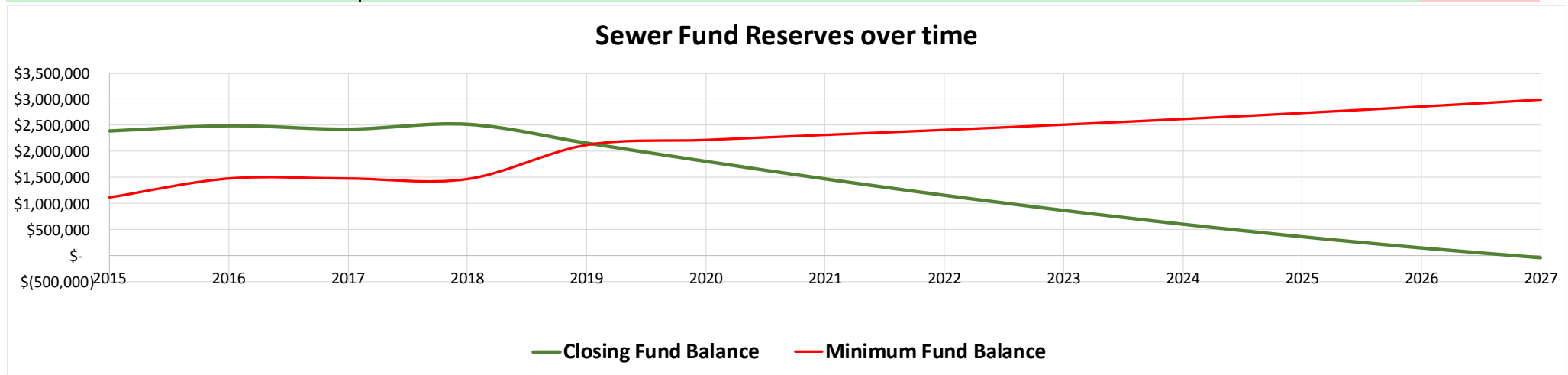




# Complete Pumping to Sioux Falls

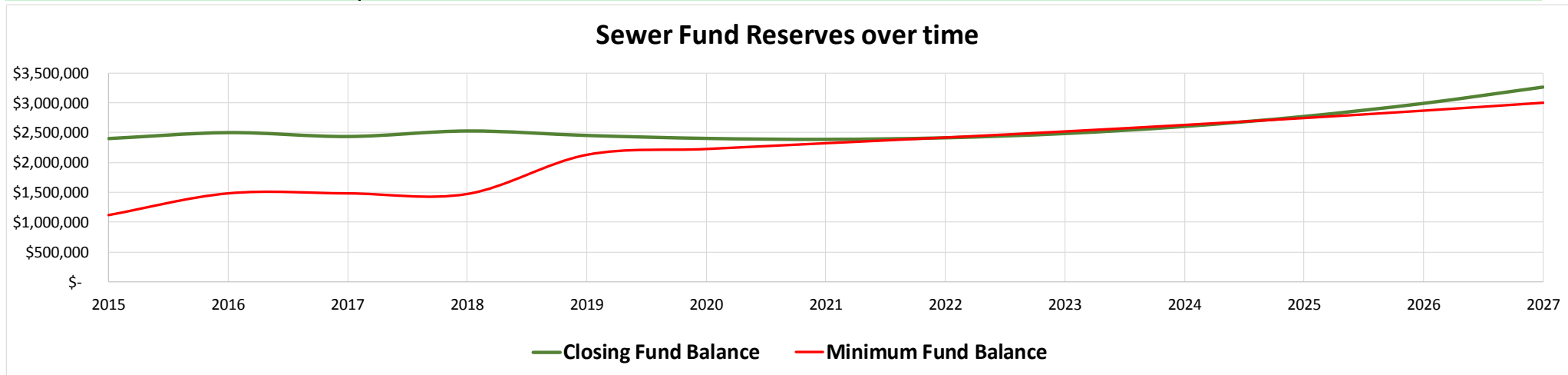
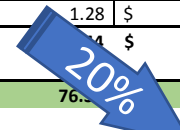
	Current			Proposed												
Base Rate	\$ 15.91	\$ 18.28	\$ 20.96	\$ 24.10	\$ 24.82	\$ 25.56	\$ 26.33	\$ 27.12	\$ 27.93	\$ 28.77	\$ 29.63	\$ 30.52	\$ 31.44			
Base Usage	\$ 3.83	\$ 4.86	\$ 6.02	\$ 7.38	\$ 7.70	\$ 8.02	\$ 8.35	\$ 8.69	\$ 9.05	\$ 9.41	\$ 9.78	\$ 10.17	\$ 10.56			
Surcharge # 1	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78			
Surcharge # 2	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28			
Total Usage Fee	\$ 6.89	\$ 7.92	\$ 9.08	\$ 10.44	\$ 10.76	\$ 11.08	\$ 11.41	\$ 11.75	\$ 12.11	\$ 12.47	\$ 12.84	\$ 13.23	\$ 13.62			
Sewer Price for 5,000 gal	\$ 50.36	\$ 57.88	\$ 66.36	\$ 76.31	\$ 78.60	\$ 80.95	\$ 83.38	\$ 85.88	\$ 88.46	\$ 91.11	\$ 93.84	\$ 96.66	\$ 99.56			
Total % Rate Increase		14.65%		15.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%			
Starting Fund Balance	\$ 2,011,569	\$ 2,392,536	\$ 2,492,165	\$ 2,426,675	\$ 2,519,662	\$ 2,161,021	\$ 1,810,865	\$ 1,475,146	\$ 1,162,290	\$ 872,999	\$ 608,229	\$ 368,638	\$ 155,125			
Yearly Revenue	\$ 1,163,901	\$ 1,212,029	\$ 1,411,022	\$ 1,664,336	\$ 1,763,903	\$ 1,869,780	\$ 1,981,339	\$ 2,099,636	\$ 2,225,069	\$ 2,358,336	\$ 2,499,616	\$ 2,649,656	\$ 2,808,967			
Operating Expenses	\$ 782,934	\$ 1,112,400	\$ 1,476,511	\$ 1,466,036	\$ 1,467,195	\$ 1,564,586	\$ 1,661,709	\$ 1,757,142	\$ 1,859,011	\$ 1,967,756	\$ 2,083,857	\$ 2,207,820	\$ 2,340,189			
CIP Net Expenditures	\$ -	\$ -	\$ -	\$ 105,312	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350		
<b>Closing Fund Balance</b>	<b>\$ 2,392,536</b>	<b>\$ 2,492,165</b>	<b>\$ 2,426,675</b>	<b>\$ 2,519,662</b>	<b>\$ 2,161,021</b>	<b>\$ 1,810,865</b>	<b>\$ 1,475,146</b>	<b>\$ 1,162,290</b>	<b>\$ 872,999</b>	<b>\$ 608,229</b>	<b>\$ 368,638</b>	<b>\$ 155,125</b>	<b>\$ (31,447)</b>			





# Complete Pumping to Sioux Falls

	Current			Proposed									
Base Rate	\$ 15.91	\$ 18.28	\$ 20.96	\$ 24.10	\$ 28.92	\$ 29.79	\$ 30.68	\$ 31.60	\$ 32.55	\$ 33.53	\$ 34.54	\$ 35.58	\$ 36.65
Base Usage	\$ 3.83	\$ 4.86	\$ 6.02	\$ 7.38	\$ 9.47	\$ 9.85	\$ 10.23	\$ 10.63	\$ 11.04	\$ 11.47	\$ 11.90	\$ 12.35	\$ 12.81
Surcharge # 1	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78
Surcharge # 2	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28
Total Usage Fee	\$ 6.89	\$ 7.92	\$ 9.08	\$ 11.44	\$ 12.53	\$ 12.91	\$ 13.29	\$ 13.69	\$ 14.10	\$ 14.53	\$ 14.96	\$ 15.41	\$ 15.87
Sewer Price for 5,000 gal	\$ 50.36	\$ 57.88	\$ 66.36	\$ 76.20	\$ 91.57	\$ 94.32	\$ 97.15	\$ 100.06	\$ 103.07	\$ 106.16	\$ 109.35	\$ 112.64	\$ 116.02
Total % Rate Increase		14.65%	15.00%	20.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Starting Fund Balance	\$ 2,011,569	\$ 2,392,536	\$ 2,492,165	\$ 2,426,675	\$ 2,519,662	\$ 2,444,353	\$ 2,394,951	\$ 2,378,698	\$ 2,405,319	\$ 2,476,892	\$ 2,595,571	\$ 2,763,550	\$ 2,983,077
Yearly Revenue	\$ 1,163,901	\$ 1,212,029	\$ 1,411,022	\$ 1,664,336	\$ 2,047,235	\$ 2,170,534	\$ 2,300,806	\$ 2,439,112	\$ 2,585,934	\$ 2,741,784	\$ 2,907,187	\$ 3,082,696	\$ 3,268,899
Operating Expenses	\$ 782,934	\$ 1,112,400	\$ 1,476,511	\$ 1,466,036	\$ 1,467,195	\$ 1,564,586	\$ 1,661,709	\$ 1,757,142	\$ 1,859,011	\$ 1,967,756	\$ 2,083,857	\$ 2,207,820	\$ 2,340,189
CIP Net Expenditures	\$ -	\$ -	\$ -	\$ 105,312	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350	\$ 655,350
Closing Fund Balance	\$ 2,392,536	\$ 2,492,165	\$ 2,426,675	\$ 2,519,662	\$ 2,444,353	\$ 2,394,951	\$ 2,378,698	\$ 2,405,319	\$ 2,476,892	\$ 2,595,571	\$ 2,763,550	\$ 2,983,077	\$ 3,256,438





# What Changed?

- Capital Costs
  - Facility Plan: \$8,044,125
  - VE report: \$9,059,346
- Rate Study
  - 2015 Study (30-year loan): \$8,044,125 (operational in 2018)
  - 2017 Study (20-year loan): \$9,059,346 (operational in 2018)



# What Changed?

- Pumping Charges
  - Flows
    - Facility Plan: 64 gallons per person per day (approximately)
    - VE report: 65 gallons per person per day (approximately)
      - Not significant!
  - Pumping Rates
    - Facility Plan: 6% increase in 2017, 2018, 2019  
3% increase from 2020+
    - VE report: 6% increase in 2017, 2018, 2019  
5% increase in 2020  
4% increase in 2021  
3% increase in 2022+
- Annual System Development Charges
  - Facility Plan: 4% annual increase (population growth)
  - VE report: 4% annual increase (population growth) plus 3% inflation rate



## Complete Pumping

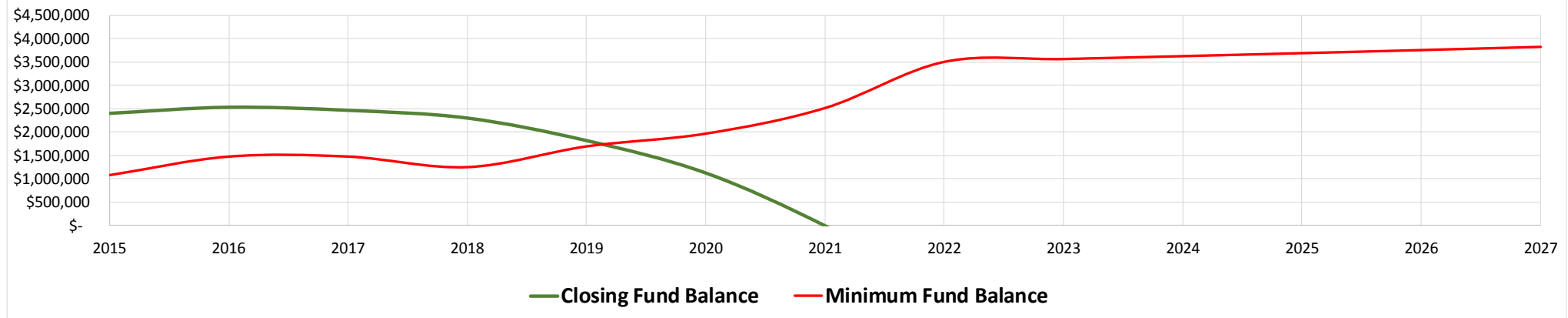
- 2018 rate increases
  - Current Proposed: 15%
- 2019 rate increases
  - VE Study: 20%
- Unknowns (risk)
  - Future of pumping charges and system development charges
    - Sioux Falls Master Plan
      - Nutrient Removal



# Aeromod

	Current			Proposed									
Base Rate	\$ 15.91	\$ 18.28	\$ 20.96	\$ 24.10	\$ 24.82	\$ 25.56	\$ 26.33	\$ 27.12	\$ 27.93	\$ 28.77	\$ 29.63	\$ 30.52	\$ 31.44
Base Usage	\$ 3.83	\$ 4.86	\$ 6.02	\$ 7.38	\$ 7.70	\$ 8.02	\$ 8.35	\$ 8.69	\$ 9.05	\$ 9.41	\$ 9.78	\$ 10.17	\$ 10.56
Surcharge # 1	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78
Surcharge # 2	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28
Total Usage Fee	\$ 6.89	\$ 7.92	\$ 9.08	\$ 10.44	\$ 10.76	\$ 11.08	\$ 11.41	\$ 11.75	\$ 12.11	\$ 12.47	\$ 12.84	\$ 13.23	\$ 13.62
Sewer Price for 5,000 gal	\$ 50.36	\$ 57.88	\$ 66.36	\$ 76.31	\$ 78.60	\$ 80.95	\$ 83.38	\$ 85.88	\$ 88.46	\$ 91.11	\$ 93.84	\$ 96.66	\$ 99.56
Total % Rate Increase		14.65%		15.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Starting Fund Balance	\$ 2,011,569	\$ 2,392,536	\$ 2,523,065	\$ 2,457,575	\$ 2,292,680	\$ 1,811,913	\$ 1,120,089	\$ (7,085)	\$ (1,405,962)	\$ (2,740,750)	\$ (4,006,171)	\$ (5,196,161)	\$ (6,303,973)
Yearly Revenue	\$ 1,163,901	\$ 1,212,029	\$ 1,411,022	\$ 1,664,398	\$ 1,763,965	\$ 1,869,326	\$ 1,980,641	\$ 2,098,254	\$ 2,222,105	\$ 2,353,199	\$ 2,492,389	\$ 2,640,427	\$ 2,797,837
Operating Expenses	\$ 782,934	\$ 1,081,500	\$ 1,476,511	\$ 1,251,574	\$ 1,338,163	\$ 1,423,577	\$ 1,507,772	\$ 2,029,437	\$ 2,089,198	\$ 2,150,926	\$ 2,214,685	\$ 2,280,544	\$ 2,348,575
CIP Net Expenditures	\$ -	\$ -	\$ -	\$ 577,719	\$ 906,569	\$ 1,137,573	\$ 1,600,042	\$ 1,467,695	\$ 1,467,695	\$ 1,467,695	\$ 1,467,695	\$ 1,467,695	\$ 1,467,695
<b>Closing Fund Balance</b>	<b>\$ 2,392,536</b>	<b>\$ 2,523,065</b>	<b>\$ 2,457,575</b>	<b>\$ 2,292,680</b>	<b>\$ 1,811,913</b>	<b>\$ 1,120,089</b>	<b>\$ (7,085)</b>	<b>\$ (1,405,962)</b>	<b>\$ (2,740,750)</b>	<b>\$ (4,006,171)</b>	<b>\$ (5,196,161)</b>	<b>\$ (6,303,973)</b>	<b>\$ (7,322,405)</b>

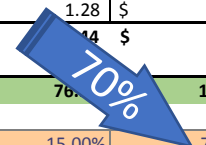
Sewer Fund Reserves over time



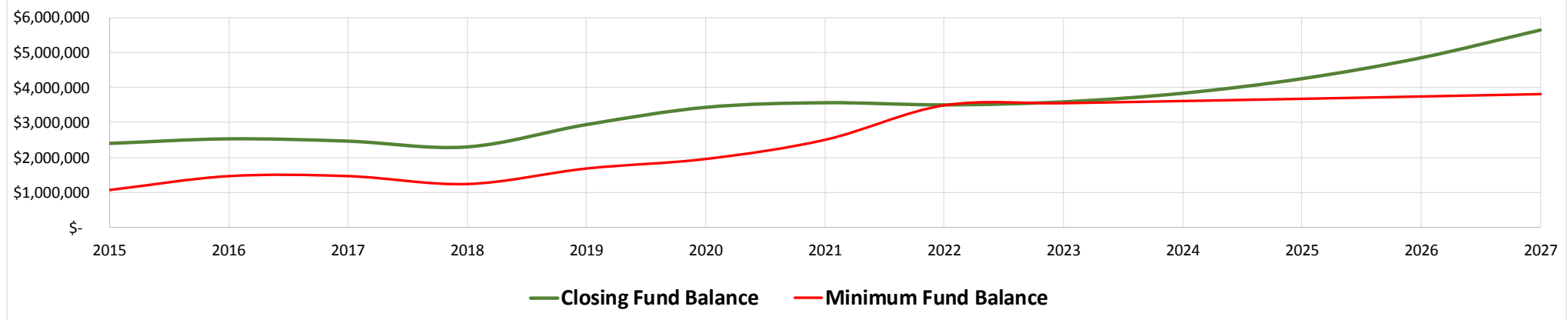


# Aeromod

	Current			Proposed									
Base Rate	\$ 15.91	\$ 18.28	\$ 20.96	\$ 24.10	\$ 40.97	\$ 42.20	\$ 43.47	\$ 44.77	\$ 46.11	\$ 47.49	\$ 48.91	\$ 50.38	\$ 51.89
Base Usage	\$ 3.83	\$ 4.86	\$ 6.02	\$ 7.38	\$ 14.69	\$ 15.22	\$ 15.77	\$ 16.34	\$ 16.92	\$ 17.52	\$ 18.14	\$ 18.77	\$ 19.43
Surcharge # 1	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78
Surcharge # 2	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28
Total Usage Fee	\$ 6.89	\$ 7.92	\$ 9.08	\$ 10.44	\$ 17.75	\$ 18.28	\$ 18.83	\$ 19.40	\$ 19.98	\$ 20.58	\$ 21.20	\$ 21.83	\$ 22.49
Sewer Price for 5,000 gal	\$ 50.36	\$ 57.88	\$ 66.36	\$ 76.00	\$ 129.73	\$ 133.62	\$ 137.64	\$ 141.76	\$ 146.01	\$ 150.39	\$ 154.89	\$ 159.54	\$ 164.33
Total % Rate Increase	14.65%	15.00%	70.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Starting Fund Balance	\$ 2,011,569	\$ 2,392,536	\$ 2,523,065	\$ 2,457,575	\$ 2,292,680	\$ 2,928,368	\$ 3,421,123	\$ 3,552,921	\$ 3,491,814	\$ 3,578,517	\$ 3,823,253	\$ 4,237,589	\$ 4,834,104
Yearly Revenue	\$ 1,163,901	\$ 1,212,029	\$ 1,411,022	\$ 1,664,398	\$ 2,880,420	\$ 3,053,905	\$ 3,239,613	\$ 3,436,024	\$ 3,643,596	\$ 3,863,356	\$ 4,096,716	\$ 4,344,754	\$ 4,608,042
Operating Expenses	\$ 782,934	\$ 1,081,500	\$ 1,476,511	\$ 1,251,574	\$ 1,338,163	\$ 1,423,577	\$ 1,507,772	\$ 2,029,437	\$ 2,089,198	\$ 2,150,926	\$ 2,214,685	\$ 2,280,544	\$ 2,348,575
CIP Net Expenditures	\$ -	\$ -	\$ -	\$ 577,719	\$ 906,569	\$ 1,137,573	\$ 1,600,042	\$ 1,467,695	\$ 1,467,695	\$ 1,467,695	\$ 1,467,695	\$ 1,467,695	\$ 1,467,695
<b>Closing Fund Balance</b>	<b>\$ 2,392,536</b>	<b>\$ 2,523,065</b>	<b>\$ 2,457,575</b>	<b>\$ 2,292,680</b>	<b>\$ 2,928,368</b>	<b>\$ 3,421,123</b>	<b>\$ 3,552,921</b>	<b>\$ 3,491,814</b>	<b>\$ 3,578,517</b>	<b>\$ 3,823,253</b>	<b>\$ 4,237,589</b>	<b>\$ 4,834,104</b>	<b>\$ 5,625,877</b>



### Sewer Fund Reserves over time





# What Changed?

- Capital Costs

- Facility Plan: \$19,803,400
- VE report: \$22,195,455
- Additional Cost:
  - Land
    - Both Reports: \$1,250,000
    - Actual: \$3,250,000

- Rate Study

- 2015 Study (30-year loan): \$19,803,400 (operational in 2019)
- 2017 Study (20-year loan): \$24,195,455 (operational in 2022)





# What Changed?

- Labor
  - Facility Plan: 1.5 FTE (\$164,000 annual cost)
  - VE report: 4.0 FTE (\$656,448 annual cost)
- Equipment Replacement
  - Facility Plan: \$ 33,000 annual cost
  - VE report: \$468,101 annual cost

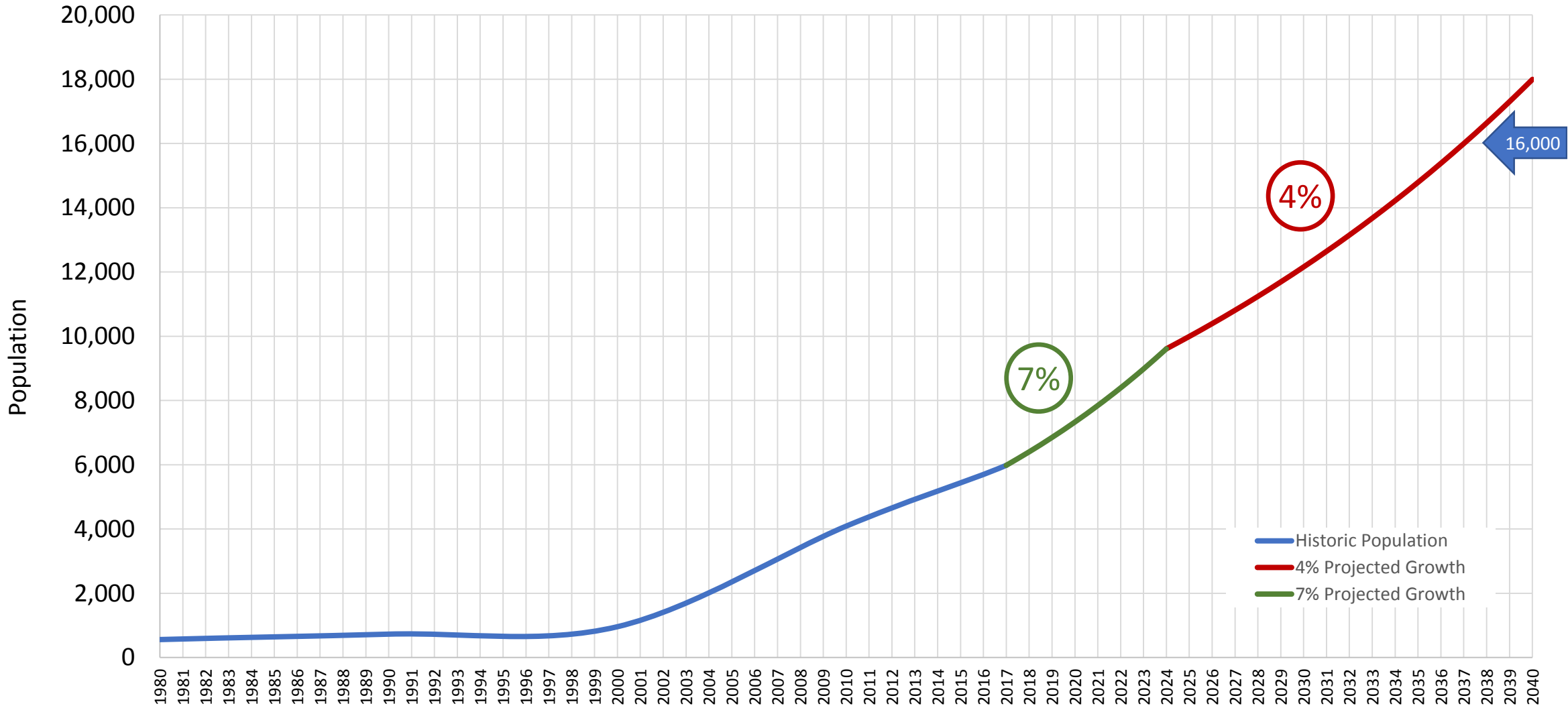


## Aeromod

- 2018 rate increases
  - Current Proposed: 15%
- 2019 rate increases
  - VE study: 70%
- Unknowns (risk)
  - Future growth rate
  - Location of outfall



# HARRISBURG





# Updated Values

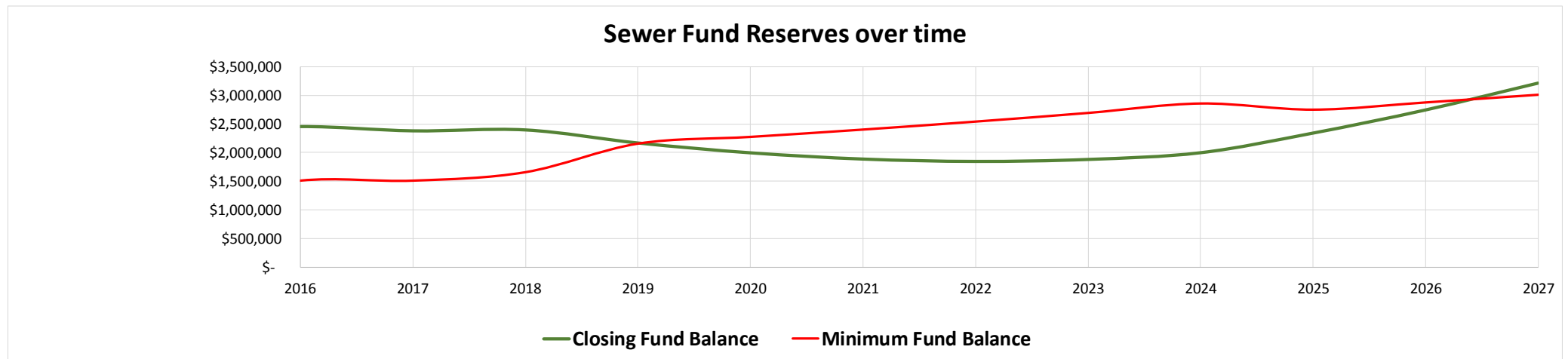
- Pumping to Sioux Falls
  - Stockwell's Estimates
    - Capital Costs: \$8,044,125
    - Annual Costs: increased pumped volume and SDCs
- Aeromod
  - Stockwell's Estimates
    - Capital Costs:

• Facility Plan:	\$19,803,400
• Additional Capacity:	\$ 1,173,938
• Additional Land:	\$ 2,000,000
• Multiplier Charges	<u>\$ 1,518,974</u>
    - Total \$24,496,312
  - Annual Costs: increased sludge handling and utilities
  - Costs assuming outfall at Schindler or Spring Creek



# Complete Pumping

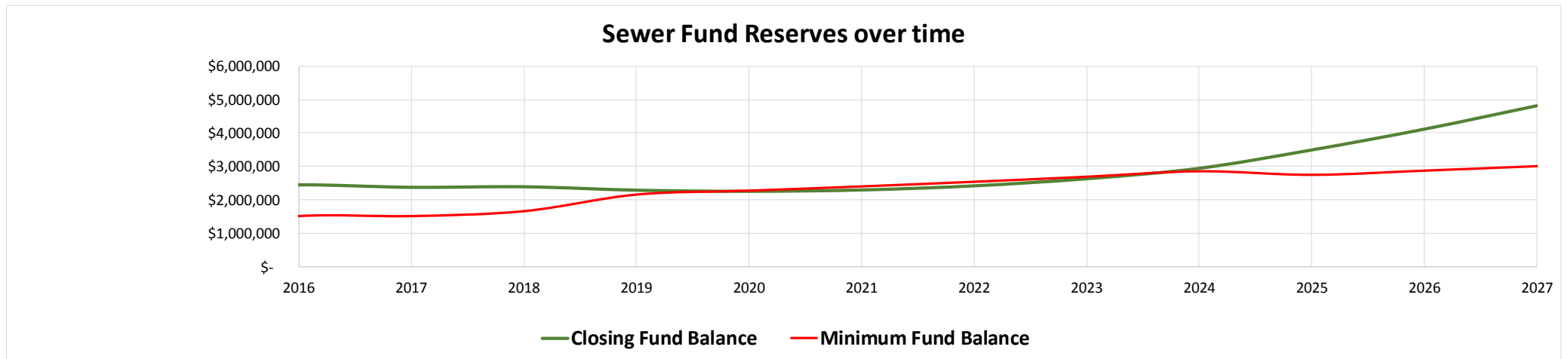
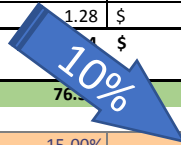
	Current			Proposed									
Base Rate	\$ 15.91	\$ 18.28	\$ 20.96	\$ 24.10	\$ 24.82	\$ 25.56	\$ 26.33	\$ 27.12	\$ 27.93	\$ 28.77	\$ 29.63	\$ 30.52	\$ 31.44
Base Usage	\$ 3.83	\$ 4.86	\$ 6.02	\$ 7.38	\$ 7.70	\$ 8.02	\$ 8.35	\$ 8.69	\$ 9.05	\$ 9.41	\$ 9.78	\$ 10.17	\$ 10.56
Surcharge # 1	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78
Surcharge # 2	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28
Total Usage Fee	\$ 6.89	\$ 7.92	\$ 9.08	\$ 10.44	\$ 10.76	\$ 11.08	\$ 11.41	\$ 11.75	\$ 12.11	\$ 12.47	\$ 12.84	\$ 13.23	\$ 13.62
Sewer Price for 5,000 gal	\$ 50.36	\$ 57.88	\$ 66.36	\$ 76.31	\$ 78.60	\$ 80.95	\$ 83.38	\$ 85.88	\$ 88.46	\$ 91.11	\$ 93.84	\$ 96.66	\$ 99.56
Total % Rate Increase	14.65%			15.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Starting Fund Balance	\$ 2,011,569	\$ 2,358,797	\$ 2,454,575	\$ 2,379,958	\$ 2,395,754	\$ 2,169,183	\$ 1,998,985	\$ 1,890,521	\$ 1,849,983	\$ 1,884,087	\$ 2,000,450	\$ 2,341,036	\$ 2,742,091
Yearly Revenue	\$ 1,163,901	\$ 1,212,029	\$ 1,437,689	\$ 1,769,987	\$ 1,929,123	\$ 2,102,856	\$ 2,292,090	\$ 2,498,584	\$ 2,723,881	\$ 2,969,997	\$ 3,087,286	\$ 3,273,390	\$ 3,471,326
Operating Expenses	\$ 816,673	\$ 1,116,251	\$ 1,512,305	\$ 1,659,030	\$ 1,682,159	\$ 1,799,518	\$ 1,927,018	\$ 2,065,586	\$ 2,216,242	\$ 2,380,098	\$ 2,273,165	\$ 2,398,799	\$ 2,532,502
CIP Net Expenditures	\$ -	\$ -	\$ -	\$ 95,160	\$ 473,536	\$ 473,536	\$ 473,536	\$ 473,536	\$ 473,536	\$ 473,536	\$ 473,536	\$ 473,536	\$ 473,536
Closing Fund Balance	\$ 2,358,797	\$ 2,454,575	\$ 2,379,958	\$ 2,395,754	\$ 2,169,183	\$ 1,998,985	\$ 1,890,521	\$ 1,849,983	\$ 1,884,087	\$ 2,000,450	\$ 2,341,036	\$ 2,742,091	\$ 3,207,379





# Complete Pumping

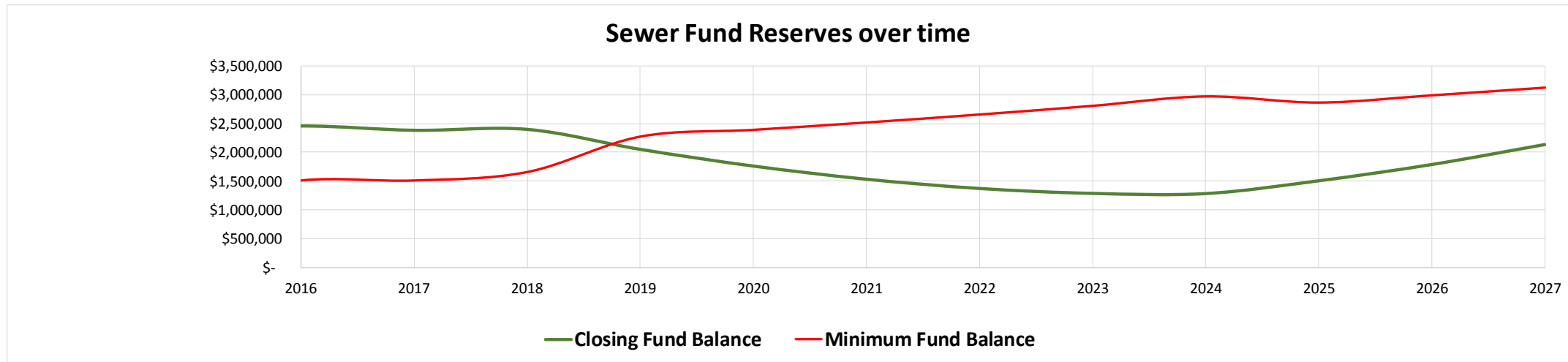
	Current			Proposed									
Base Rate	\$ 15.91	\$ 18.28	\$ 20.96	\$ 24.10	\$ 26.51	\$ 27.31	\$ 28.13	\$ 28.97	\$ 29.84	\$ 30.74	\$ 31.66	\$ 32.61	\$ 33.59
Base Usage	\$ 3.83	\$ 4.86	\$ 6.02	\$ 7.38	\$ 8.43	\$ 8.77	\$ 9.13	\$ 9.49	\$ 9.87	\$ 10.26	\$ 10.66	\$ 11.07	\$ 11.49
Surcharge # 1	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78
Surcharge # 2	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28
Total Usage Fee	\$ 6.89	\$ 7.92	\$ 9.08	\$ 11.49	\$ 11.83	\$ 12.19	\$ 12.55	\$ 12.93	\$ 13.32	\$ 13.72	\$ 14.13	\$ 14.55	
Sewer Price for 5,000 gal	\$ 50.36	\$ 57.88	\$ 66.36	\$ 76.36	\$ 83.94	\$ 86.47	\$ 89.06	\$ 91.73	\$ 94.48	\$ 97.32	\$ 100.24	\$ 103.25	\$ 106.34
Total % Rate Increase		14.65%	15.00%	10.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Starting Fund Balance	\$ 2,011,569	\$ 2,358,797	\$ 2,454,575	\$ 2,379,958	\$ 2,395,754	\$ 2,293,987	\$ 2,260,296	\$ 2,301,050	\$ 2,423,560	\$ 2,636,071	\$ 2,947,559	\$ 3,495,471	\$ 4,116,746
Yearly Revenue	\$ 1,163,901	\$ 1,212,029	\$ 1,437,689	\$ 1,769,987	\$ 2,053,928	\$ 2,239,363	\$ 2,441,308	\$ 2,661,631	\$ 2,902,288	\$ 3,165,123	\$ 3,294,612	\$ 3,493,610	\$ 3,705,157
Operating Expenses	\$ 816,673	\$ 1,116,251	\$ 1,512,305	\$ 1,659,030	\$ 1,682,159	\$ 1,799,518	\$ 1,927,018	\$ 2,065,586	\$ 2,216,242	\$ 2,380,098	\$ 2,273,165	\$ 2,398,799	\$ 2,532,502
CIP Net Expenditures	\$ -	\$ -	\$ -	\$ 95,160	\$ 473,536	\$ 473,536	\$ 473,536	\$ 473,536	\$ 473,536	\$ 473,536	\$ 473,536	\$ 473,536	\$ 473,536
Closing Fund Balance	\$ 2,358,797	\$ 2,454,575	\$ 2,379,958	\$ 2,395,754	\$ 2,293,987	\$ 2,260,296	\$ 2,301,050	\$ 2,423,560	\$ 2,636,071	\$ 2,947,559	\$ 3,495,471	\$ 4,116,746	\$ 4,815,866





# Complete Pumping

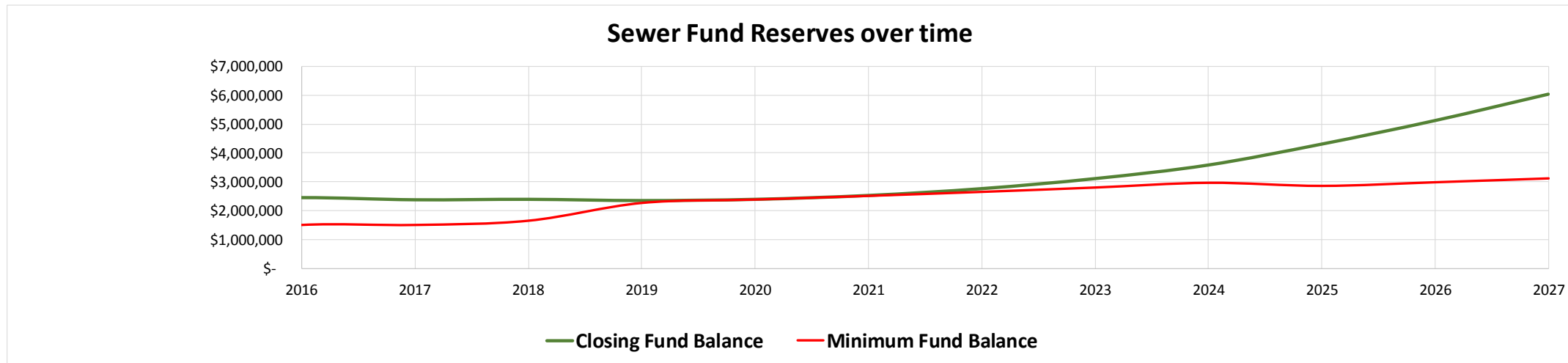
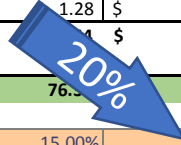
	Current			Proposed									
Base Rate	\$ 15.91	\$ 18.28	\$ 20.96	\$ 24.10	\$ 24.82	\$ 25.56	\$ 26.33	\$ 27.12	\$ 27.93	\$ 28.77	\$ 29.63	\$ 30.52	\$ 31.44
Base Usage	\$ 3.83	\$ 4.86	\$ 6.02	\$ 7.38	\$ 7.70	\$ 8.02	\$ 8.35	\$ 8.69	\$ 9.05	\$ 9.41	\$ 9.78	\$ 10.17	\$ 10.56
Surcharge # 1	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78
Surcharge # 2	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28
Total Usage Fee	\$ 6.89	\$ 7.92	\$ 9.08	\$ 10.44	\$ 10.76	\$ 11.08	\$ 11.41	\$ 11.75	\$ 12.11	\$ 12.47	\$ 12.84	\$ 13.23	\$ 13.62
Sewer Price for 5,000 gal	\$ 50.36	\$ 57.88	\$ 66.36	\$ 76.31	\$ 78.60	\$ 80.95	\$ 83.38	\$ 85.88	\$ 88.46	\$ 91.11	\$ 93.84	\$ 96.66	\$ 99.56
Total % Rate Increase		14.65%	15.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Starting Fund Balance	\$ 2,011,569	\$ 2,358,797	\$ 2,454,575	\$ 2,379,958	\$ 2,395,754	\$ 2,050,545	\$ 1,761,709	\$ 1,534,371	\$ 1,374,721	\$ 1,289,475	\$ 1,286,250	\$ 1,507,008	\$ 1,787,997
Yearly Revenue	\$ 1,163,901	\$ 1,212,029	\$ 1,437,689	\$ 1,769,987	\$ 1,929,123	\$ 2,102,856	\$ 2,291,853	\$ 2,498,109	\$ 2,723,169	\$ 2,969,047	\$ 3,086,097	\$ 3,271,962	\$ 3,469,657
Operating Expenses	\$ 816,673	\$ 1,116,251	\$ 1,512,305	\$ 1,659,030	\$ 1,682,159	\$ 1,799,518	\$ 1,927,018	\$ 2,065,586	\$ 2,216,242	\$ 2,380,098	\$ 2,273,165	\$ 2,398,799	\$ 2,532,502
CIP Net Expenditures	\$ -	\$ -	\$ -	\$ 95,160	\$ 592,173	\$ 592,173	\$ 592,173	\$ 592,173	\$ 592,173	\$ 592,173	\$ 592,173	\$ 592,173	\$ 592,173
Closing Fund Balance	\$ 2,358,797	\$ 2,454,575	\$ 2,379,958	\$ 2,395,754	\$ 2,050,545	\$ 1,761,709	\$ 1,534,371	\$ 1,374,721	\$ 1,289,475	\$ 1,286,250	\$ 1,507,008	\$ 1,787,997	\$ 2,132,980





# Complete Pumping

	Current			Proposed									
Base Rate	\$ 15.91	\$ 18.28	\$ 20.96	\$ 24.10	\$ 28.92	\$ 29.79	\$ 30.68	\$ 31.60	\$ 32.55	\$ 33.53	\$ 34.54	\$ 35.58	\$ 36.65
Base Usage	\$ 3.83	\$ 4.86	\$ 6.02	\$ 7.38	\$ 9.47	\$ 9.85	\$ 10.23	\$ 10.63	\$ 11.04	\$ 11.47	\$ 11.90	\$ 12.35	\$ 12.81
Surcharge # 1	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78
Surcharge # 2	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28
Total Usage Fee	\$ 6.89	\$ 7.92	\$ 9.08	\$ 11.11	\$ 12.53	\$ 12.91	\$ 13.29	\$ 13.69	\$ 14.10	\$ 14.53	\$ 14.96	\$ 15.41	\$ 15.87
Sewer Price for 5,000 gal	\$ 50.36	\$ 57.88	\$ 66.36	\$ 76.50	\$ 91.57	\$ 94.32	\$ 97.15	\$ 100.06	\$ 103.07	\$ 106.16	\$ 109.35	\$ 112.64	\$ 116.02
Total % Rate Increase		14.65%	15.00%	20.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Starting Fund Balance	\$ 2,011,569	\$ 2,358,797	\$ 2,454,575	\$ 2,379,958	\$ 2,395,754	\$ 2,353,535	\$ 2,395,689	\$ 2,530,138	\$ 2,766,078	\$ 3,113,521	\$ 3,583,360	\$ 4,306,936	\$ 5,122,183
Yearly Revenue	\$ 1,163,901	\$ 1,212,029	\$ 1,437,689	\$ 1,769,987	\$ 2,232,113	\$ 2,433,845	\$ 2,653,640	\$ 2,893,700	\$ 3,155,858	\$ 3,442,111	\$ 3,588,914	\$ 3,806,220	\$ 4,037,112
Operating Expenses	\$ 816,673	\$ 1,116,251	\$ 1,512,305	\$ 1,659,030	\$ 1,682,159	\$ 1,799,518	\$ 1,927,018	\$ 2,065,586	\$ 2,216,242	\$ 2,380,098	\$ 2,273,165	\$ 2,398,799	\$ 2,532,502
CIP Net Expenditures	\$ -	\$ -	\$ -	\$ 95,160	\$ 592,173	\$ 592,173	\$ 592,173	\$ 592,173	\$ 592,173	\$ 592,173	\$ 592,173	\$ 592,173	\$ 592,173
Closing Fund Balance	\$ 2,358,797	\$ 2,454,575	\$ 2,379,958	\$ 2,395,754	\$ 2,353,535	\$ 2,395,689	\$ 2,530,138	\$ 2,766,078	\$ 3,113,521	\$ 3,583,360	\$ 4,306,936	\$ 5,122,183	\$ 6,034,620

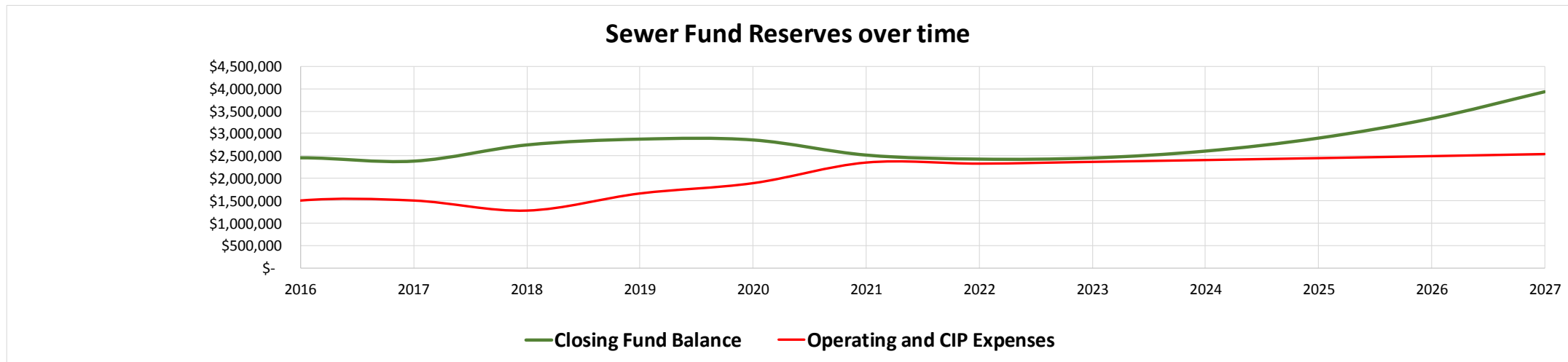
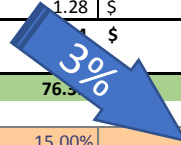






## Aeromod

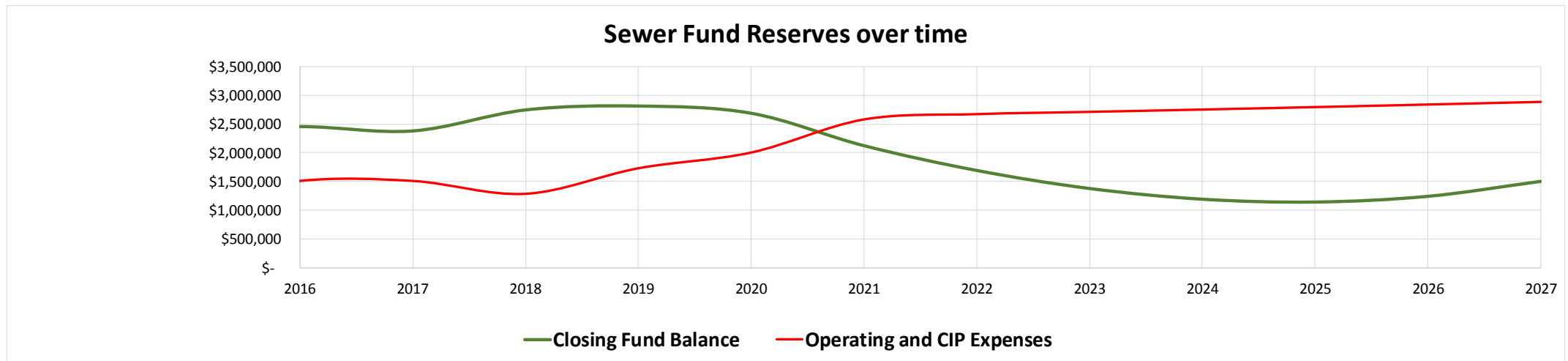
	Current			Proposed										
Base Rate	\$ 15.91	\$ 18.28	\$ 20.96	\$ 24.10	\$ 24.82	\$ 25.56	\$ 26.33	\$ 27.12	\$ 27.93	\$ 28.77	\$ 29.63	\$ 30.52	\$ 31.44	
Base Usage	\$ 3.83	\$ 4.86	\$ 6.02	\$ 7.38	\$ 7.70	\$ 8.02	\$ 8.35	\$ 8.69	\$ 9.05	\$ 9.41	\$ 9.78	\$ 10.17	\$ 10.56	
Surcharge # 1	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	
Surcharge # 2	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	
Total Usage Fee	\$ 6.89	\$ 7.92	\$ 9.08	\$ 10.76	\$ 11.08	\$ 11.41	\$ 11.75	\$ 12.11	\$ 12.47	\$ 12.84	\$ 13.23	\$ 13.62		
Sewer Price for 5,000 gal	\$ 50.36	\$ 57.88	\$ 66.36	\$ 76.50	\$ 78.60	\$ 80.95	\$ 83.38	\$ 85.88	\$ 88.46	\$ 91.11	\$ 93.84	\$ 96.66	\$ 99.56	
Total % Rate Increase	14.65%	15.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	
Starting Fund Balance	\$ 2,011,569	\$ 2,358,797	\$ 2,454,575	\$ 2,379,958	\$ 2,744,541	\$ 2,874,709	\$ 2,855,976	\$ 2,516,003	\$ 2,425,103	\$ 2,451,624	\$ 2,605,625	\$ 2,897,307	\$ 3,337,919	
Yearly Revenue	\$ 1,163,901	\$ 1,212,029	\$ 1,437,689	\$ 1,710,243	\$ 1,829,693	\$ 1,958,424	\$ 2,095,924	\$ 2,242,742	\$ 2,399,192	\$ 2,567,408	\$ 2,747,609	\$ 2,940,930	\$ 3,148,288	
Operating Expenses	\$ 816,673	\$ 1,116,251	\$ 1,512,305	\$ 1,288,441	\$ 1,376,136	\$ 1,462,689	\$ 1,548,058	\$ 1,151,067	\$ 1,190,097	\$ 1,230,831	\$ 1,273,351	\$ 1,317,744	\$ 1,364,098	
CIP Net Expenditures	\$ -	\$ -	\$ -	\$ 57,219	\$ 323,388	\$ 514,467	\$ 887,839	\$ 1,182,575	\$ 1,182,575	\$ 1,182,575	\$ 1,182,575	\$ 1,182,575	\$ 1,182,575	
<b>Closing Fund Balance</b>	<b>\$ 2,358,797</b>	<b>\$ 2,454,575</b>	<b>\$ 2,379,958</b>	<b>\$ 2,744,541</b>	<b>\$ 2,874,709</b>	<b>\$ 2,855,976</b>	<b>\$ 2,516,003</b>	<b>\$ 2,425,103</b>	<b>\$ 2,451,624</b>	<b>\$ 2,605,625</b>	<b>\$ 2,897,307</b>	<b>\$ 3,337,919</b>	<b>\$ 3,939,533</b>	





# Aeromod

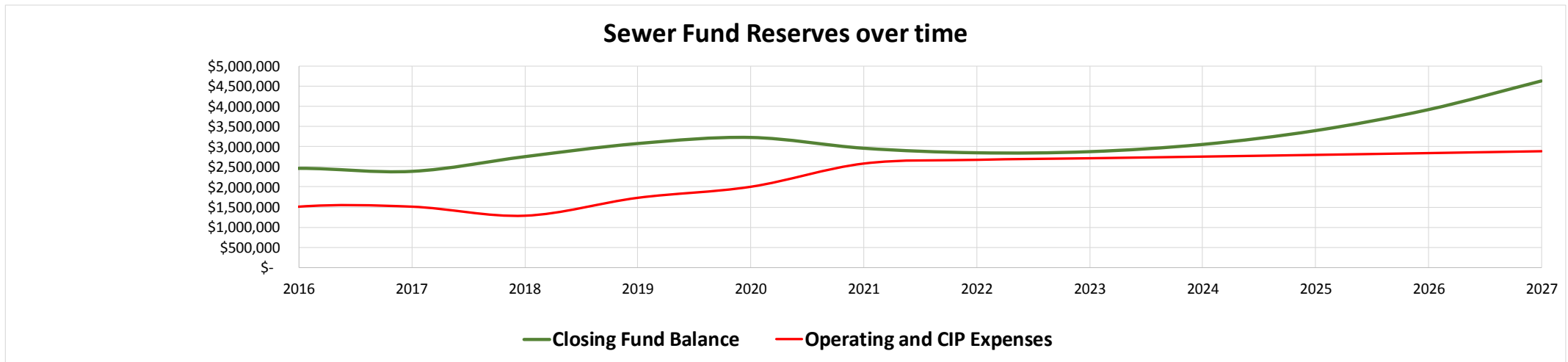
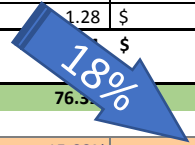
	Current			Proposed									
Base Rate	\$ 15.91	\$ 18.28	\$ 20.96	\$ 24.10	\$ 24.82	\$ 25.56	\$ 26.33	\$ 27.12	\$ 27.93	\$ 28.77	\$ 29.63	\$ 30.52	\$ 31.44
Base Usage	\$ 3.83	\$ 4.86	\$ 6.02	\$ 7.38	\$ 7.70	\$ 8.02	\$ 8.35	\$ 8.69	\$ 9.05	\$ 9.41	\$ 9.78	\$ 10.17	\$ 10.56
Surcharge # 1	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78
Surcharge # 2	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28
Total Usage Fee	\$ 6.89	\$ 7.92	\$ 9.08	\$ 10.44	\$ 10.76	\$ 11.08	\$ 11.41	\$ 11.75	\$ 12.11	\$ 12.47	\$ 12.84	\$ 13.23	\$ 13.62
Sewer Price for 5,000 gal	\$ 50.36	\$ 57.88	\$ 66.36	\$ 76.31	\$ 78.60	\$ 80.95	\$ 83.38	\$ 85.88	\$ 88.46	\$ 91.11	\$ 93.84	\$ 96.66	\$ 99.56
Total % Rate Increase	14.65%			15.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Starting Fund Balance	\$ 2,011,569	\$ 2,358,797	\$ 2,454,575	\$ 2,379,958	\$ 2,744,541	\$ 2,812,028	\$ 2,686,370	\$ 2,123,369	\$ 1,693,252	\$ 1,380,110	\$ 1,193,770	\$ 1,144,430	\$ 1,243,340
Yearly Revenue	\$ 1,163,901	\$ 1,212,029	\$ 1,437,689	\$ 1,710,243	\$ 1,829,693	\$ 1,958,424	\$ 2,095,799	\$ 2,242,403	\$ 2,398,407	\$ 2,565,944	\$ 2,745,466	\$ 2,938,107	\$ 3,144,782
Operating Expenses	\$ 816,673	\$ 1,116,251	\$ 1,512,305	\$ 1,288,441	\$ 1,376,136	\$ 1,462,689	\$ 1,548,058	\$ 1,151,067	\$ 1,190,097	\$ 1,230,831	\$ 1,273,351	\$ 1,317,744	\$ 1,364,098
CIP Net Expenditures	\$ -	\$ -	\$ -	\$ 57,219	\$ 386,069	\$ 621,392	\$ 1,110,741	\$ 1,521,453	\$ 1,521,453	\$ 1,521,453	\$ 1,521,453	\$ 1,521,453	\$ 1,521,453
<b>Closing Fund Balance</b>	<b>\$ 2,358,797</b>	<b>\$ 2,454,575</b>	<b>\$ 2,379,958</b>	<b>\$ 2,744,541</b>	<b>\$ 2,812,028</b>	<b>\$ 2,686,370</b>	<b>\$ 2,123,369</b>	<b>\$ 1,693,252</b>	<b>\$ 1,380,110</b>	<b>\$ 1,193,770</b>	<b>\$ 1,144,430</b>	<b>\$ 1,243,340</b>	<b>\$ 1,502,571</b>





# Aeromod

	Current			Proposed									
Base Rate	\$ 15.91	\$ 18.28	\$ 20.96	\$ 24.10	\$ 28.44	\$ 29.29	\$ 30.17	\$ 31.08	\$ 32.01	\$ 32.97	\$ 33.96	\$ 34.98	\$ 36.03
Base Usage	\$ 3.83	\$ 4.86	\$ 6.02	\$ 7.38	\$ 9.26	\$ 9.63	\$ 10.01	\$ 10.40	\$ 10.81	\$ 11.22	\$ 11.65	\$ 12.09	\$ 12.55
Surcharge # 1	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78	\$ 1.78
Surcharge # 2	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28	\$ 1.28
Total Usage Fee	\$ 6.89	\$ 7.92	\$ 9.08	\$ 12.32	\$ 12.69	\$ 13.07	\$ 13.46	\$ 13.87	\$ 14.28	\$ 14.71	\$ 15.15	\$ 15.61	
Sewer Price for 5,000 gal	\$ 50.36	\$ 57.88	\$ 66.36	\$ 76.32	\$ 90.05	\$ 92.75	\$ 95.53	\$ 98.40	\$ 101.35	\$ 104.39	\$ 107.53	\$ 110.75	\$ 114.08
Total % Rate Increase		14.65%		15.00%	18.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Starting Fund Balance	\$ 2,011,569	\$ 2,358,797	\$ 2,454,575	\$ 2,379,958	\$ 2,744,541	\$ 3,069,436	\$ 3,219,547	\$ 2,952,416	\$ 2,839,879	\$ 2,867,477	\$ 3,046,587	\$ 3,389,356	\$ 3,908,814
Yearly Revenue	\$ 1,163,901	\$ 1,212,029	\$ 1,437,689	\$ 1,710,243	\$ 2,087,100	\$ 2,234,193	\$ 2,391,669	\$ 2,559,983	\$ 2,739,148	\$ 2,931,394	\$ 3,137,574	\$ 3,358,655	\$ 3,595,670
Operating Expenses	\$ 816,673	\$ 1,116,251	\$ 1,512,305	\$ 1,288,441	\$ 1,376,136	\$ 1,462,689	\$ 1,548,058	\$ 1,151,067	\$ 1,190,097	\$ 1,230,831	\$ 1,273,351	\$ 1,317,744	\$ 1,364,098
CIP Net Expenditures	\$ -	\$ -	\$ -	\$ 57,219	\$ 386,069	\$ 621,392	\$ 1,110,741	\$ 1,521,453	\$ 1,521,453	\$ 1,521,453	\$ 1,521,453	\$ 1,521,453	\$ 1,521,453
Closing Fund Balance	\$ 2,358,797	\$ 2,454,575	\$ 2,379,958	\$ 2,744,541	\$ 3,069,436	\$ 3,219,547	\$ 2,952,416	\$ 2,839,879	\$ 2,867,477	\$ 3,046,587	\$ 3,389,356	\$ 3,908,814	\$ 4,618,933





# Updated Population

Alternative	Recommended Increase	
	2018	2019
Complete Pumping, 20-year loan	15%	20%
Complete Pumping, 30-year loan	15%	10%
Aeromod, 20-year loan	15%	18%
Aeromod, 30-year loan	15%	3%



## November 30<sup>th</sup>, Staff Meeting

- Both Alternatives
  - Increase sewer connection fee to two-thirds of the system development charge. This is separate from the existing \$750 hook up charge.
- Pumping to Sioux Falls
  - Remove pond reclamation and bar screen from estimate
    - New estimate: \$6,777,630 from (\$9,059,346)
  - 1.5% inflation rate to future SDC charges



# November 30<sup>th</sup>, Staff Meeting

Recommended Increase

Alternative	2018	2019
Complete Pumping, 20 -year loan	15%	3%
Complete Pumping, 30-year loan	8%	3%
Aeromod, 20-year loan	15%	13%
Aeromod, 30-year loan	12%	3%



# Comparison - Recommend Rate Increases

Alternative	2018		2019	
	Original	11/30 Modifications	Original	11/30 Modifications
Complete Pumping, 20 -year loan	15%		{20%}	3%
Complete Pumping, 30-year loan	{15%}	8%	{10%}	3%
Aeromod, 20-year loan	15%		{18%}	13%
Aeromod, 30-year loan	{15%}	12%		3%

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