



# Water and Wastewater Rate Study

Chester Public Utilities District

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ROBERT D. NIEHAUS, INC.

FEBRUARY 17, 2022

# Water Enterprise

# Current Rates

<b>Meter Size</b>	<b>Monthly Fee</b>	<b>Included Water</b>	<b>Additional Use</b>
<b>5/8-in</b>	\$27.17	6 TGAL	\$0.90
<b>3/4-in</b>	\$28.49	6 TGAL	\$0.90
<b>1-in</b>	\$30.56	6 TGAL	\$0.90
<b>1 1/2-in</b>	\$36.69	6 TGAL	\$0.90
<b>2-in</b>	\$48.85	6 TGAL	\$0.90
<b>3-in</b>	\$88.34	6 TGAL	\$0.90
<b>4-in</b>	\$152.41	6 TGAL	\$0.90
<b>6-in</b>	\$165.79	6 TGAL	\$0.90
<b>8-in</b>	\$440.99	6 TGAL	\$0.90

# Operating Budget

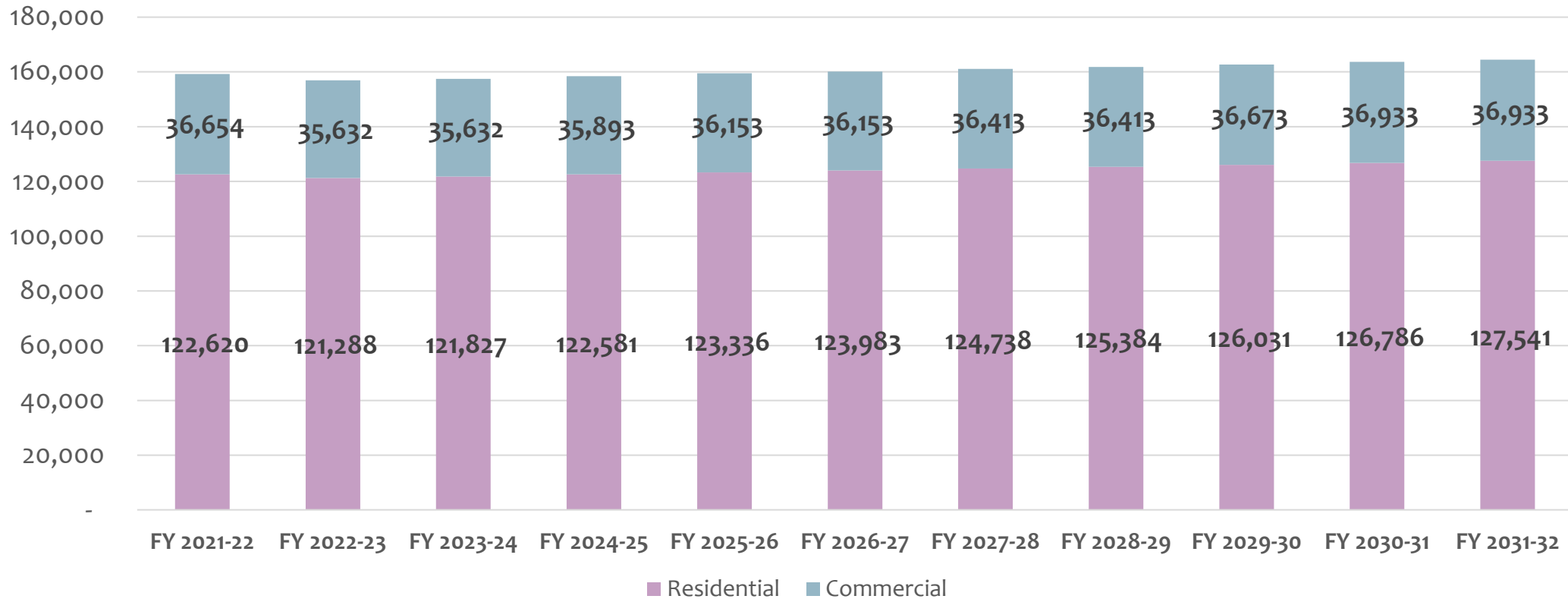
	<b>Current Year</b>					
	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>
<b>Revenue</b>	\$632,710	\$637,984	\$643,657	\$649,035	\$654,497	\$660,026
<b>O&amp;M Expense</b>	\$519,025	\$543,899	\$570,114	\$589,235	\$608,955	\$629,430
<b>Inflation</b>		<b>4.8%</b>	<b>4.8%</b>	<b>3.4%</b>	<b>3.3%</b>	<b>3.4%</b>
<b>Surplus/Deficit</b>	\$113,685	\$94,085	\$73,543	\$59,800	\$45,542	\$30,596

	<b>FY 2028-29</b>	<b>FY 2029-30</b>	<b>FY 2030-31</b>	<b>FY 2031-32</b>	<b>FY 2032-33</b>
	\$665,156	\$671,141	\$677,500	\$682,856	\$688,735
	\$650,550	\$672,456	\$695,150	\$718,586	\$742,874
	<b>3.4%</b>	<b>3.4%</b>	<b>3.4%</b>	<b>3.4%</b>	<b>3.4%</b>
	\$14,607	(\$1,316)	(\$17,650)	(\$35,730)	(\$54,139)



# Demand Forecast



Demand Forecast	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33
<b>Residential</b>	121,288	121,827	122,581	123,336	123,983	124,738	125,384	126,031	126,786	127,541	128,188
<b>Commercial</b>	35,632	35,632	35,893	36,153	36,153	36,413	36,413	36,673	36,933	36,933	37,193

## Other Financial

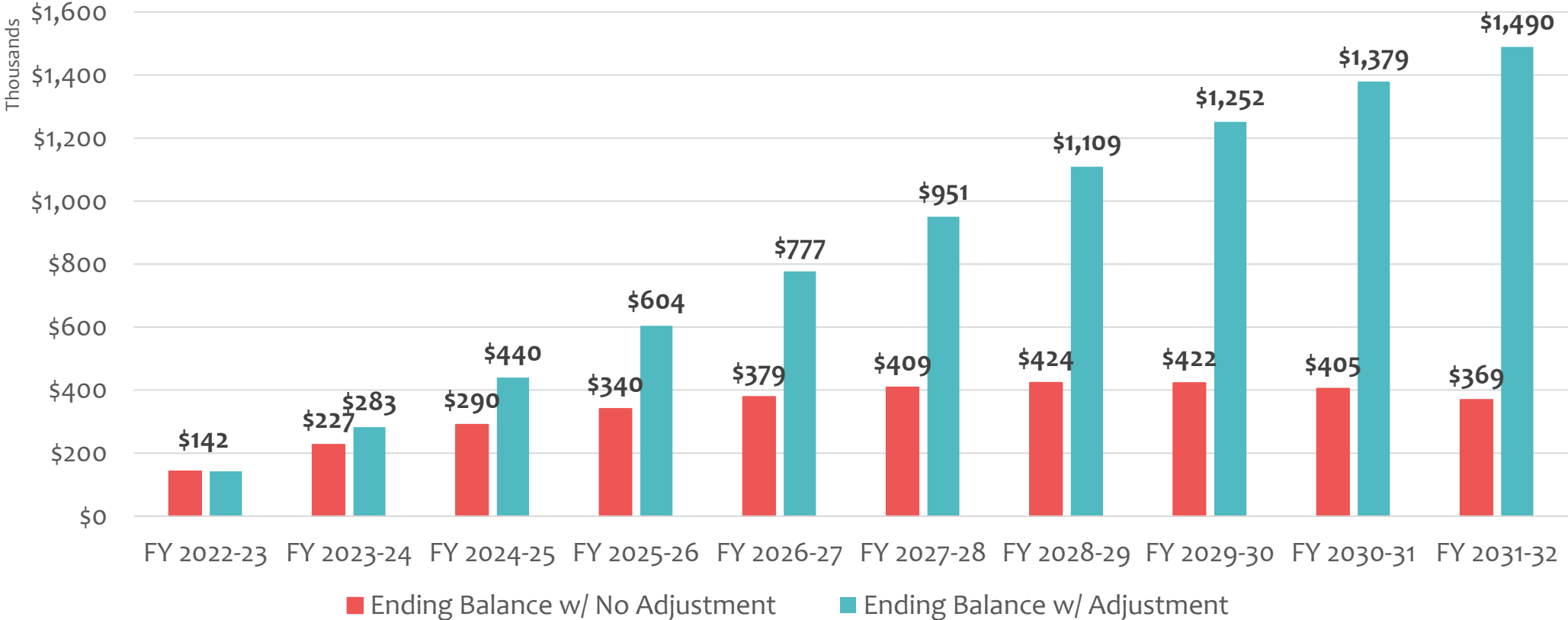
No Planned Capital Projects  
Debt Service Payments ~ \$9,800

### Proposed Reserve Policy:

- Operating Reserves – 6 months of O&M Expenses
  - Fund balance at end of study period = \$314,000
- Wildfire Reserve Fund – 12 months of O&M Expenses
  - Fund balance at end of study period = \$629,000

# Revenue Adjustments

FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
10.0%	6.0%	3.0%	3.0%	1.0%





# Option 1 Rates – Combined Customer Classes

## Fixed Monthly Service Charge

Meter Size	Current	Proposed
5/8-in	\$27.17	\$26.65
3/4-in	\$28.49	\$26.65
1-in	\$30.56	\$37.69
1 1/2-in	\$36.69	\$65.29
2-in	\$48.85	\$98.40
3-in	\$88.34	\$175.68
4-in	\$152.41	\$286.08
6-in	\$165.79	\$562.07

## Volumetric Charge

	Current	Proposed
Tier 1	\$0.00	\$0.00
Tier 2	\$0.90	\$0.89

\* Tier 1 Allocation reduced from 6k gallons to 4k gallons

Monthly Standby Fee	
Meter Size	Fee
ALL	\$18.95

# Option 2 Rates – Distinct Customer Classes

Fixed Monthly Service Charge		
	Current	All Customers
5/8-in	\$27.17	\$26.99
3/4-in	\$28.49	\$26.99
1-in	\$30.56	\$38.38
1 1/2-in	\$36.69	\$66.83
2-in	\$48.85	\$100.97
3-in	\$88.34	\$180.64
4-in	\$152.41	\$294.45
6-in	\$165.79	\$578.98

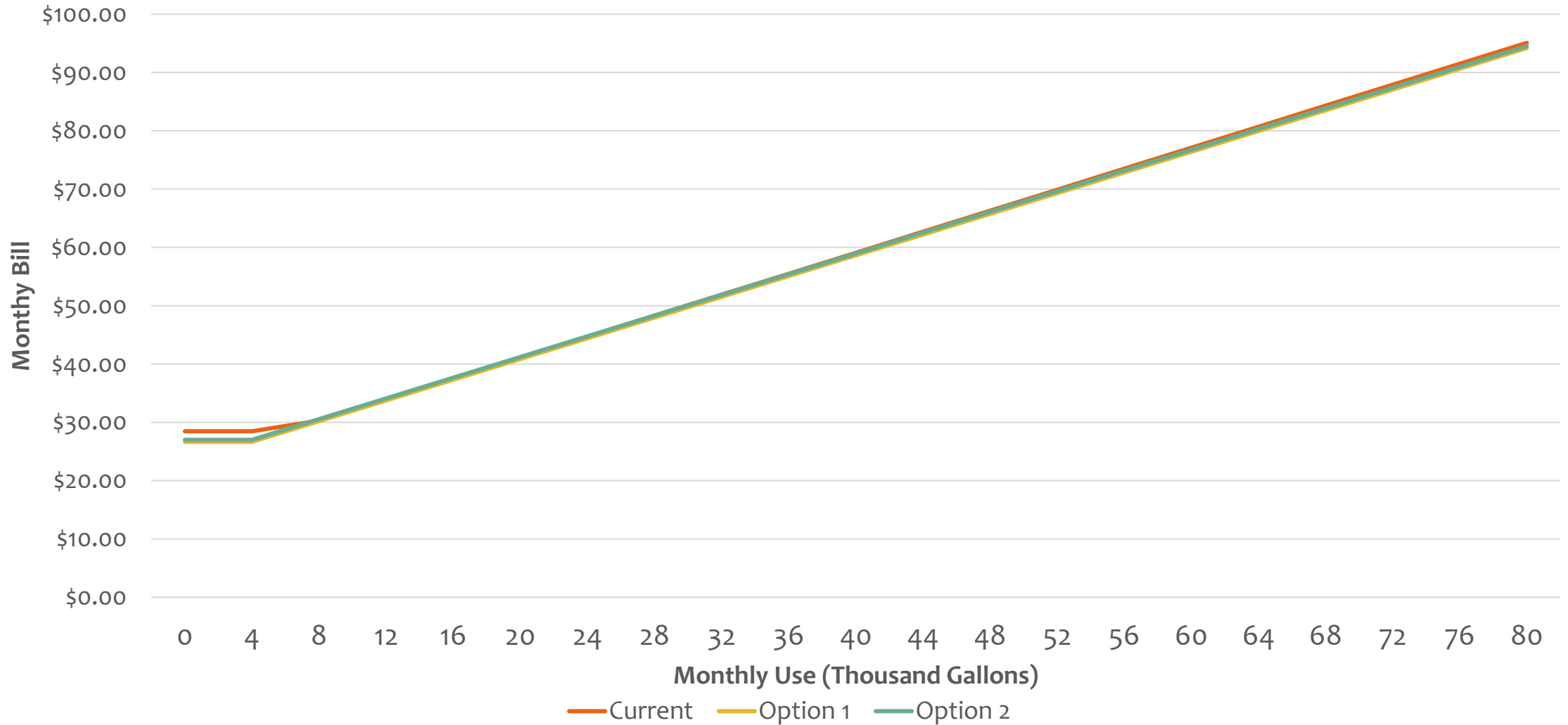
Sprinkler Monthly Service Charge		
Meter Size	Current	Proposed
5/8-in	\$27.17	\$18.16
3/4-in	\$28.49	\$18.16
1-in	\$30.56	\$23.65
1 1/2-in	\$36.69	\$37.37
2-in	\$48.85	\$53.83
3-in	\$88.34	\$92.25
4-in	\$152.41	\$147.14
6-in	\$165.79	\$284.36

Volumetric Charge			
	Current	Residential	Commercial
Tier 1	\$0.00	\$0.00	\$0.63
Tier 2	\$0.90	\$0.89	\$0.00

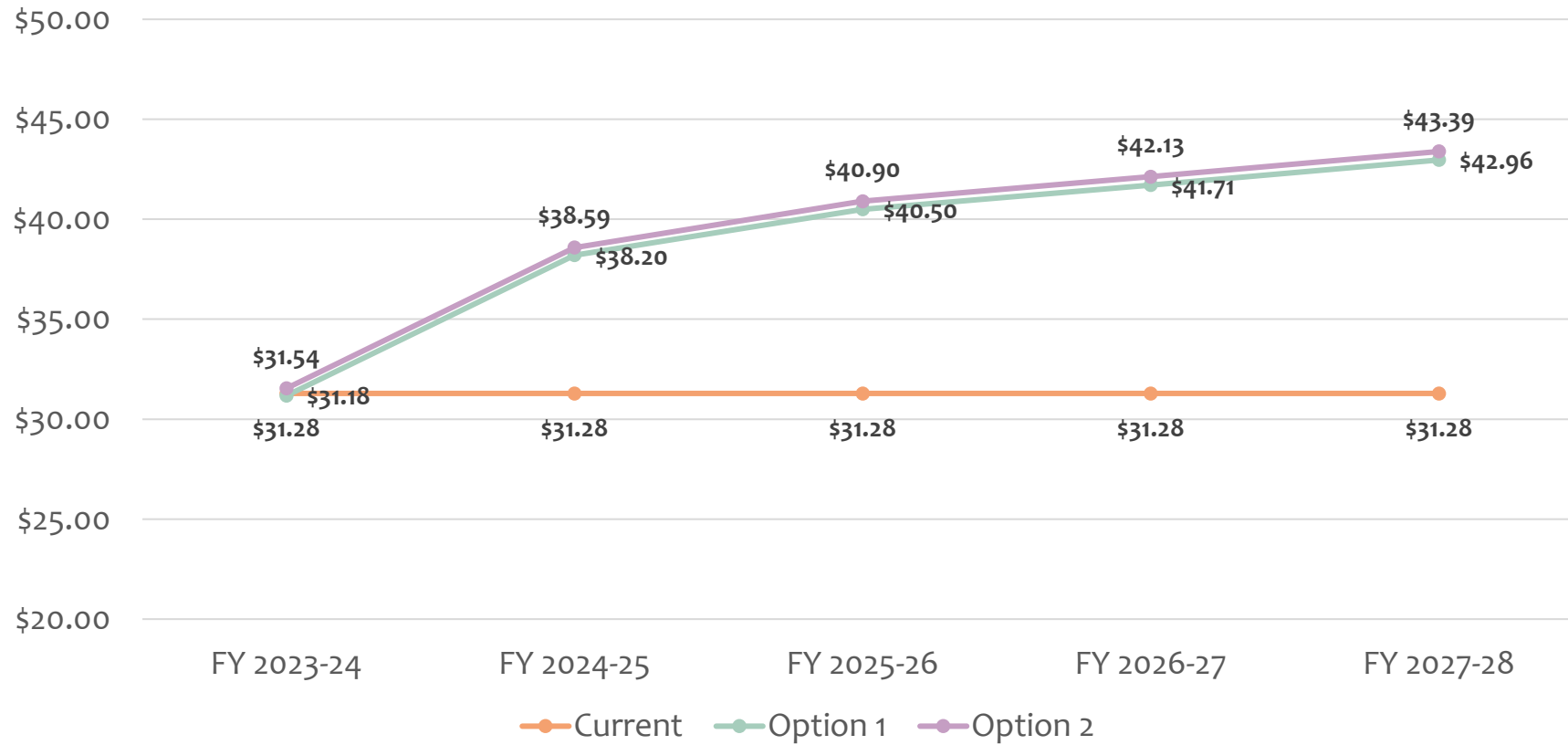
Monthly Standby Fee	
Meter Size	Fee
ALL	\$18.68

\* Tier 1 Allocation reduced from 6k gallons to 4k gallons

# Hypothetical Bills – 1” Customer



# 5-Year Bill Comparison – Average 1” Residential Customer



# Wastewater Enterprise

# Current Rates

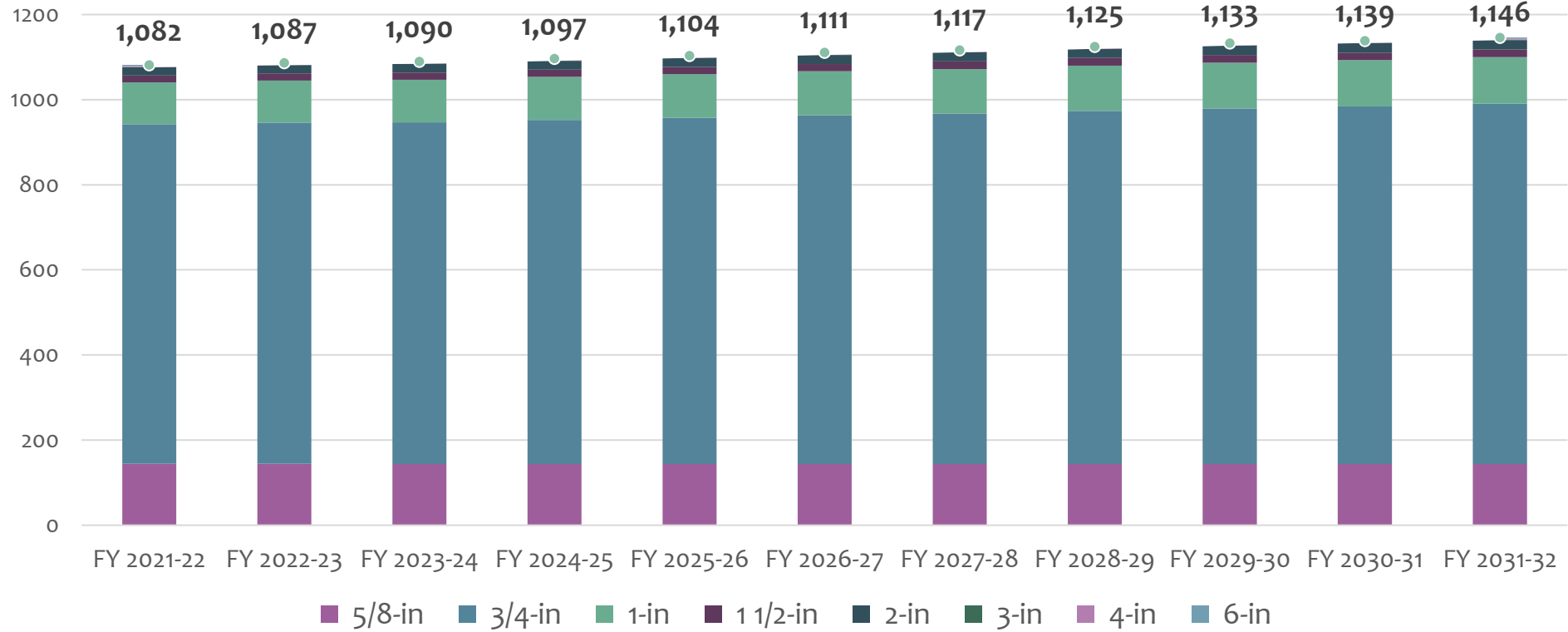
<b>Meter Size</b>	<b>Monthly Fee</b>	<b>Included Water</b>	<b>Additional Use</b>
<b>Residential</b>	\$38.05	-	-
<b>Commercial</b>	\$38.05	32.8 TGAL	\$1.16

# Operating Budget

**Current Year**

	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>
<b>Revenue</b>	\$588,671	\$590,040	\$594,549	\$598,865	\$603,413	\$607,314
<b>O&amp;M Expense</b>	\$421,721	\$440,111	\$459,560	\$475,357	\$491,953	\$508,904
<b>Inflation</b>		<b>4.4%</b>	<b>4.4%</b>	<b>3.4%</b>	<b>3.5%</b>	<b>3.4%</b>
<b>Surplus</b>	\$166,949	\$149,930	\$134,989	\$123,507	\$111,460	\$98,410
	<b>FY 2028-29</b>	<b>FY 2029-30</b>	<b>FY 2030-31</b>	<b>FY 2031-32</b>	<b>FY 2032-33</b>	
	\$612,362	\$617,431	\$621,396	\$626,053	\$627,324	
	\$526,710	\$545,156	\$564,007	\$583,802	\$604,292	
	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.5%</b>	
	\$85,652	\$72,274	\$57,389	\$42,251	\$23,032	

# Customer Counts



Customer Growth	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33
<b>Residential</b>	954	959	962	968	975	981	987	994	1,001	1,007	1,013
<b>Commercial</b>	128	128	128	129	129	130	130	131	132	132	133



## Other Financial

No Planned Capital Projects

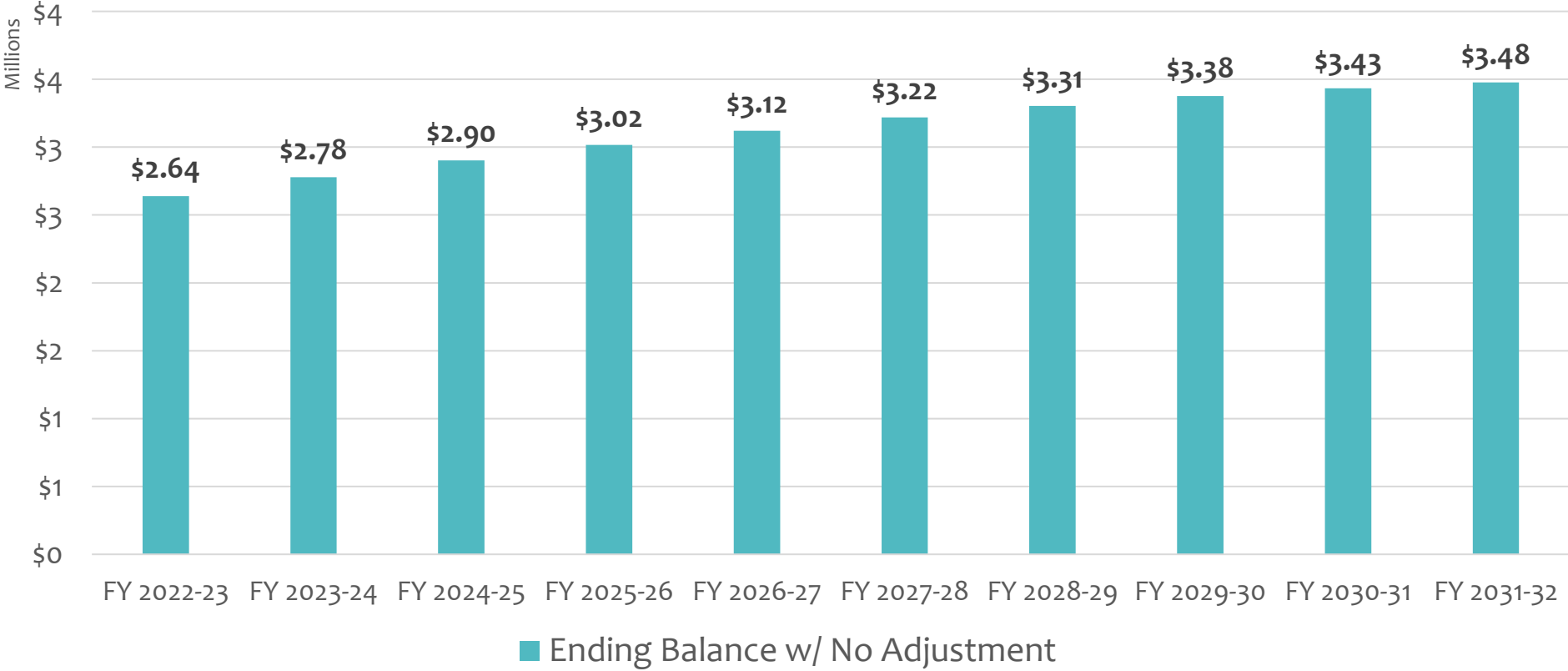
Debt Service Payments ~ \$9,800

### Proposed Reserve Policy:

- Operating Reserves – 6 months of O&M Expenses
  - Fund balance at end of study period = **\$677,000**
- Wildfire Reserve Fund – 12 months of O&M Expenses
  - Fund balance at end of study period = **\$509,000**
- Additional Funds (Plumas Money, CD's) – Maintain current balance
  - Fund balance at end of study period = **\$1.8 Million**

# Revenue Adjustments

FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
0.0%	0.0%	0.0%	0.0%	0.0%



Thank You