13.21%	\$3.90	\$167.55	\$19.55	\$3.90
44,000	\$152.50	\$3.47	\$168.75	\$16.25	10.66%	\$3.84	\$20.15	13.21%	\$3.92	\$172.65	\$20.15	\$3.92
45,000	\$157.00	\$3.49	\$173.75	\$16.75	10.67%	\$3.86	\$20.75	13.22%	\$3.95	\$177.75	\$20.75	\$3.95
46,000	\$161.50	\$3.51	\$178.75	\$17.25	10.68%	\$3.89	\$21.35	13.22%	\$3.98	\$182.85	\$21.35	\$3.98
47,000	\$166.00	\$3.53	\$183.75	\$17.75	10.69%	\$3.91	\$21.95	13.22%	\$4.00	\$187.95	\$21.95	\$4.00
48,000	\$170.50	\$3.55	\$188.75	\$18.25	10.70%	\$3.93	\$22.55	13.23%	\$4.02	\$193.05	\$22.55	\$4.02
49,000	\$175.00	\$3.57	\$193.75	\$18.75	10.71%	\$3.95	\$23.15	13.23%	\$4.04	\$198.15	\$23.15	\$4.04
50,000	\$180.50	\$3.61	\$199.75	\$19.25	10.66%	\$4.00	\$23.75	13.16%	\$4.09	\$204.25	\$23.75	\$4.09
51,000	\$186.00	\$3.65	\$205.75	\$19.75	10.62%	\$4.03	\$24.35	13.09%	\$4.12	\$210.35	\$24.35	\$4.12
52,000	\$191.50	\$3.68	\$211.75	\$20.25	10.57%	\$4.07	\$24.95	13.03%	\$4.16	\$216.45	\$24.95	\$4.16
53,000	\$197.00	\$3.72	\$217.75	\$20.75	10.53%	\$4.11	\$25.55	12.97%	\$4.20	\$222.55	\$25.55	\$4.20
54,000	\$202.50	\$3.75	\$223.75	\$21.25	10.49%	\$4.14	\$26.15	12.91%	\$4.23	\$228.65	\$26.15	\$4.23
55,000	\$208.00	\$3.78	\$229.75	\$21.75	10.46%	\$4.18	\$26.75	12.86%	\$4.27	\$234.75	\$26.75	\$4.27
56,000	\$213.50	\$3.81	\$235.75	\$22.25	10.42%	\$4.21	\$27.35	12.81%	\$4.30	\$240.85	\$27.35	\$4.30
57,000	\$219.00	\$3.84	\$241.75	\$22.75	10.39%	\$4.24	\$27.95	12.76%	\$4.33	\$246.95	\$27.95	\$4.33
58,000	\$224.50	\$3.87	\$247.75	\$23.25	10.36%	\$4.27	\$28.55	12.72%	\$4.36	\$253.05	\$28.55	\$4.36
59,000	\$230.00	\$3.90	\$253.75	\$23.75	10.33%	\$4.30	\$29.15	12.67%	\$4.39	\$259.15	\$29.15	\$4.39
60,000	\$235.50	\$3.93	\$259.75	\$24.25	10.30%	\$4.33	\$29.75	12.63%	\$4.42	\$265.25	\$29.75	\$4.42
61,000	\$241.00	\$3.95	\$265.75	\$24.75	10.27%	\$4.36	\$30.35	12.59%	\$4.45	\$271.35	\$30.35	\$4.45
62,000	\$246.50	\$3.98	\$271.75	\$25.25	10.24%	\$4.38	\$30.95	12.56%	\$4.48	\$277.45	\$30.95	\$4.48
63,000	\$252.00	\$4.00	\$277.75	\$25.75	10.22%	\$4.41	\$31.55	12.52%	\$4.50	\$283.55	\$31.55	\$4.50
64,000	\$257.50	\$4.02	\$283.75	\$26.25	10.19%	\$4.43	\$32.15	12.49%	\$4.53	\$289.65	\$32.15	\$4.53
65,000	\$263.00	\$4.05	\$289.75	\$26.75	10.17%	\$4.46	\$32.75	12.45%	\$4.55	\$295.75	\$32.75	\$4.55
66,000	\$268.50	\$4.07	\$295.75	\$27.25	10.15%	\$4.48	\$33.35	12.42%	\$4.57	\$301.85	\$33.35	\$4.57
67,000	\$274.00	\$4.09	\$301.75	\$27.75	10.13%	\$4.50	\$33.95	12.39%	\$4.60	\$307.95	\$33.95	\$4.60
68,000	\$279.50	\$4.11	\$307.75	\$28.25	10.11%	\$4.53	\$34.55	12.36%	\$4.62	\$314.05	\$34.55	\$4.62
69,000	\$285.00	\$4.13	\$313.75	\$28.75	10.09%	\$4.55	\$35.15	12.33%	\$4.64	\$320.15	\$35.15	\$4.64
70,000	\$290.50	\$4.15	\$319.75	\$29.25	10.07%	\$4.57	\$35.75	12.31%	\$4.66	\$326.25	\$35.75	\$4.66
71,000	\$296.00	\$4.17	\$325.75	\$29.75	10.05%	\$4.59	\$36.35	12.28%	\$4.68	\$332.35	\$36.35	\$4.68
72,000	\$301.50	\$4.19	\$331.75	\$30.25	10.03%	\$4.61	\$36.95	12.26%	\$4.70	\$338.45	\$36.95	\$4.70
73,000	\$307.00	\$4.21	\$337.75	\$30.75	10.02%	\$4.63	\$37.55	12.23%	\$4.72	\$344.55	\$37.55	\$4.72
74,000	\$312.50	\$4.22	\$343.75	\$31.25	10.00%	\$4.65	\$38.15	12.21%	\$4.74	\$350.65	\$38.15	\$4.74

Table Three  
Comparison of Various Water Rate Scenarios  
March 2006

Quarterly Usage	Current Rate		Proposed Rate #1		Proposed Rate #2		Increase over Current	Percent	Cost Per Thousand	Increase over Current	Percent	Cost Per Thousand
	\$15.00 Minimum(5k); 5k to 25k \$2.50/1000 gals; 25k to 50k \$4.50/1000 gals; Over 50k \$5.50/1000 gals	\$6.00/1000 gals	\$16.50 Minimum(5k); 25k \$2.75/1000 gals; 35k \$5.00/1000 gals; Over 50k \$6.00/1000 gals	\$16.50 Minimum(5k); 5k to 25k \$2.85/1000 gals; 25k to 35k \$5.10/1000 gals; 35k to 50k \$5.10/1000 gals; Over 50k \$6.10/1000 gals								
75,000	\$318.00	\$4.24	\$349.75	\$31.75	9.98%	\$4.66	\$38.75	12.19%	\$4.76	\$4.76	12.19%	\$4.76
76,000	\$323.50	\$4.26	\$355.75	\$32.25	9.97%	\$4.68	\$39.35	12.16%	\$4.83	\$4.83	12.16%	\$4.77
77,000	\$329.00	\$4.27	\$361.75	\$32.75	9.95%	\$4.70	\$39.95	12.14%	\$4.85	\$4.85	12.14%	\$4.79
78,000	\$334.50	\$4.29	\$367.75	\$33.25	9.94%	\$4.71	\$40.55	12.12%	\$4.86	\$4.86	12.12%	\$4.81
79,000	\$340.00	\$4.30	\$373.75	\$33.75	9.93%	\$4.73	\$41.15	12.10%	\$4.87	\$4.87	12.10%	\$4.82
80,000	\$345.50	\$4.32	\$379.75	\$34.25	9.91%	\$4.75	\$41.75	12.08%	\$4.88	\$4.88	12.08%	\$4.84
81,000	\$351.00	\$4.33	\$385.75	\$34.75	9.90%	\$4.76	\$42.35	12.07%	\$4.89	\$4.89	12.07%	\$4.86
82,000	\$356.50	\$4.35	\$391.75	\$35.25	9.89%	\$4.78	\$42.95	12.05%	\$4.90	\$4.90	12.05%	\$4.87
83,000	\$362.00	\$4.36	\$397.75	\$35.75	9.88%	\$4.79	\$43.55	12.03%	\$4.91	\$4.91	12.03%	\$4.89
84,000	\$367.50	\$4.38	\$403.75	\$36.25	9.86%	\$4.81	\$44.15	12.01%	\$4.92	\$4.92	12.01%	\$4.90
85,000	\$373.00	\$4.39	\$409.75	\$36.75	9.85%	\$4.82	\$44.75	12.00%	\$4.93	\$4.93	12.00%	\$4.91
86,000	\$378.50	\$4.40	\$415.75	\$37.25	9.84%	\$4.83	\$45.35	11.98%	\$4.94	\$4.94	11.98%	\$4.93
87,000	\$384.00	\$4.41	\$421.75	\$37.75	9.83%	\$4.85	\$45.95	11.97%	\$4.95	\$4.95	11.97%	\$4.94
88,000	\$389.50	\$4.43	\$427.75	\$38.25	9.82%	\$4.86	\$46.55	11.95%	\$4.96	\$4.96	11.95%	\$4.96
89,000	\$395.00	\$4.44	\$433.75	\$38.75	9.81%	\$4.87	\$47.15	11.94%	\$4.97	\$4.97	11.94%	\$4.97
90,000	\$400.50	\$4.45	\$439.75	\$39.25	9.80%	\$4.89	\$47.75	11.92%	\$4.98	\$4.98	11.92%	\$4.98
91,000	\$406.00	\$4.46	\$445.75	\$39.75	9.79%	\$4.90	\$48.35	11.91%	\$4.99	\$4.99	11.91%	\$4.99
92,000	\$411.50	\$4.47	\$451.75	\$40.25	9.78%	\$4.91	\$48.95	11.90%	\$5.00	\$5.00	11.90%	\$5.00
93,000	\$417.00	\$4.48	\$457.75	\$40.75	9.77%	\$4.92	\$49.55	11.88%	\$5.01	\$5.01	11.88%	\$5.02
94,000	\$422.50	\$4.49	\$463.75	\$41.25	9.76%	\$4.93	\$50.15	11.87%	\$5.02	\$5.02	11.87%	\$5.03
95,000	\$428.00	\$4.51	\$469.75	\$41.75	9.75%	\$4.94	\$50.75	11.86%	\$5.03	\$5.03	11.86%	\$5.04
96,000	\$433.50	\$4.52	\$475.75	\$42.25	9.75%	\$4.96	\$51.35	11.85%	\$5.04	\$5.04	11.85%	\$5.05
97,000	\$439.00	\$4.53	\$481.75	\$42.75	9.74%	\$4.97	\$51.95	11.83%	\$5.05	\$5.05	11.83%	\$5.06
98,000	\$444.50	\$4.54	\$487.75	\$43.25	9.73%	\$4.98	\$52.55	11.82%	\$5.06	\$5.06	11.82%	\$5.07
99,000	\$450.00	\$4.55	\$493.75	\$43.75	9.72%	\$4.99	\$53.15	11.81%	\$5.07	\$5.07	11.81%	\$5.08
100,000	\$455.50	\$4.56	\$499.75	\$44.25	9.71%	\$5.00	\$53.75	11.80%	\$5.08	\$5.08	11.80%	\$5.09

Table Three  
 Comparison of Various Water Rate Scenarios  
 March 2006

Quarterly Usage	Current Rate		Proposed Rate #3		Increase over Current	Percent	Cost Per Thousand
	\$15.00 Minimum(5k); 5k to 25k \$2.50/1000 gals; 25k to 50k \$4.50/1000 gals; Over 50k \$5.50/1000 gals	\$16.50 Minimum(5k); 5k to 25k \$2.75/1000 gals; 25k to 35k \$4.75/1000 gals; 35k to 50k \$6.00/1000 gals; Over 50k \$7.50/1000 gals	Cost Per Thousand				
1,000 to 5,000	\$15.00	\$16.50	\$2.92		\$1.50	10.00%	\$3.21
6,000	\$17.50	\$19.25	\$2.86		\$1.75	10.00%	\$3.14
7,000	\$20.00	\$22.00	\$2.81		\$2.00	10.00%	\$3.09
8,000	\$22.50	\$24.75	\$2.78		\$2.25	10.00%	\$3.06
9,000	\$25.00	\$27.50	\$2.75		\$2.50	10.00%	\$3.03
10,000	\$27.50	\$30.25	\$2.73		\$2.75	10.00%	\$3.00
11,000	\$30.00	\$33.00	\$2.71		\$3.00	10.00%	\$2.98
12,000	\$32.50	\$35.75	\$2.69		\$3.25	10.00%	\$2.96
13,000	\$35.00	\$38.50	\$2.68		\$3.50	10.00%	\$2.95
14,000	\$37.50	\$41.25	\$2.67		\$3.75	10.00%	\$2.93
15,000	\$40.00	\$44.00	\$2.66		\$4.00	10.00%	\$2.92
16,000	\$42.50	\$46.75	\$2.65		\$4.25	10.00%	\$2.91
17,000	\$45.00	\$49.50	\$2.64		\$4.50	10.00%	\$2.90
18,000	\$47.50	\$52.25	\$2.63		\$4.75	10.00%	\$2.89
19,000	\$50.00	\$55.00	\$2.63		\$5.00	10.00%	\$2.89
20,000	\$52.50	\$57.75	\$2.62		\$5.25	10.00%	\$2.88
21,000	\$55.00	\$60.50	\$2.61		\$5.50	10.00%	\$2.88
22,000	\$57.50	\$63.25	\$2.61		\$5.75	10.00%	\$2.87
23,000	\$60.00	\$66.00	\$2.60		\$6.00	10.00%	\$2.86
24,000	\$62.50	\$68.75	\$2.60		\$6.25	10.00%	\$2.86
25,000	\$67.00	\$73.50	\$2.68		\$6.50	9.70%	\$2.94
26,000	\$71.50	\$78.25	\$2.75		\$6.75	9.44%	\$3.01
27,000	\$76.00	\$83.00	\$2.81		\$7.00	9.21%	\$3.07
28,000	\$80.50	\$87.75	\$2.88		\$7.25	9.01%	\$3.13
29,000	\$85.00	\$92.50	\$2.93		\$7.50	8.82%	\$3.19
30,000	\$89.50	\$97.25	\$2.98		\$7.75	8.66%	\$3.24
31,000	\$94.00	\$102.00	\$3.03		\$8.00	8.51%	\$3.29
32,000	\$98.50	\$106.75	\$3.08		\$8.25	8.38%	\$3.34
33,000	\$103.00	\$111.50	\$3.12		\$8.50	8.25%	\$3.38
34,000	\$107.50	\$116.25	\$3.16		\$8.75	8.14%	\$3.42
35,000	\$112.00	\$122.25	\$3.20		\$10.25	9.15%	\$3.49
36,000	\$116.50	\$128.25	\$3.24		\$11.75	10.09%	\$3.56
37,000	\$121.00	\$134.25	\$3.27		\$13.25	10.95%	\$3.63
38,000	\$125.50	\$140.25	\$3.30		\$14.75	11.75%	\$3.69
39,000	\$130.00	\$146.25	\$3.33		\$16.25	12.50%	\$3.75

Table Three  
Comparison of Various Water Rate Scenarios  
March 2006

Quarterly Usage	Current Rate \$15.00 Minimum(5k); 5k to 25k \$2.50/1000 gals; 25k to 50k \$4.50/ 1000 gals; Over 50k \$5.50/1000 gals		Proposed Rate #3 \$16.50 Minimum(5k); 5k to 25k \$2.75/1000 gals; 25k to 35k \$4.75/1000 gals; 35k to 50k \$6.00/1000 gals;Over 50k \$7.50/1000 gals		Increase over Current	Percent	Cost Per Thousand
	Cost Per Thousand	Proposed Rate #3	Cost Per Thousand	Percent			
40,000	\$134.50	\$3.36	\$152.25	\$17.75	13.20%	\$3.81	
41,000	\$139.00	\$3.39	\$158.25	\$19.25	13.85%	\$3.86	
42,000	\$143.50	\$3.42	\$164.25	\$20.75	14.46%	\$3.91	
43,000	\$148.00	\$3.44	\$170.25	\$22.25	15.03%	\$3.96	
44,000	\$152.50	\$3.47	\$176.25	\$23.75	15.57%	\$4.01	
45,000	\$157.00	\$3.49	\$182.25	\$25.25	16.08%	\$4.05	
46,000	\$161.50	\$3.51	\$188.25	\$26.75	16.56%	\$4.09	
47,000	\$166.00	\$3.53	\$194.25	\$28.25	17.02%	\$4.13	
48,000	\$170.50	\$3.55	\$200.25	\$29.75	17.45%	\$4.17	
49,000	\$175.00	\$3.57	\$206.25	\$31.25	17.86%	\$4.21	
50,000	\$180.50	\$3.61	\$213.75	\$33.25	18.42%	\$4.28	
51,000	\$186.00	\$3.65	\$221.25	\$35.25	18.95%	\$4.34	
52,000	\$191.50	\$3.68	\$228.75	\$37.25	19.45%	\$4.40	
53,000	\$197.00	\$3.72	\$236.25	\$39.25	19.92%	\$4.46	
54,000	\$202.50	\$3.75	\$243.75	\$41.25	20.37%	\$4.51	
55,000	\$208.00	\$3.78	\$251.25	\$43.25	20.79%	\$4.57	
56,000	\$213.50	\$3.81	\$258.75	\$45.25	21.19%	\$4.62	
57,000	\$219.00	\$3.84	\$266.25	\$47.25	21.58%	\$4.67	
58,000	\$224.50	\$3.87	\$273.75	\$49.25	21.94%	\$4.72	
59,000	\$230.00	\$3.90	\$281.25	\$51.25	22.28%	\$4.77	
60,000	\$235.50	\$3.93	\$288.75	\$53.25	22.61%	\$4.81	
61,000	\$241.00	\$3.95	\$296.25	\$55.25	22.93%	\$4.86	
62,000	\$246.50	\$3.98	\$303.75	\$57.25	23.23%	\$4.90	
63,000	\$252.00	\$4.00	\$311.25	\$59.25	23.51%	\$4.94	
64,000	\$257.50	\$4.02	\$318.75	\$61.25	23.79%	\$4.98	
65,000	\$263.00	\$4.05	\$326.25	\$63.25	24.05%	\$5.02	
66,000	\$268.50	\$4.07	\$333.75	\$65.25	24.30%	\$5.06	
67,000	\$274.00	\$4.09	\$341.25	\$67.25	24.54%	\$5.09	
68,000	\$279.50	\$4.11	\$348.75	\$69.25	24.78%	\$5.13	
69,000	\$285.00	\$4.13	\$356.25	\$71.25	25.00%	\$5.16	
70,000	\$290.50	\$4.15	\$363.75	\$73.25	25.22%	\$5.20	
71,000	\$296.00	\$4.17	\$371.25	\$75.25	25.42%	\$5.23	
72,000	\$301.50	\$4.19	\$378.75	\$77.25	25.62%	\$5.26	
73,000	\$307.00	\$4.21	\$386.25	\$79.25	25.81%	\$5.29	
74,000	\$312.50	\$4.22	\$393.75	\$81.25	26.00%	\$5.32	



Table Three  
 Comparison of Various Water Rate Scenarios  
 March 2006

Quarterly Usage	Current Rate \$15.00 Minimum(5k); 5k to 25k \$2.50/1000 gals; 25k to 50k \$4.50/ 1000 gals; Over 50k \$5.50/1000 gals	Proposed Rate #3 \$16.50 Minimum(5k); 5k to 25k \$2.75/1000 gals; 25k to 35k \$4.75/1000 gals; 35k to 50k \$6.00/1000 gals; Over 50k \$7.50/1000 gals	Cost Per Thousand	Increase over Current	Percent	Cost Per Thousand
75,000	\$318.00	\$401.25	\$4.24	\$83.25	26.18%	\$5.35
76,000	\$323.50	\$408.75	\$4.26	\$85.25	26.35%	\$5.38
77,000	\$329.00	\$416.25	\$4.27	\$87.25	26.52%	\$5.41
78,000	\$334.50	\$423.75	\$4.29	\$89.25	26.68%	\$5.43
79,000	\$340.00	\$431.25	\$4.30	\$91.25	26.84%	\$5.46
80,000	\$345.50	\$438.75	\$4.32	\$93.25	26.99%	\$5.48
81,000	\$351.00	\$446.25	\$4.33	\$95.25	27.14%	\$5.51
82,000	\$356.50	\$453.75	\$4.35	\$97.25	27.28%	\$5.53
83,000	\$362.00	\$461.25	\$4.36	\$99.25	27.42%	\$5.56
84,000	\$367.50	\$468.75	\$4.38	\$101.25	27.55%	\$5.58
85,000	\$373.00	\$476.25	\$4.39	\$103.25	27.68%	\$5.60
86,000	\$378.50	\$483.75	\$4.40	\$105.25	27.81%	\$5.63
87,000	\$384.00	\$491.25	\$4.41	\$107.25	27.93%	\$5.65
88,000	\$389.50	\$498.75	\$4.43	\$109.25	28.05%	\$5.67
89,000	\$395.00	\$506.25	\$4.44	\$111.25	28.16%	\$5.69
90,000	\$400.50	\$513.75	\$4.45	\$113.25	28.28%	\$5.71
91,000	\$406.00	\$521.25	\$4.46	\$115.25	28.39%	\$5.73
92,000	\$411.50	\$528.75	\$4.47	\$117.25	28.49%	\$5.75
93,000	\$417.00	\$536.25	\$4.48	\$119.25	28.60%	\$5.77
94,000	\$422.50	\$543.75	\$4.49	\$121.25	28.70%	\$5.78
95,000	\$428.00	\$551.25	\$4.51	\$123.25	28.80%	\$5.80
96,000	\$433.50	\$558.75	\$4.52	\$125.25	28.89%	\$5.82
97,000	\$439.00	\$566.25	\$4.53	\$127.25	28.99%	\$5.84
98,000	\$444.50	\$573.75	\$4.54	\$129.25	29.08%	\$5.85
99,000	\$450.00	\$581.25	\$4.55	\$131.25	29.17%	\$5.87
100,000	\$455.50	\$588.75	\$4.56	\$133.25	29.25%	\$5.89

Table Four  
Summary of Non-Residential Water Billing  
Bill Cycles 2003-12 to 2005-11

Rate Applied to:	WATLAW Residential Lawns	WATERS Residential Summer	WATERA Apartments	WATALN Apartments Lawns	WATCM Commercial Lawns	WATCML Commercial Lawns	WATCN Condominiums	WATCNL Condominiums Lawns	WATSCH School & Municipal	WATSCL School & Municipal Lawns
# of Accounts	27	16	132	13	488	6	621	11	31	7
2003-12	1 \$ 25	3 \$ 182	30 \$ 11,891	0 \$	0 \$	0 \$	97 \$ 2,221	0 \$	15 \$ 2,403	7 \$ 4,572
2004-01	2 \$ 471	2 \$ 1,293	23 \$ 6,892	0 \$	165 \$ 23,265	2 \$ 310	101 \$ 2,911	0 \$	10 \$ 3,061	0 \$
2004-02	2 \$ 30	2 \$ 34	79 \$ 55,207	0 \$	248 \$ 34,917	1 \$ 296	360 \$ 10,854	0 \$	5 \$ 347	0 \$
2004-03	1 \$ 15	0 \$	31 \$ 12,599	0 \$	162 \$ 22,242	0 \$	93 \$ 2,297	0 \$	16 \$ 1,603	0 \$
2004-04	23 \$ 345	1 \$ 156	22 \$ 5,398	0 \$	60 \$ 23,833	0 \$	105 \$ 2,653	0 \$	10 \$ 2,620	0 \$
2004-05	2 \$ 39	7 \$ 527	79 \$ 50,060	13 \$	248 \$ 30,529	3 \$ 241	365 \$ 10,590	5 \$ 179	5 \$ 377	0 \$
2004-06	1 \$ 15	4 \$ 107	30 \$ 11,093	0 \$	164 \$ 21,104	0 \$	104 \$ 2,199	0 \$	16 \$ 1,959	7 \$ 1,337
2004-07	23 \$ 895	4 \$ 294	23 \$ 5,559	4 \$	62 \$ 26,546	3 \$ 969	119 \$ 3,220	2 \$ 478	10 \$ 2,886	0 \$
2004-08	3 \$ 263	8 \$ 2,646	79 \$ 54,145	13 \$	249 \$ 36,616	3 \$ 422	368 \$ 11,377	9 \$ 2,483	5 \$ 410	0 \$
2004-09	1 \$ 325	4 \$ 136	30 \$ 12,303	0 \$	175 \$ 26,726	0 \$	96 \$ 2,543	0 \$	16 \$ 4,713	7 \$ 14,101
2004-10	22 \$ 5,940	4 \$ 224	24 \$ 6,684	0 \$	247 \$ 41,116	3 \$ 3,469	127 \$ 5,092	2 \$ 1,332	10 \$ 3,137	0 \$
2004-11	3 \$ 203	8 \$ 2,986	79 \$ 59,832	13 \$	271 \$ 26,995	0 \$	369 \$ 12,587	9 \$ 2,376	5 \$ 350	0 \$
2004-12	1 \$ 175	2 \$ 97	30 \$ 12,886	0 \$	176 \$ 26,995	0 \$	90 \$ 2,458	0 \$	10 \$ 2,536	0 \$
2005-01	23 \$ 588	2 \$ 21	24 \$ 5,885	0 \$	66 \$ 28,237	2 \$ 471	129 \$ 3,580	2 \$ 3	5 \$ 347	0 \$
2005-02	3 \$ 45	5 \$ 72	79 \$ 52,841	0 \$	248 \$ 32,498	2 \$ 285	371 \$ 11,905	0 \$	16 \$ 2,159	2 \$
2005-03	1 \$ 15	2 \$ 15	30 \$ 11,690	0 \$	170 \$ 20,384	0 \$	91 \$ 2,101	0 \$	10 \$ 2,668	0 \$
2005-04	23 \$ 345	0 \$	24 \$ 6,446	0 \$	67 \$ 24,457	1 \$ 24	137 \$ 3,753	0 \$	10 \$ 2,668	0 \$
2005-05	4 \$ 60	8 \$ 488	79 \$ 49,317	13 \$	249 \$ 30,572	3 \$ 237	142 \$ 10,505	9 \$ 313	5 \$ 374	0 \$
2005-06	2 \$ 43	3 \$ 17	30 \$ 11,068	0 \$	133 \$ 23,288	0 \$	93 \$ 2,045	0 \$	16 \$ 2,302	7 \$ 1,416
2005-07	22 \$ 1,330	4 \$ 259	24 \$ 5,846	0 \$	65 \$ 26,810	3 \$ 888	145 \$ 3,641	2 \$ 76	10 \$ 2,768	0 \$
2005-08	3 \$ 87	9 \$ 4,298	79 \$ 53,474	13 \$	249 \$ 35,581	3 \$ 253	371 \$ 11,331	9 \$ 2,409	5 \$ 457	0 \$
2005-09	1 \$ 50	3 \$ 266	30 \$ 12,648	0 \$	172 \$ 28,435	0 \$	98 \$ 2,553	0 \$	16 \$ 1,853	7 \$ 12,563
2005-10	23 \$ 8,630	4 \$ 463	24 \$ 6,640	0 \$	67 \$ 35,695	3 \$ 2,321	156 \$ 5,323	2 \$ 978	10 \$ 2,537	0 \$
2005-11	3 \$ 324	9 \$ 3,557	78 \$ 57,682	13 \$	249 \$ 33,303	3 \$ 398	367 \$ 11,772	9 \$ 2,736	5 \$ 333	0 \$
Total:	214 \$ 20,258	98 \$ 18,138	1,060 \$ 578,106	78 \$	3813 \$ 701,832	38 \$ 11,213	4,494 \$ 139,511	60 \$ 13,363	247 \$ 44,684	44 \$ 37,342
Rates:	Minimum \$ 15.00	Flat Rate \$ 3.00	Flat Rate \$ 3.00	Flat Rate \$ 3.00	Minimum \$ 15.00	Flat Rate \$ 3.00	Minimum \$ 15.00	Flat Rate \$ 3.00	Minimum \$ 15.00	Flat Rate \$ 3.00
	0 to 5k \$				0 to 5k \$		0 to 5k \$		0 to 5k \$	
	5k to 50k \$				5k to 50k \$		5k to 50k \$		5k to 50k \$	
	25k to 50k \$				25k to 50k \$		25k to 50k \$		25k to 50k \$	
	50k + \$				50k + \$		50k + \$		50k + \$	

Current Rate	Minimum \$ 15.00
Residential to 5k	\$ 2.50
5k to 25k	\$ 4.50
25k to 50k	\$ 5.50
50k +	\$ 5.50

Total Bills Flat Rate	1,334	(Excludes Municipal)
Total Revenue Flat Rate	\$ 634,340	
New Rate	3.30	Total Increase \$ 63,434
10% Incr	\$ 3.30	Total Increase \$ 63,434
15% Incr	\$ 3.45	Total Increase \$ 95,151

Total Bills Stepped Rate	5,521	(Excludes Municipal)
Total Revenue Stepped Rate	\$ 861,601	
Total Increase		
10% Incr	\$ 947,761	Total Increase \$ 86,160
15% Incr	\$ 980,841	Total Increase \$ 129,240

Table Five  
Debt Service Projection  
Water Improvements Bonds  
March 2006

**Bond Issue: Water Improvements**  
**Amount: \$3,000,000**                      **Term: 10 Years**  
**Interest Rate: 5.00%**

<b>Fiscal Year</b>	<b>Principle</b>	<b>Interest</b>	<b>Total</b>	<b>Remaining Balance</b>
2008	\$300,000	\$150,000	\$450,000	\$3,000,000
2009	\$300,000	\$135,000	\$435,000	\$2,700,000
2010	\$300,000	\$120,000	\$420,000	\$2,400,000
2011	\$300,000	\$105,000	\$405,000	\$2,100,000
2012	\$300,000	\$90,000	\$390,000	\$1,800,000
2013	\$300,000	\$75,000	\$375,000	\$1,500,000
2014	\$300,000	\$60,000	\$360,000	\$1,200,000
2015	\$300,000	\$45,000	\$345,000	\$900,000
2016	\$300,000	\$30,000	\$330,000	\$600,000
2017	\$300,000	\$15,000	\$315,000	\$300,000
	<b>\$3,000,000</b>	<b>\$825,000</b>	<b>\$3,825,000</b>	