



City of La Crosse, Wisconsin

City Hall
400 La Crosse Street
La Crosse, WI 54601

Meeting Agenda - Final

Board of Public Works

Monday, December 4, 2023

10:00 AM

Council Chambers
City Hall, First Floor

The Board of Public Works meeting is open for in-person attendance and will also be conducted through video conferencing. The meeting can be viewed by visiting the Legislative Information Center (<https://cityoflacrosse.legistar.com/Calendar.aspx>) and clicking on the video link to the far right in the meeting list.)

Call to Order

Roll Call

Approval of Minutes

Minutes from November 27, 2023.

Agenda Items:

- [23-1388](#) Resolution approving Sanitary Sewer Utility rate increases effective January 1, 2024.
- [23-1389](#) Resolution amending Appendix C Fee Schedule to reflect 2024 Sanitary Sewer Fee Increase.
- [23-1420](#) Bidder's Proof of Responsibility
- [23-1421](#) Construction Contract Change Order
- [23-1424](#) Construction Contract Final Payments

Adjournment

Notice is further given that members of other governmental bodies may be present at the above scheduled meeting to gather information about a subject over which they have decision-making responsibility.

NOTICE TO PERSONS WITH A DISABILITY

Requests from persons with a disability who need assistance to participate in this meeting should call the City Clerk's office at (608) 789-7510 or send an email to ADAcityclerk@cityoflacrosse.org, with as much advance notice as possible.

Board members: Mitch Reynolds, Rebecca Schwarz, Andrea Trane, Matthew Gallagher, and Tamra Dickinson.



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Text File

File Number: 23-1388

Agenda Date: 12/7/2023

Version: 1

Status: New Business

In Control: Finance & Personnel Committee

File Type: Resolution

Resolution approving Sanitary Sewer Utility rate increases effective January 1, 2024.

RESOLUTION

WHEREAS, on September 12, 2019 Common Council approved Phase one of a three phase rate increase plan related to the Wastewater Treatment Plant upgrades (res 191269). Phase one rate increase was based on a draft Facility Plan and draft Rate Study; and

WHEREAS, the Sanitary Sewer Utility was directed to evaluate and adjust future Phase 2 and 3 rate increases as more detailed plans and refined cost estimates for the WWTP project became available; and

WHEREAS, a final Sanitary Sewer Facility Plan Study by Donahue and Associates was approved by City Council on 5/14/2020 (res 20-0509) and approved by the WDNR on 9/29/2020; and

WHEREAS, Trilogy Consulting LLC updated the Sanitary Sewer Utility Rate Study in October of 2020 based on the proposed final draft of the facility plan estimates, updated operating cost estimates, and use of the "Utility Basis" method which was approved by the City Council on 11/12/2020 (res 20-1493); and

WHEREAS, after the adoption of the sewer rates for 2020, the final facility plan for the WWTP upgrades came in at \$68 Million as compared to the original \$54.7 million included in the 2020 Rate Study; and

WHEREAS, since 2020 the Utility has had increased costs for parts and supplies required for ongoing system and plant operations and maintenance, additional staff needed as part of the WWTP upgrade, and an increase in preventative inspection and repair of aging infrastructure; and

WHEREAS, a rate increase is needed to cover future debt service as well as increased operation and maintenance expenses; and

WHEREAS, the Rate Study provides an analysis of rate increases needed in order to meet operation and maintenance, replacement, and debt service requirements, and to provide reasonable rates of return to the Utility and City from in-City customers, wholesale customers with contracts, and wholesale customers without contracts; and

WHEREAS, the Rate Study further evaluates the rate increases needed in order meet the Clean Water Fund (CWF) loan debt/expense/income ratios; and

WHEREAS, the Rate Study proposes a rate increase of \$21.20 per quarter (approximately \$5.30 per month) in 2024 for the average residential customer using 11,220 gallons or 1,500 cubic feet of water per quarter; and

WHEREAS, the Rate Study proposes future inflationary increases of 3.0 percent per year beginning in 2025 that will be reviewed annually to ensure these rates will maintain adequate debt coverage and reserve levels; and

WHEREAS, the high strength waste and wholesale customers have been informed of a possible rate increase and have adequate time to prepare and budget.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of La Crosse that it hereby accepts and approves the proposed sanitary sewer rate increases for in-City customers included in the "Sanitary Sewer Utility Rate Study Update Using a Utility-Basis Revenue Requirement Report Prepared by Trilogy consulting LLC dated October 2023".

BE IT FURTHER RESOLVED that the Common Council accepts and approves the proposed sanitary sewer rate increases for wholesale customers with current contracts included in the Rate Study.

BE IT FURTHER RESOLVED, that the Common Council approves charging wholesale customers without a current wastewater treatment contract a rate of return that is two percent higher than the rate of return charged to wholesale customers with a current wastewater treatment contract;

BE IT FURTHER RESOLVED, that the amended sewer rates to be charged to customers beginning on January 1, 2024,

BE IT FURTHER RESOLVED, that the Sanitary Sewer Utility is authorized to implement such charges effective starting January 1, 2024.

BE IT FURTHER RESOLVED, that the Board of Public Works, Director of Engineering & Public Works, and Utilities Finance & Compliance Manager are authorized to take any and all steps necessary to effectuate this resolution.



CITY OF LA CROSSE

400 La Crosse Street
La Crosse, Wisconsin 54601
(608) 789-CITY
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LEGISLATION STAFF REPORT FOR COUNCIL

File ID Caption

Staff/Department Responsible for Legislation

Requestor of Legislation

Location, if applicable

Summary/Purpose

Background

Fiscal Impact

Staff Recommendation

Sewer Rate Update

Using a Utility-Basis Revenue Requirement

Prepared for the

City of La Crosse

by Trilogy Consulting, LLC

October 2023



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INTRODUCTION

The City of La Crosse owns and operates a wastewater collection system, sewer interceptors and lift stations, and a Wastewater Treatment Plant (WWTP) that provides wastewater service to almost 16,000 customers within the City, including several high-strength industrial customers, treatment of hauled waste, and five municipal customers: the City of Onalaska, the Town of Campbell, the City of La Crescent, MN, the Town of Shelby Sanitary District No. 1, and the Town of Shelby Sanitary District No. 2. The City is required to treat for the following loadings at its wastewater treatment plant: organic pollutants (BOD), suspended solids (TSS), phosphorus (P), and ammonia (NH-3).

The Utility is nearing completion of major upgrades to the Wastewater Treatment Plant (WWTP) and has increased its program of sewer main replacement, lift station upgrades and rehabilitation, and equipment replacement.

In early 2019, the City hired Trilogy Consulting to conduct a formal Sanitary Sewer Rate Study. The study consisted of determining recommended user rates based on a cash needs revenue requirement and a detailed cost of service study that incorporated the capital improvements and anticipated changes in operation and maintenance expenses associated with the WWTP upgrades. A ten-year projection of user rate increases based on this cash needs methodology and cash flows was also prepared to develop a plan to complete all necessary capital improvement projects and meet all debt requirements while maintaining the financial health of the Utility. That study, based on the cash needs revenue requirement, is documented in a Draft Sewer Rate Study, dated June 2019.

The June 2019 Draft Sewer Rate Study recommended a significant rate increase to fund the utility's ongoing operating expenses and the projected \$64.3 million capital improvement program over the next five years, including \$54.7 million for WWTP upgrades. The rate increase was also recommended to maintain an adequate level of reserve funds available to cover ongoing equipment replacements, unexpected replacement and rehabilitation needs, or unexpected fluctuations in revenues or expenses.

The June 2019 Draft Sewer Rate Study recommended the La Crosse Common Council consider a plan to increase rates over a three-year period. The recommended rate increases were projected to increase the utility's annual user charge revenues by about \$987,000 in 2020, another \$1,104,000 in 2021, and another \$1,292,000 for 2022.

On September 18, 2019, the La Crosse Common Council approved the first phase of the rate increase described in the June 2019 Draft Sewer Rate Study and directed that the rate increase

be implemented starting January 1, 2020. The La Crosse Common Council also directed that additional rate increases be brought back to the Common Council for approval.

After the adoption of the sewer rates for 2020, the final facility plan for the WWTP upgrades was completed. The final facility plan estimated costs of \$68.0 million, including design engineering and construction management, with construction planned to begin in 2021 with final completion in 2023. In addition to the increased cost estimates for the WWTP, the Utility incurred substantial unplanned capital costs and repairs in 2019 and revised its capital improvement program for 2020 through 2025. Due to these increases in costs, the City retained Trilogy Consulting to prepare an updated sewer rate study in 2020 to re-evaluate the proposed rate increases for 2021 and future years.

As indicated above, the June 2019 Draft Sewer Rate Study was based upon a revenue requirement developed using a cash needs methodology. The updated 2020 Sanitary Sewer Rate Study was prepared using the utility basis method to establish the revenue requirement for the study. The utility basis method, used by the Wisconsin Public Service Commission to set water rates and sewer rates for regulated utilities, allows for recovery of depreciation expense and a return on net investment rate base instead of debt service and cash funded capital outlay. Most wastewater utilities use a cash-basis method, but some use the utility basis method, particularly those with wholesale customers. The advantages of the utility basis method include the stability in the amount and allocation of capital costs because the revenue requirements are based on all utility assets rather than current debt service and cash funded capital projects. Another advantage for utilities serving wholesale customers is the opportunity to generate a return on the investment in utility infrastructure. Finally, using a utility basis method can in some cases generate more revenues than a cash basis method depending on the age of the utility's infrastructure and the amount of annual debt service. Appendix B includes more information regarding the use of the utility basis and setting an appropriate rate of return.

La Crosse's contracts with its wholesale customers provide that user rates would be set based on the methodology (i.e., a cash-based methodology) used by John A. Mayer in his prior rate studies. However, La Crosse's contracts with all its wholesale customers (other than the City of La Crescent, MN) expired at the end of 2019. La Crosse re-negotiated its contracts with Onalaska and La Crescent and is in the process of re-negotiating the terms of its wholesale contracts the Towns of Campbell and Shelby. The 2020 Sewer Rate Update developed rates for wholesale customers with and without contracts. Rates for wholesale customers without contracts included a higher rate of return to the Utility for its investment in sewer system assets.

The 2020 Sewer Rate Update recommended no increase in sewer rates for 2021 in light of the COVID-19 pandemic, followed by rate increases designed to yield overall increases of 18.2 percent in revenues in 2022 and 2023.

Since 2020, the Utility has added new staff and continued to increase its program of system maintenance, rehabilitation, and replacement. In addition, the operation of the new WWTP facilities is expected to result in increases to some operation and maintenance expenses and decreases in other expenses. Operation and maintenance expenses have also increased due to supply chain issues and other factors that have caused significant increases in the costs of materials and supplies needed to operate, maintain, and repair the collection system and WWTP. Wastewater use by customer class has also fluctuated since 2020, impacting utility revenues. Therefore, the City retained Trilogy Consulting to update the sewer rate study, including revenue requirements, allocation of costs, and proposed rates.

STUDY METHODOLOGY

The study calculates proposed rates for 2024 and is generally organized into four sections:

1. An analysis of historical and forecast conditions including historical revenues, expenses, and usage statistics.
2. An analysis of forecast utility plant and depreciation expenses. This section of the study is intended to address the timing of additions and retirements of capital improvements, and the projection of depreciation expense.
3. Establishment of revenue requirement, allocation of costs and detailed rate calculations.
4. Cash flow forecasts with the proposed rates.

SECTION ONE -- HISTORICAL AND FORECAST CONDITIONS

A. HISTORICAL AND FORECAST CUSTOMER DEMANDS

The following tables show the analysis of historical trends in total wastewater treated at the wastewater treatment plant, as well as number of customers, customer volume of wastewater and estimated loadings (BOD, TSS, P, and NH-3) for retail domestic strength customers, wholesale customers, tank truck haulers, and surcharge loadings for high-strength waste.

Wastewater Treatment Plant Influent

The total volume of wastewater treated at the plant fluctuated between 2017 and 2022, peaking in 2019 with high flows in April through October. 'Billable' flow, or wastewater generated by customers, fluctuated between 2017 and 2020, increased in 2021 and 2022, and has been lower

in the first seven months of 2023. The remaining volume is clearwater infiltration and inflow (I/I), which averaged about 16.2 percent for 2017 through 2020 but was estimated at less than 5 percent in 2021 and 2022. Much of this is weather dependent.

Wastewater entering the plant is sampled daily for wastestrengths, so the total pounds of BOD, TSS, P, and NH-3 entering the plant per year can be estimated. Total pounds of these constituents have fluctuated from year to year over the last several years. Forecast influent flows and loadings for the study are the sum of forecast billable flows and loadings for each customer class, plus 17.2 percent I/I based on the average for 2017 through 2020.

Table 1 - Historical and Forecast WWTP Flows and Loadings

	2017	2018	2019	2020	2021	2022	2023	2024
WWTP Influent	CCF	CCF	CCF	CCF	CCF	CCF	CCF	CCF
Total Annual WWTP Influent	4,741,094	4,838,571	5,673,427	4,636,686	4,598,772	4,580,236	5,065,645	5,080,665
Total Billable Flow	4,060,156	4,064,191	4,119,028	4,086,596	4,428,326	4,474,309	4,196,089	4,208,531
Billable Flow as % of Inflow	85.6%	84.0%	72.6%	88.1%	96.3%	97.7%	82.8%	82.8%
Inflow/Infiltration	680,938	774,380	1,554,399	550,090	170,447	105,928	869,556	872,134
I/I as % of Influent	14.4%	16.0%	27.4%	11.9%	3.7%	2.3%	17.2%	17.2%
Maximum Flow per Day	23,316	22,366	25,695	17,914	20,352	20,270	22,418	22,485
Average Day Flow	12,989	13,256	15,544	12,703	12,599	12,549	13,878	13,920
Max Day/Average Day Ratio	1.79	1.69	1.65	1.41	1.62	1.62	1.62	1.62
BOD (mg/l)	320	320	280	243	296	252		
TSS (mg/l)	306	276	249	287	296	239		
P (mg/l)	6.30	6.51	5.68	6.67	6.89	6.10		
NH3 (mg/l)	39.0	44.3	38.6	43.8	40.8	36.6		
BOD (lbs)	9,480,870	9,679,616	9,921,970	7,038,674	8,505,854	7,190,524	10,405,303	10,432,485
TSS (lbs)	9,042,527	8,321,644	8,804,103	8,306,349	8,497,095	6,825,144	8,895,567	8,920,807
P (lbs)	186,492	196,743	201,193	192,972	197,672	174,369	200,345	200,889
NH3 (lbs)	1,155,145	1,337,940	1,367,539	1,268,933	1,172,617	1,045,962	1,087,752	1,090,859
Total Sales								
Volume Sold	4,060,156	4,064,191	4,119,028	4,086,596	4,428,326	4,474,309	4,196,089	4,208,531
Estimated BOD (lbs.)	10,051,340	10,080,857	10,074,113	9,937,093	10,906,449	11,013,134	10,405,303	10,432,485
Estimated TSS (lbs.)	8,883,117	9,281,857	9,222,129	8,975,001	9,358,978	9,459,982	8,895,567	8,920,807
Estimated Phos. (lbs.)	189,361	192,224	195,018	193,971	210,477	212,502	200,345	200,889
Estimated NH-3 (lbs.)	1,047,483	1,069,564	1,099,601	1,082,281	1,145,543	1,157,219	1,087,752	1,090,859

Domestic Wastewater

The total volume of domestic strength waste fluctuated between 2017 and 2020, increased in 2021 and 2022, and was down through the first seven months of 2023. Residential, multi-family, commercial, and public authority demand have fluctuated. Industrial demand increased between 2017 and 2021 and decreased in 2022 and the first seven months of 2023.

Billable domestic strength wastewater for 2024 is projected to be about the same as projected 2023 sales and about 6 percent lower than 2022 sales.

The estimated pounds of pollutant loadings for domestic strength waste are based on the domestic strength assumptions of 350 mg/l for BOD, 325 mg/l for TSS, 7 mg/l for phosphorus, and 40 mg/l for NH-3, which were revised in 2020.

Table 2 - Historical and Forecast Domestic Strength Sales

	2017	2018	2019	2020	2021	2022	2023	2024
	CCF							
Customer Demand								
Residential Sewer Usage	812,662	795,136	777,255	840,496	837,861	932,574	932,574	932,574
Residential Customers	13,384	13,308	13,392	13,406	13,440	13,473	13,473	13,473
Usage / Customer	61	60	58	63	62	69	69	69
Multi-Family Sewer Usage	338,778	334,969	333,774	340,971	350,416	346,860	348,208	349,556
Multi-Family Customers	757	762	770	768	768	772	775	778
Usage / Customer	448	440	433	444	456	449	449	449
Commercial Sewer Usage	755,647	660,164	610,380	518,460	565,408	712,924	594,400	594,400
Commercial Customers	1,448	1,428	1,416	1,419	1,407	1,395	1,395	1,395
Usage / Customer	522	462	431	365	402	511	426	426
Industrial Sewer Usage	746,135	996,940	1,038,347	1,159,725	1,368,083	1,145,057	986,664	996,433
Industrial Customers	81	94	96	99	100	101	101	102
Usage / Customer	9,212	10,578	10,816	11,714	13,681	11,337	9,769	9,769
Public Authority Sewer Usage	303,826	182,076	227,152	193,025	193,918	245,141	242,491	243,816
Public Authority Customers	179	187	179	184	184	185	183	184
Usage / Customer	1,697	972	1,269	1,049	1,054	1,325	1,325	1,325
Onalaska	741,136	721,163	713,925	692,833	754,526	743,386	743,386	743,386
La Crescent	134,045	136,879	167,493	142,541	135,192	134,849	134,849	134,849
Campbell	155,179	163,159	171,163	118,297	147,869	140,146	140,146	140,146
Shelby SD#2	65,947	65,043	65,043	65,688	61,824	61,824	61,824	61,824
Strength								
Total Domestic Strength Usage (mg/l)	4,053,355	4,055,529	4,104,532	4,072,036	4,415,096	4,462,762	4,184,543	4,196,985
Estimated BOD (lbs.)	350	8,855,449	8,860,199	8,967,256	8,896,262	9,645,753	9,749,890	9,142,059
Estimated TSS (lbs.)	325	8,222,917	8,227,328	8,326,738	8,260,814	8,956,771	9,053,469	8,489,055
Estimated Phos. (lbs.)	7	177,109	177,204	179,345	177,925	192,915	194,998	182,841
Estimated NH-3 (lbs.)	40	1,012,051	1,012,594	1,024,829	1,016,716	1,102,372	1,114,273	1,044,807

Note: 2023 sales estimated based on January - July sales for retail customer classes and prior years' sales for wholesale customers.

Hauled Waste

The WWTP accepts three categories of hauled waste: holding tank waste, septic tank waste, and grease trap waste. Hauled waste is categorized into one of the three categories based on self-reporting or random samples of the actual waste strength. The threshold waste strengths of each category of hauled waste are shown in the table. As shown, the number of loads and gallons of waste of each category treated at the WWTP increased between 2017 and 2020 and decreased in 2021. Hauled waste is projected to remain at 2021 levels for purposes of setting sewer rates.

Category “B” Surcharge Loadings

The Utility has several high-strength industrial customers that discharge waste with higher than domestic strength loadings of some or all the treated constituents. Wastewater from these customers is routinely sampled and the total pounds of loadings in excess of what would be found in domestic strength waste is estimated from the samples. These customers are charged the normal domestic strength rate per hundred cubic feet (CCF) of volume, plus a surcharge per pound for loadings in excess of domestic strength waste.

As shown in the following table, surcharge loadings of TSS and NH-3 decreased since 2018 due to pretreatment by some of the high strength customers. Projections are generally set at the levels of 2021, based on discussions with Utility staff that those lower levels are expected to continue.

Table 3 - Historical and Forecast Hauled Waste and High-Strength Industrial Sales

		2017	2018	2019	2020	2021	2022	2023	2024
Tank Truck Haulers									
	Strength								
Holding Tank (Low Strength)	(mg/l)	3,842	4,067	8,984	9,273	7,835	5,354	5,354	5,354
No. Loads		977	1,073	1,592	1,617	1,631	1,631	1,631	1,631
Estimated BOD (lbs.)	600	14,388	15,233	33,649	34,729	29,342	20,051	20,051	20,051
Estimated TSS (lbs.)	1,800	43,164	45,700	100,947	104,187	88,027	60,154	60,154	60,154
Estimated Phos. (lbs.)	25	600	635	1,402	1,447	1,223	835	835	835
Estimated NH-3 (lbs.)	50	1,199	1,269	2,804	2,894	2,445	1,671	1,671	1,671
Septic Tank (Medium Strength)									
No. Loads		567	863	923	952	851	851	851	851
Estimated BOD (lbs.)	1,800	23,316	39,359	44,625	42,470	39,776	47,828	47,828	47,828
Estimated TSS (lbs.)	5,500	71,243	120,263	136,354	129,770	121,537	146,143	146,143	146,143
Estimated Phos. (lbs.)	60	777	1,312	1,488	1,416	1,326	1,594	1,594	1,594
Estimated NH-3 (lbs.)	100	1,295	2,187	2,479	2,359	2,210	2,657	2,657	2,657
Grease Trap (High Strength)									
No. Loads		320	384	501	479	535	535	535	535
Estimated BOD (lbs.)	7,500	41,397	51,094	72,126	70,582	86,836	90,622	90,622	90,622
Estimated TSS (lbs.)	15,000	82,795	102,187	144,252	141,164	173,672	181,244	181,244	181,244
Estimated Phos. (lbs.)	120	662	817	1,154	1,129	1,389	1,450	1,450	1,450
Estimated NH-3 (lbs.)	200	1,104	1,362	1,923	1,882	2,316	2,417	2,417	2,417
Category "B" Surcharge Loadings									
Estimated BOD (lbs.)		1,116,789	1,114,972	956,457	893,050	1,104,742	1,104,742	1,104,742	1,104,742
Estimated TSS (lbs.)		462,998	786,379	513,838	339,066	18,971	18,971	18,971	18,971
Estimated Phos. (lbs.)		10,213	12,256	11,629	12,054	13,624	13,624	13,624	13,624
Estimated NH-3 (lbs.)		31,833	52,151	67,565	58,430	36,201	36,201	36,201	36,201

B. FORECAST REVENUES AT PRESENT RATES

The table below shows the forecast 2024 revenues at current rates based on the forecast number of customers and volume of sewer usage. The current rates for each customer class are shown in the table.

Table 4 - Forecast 2024 User Charge Revenues at Present Rates

		Residential	Multi-Family	Commercial	Industrial	Public Authority	Total
City of La Crosse (Retail)							
<u>Sewer Usage Charges</u>							
Volume	CCF	932,574	349,556	594,400	996,433	243,816	3,116,779
Current Rates	\$/CCF	\$2.15	\$2.15	\$2.15	\$2.15	\$2.15	
Revenues		\$2,005,034	\$751,545	\$1,277,961	\$2,142,330	\$524,204	\$6,701,074
<u>Fixed Charges</u>							
Meter Size		13,473	778	1,395	102	184	15,932
5/8	\$15.00	8,709	164	297	3	5	9,178
3/4	\$15.00	4,618	213	552	13	51	5,447
1	\$24.00	143	308	343	30	31	855
1½	\$39.00	2	25	57	10	17	111
2	\$60.00	1	59	103	13	56	232
3	\$108.00	-	4	23	9	15	51
4	\$174.00	-	4	18	14	9	45
6	\$342.00	-	1	2	6	-	9
8	\$543.00	-	-	-	4	-	4
10	\$813.00	-	-	-	-	-	-
12	\$1,080.00	-	-	-	-	-	-
Revenues		\$813,900	\$76,128	\$142,680	\$39,048	\$35,172	\$1,106,928
<u>Unmetered</u>							
Swr-Flat	\$51.55	-	-	2	1	1	4
Wells	\$51.55	27	-	1	1	3	32
French Is.	\$51.55	-	-	2	-	3	5
Revenues		\$5,567	\$0	\$1,031	\$206	\$1,443	\$8,248
<u>Wholesale</u>							
			Onalaska	La Crescent	Campbell	Shelby SD#2	Total
Volume	MG		556.053	100.867	104.829	46.244	807.994
Rate	\$/ MG		\$3,315	\$3,358	\$3,698	\$3,698	
Revenues	\$		\$1,843,316	\$338,713	\$387,659	\$171,012	\$2,740,699
<u>Hauled Waste</u>							
				Holding Tank	Septic Tank	Grease Trap	Total
Volume	1,000 gallons			Waste	Waste	Waste	
				4,005	3,184	1,448	8,637
Rate	\$/ 1,000 gallons			\$13.82	\$32.82	\$82.22	
No. of Loads	Loads			1,631	851	535	3,017
Rate	\$/ load			\$15.20	\$15.20	\$15.20	
Revenues	\$			\$80,136	\$117,438	\$127,181	\$324,754
<u>Category "B" Surcharges</u>							
			BOD	TSS	Phosphorus	NH-3	Total
Excess Loadings	Pounds		1,104,742	18,971	13,624	36,201	1,173,538
Rate	\$/ Pound		\$0.237	\$0.289	\$6.755	\$0.313	
Revenues	\$		\$261,824	\$5,483	\$92,030	\$11,331	\$370,668
							Total \$11,252,371

C. HISTORICAL AND FORECAST OPERATION AND MAINTENANCE EXPENSES

The following table shows the actual operation and maintenance expenses by category for 2017 through 2022, the three-year average for 2020 through 2022, and the projected 2023 and 2024 expenses.

The Utility adopted a new chart of accounts in 2020. The purpose of the new chart of accounts is to account for expenses by utility function. Expenses are now grouped by administrative and general, intergovernmental charges for service, pretreatment, solids disposal, laboratory expenses, collector and interceptor main expenses, lift station expenses, customer accounts, and wastewater treatment plant facility operations expenses. Within the collector and interceptor main and lift station categories, expenses are recorded separately for collector mains and collector system lift stations versus interceptor mains and interceptor lift stations.

Operation and maintenance expenses for 2020 through 2022 averaged about \$6.1 million. Expenses for 2023 are projected to be almost \$8.5 million but are projected to decrease to \$7.5 million for 2024. Notable changes to expenses for 2023 and 2024 include the following:

- Salaries – The City completed a salary study in 2022 and has increased salaries for some positions because of the findings of that study. Salaries for Wastewater employees increased by 2.5 percent in July 2023 and will increase another 3.0 percent on January 1, 2024, and another 2.5 percent increase in July 2024 for performance reviews. For 2023 the City reorganized the Public Works Department to oversee utilities and added a Deputy Director of Public Works & Utilities and replaced the Utilities Manager position with a Utilities Finance and Compliance Manager position. The Utility pays a portion of the salaries of the Direct and Deputy Directors of Public Works & Utilities. In 2023, the Utility also added an additional Equipment Operator and a Wastewater Mechanic II. In addition, the Utility had multiple vacant positions that were unfilled or partially filled in prior years that were filled in 2023. The 2024 budget includes three new positions – a clerk at the WWTP, another accountant, and a GIS specialist.
- Consulting services – This budget category includes outside engineering services, rate studies, and legal expenses. The Utility anticipates that these expenses will be higher than in past years to cover engineering studies such as a comprehensive sanitary sewer system plan, emerging contaminants, annual review of the sewer rates, and ongoing legal expenses related to negotiation of new wholesale contracts.
- Training – The Utility is increasing its training program for employees.
- Memberships and subscriptions – The Utility subscribed to Office 365. This budget category covers the subscription charges for each user.

- Repair and Maintenance – Radio and Tower Lease – The Utility has a new contract for its radio system.
- Biosolids disposal – The Utility has been spending over \$1.0 million per year on hauling and disposal of biosolids. With the upgrades to the WWTP, the Utility will be able to reduce the amount of biosolids liquids to nearly zero, substantially reducing costs for disposal. The current agreement for solids disposal expires July 2024. Disposal costs for 2024 were estimated to be \$500,000, or less than half of prior years’ expenses.
- Laboratory expenses – The new chart of accounts includes new accounts to track salaries for laboratory personnel. The Utility has increased its sampling efforts and plans to continue increased sampling.
- Sewer main inspection and repairs – The Utility’s sewer mains are aging and require an increased program of inspection, repair, and replacement. The 2023 budget reflects increased expenses for inspection, contracted repairs, contracted flatwork, casting, grates, concrete, and other supplies and expenses related to sewer repairs. The Utility intends to continue this increased program of inspection and repairs in future years.
- Lift station natural gas and electricity – Costs are expected to increase by 3.0 percent next year for natural gas and 6.0 percent for electricity.
- Lift station rehabilitation and repairs – The Utility’s 26 sanitary sewer lift stations are aging and in need of maintenance and repairs. The Utility has budgeted for a higher level of repairs to buildings, grounds, and equipment for 2023 and plans to continue an increased program of maintenance.
- WWTP electricity – With the upgrades to the WWTP including a new biogas generator, the Utility will be able to produce a substantial share of the electricity needed to operate the WWTP. The biogas generator is expected to begin operation on January 1, 2024. Electricity purchases for the WWTP were estimated to decrease from \$650,000 budgeted for 2023 to \$200,000 for 2024.
- WWTP water – The WWTP is using significantly more water in 2023 as part of the construction process. Water usage is expected to decrease to normal levels in 2024.
- WWTP natural gas – Natural gas costs are expected to increase due to an increase in natural gas purchases for the biogas generator.
- WWTP sewer – With the increase in water usage in the WWTP in 2023, sewer expenses have increased as well. These expenses are expected to decrease in 2024.
- WWTP chemicals – The Utility’s expenses for chemicals have increased due to lower limits for Phosphorus and increased chemical purchases to treat wastewater to comply with the lower limits.

- WWTP repair and maintenance of biogas energy generation equipment – This is a new budget account for repair and maintenance of the new biogas generator. The estimated annual expenses are from the WWTP facility plan.

Table 5 - Historical and Forecast Operation and Maintenance Expenses

New Object	Project No.	Account Description	2017	2018	2019	2020	2021	2022	3-Year Average	2023	2024
			(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
510000		Regular Salaries	889,393	196,233	275,127	278,492	304,739	230,798	271,343	279,490	331,035
510000		Reg Salaries - COVID				51,078	1,862	0	17,647	0	0
510000	W8100	Reg Salaries - Other City Depts	175,971	206,123	89,849	10,383	10,192	11,466	10,681	12,000	12,605
510000	W8200	Reg Salaries - Training	11,240	16,472	14,578	10,743	27,277	26,703	21,574	15,000	15,000
510001		Payout of Vacation and Sick Accruals				0	14,282	3,280	5,854	0	4,000
510005		Limited Term EE Salaries - Collector				9,565	0	0	3,188	0	0
510005	W8200	Part-Time Labor - Training				2,958	0	1,130	1,362	0	1,455
510006	W8100	Overtime Wages	18,738	236	232	253	520	216	330	0	0
510006	W8200	Overtime Wages - Training	2,997	1,480	5,056	46	368	216	210	50	279
510006	W9800	Overtime Wages - Other City Depts	203	89	98	0	0	0	0	0	0
510025		Compensated Absences					(6,172)	0	(3,086)	0	0
510030		Cell Phone Reimbursement				141	536	681	453	550	0
511005		Health Insurance ⁽¹⁾	565,238	528,468	491,077	450,041	316,009	319,977	362,009	347,490	392,200
511010		Worker Compensation Insur	54,153	61,659	59,982	59,448	44,072	45,428	49,649	41,965	39,336
511015		Life Insurance	4,485	4,295	9,606	5,152	5,596	4,298	5,015	9,680	5,500
511020		Social Security Taxes	88,784	89,591	93,589	87,528	89,211	95,492	90,744	97,822	132,320
511025		Retirement Benefits	88,548	80,927	87,180	81,313	79,896	66,376	75,861	78,257	117,810
511065		Employee Recognition									1,000
520006		Regulatory / Permit Fees	43,508	41,702	41,201	40,239	45,499	40,785	42,174	50,000	50,500
520010		Audit & Accounting Services	2,500	2,500	2,500	2,637	2,742	2,662	2,680	3,000	3,300
520050		Consulting Services ⁽²⁾	21,816	26,273	210,408	131,375	33,743	27,004	64,041	250,000	200,000
520055		Recruitment	0	708	637	685	1,184	1,237	1,035	1,000	1,200
520100		Contract Svcs. - Laundering	1,869	1,093	1,745	1,697	1,156	889	1,247	1,700	1,700
520110		Fleet Lease Admin. Fees				662	6,346	16,783	7,930	18,000	7,850
520134	W8100	Other City Dept Svcs.	247,655	242,920	266,715	195,344	240,771	249,031	228,382	254,964	237,500
520134	W9030	Cust. Records and Collection				24,742	21,222	21,272	22,412	30,000	30,000
521005		Lodging, transportation, and meals	2,847	4,551	4,426	3,295	0	638	1,311	3,500	3,000
521006		Fees for training and conferences					14,017	10,369	12,193	15,000	25,000
521101		Telephone and cell phone expenses	4,253	7,366	13,170	11,112	16,666	20,101	15,960	20,000	22,000
530200		Property Insurance	57,481	56,042	56,118	62,777	78,863	95,627	79,089	100,985	100,540
530250		Liability Insurance	26,312	23,980	25,534	24,443	26,581	31,687	27,570	39,401	40,101
532000		Office Supplies	2,145	2,035	1,934	1,743	4,296	2,782	2,940	4,000	4,040
532010		Operating Supplies	60,032	61,167	37,411	47,856	49,502	48,267	48,542	60,000	65,000
532010		COVID - Operating Supplies				5,748	0	0	1,916	0	0
532055		Gasoline	12,770	13,298	15,897	11,727	13,043	11,901	12,223	15,000	16,100
532056		Diesel Fuel	24,599	17,046	32,892	20,839	20,557	16,769	19,388	30,000	26,450
532060		Postage and Freight	768	872	1,286	1,002	851	1,257	1,037	1,500	1,581
532065		Printing of Internal Forms									500
532075		Memberships and subscriptions					351	2,663	1,507	20,000	32,135
532085		Safety Equipment	1,552	2,794	9,290	12,083	12,986	5,995	10,355	10,000	20,000
533010		Computer Equip					6,159	13,985	10,072	22,000	20,000
533030		Mjr Tools and Equip Under \$10,000						13,699	13,699	20,000	50,000
533035		Small Tools	2,564	1,543	4,379	0	980	6,978	2,653	5,000	5,050
540100		R&M - Equip - Flushing Trucks and Portable				37,898	84,454	94,126	72,159	80,000	90,000
540100		R&M - Equip / Mach - COVID				77	0	0	26	0	0
540150		R&M - Radio and Tower Lease	1,157	788	867	1,127	950	902	993	20,000	16,500
540250		R&M - Vehicle	24,088	22,247	30,512	27,250	41,583	24,474	31,102	25,000	25,000
550000		Miscellaneous	8,507	6,919	3,738	4,708	8,674	33,479	15,620	10,000	10,100
550250		Credit Card Fees				38	0	0	13	0	0
563100		Vehicle Fleet Lease Interest				369	5,811	9,638	5,273	9,734	10,500
563200		Utility Office Rent				0	6,480	6,480	4,320	6,480	6,480
563250		Rental Equipment	0	1,220	1,762	0	0	16,911	5,637	1,000	1,010
580300		Equipment and Machinery				11,843	0	0	3,948	0	0
SUBTOTAL GENERAL AND ADMINISTRATIVE			2,446,172	1,722,633	1,888,797	1,730,456	1,633,856	1,634,450	1,682,282	2,009,568	2,175,677

City of La Crosse
2023 Sewer Rate Update - Utility Basis

New Object	Project No.	Account Description	2017	2018	2019	2020	2021	2022	3-Year Average	2023	2024
			(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
520135	W4751	Intergovt Charges for Service - Onalaska	107,106	114,214	111,543	78,400	85,408	9,944	57,917	10,000	10,100
520135	W4752	Intergovt Charges for Service - Shelby				0	7,238	0	13,402	18,101	18,282
520135	W4753	Intergovt Charges for Service - Campbell					77,280	86,496	81,888	110,000	111,100
521105	W4752	Sewer	6,198	6,260	7,398	11,253	7,238	14,476	10,989	0	0
SUBTOTAL INTERGOVERNMENTAL CHARGES FOR SERVICE			113,304	120,474	118,941	89,653	177,164	110,916	164,196	138,101	139,482
510000		Reg Salaries - Industrial PreTrmnt	3,912	56,132	57,350	55,812	59,553	50,770	55,378	64,000	67,750
510006		Overtime Wages - Industrial PreTrmnt	41	1,234	182	112	451	845	469	1,500	1,088
532010	W800	Pretreatment Supplies	328	100	255	1,005	2,779	1,820	1,868	2,500	2,525
SUBTOTAL INDUSTRIAL PRE-TREATMENT			4,282	57,467	57,787	56,928	62,783	53,434	57,715	68,000	71,363
510000		Reg Salaries - Solids Disposal	0	2,436	46,372	3,479	0	0	1,160	0	0
510006		Overtime Wages - Solids Disposal	205	639	10,846	448	0	0	149	0	0
520045		Sample Tests Sludge	4,158	11,147	9,252	394	0	0	131	0	0
521132		Biosolids dispossal	841,630	682,428	1,020,155	1,259,610	1,269,896	1,052,534	1,194,013	1,000,000	500,000
521132		Grit Disposal	9,302	18,308	11,119	7,112	19,021	7,451	11,195	15,000	15,150
521132		Screenings Disposal				1,752	5,445	6,906	4,701	10,000	10,100
SUBTOTAL SOLIDS DISPOSAL			855,295	714,958	1,097,743	1,272,794	1,294,362	1,066,892	1,211,349	1,025,000	525,250
510000		Salaries and wages				0	0	56,700	18,900	129,500	133,890
510006		Overtime wages				0	0	1,657	552	4,000	2,134
520045	W8000	Sample Tests Pretreat	12,683	8,470	8,831	5,126	6,030	5,365	5,507	10,000	10,100
520045	W8010	Sample Tests Plant Water	20,144	20,367	22,887	22,153	18,791	25,880	22,275	35,000	35,350
520045	W8020	Testing / Sampling Svcs. - Trucked Waste				2,227	2,080	988	1,765	3,000	3,030
520045	W8150	Testing / Sampling Svcs. - Biosolids Disposal				4,965	3,220	2,677	3,621	10,000	10,100
532091	W8010	Lab Supplies - WWTP	0	0	28,272	29,392	25,374	41,554	32,107	35,000	35,350
SUBTOTAL LABORATORY EXPENSES			32,827	28,836	59,990	63,864	55,496	134,820	84,727	226,500	229,954
510000	W3160	Reg Salaries - Sanitary Collection	17,793	190,371	155,725	143,018	167,960	138,158	149,712	205,000	177,897
510000	W3430	Reg Salaries - Sanitary Interceptor				10,765	20,888	13,100	14,917	24,000	16,868
510005	W3160	Part-Time Labor - Sanitary Collection					2,684	5,987	4,335	10,000	7,709
510006	W3160	Overtime Wages - Sanitary Collection	488	9,117	22,757	1,556	5,164	4,302	3,674	7,000	5,540
510006	W3430	Overtime Wages - Sanitary Interceptor				117	814	408	446	1,500	526
520100	W3160	Contract Svcs. - Cleaning				123,566	38,819	59,631	74,005	62,280	62,902
520100	W3430	Contract Svcs. - Cleaning				22,332	2,060	3,131	9,174	7,720	7,798
520106	W3160	Contract Svcs. - Tv Inspect	26,594	18,507	50,099	10,515	9,986	7,256	9,252	40,474	40,879
520106	W3430	Contract Svcs. - Tv Inspect				1,856	2,620	2,058	2,178	9,526	9,621
520107	W3160	Contracted Sewer Repair	64,044	85,004	341,506	64,015	57,980	7,613	43,203	54,754	55,302
520107	W3430	Contracted Sewer Repair				55,379	453,935	94,871	201,395	255,246	257,798
520108	W3160	Contracted Flatwork	0	0	54,629	14,069	7,805	0	7,292	15,000	15,150
520108	W3430	Contracted Flatwork				4,132	18,951	0	7,694	15,000	15,150
532041	W3160	Castings, Grates, Covers for MH	31,254	39,810	51,074	31,075	29,265	38,784	33,041	55,427	55,981
532041	W3430	Castings, Grates, Covers for MH				3,841	9,755	12,466	8,687	14,573	14,719
532042	W3160	Concrete Supplies	17,766	24,581	2,268	11,662	11,143	3,928	8,911	16,128	16,289
532042	W3430	Concrete Supplies				1,441	3,714	1,263	2,140	3,872	3,911
540300	W3430	Repair/Maint - Infrastructure				708	9,112	3,842	4,554	13,682	13,818
540300	W3430	Repair/Maint - Infrastructure	12,042	9,790	24,547	88	4,987	1,235	2,103	6,318	6,382
SUBTOTAL COLLECTOR AND INTERCEPTOR			169,981	377,179	702,605	500,134	857,643	398,032	586,715	817,500	784,240

City of La Crosse
2023 Sewer Rate Update - Utility Basis

New Object	Project No.	Account Description								Test Year	
			2017	2018	2019	2020	2021	2022	3-Year Average	2023	2024
			(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
510000	W3160	Reg Salaries - Sanitary Lift Sta	82,111	71,145	110,296	54,844	56,854	57,026	56,241	65,000	73,450
510000	W3430	Reg Salaries - Sanitary Lift Sta				69,801	43,602	86,764	66,722	65,000	75,000
510005	W3160	Part-Time Labor - Sanitary Lift Stations - Collection						1,602	1,602	1,000	2,063
510006	W3160	Overtime Wages - Sanitary Lift Sta				2,616	4,157	1,749	2,841	5,000	3,200
510006	W3430	Overtime Wages - Sanitary Lift Sta				3,330	4,774	2,654	3,586	5,000	4,000
521102	W3160	Electricity - Collector				15,185	14,745	15,484	15,138	17,000	18,020
521102	W3430	Electricity - Interceptor				66,208	67,234	77,202	70,215	73,000	77,380
521104	W3160	Water					475	1,315	895	1,600	1,616
521104	W3430	Water					1,008	1,979	1,493	2,000	2,020
521104	W3160	Natural Gas				2,241	3,356	4,101	3,233	4,200	4,326
521104	W3430	Natural Gas				3,284	3,884	5,017	4,062	5,050	5,202
521105	W3160	Sewer					150	674	412	1,000	1,400
521105	W3430	Sewer					638	880	759	1,000	1,400
521106	W3160	Storm Water					46	129	88	155	157
521106	W3430	Storm Water					54	145	100	155	157
540000	W3160	R&M Buildings - Collection				251	384	107	247	3,500	3,535
540000	W3430	R&M Buildings - Interceptors				409	15,294	12,879	9,528	25,000	25,250
540050	W3160	R&M Grounds - Collection				2,327	3,109	15,827	7,088	10,000	10,100
540050	W3430	R&M Grounds - Interceptors				2,229	4,847	8,630	5,235	7,000	7,070
540100	W3160	R&M Equip/Mach				563	18,648	19,639	12,950	25,000	25,250
540100	W3430	R&M Equip/Mach				6,729	32,628	83,122	40,826	60,000	60,600
SUBTOTAL LIFT STATIONS			82,111	71,145	110,296	230,016	275,887	396,925	303,260	376,660	401,195
510000	W6631	Salaries and wages				69,381	61,753	69,887	67,007	73,381	75,000
510000	W9030	Salaries and wages				0	46,359	54,822	33,727	66,000	69,670
510006	W6631	Overtime Wages				9	38	30	26	50	40
510006	W9030	Overtime Wages				0	706	1,228	645	1,500	1,580
520075	W9030	Temporary Labor Services				0	3,832	0	1,277	0	0
520134	W6631	Metering Expenses	193,074	277,638	294,146	264,151	265,072	260,208	263,144	275,000	277,750
550150		Bad Debt Expense	2,831	73	504	175	0	281	152	2,000	2,020
SUBTOTAL CUSTOMER ACCOUNTS			195,904	277,711	294,650	333,717	377,760	386,456	365,978	417,931	426,060
510000	W8010	Reg Salaries - Oper & Mtce	90,168	602,880	574,139	599,429	567,562	361,498	509,497	640,000	465,476
510005	W8010	Part-Time Labor - Wastewater Treatment Operations				0	689	10,164	3,618	0	13,088
510006	W8010	Overtime Wages - Oper & Mtce	1,639	18,905	18,556	17,182	11,362	11,966	13,503	21,000	15,408
510030		Cell Phone Reimbursement				152	0	0	51	2,000	
521102		Electricity	498,698	555,066	571,726	457,619	473,286	527,751	486,219	650,000	200,000
521103		Water	65,558	32,376	38,449	41,315	42,363	72,622	52,100	90,000	45,000
521104		Natural Gas	31,661	41,970	38,662	27,905	42,200	53,273	41,126	325,000	334,750
521105		Sewer	128,707	50,703	63,971	64,590	66,125	156,394	95,703	200,000	70,000
521106		Storm Sewer Fee Payments	8,837	8,029	4,235	1,247	1,147	984	1,126	1,300	1,313
532090		Chemical Supplies - Ferric Chloride	143,695	171,870	181,237	159,795	94,201	115,202	123,066	700,000	707,000
532090		Chemical Supplies - Polymer				23,083	77,952	76,211	59,082	350,000	353,500
532090		Chemical Supplies - Misc				0	0	0	0	30,000	30,300
540000		R&M Buildings	29,685	15,340	12,079	15,892	19,672	26,347	20,637	25,000	25,250
540050		R&M Grounds	6,443	9,130	13,064	14,795	3,711	13,358	10,621	15,000	15,150
540100		R&M Equip/Mach	240,118	313,232	240,289	253,244	266,796	226,641	248,894	357,000	360,570
540100	W8030	R&M Equip/Mach - Energy Gen. Equip.						0			110,000
510030		Cell Phone Reimbursement				18	0	0	6	0	
SUBTOTAL FACILITY OPERATIONS			1,245,211	1,819,502	1,756,407	1,676,266	1,667,066	1,652,411	1,665,248	3,406,300	2,746,805
Miscellaneous			12,196	9,588	13,422						
TOTAL OPERATION & MAINTENANCE			5,157,283	5,199,493	6,100,640	5,953,830	6,402,016	5,834,336	6,121,469	8,485,561	7,500,026

SECTION TWO -- FORECAST UTILITY PLANT AND DEPRECIATION EXPENSE

The Utility maintains a detailed list of assets as of end of year 2018 that was categorized by detailed utility function for the 2019 Sewer Rate Study, as shown in Table 6 below. The Utility's Capital Improvement Program for 2019 through 2023 included a total of almost \$80.0 million of improvements, including \$13.7 million of routine main replacements, lift station improvements, WWTP improvements, and other equipment, and the estimated \$66.3 million in utility financed major WWTP improvements constructed in 2021 through 2023 (\$68.1 million total project budget, less \$1,750,000 of principal forgiveness). The Utility did not update the detailed list of assets by utility function as the WWTP project is still in process and the Utility is in the process of developing an asset management system to maintain information on the location, age, and value of each of its assets.

The assets by category as of year-end 2018 and the planned improvements for 2019 through 2023 were used to develop forecast depreciation expense after the WWTP project is completed, as well as the estimated total value of utility financed plant by utility function. The proportionate share of utility plant by function is used to allocate depreciation expense and return on investment by utility function, as described in Section Three of this report. It should be noted that the actual cash outlay for capital projects during this period is expected to total \$82.5 million including approximately \$2.6 million of carryover from prior years' sewer main and lift station projects.

Based on this increase in utility plant, annual depreciation expense is forecast to increase from \$1.2 million in 2022 to over \$3.6 million in 2024 following the completion of the WWTP improvements. The 2024 depreciation expense on existing assets factors in that some existing assets will be fully depreciated by 2024.

Projected utility plant and depreciation are shown in the following figure and tables. It should be noted that these figures are estimates based on the Utility's capital improvement program and the facility plan for the WWTP. The amount of WWTP costs included each year are based on the projected start and completion dates for the project. Costs for construction management are included in WWTP Non-Specific. Actual amounts capitalized each year, and the final classification of assets may vary from the figures shown.

Table 6 - Existing and Projected Utility Plant

	Balance 12/31/2018	Balance 12/31/2019	Projected Balance 12/31/2020	Projected Balance 12/31/2021	Projected Balance 12/31/2022	Projected Balance 12/31/2023	Change: 2018-2023	% Change
Wastewater Treatment Facility								
Prelim.- Raw Sewage Pumping	\$880,640	\$890,991	\$890,991	\$890,991	\$890,991	\$890,991	\$10,351	1%
Prelim.- Bar Screening / Communiton	\$1,030,279	\$1,030,279	\$1,030,279	\$1,030,279	\$1,030,279	\$1,030,279	\$0	0%
Prelim.- Grit Removal	\$700,526	\$700,526	\$736,526	\$736,526	\$736,526	\$736,526	\$36,000	5%
Prelim.- Septage Receiving	\$0	\$0	\$0	\$341,811	\$1,344,499	\$2,106,143	\$2,106,143	
Primary Treatment	\$713,874	\$713,874	\$713,874	\$713,874	\$713,874	\$713,874	\$0	0%
Primary Clarifier	\$1,906,132	\$1,906,132	\$1,906,132	\$1,913,882	\$1,936,620	\$1,953,891	\$47,759	3%
Secondary - Activated Sludge	\$1,657,019	\$1,657,019	\$1,657,019	\$2,322,427	\$4,274,372	\$5,757,074	\$4,100,055	247%
Secondary - Phosphorus	\$1,925,461	\$1,925,461	\$1,925,461	\$2,901,308	\$5,763,913	\$7,938,354	\$6,012,893	312%
Secondary - NH ₃ -N	\$24,023	\$24,023	\$24,023	\$24,023	\$24,023	\$24,023	\$0	0%
Secondary - Final Clarifier	\$223,995	\$223,995	\$223,995	\$223,995	\$223,995	\$223,995	\$0	0%
Biosolids Trmnt & Disposal	\$9,561,493	\$10,496,525	\$10,496,525	\$15,875,209	\$31,653,337	\$43,638,439	\$34,076,945	356%
Disinfection	\$1,121,728	\$1,121,728	\$1,121,728	\$1,121,728	\$1,121,728	\$1,121,728	\$0	0%
Plant Site Piping & Pumps	\$1,058,128	\$1,070,138	\$1,070,138	\$1,070,138	\$1,070,138	\$1,070,138	\$12,010	1%
Laboratory & Monitoring	\$65,372	\$65,372	\$76,372	\$76,372	\$76,372	\$76,372	\$11,000	17%
Flow Monitoring Eqmt.	\$40,134	\$61,196	\$61,196	\$61,196	\$61,196	\$61,196	\$21,062	52%
Safety Equipment	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$7,094	\$0	0%
Electrical	\$852,640	\$861,194	\$876,194	\$3,097,818	\$9,614,851	\$14,565,205	\$13,712,565	1608%
WWTP Non-Specific	\$1,448,942	\$1,448,942	\$1,448,942	\$3,708,499	\$6,300,289	\$8,561,323	\$7,112,382	491%
Subtotal Wastewater Treatment Facility	\$23,217,480	\$24,204,489	\$24,266,489	\$36,117,171	\$66,844,096	\$90,476,644	\$67,259,164	290%
Conveyance System								
Interceptor Mains	\$6,948,461	\$7,195,961	\$7,245,961	\$8,132,961	\$8,484,961	\$8,484,961	\$1,536,500	22%
Interceptor Lift Stations	\$2,415,554	\$2,420,581	\$3,225,081	\$3,225,081	\$3,225,081	\$3,525,081	\$1,109,527	46%
Collection Mains / Other Eqmt.	\$15,813,586	\$16,762,872	\$18,255,181	\$19,197,181	\$20,447,181	\$22,407,781	\$6,594,195	42%
Collection Lift Stations (All)	\$754,303	\$760,194	\$760,194	\$1,138,194	\$3,138,194	\$3,138,194	\$2,383,891	316%
Other Conveyance System - Non Specific	\$1,179,989	\$1,179,989	\$1,364,989	\$1,364,989	\$1,734,989	\$1,734,989	\$555,000	47%
Subtotal Conveyance System	\$27,111,893	\$28,319,597	\$30,851,406	\$33,058,406	\$37,030,406	\$39,291,006	\$12,179,113	45%
General Plant Equipment								
Office Furn. & Eqmt.- EDP	\$54,489	\$54,489	\$54,489	\$54,489	\$54,489	\$54,489	\$0	0%
Transport. Eqmt.	\$1,937,288	\$2,052,254	\$2,342,254	\$2,358,254	\$2,358,254	\$2,405,754	\$468,466	24%
Communications Eqmt.	\$5,699	\$5,699	\$5,699	\$5,699	\$5,699	\$5,699	\$0	0%
Tools, Shop & Misc.	\$64,261	\$64,261	\$64,261	\$64,261	\$64,261	\$64,261	\$0	0%
Other Genrl. Eqmt.	\$102,912	\$151,811	\$151,811	\$151,811	\$151,811	\$151,811	\$48,899	48%
Subtotal General Plant Equipment	\$2,164,649	\$2,328,513	\$2,618,513	\$2,634,513	\$2,634,513	\$2,682,013	\$517,365	24%
Total Utility Plant	\$52,494,022	\$54,852,599	\$57,736,408	\$71,810,090	\$106,509,015	\$132,449,663	\$79,955,641	152%

Figure 1 - Existing and Projected Utility Plant, 2019-2023

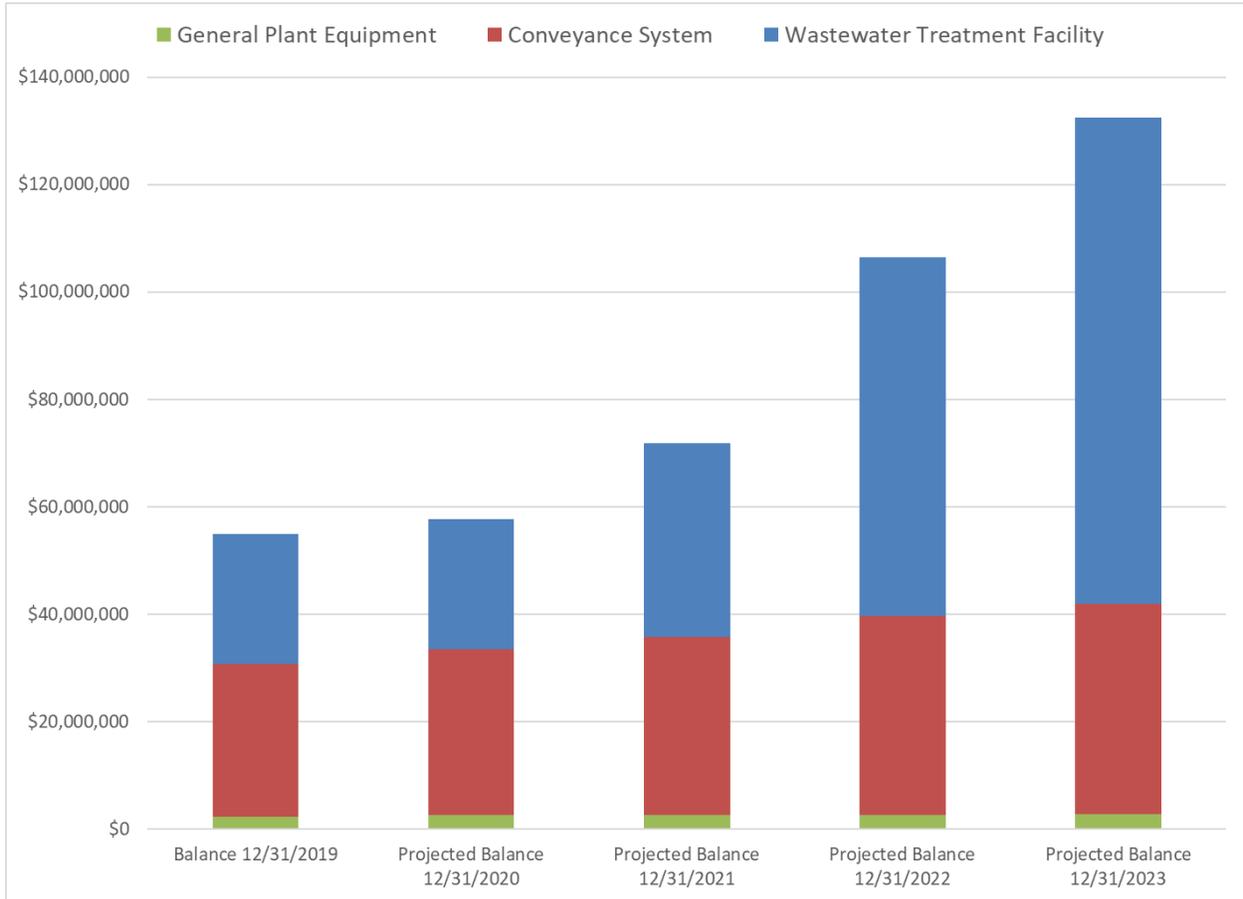


Table 7 - Projected Depreciation Expense, 2024

Acct No.	Account Description	2024 Forecast					2024	
		Depr on Existing Assets	Depreciation on 2020 Additions	Depreciation on 2021 Additions	Depreciation on 2022 Additions	Depreciation on 2023 Additions	Total Projected Depreciation	Percent Increase
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	
WASTEWATER TREATMENT FACILITY:								
1.1	Prelim.- Raw Sewage Pumping	18,719	0	0	0	0	18,719	0%
1.2	Prelim.- Bar Screening / Communion	25,000	0	0	0	0	25,000	0%
1.3	Prelim.- Grit Removal	10,659	1,200	0	0	0	11,859	11%
1.4	Prelim.- Septage Receiving	0	0	6,836	20,054	15,233	42,123	-
2	Primary Treatment	750	0	0	0	0	750	0%
2.1	Primary Clarifier	90,958	0	258	758	576	92,550	2%
3	Secondary Treatment	0	0	0	0	0	0	-
3.1	Secondary - Activated Sludge	63,452	0	22,180	65,065	49,423	200,121	215%
3.6	Secondary - Phosphorus	65,401	0	32,528	95,420	72,481	265,831	306%
3.7	Secondary - NH ₃ -N	0	0	0	0	0	0	-
3.8	Secondary - Return Sludge Pumping	0	0	0	0	0	0	-
3.9	Secondary - Final Clarifier	3,153	0	0	0	0	3,153	0%
4	Advanced Treatment	0	0	0	0	0	0	-
5	Biosolids Trmnt & Disposal	256,694	0	176,164	516,768	392,538	1,342,164	423%
6	Disinfection	29,511	0	0	0	0	29,511	0%
7	Plant Site Piping & Pumps	28,856	0	0	0	0	28,856	0%
8	Laboratory & Monitoring	3,845	550	0	0	0	4,395	14%
8.1	Flow Monitoring Eqmt.	2,007	0	0	0	0	2,007	0%
8.2	Safety Equipment	0	0	0	0	0	0	-
9	Electrical	12,640	150	84,969	249,254	189,334	536,347	4143%
10	WWTP Non-Specific	43,620	25,873	55,196	100,202	86,079	310,970	613%
	SUBTOTAL	655,264	27,773	378,132	1,047,521	805,664	2,914,354	345%
CONVEYANCE SYSTEM:								
15	Interceptor Mains	69,485	500	8,870	3,520	0	82,375	19%
16	Interceptor Lift Stations	48,471	34,958	0	0	15,000	98,430	103%
17	Force Mains	0	0	0	0	0	0	-
20	Collection Mains / Other Eqmt.	160,038	14,923	10,420	13,500	20,606	219,487	37%
21	Collection Lift Stations (All)	3,822	0	12,600	66,667	0	83,089	2074%
25	Service Connections / Laterals	0	0	0	0	0	0	-
26	Other Conveyance System - Non Specific	36,139	12,333	0	12,333	0	60,806	68%
	SUBTOTAL	317,955	62,715	31,890	96,020	35,606	544,186	71%
GENERAL PLANT EQUIPMENT:								
28.1	Land & Land Rights	0	0	0	0	0	0	-
28.2	Struct. & Improv.	0	0	0	0	0	0	-
28.3	Office Furn. & Eqmt.	0	0	0	0	0	0	-
28.4	Office Furn. & Eqmt.- EDP	0	0	0	0	0	0	-
28.5	Transport. Eqmt.	119,182	19,333	1,067	0	3,167	142,748	20%
28.6	Communications Eqmt.	570	0	0	0	0	570	0%
28.7	Tools, Shop & Misc.	0	0	0	0	0	0	-
28.8	Safety Eqmt.	0	0	0	0	0	0	-
28.9	Other Genrl. Eqmt.	5,664	0	0	0	0	5,664	0%
	SUBTOTAL	125,416	19,333	1,067	0	3,167	148,982	19%
	TOTAL	1,098,635	109,821	411,089	1,143,541	844,437	3,607,522	228%

SECTION THREE -- REVENUE REQUIREMENTS, COST-OF-SERVICE ANALYSIS AND RATE DESIGN

The process of determining user charge rates involves three basic steps:

- Revenue Requirements – In the first step, the amount of revenues that the Utility needs to recover from user charge rates is determined.
- Cost of Service Analysis – In the second step, each category of costs within the revenue requirements is allocated to various utility functions, and then to each customer class.
- Rate Design – In the third step, rates per unit of service are calculated to recover the total amount needed and the appropriate amount from each customer class.

The tables attached to this report as an appendix show the detailed revenue requirements, the cost-of-service analysis, the rate calculations, and the estimated revenues at the projected rates for 2024.

A. REVENUE REQUIREMENT

Under the utility-basis method, utility revenue requirements include operation and maintenance expense, depreciation expense, and a return on investment. For the purposes of this study, revenue requirements were calculated for 2024.

The revenue requirements for 2024 include projected O&M expenses for 2024, estimated depreciation expense for capital improvements planned to be completed through 2023, including WWTP improvements, and return on investment on the projected average net investment rate base for 2024, including WWTP improvements expected to be completed in 2023. Other operating revenues, including late payment fees, sewer deduct meter charges, and pretreatment charges, were deducted from user charge revenue requirements.

The following table summarizes the revenue requirements that were used in the 2020 Rate Study to develop the current (2023) rates and the projected revenue requirements for 2024. The 2024 revenue requirements include \$3.6 million of depreciation expense and \$3.8 million of return on investment, equal to a 4.55 percent average rate of return on investment. The rate of return was evaluated to determine if it would provide sufficient revenues to cover the Utility's cash needs for debt service and capital outlay, as described in Section Four. The current benchmark rate of return used by the PSC to establish water rates is 6.20 percent, so the Utility could generate additional revenues by increasing the rate of return.

As shown, revenue requirements for 2024 are 33.3 percent higher than the projected 2023 revenue requirements developed in the 2020 rate study. However, projected 2024 revenues at current rates are about 3.2 percent higher than were projected in the 2020 rate study, so the net overall rate increase needed is about 29.4 percent. The rate increase is driven by increases in operation and maintenance expenses and a higher return on investment needed to cover the

Utility’s increased level of capital improvements to replace and rehabilitate sewer mains, lift stations, and other equipment.

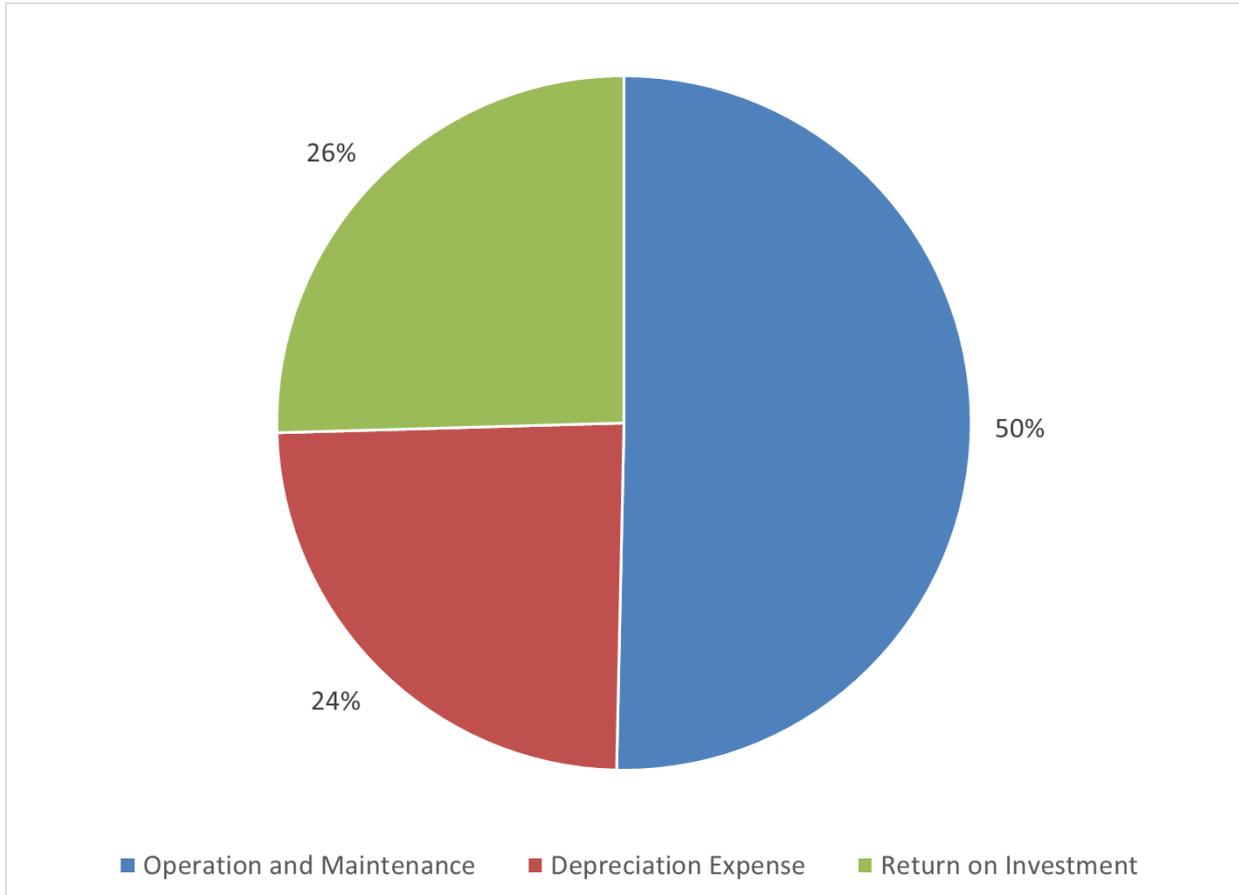
In total, depreciation expense and return on investment will provide the Utility with \$7.4 million per year to cover debt service, cash funded capital outlay, and replenishment of cash reserves, which have dropped below the recommended minimum amounts due to higher than projected capital outlay. The cash needs of the Utility are discussed in more detail in Section 4.

Table 8 – 2024 Revenue Requirements

	2023 Rates - Utility Basis	Projected 2024 - Utility Basis	Difference	% Difference
Operation and Maintenance	\$6,037,277	\$7,500,026	\$1,462,749	24.2%
Depreciation Expense	\$3,557,658	\$3,607,522	\$49,864	1.4%
Return on Investment	\$1,589,641	\$3,791,646	\$2,202,005	138.5%
Total Revenue Requirements	\$11,184,576	\$14,899,194	\$3,714,618	33.2%
Less: Shelby SD#1 Revenues	(\$78,244)	(\$79,934)	(\$1,690)	2.2%
Less: Other Revenues	(\$203,055)	(\$260,065)	(\$57,010)	28.1%
Net Revenue Requirements	\$10,903,277	\$14,559,195	\$3,655,918	33.5%
Projected User Charge Revenues at 2023 Rates	\$10,903,277	\$11,252,371	\$349,094	3.2%
Required Increase in Revenues		\$3,306,824	\$3,306,824	
Percentage Increase in User Charge Revenues		29.4%		

Revenue requirements for 2024 are comprised of 50 percent for operation and maintenance, 24 percent for depreciation, and 26 percent for return on investment.

Figure 2 - 2024 Revenue Requirements



B. COST OF SERVICE ANALYSIS

Costs were first allocated to the functions served by the utility. Each category of the utility’s costs was split between costs to provide collector and interceptor sewer conveyance, wastewater treatment for average daily volume, costs to treat pollutant loadings (BOD, TSS, P, and NH-3), billing costs, connection costs that are relatively fixed per customer or meter, costs for the Utility’s industrial pretreatment program, and costs specifically to receive hauled waste.

Most costs were allocated to utility functions using the methodology and formulas developed by John A. Mayer in prior rate studies and used in the 2020 Rate Study. However, certain adjustments to the formulas and methods were made based on more detailed information available or the change in the Utility’s chart of accounts for operation and maintenance expenses.

Utility Plant

The percentage of Utility Plant allocated to each utility function is used to allocate return on investment to each utility function (collection system, interceptor system, flow, BOD, TSS, Phosphorus, NH-3, billing, meters/connections, hauled waste) under this method.

Depreciation Expense

Depreciation expense for each category of assets was allocated to each utility function using the same percentages as the allocation of utility plant.

Return on Net Investment Rate Base

- Return on investment is calculated as a rate of return applied to the Utility's net investment rate base. Net investment rate base is the total original cost of utility assets in service, net of accumulated depreciation. Net investment rate base for year-end 2023 was estimated based on the Utility's capital improvement program.
- Return on investment was calculated separately for collection system assets and other system assets since the wholesale customers do not share in costs related to the collection system.
- For all non-collection system assets, a rate of return of 5.90 percent was used for determining the return on investment for wholesale customers with contracts. This rate is slightly less than the current benchmark rate of return used by the Wisconsin Public Service Commission for municipal water utilities. The PSC benchmark rate of return, as adjusted from time to time, is a reasonable rate of return to charge wholesale customers on the investment that the City and the Utility have made in the infrastructure needed to serve Utility customers.
- For wholesale customers without a contract, a rate of return of 7.90 percent was applied to non-collection system assets to reflect the higher level of risk to the City and the Utility of serving customers outside of the City without a contract.
- For retail customers, the rate of return used for non-collection system assets was 5.70 percent. For collection system assets, no return on investment was included in retail rates. As the Utility (or any utility) is not obligated to collect the full benchmark rate of return, this rate can be adjusted as needed to generate sufficient revenues while also providing retail customers some benefit from being residents and property owners of the City that owns the wastewater infrastructure.
- Return on investment was allocated between the various utility functions using the same allocation percentages as those developed for utility plant.

Costs for Operation and Maintenance of the La Crescent Forcemain

La Crosse and La Crescent jointly paid for the construction of a forcemain to carry La Crescent sewage and La Crosse sewage from Barron Island, Pettibone Park, and South Pettibone Drive under the Mississippi River to a connection point in Riverside Park ('La Crescent Forcemain' or 'Barron Island Force Main'). La Crosse paid for 15 percent of the construction cost and La Crescent paid for 85 percent. The La Crescent Forcemain is owned and maintained by the City of La Crosse. The Agreement for the Design, Construction and Maintenance of Sanitary Sewer Forcemains Between the City of La Crosse, WI and the City of La Crescent, MN, dated February 8, 2007, stated that the costs of repairing and maintaining the forcemain were to be included in the wholesale rates charged to La Crescent.

The Utility incurred substantial costs in 2019 to repair manholes and anticipates significant costs for 'pigging' the line every 5 years, in addition to annual maintenance inspections. The costs for pigging and intermittent repairs were annualized based on the expected frequency of such costs and were added to the annual maintenance inspection costs to determine an average annual cost for repairing and maintaining the La Crescent Forcemain. Based on this analysis, the 2020 Rate Study developed, and the City adopted, a La Crescent Forcemain Rate for 2021 through 2023 to recover the expected average annual cost for repair and maintenance of the forcemain.

On September 25, 2023, the City approved a new sanitary sewer service agreement with La Crescent. This agreement provides that the costs for maintaining the force main shall be shared between La Crosse and La Crescent, with La Crosse responsible for 15 percent of the cost and La Crescent responsible for 85 percent. La Crescent's share of the cost is to be calculated annually and added to the invoice for January treatment service.

To be consistent with the new sewer service agreement, this current rate study eliminates the La Crescent Forcemain Rate. In place of this rate, the Utility will bill La Crescent for actual costs incurred on an annual basis.

The following table shows the summary of the allocation of costs to utility functions for 2024.

Table 3 - Summary of Allocation of Revenue Requirements to Utility Functions, 2024

Retail Rate of Return - Collection System	0.00%											
Retail Rate of Return - Non-Collection	5.70%											
NIRB - Collection System	18,301,637											
NIRB - Non-Collection	64,945,352											
		<u>CONVEYANCE</u>				<u>WASTE TREATMENT</u>				<u>CUSTOMER COSTS</u>		<u>HAULED WASTE</u>
			Collection System	Interceptor System	Flow	BOD	TSS	P	NH-3	Billing	Meter / Connection	
<u>Operating Cost</u>	<u>Total</u>											
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operation and Maintenance	7,239,961	1,313,301	895,974	606,228	1,151,429	1,292,377	1,020,749	212,349	140,565	585,044	21,944	
Depreciation	3,607,522	252,215	212,316	386,705	960,466	1,050,660	488,685	109,441	38,661	64,435	43,937	
Return on NIRB - Collection System	0	0	0	0	0	0	0	0	0	0	0	
Return on NIRB - Non-Collection	3,701,885	0	433,810	410,540	1,015,796	1,160,455	500,060	105,149	0	0	76,075	
Total	14,549,368	1,565,516	1,542,101	1,403,473	3,127,691	3,503,492	2,009,494	426,939	179,226	649,479	141,957	

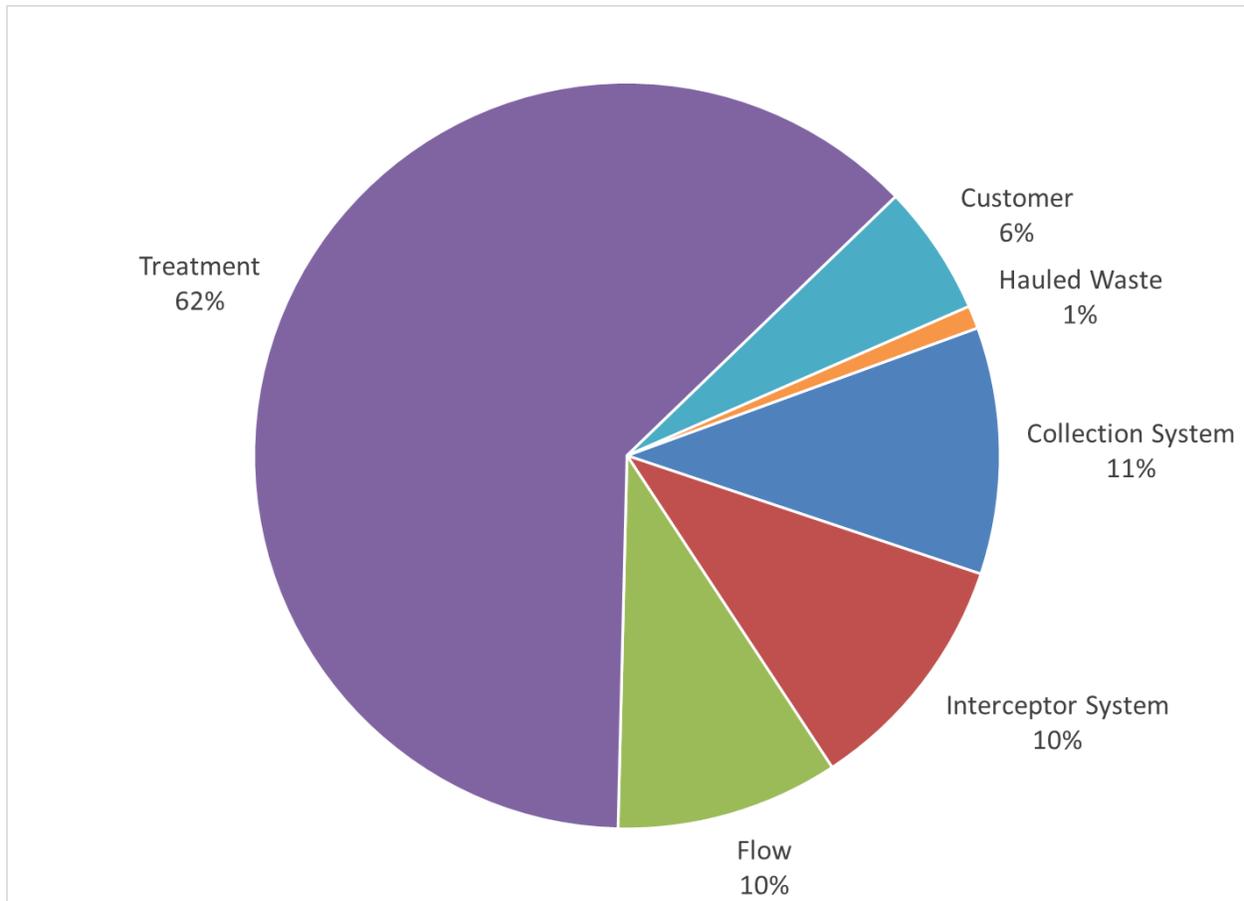
Wholesale ROR - Collection System	0.00%											
Wholesale ROR - Non-Collection	5.90%											
NIRB - Collection System	18,301,637											
NIRB - Non-Collection	64,945,352											
		<u>CONVEYANCE</u>				<u>WASTE TREATMENT</u>				<u>CUSTOMER COSTS</u>		<u>HAULED WASTE</u>
			Collection System	Interceptor System	Flow	BOD	TSS	P	NH-3	Billing	Meter / Connection	
<u>Operating Cost</u>	<u>Total</u>											
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operation and Maintenance	7,239,961	1,313,301	895,974	606,228	1,151,429	1,292,377	1,020,749	212,349	140,565	585,044	21,944	
Depreciation	3,607,522	252,215	212,316	386,705	960,466	1,050,660	488,685	109,441	38,661	64,435	43,937	
Return on NIRB - Collection System	0	0	0	0	0	0	0	0	0	0	0	
Return on NIRB - Non-Collection	3,831,776	0	449,032	424,945	1,051,438	1,201,173	517,606	108,839	0	0	78,745	
Total	14,679,259	1,565,516	1,557,322	1,417,878	3,163,333	3,544,209	2,027,040	430,628	179,226	649,479	144,626	

Non-Contract ROR - Collection System	0.00%											
Non-Contract ROR - Non-Collection	7.90%											
NIRB - Collection System	18,301,637											
NIRB - Non-Collection	64,945,352											
		<u>CONVEYANCE</u>				<u>WASTE TREATMENT</u>				<u>CUSTOMER COSTS</u>		<u>HAULED WASTE</u>
			Collection System	Interceptor System	Flow	BOD	TSS	P	NH-3	Billing	Meter / Connection	
<u>Operating Cost</u>	<u>Total</u>											
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operation and Maintenance	7,239,961	1,313,301	895,974	606,228	1,151,429	1,292,377	1,020,749	212,349	140,565	585,044	21,944	
Depreciation	3,607,522	252,215	212,316	386,705	960,466	1,050,660	488,685	109,441	38,661	64,435	43,937	
Return on NIRB - Collection System	0	0	0	0	0	0	0	0	0	0	0	
Return on NIRB - Non-Collection	5,130,683	0	601,246	568,994	1,407,857	1,608,350	693,065	145,733	0	0	105,438	
Total	15,978,166	1,565,516	1,709,536	1,561,927	3,519,753	3,951,387	2,202,500	467,523	179,226	649,479	171,319	

Overall Rate of Return	4.55%											
NIRB - Collection System	18,301,637											
NIRB - Non-Collection	64,945,352											
		<u>CONVEYANCE</u>				<u>WASTE TREATMENT</u>				<u>CUSTOMER COSTS</u>		<u>HAULED WASTE</u>
			Collection System	Interceptor System	Flow	BOD	TSS	P	NH-3	Billing	Meter / Connection	
<u>Operating Cost</u>	<u>Total</u>											
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operation and Maintenance	7,239,961	1,313,301	895,974	606,228	1,151,429	1,292,377	1,020,749	212,349	140,565	585,044	21,944	
Depreciation	3,607,522	252,215	212,316	386,705	960,466	1,050,660	488,685	109,441	38,661	64,435	43,937	
Return on NIRB - Combined	3,791,646	0	443,119	419,362	1,039,475	1,190,928	512,229	107,790	0	0	78,745	
Total	14,639,129	1,565,516	1,551,409	1,412,295	3,151,370	3,533,964	2,021,663	429,579	179,226	649,479	144,626	

As shown in the following charts, treatment costs for loadings such as BOD, TSS and Phosphorus will be 62 percent of the Utility’s revenue requirements once the WWTP project is completed due to the increase in depreciation expense and return on investment related to the WWTP.

Figure 3 - Percentage of Costs by Utility Function, 2024



Costs for each utility function were next allocated to each customer class (residential, multi-family, commercial, industrial, public authority, wholesale customers, hauled waste, and surcharge loadings) based on the demand characteristics of each customer class. A portion of the conveyance system and WWTP flow costs were allocated to infiltration and inflow (I/I) based on forecast percentage of I/I on an average day basis.

The following table shows the summary of the allocation of costs to each customer class and the projected amount of revenues from each class at the proposed rates for 2024. The amount of ‘Revenues at Present Rates’ shown in each table is the projected revenues at the current (2023) rates.

Table 10 - Comparison of Revenues at Present Rates, Cost of Service, and Proposed Rates, 2024

Customer Class	Revenue at Current	Cost of Service		Proposed Rates		Percent of Cost of Service
		Revenue Required	Increase Over Current Rates	Revenue	Increase Over Current Rates	
Retail						
Residential	\$2,824,502	\$3,681,351	30.3%	\$3,791,930	34.3%	103.0%
Multi-Family	\$827,673	\$1,156,909	39.8%	\$1,146,315	38.5%	99.1%
Commercial	\$1,421,672	\$1,982,485	39.4%	\$1,966,420	38.3%	99.2%
Industrial	\$2,181,584	\$3,099,334	42.1%	\$3,047,747	39.7%	98.3%
Public Authority	\$560,820	\$789,162	40.7%	\$779,335	39.0%	98.8%
Subtotal Retail	\$7,816,250	\$10,709,241	37.0%	\$10,731,747	37.3%	100.2%
Wholesale						
Onalaska	\$1,843,316	\$2,007,359	8.9%	\$2,007,357	8.9%	100.0%
La Crescent	\$338,713	\$364,133	7.5%	\$364,132	7.5%	100.0%
Campbell	\$387,659	\$418,057	7.8%	\$418,057	7.8%	100.0%
Shelby SD#2	\$171,012	\$184,421	7.8%	\$184,421	7.8%	100.0%
Subtotal Wholesale	\$2,740,699	\$2,973,970	8.5%	\$2,973,967	8.5%	100.0%
Hauled Waste						
Holding Tank Waste	\$80,136	\$118,100	47.4%	\$117,180	46.2%	99.2%
Septic Tank Waste	\$117,438	\$130,964	11.5%	\$130,901	11.5%	100.0%
Grease Trap Waste	\$127,181	\$140,486	10.5%	\$140,479	10.5%	100.0%
Subtotal Hauled Waste	\$324,754	\$389,550	20.0%	\$388,561	19.6%	99.7%
"Category B" Industrial Waste	\$370,668	\$486,435	31.2%	\$488,498	31.8%	100.4%
Total	\$11,252,371	\$14,559,195	29.4%	\$14,582,773	29.6%	100.2%

Statement on Meeting Statutory Requirements

When utilizing the Wisconsin DNR’s Clean Water Fund loan program, there are certain administrative code requirements that must be met regarding the recipient’s user charge system¹. Each of these are shown below, along with a discussion of how this study and proposed rate structure address the requirements.

¹ Wisconsin Administrative Code NR 162.08

- *Require that each user or user class pays its proportionate share of operation and maintenance costs, including replacement costs, of the treatment works or BMP within the recipient's service area.²*
 - This study, as in previous studies, prepared a detailed analysis of operation and maintenance costs using established methodology for allocating costs among user classes. Rates were calculated to recover each user class's proportionate share of costs, according to the detailed cost allocation.
- *Provide that the costs of operation and maintenance for all flow not directly attributable to users be distributed proportionally among all users of the recipient's treatment works or BMP.³*
 - This study specifically establishes an allocation for indirect flow, or inflow and infiltration, by distributing it to user classes based on proportional flow in each type of facility (collection, interceptor, treatment plant) that each user class contributes.
- *Require that the charges for users or user classes generate sufficient revenue to pay costs identified in par. (e) 2. and 3.⁴*
 - As shown in Table 10 the study has calculated rates to generate revenues at 100 percent of the revenue requirements and 100 percent of the cost allocation of each user class connected to the wastewater system. The revenue requirements include operation and maintenance costs, plus annual depreciation expense and a return on investment that is sufficient to maintain the required equipment replacement fund balance and provide the required debt coverage.
- *Require that the recipient establish an equipment replacement fund, maintain the equipment replacement fund as a separate fund of the municipality, and make deposits to this fund on an annual basis or maintain a balance acceptable to the department.⁵*
 - The Utility currently maintains an equipment replacement fund (ERF) based on existing assets. Historically, it has made annual deposits to this fund; however, this study recommends changing the method of funding to a minimum balance approach as this will minimize the annual revenue requirements for the Utility and its user classes. The equipment replacement fund will remain a restricted fund that can only be used for specified uses. The balance will need to be re-evaluated once the WWTP is completed and the Utility compiles a detailed list of the equipment subject to the ERF fund requirements. Deposits to this fund to increase

² Wisconsin Administrative Code NR 162.08(3)(a)

³ Wisconsin Administrative Code NR 162.08(3)(b)

⁴ Wisconsin Administrative Code NR 162.08(3)(c)

⁵ Wisconsin Administrative Code NR 162.08(3)(d)

the balance to the minimum required level will be funded from depreciation and return on investment.

- *Require that each user that discharges any toxic pollutants or high strength wastes to a wastewater treatment works pay for any increased costs associated with the discharge.*⁶
 - The study used a similar methodology to allocate costs among the various pollutants as previous studies. As shown in Table 10, “Category B” high strength waste industrial customers generate revenue of at least 100 percent of their allocated costs, which reflects the increases in rates for high strength waste discharges.
- *Be based on actual or estimated use except as provided for under s. [281.58 \(14\) \(b\) 7., Stats.](#)*⁷
 - Rates were calculated using either the most recent 12 months of actual use or estimated use based on recent trends in use by user class. Actual and forecast use by customer class are detailed in Tables 2 and 3, on pages 7 and 8 of this report.

C. RATE SCHEDULE

Rate increases for specific types of charges vary from the overall rate increase, as shown in the following detailed schedule of projected rates. The rates for 2020 were adopted by the City Council on September 18, 2019, based on the Draft Sewer Rate Study, dated June 2019. The rates for 2021 through 2023 were adopted by the City Council on November 12, 2020, based on the 2020 Sewer Rate Update, dated October 2020. The proposed 2024 rates are based on the assumptions described in preceding sections of this report and should be re-evaluated after the WWTP project is completed and all the new assets are classified and recorded and after the Utility has some history with operation and maintenance costs for the upgraded WWTP processes.

⁶ Wisconsin Administrative Code NR 162.08(3)(g)

⁷ Wisconsin Administrative Code NR 162.08(3)(i)

Table 11 - Current and Proposed Rates

Flat Charges	Connection Size	2019 Charge	2020 Charge	2021 Charge	2022 Charge	2023 Charge	Proposed 2024 Charge
	5/8	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$18.00
	3/4	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$18.00
	1	\$24.00	\$24.00	\$24.00	\$24.00	\$24.00	\$30.00
	1 1/2	\$39.00	\$39.00	\$39.00	\$39.00	\$39.00	\$51.00
	2	\$60.00	\$60.00	\$60.00	\$60.00	\$60.00	\$75.00
	3	\$108.00	\$108.00	\$108.00	\$108.00	\$108.00	\$133.00
	4	\$174.00	\$174.00	\$174.00	\$174.00	\$174.00	\$215.00
	6	\$342.00	\$342.00	\$342.00	\$342.00	\$342.00	\$420.00
	8	\$543.00	\$543.00	\$543.00	\$543.00	\$543.00	\$666.00
	10	\$813.00	\$813.00	\$813.00	\$813.00	\$813.00	\$994.00
	12	\$1,080.00	\$1,080.00	\$1,080.00	\$1,080.00	\$1,080.00	\$1,322.00

Usage Charges	Units	2019 Rate	2020 Rate	2021 Rate	2022 Rate	2023 Rate	Proposed 2024 Rate
Domestic Sewage	\$/CCF	\$1.26	\$1.52	\$1.52	\$1.90	\$2.15	\$3.01
Unmetered	Per Quarter	\$36.42	\$40.84	\$40.84	\$47.30	\$51.55	\$69.17
Surcharge Rates							
BOD	\$/pound	\$0.224	\$0.226	\$0.226	\$0.226	\$0.237	\$0.300
TSS	\$/pound	\$0.211	\$0.239	\$0.239	\$0.239	\$0.289	\$0.390
Phosphorus	\$/pound	\$4.177	\$4.867	\$4.867	\$4.867	\$6.755	\$9.950
NH-3	\$/pound	\$0.559	\$0.451	\$0.451	\$0.451	\$0.313	\$0.390
Holding Tank Waste	\$ / 1,000 gal.	\$5.70	\$7.22	\$7.22	\$7.22	\$13.82	\$21.93
Septic Tank Waste	\$ / 1,000 gal.	\$15.90	\$18.50	\$18.50	\$18.50	\$32.82	\$36.30
Grease Trap Waste	\$ / 1,000 gal.	\$46.00	\$51.41	\$51.41	\$51.41	\$82.22	\$90.37
Admin. Charge	\$ / load	\$11.00	\$14.00	\$14.00	\$14.00	\$15.20	\$18.00
Wholesale Rates with Contract:							
Rate per CCF	\$ / CCF	\$1.22	\$1.47	\$1.47	\$1.77	\$2.48	\$2.70
Rate per MG	\$ / MG		\$1,970.00	\$1,970.00	\$2,365.00	\$3,315.00	\$3,610.01
Wholesale Rates without Contract: ⁽¹⁾							
Rate per CCF	\$ / CCF			NA	\$1.98	\$2.77	\$2.98
Rate per MG	\$ / MG			NA	\$2,650.00	\$3,698.00	\$3,987.97
Onalaska	\$ / MG	\$1,631.00	\$1,970.00	\$1,970.00	\$2,365.00	\$3,315.00	\$3,610.01
La Crescent	\$ / MG	\$1,631.00	\$1,970.00	\$1,970.00	\$2,365.00	\$3,315.00	\$3,610.01
La Crescent Force Main	\$ / MG			\$42.00	\$43.00	\$43.00	\$0.00
Campbell	\$ / MG	\$1,631.00	\$1,970.00	\$1,970.00	\$2,650.00	\$3,698.00	\$3,987.97
Shelby	\$ / MG	\$1,631.00	\$1,970.00	\$1,970.00	\$2,650.00	\$3,698.00	\$3,987.97

(1) Non-contract rates were calculated using the same cost allocation methods and percentages, and with a 7.9% rate of return on net investment rate base. For an explanation of the basis for the non-contract rate of return, see Appendix B.

The following table shows the projected increase in monthly sewer bills for example customers of various sizes in each of the La Crosse retail customer classes. As shown, the average residential customer would experience an increase of about \$15.90 per quarter at the proposed 2024 rates. Customers with higher usage will experience larger increases due to the increase in the volumetric rates.

Table 12 - Comparison of Quarterly Bills for City of La Crosse Customers at Current and 2024 Proposed Rates

Billing Units - CCF
Billing Cycle - Quarterly

Customer Class	Customer Size	Meter Size (Inches)	Billed Volume	Customer Bill		
				Bill at 2023 Rates	Bill at 2024 Rates	Change
Residential	Small	5/8	8	\$32.20	\$42.08	\$9.88
Residential	Average	5/8	15	\$47.25	\$63.15	\$15.90
Residential	Large	5/8	30	\$79.50	\$108.30	\$28.80
Residential	Very Large	1	60	\$153.00	\$210.60	\$57.60
Multi-Family	Small	5/8	200	\$445.00	\$620.00	\$175.00
Multi-Family	Average	1	450	\$991.50	\$1,384.50	\$393.00
Multi-Family	Large	2	800	\$1,780.00	\$2,483.00	\$703.00
Multi-Family	Very Large	4	2,000	\$4,474.00	\$6,235.00	\$1,761.00
Commercial	Small	5/8	50	\$122.50	\$168.50	\$46.00
Commercial	Average	3/4	460	\$1,004.00	\$1,402.60	\$398.60
Commercial	Large	3	1,500	\$3,333.00	\$4,648.00	\$1,315.00
Commercial	Very Large	6	2,500	\$5,717.00	\$7,945.00	\$2,228.00
Industrial	Small	1	1,000	\$2,174.00	\$3,040.00	\$866.00
Industrial	Average	2	10,500	\$22,635.00	\$31,680.00	\$9,045.00
Industrial	Large	4	20,000	\$43,174.00	\$60,415.00	\$17,241.00
Industrial	Very Large	8	150,000	\$323,043.00	\$452,166.00	\$129,123.00
Public Authority	Small	3/4	500	\$1,090.00	\$1,523.00	\$433.00
Public Authority	Average	1	1,100	\$2,389.00	\$3,341.00	\$952.00
Public Authority	Large	2	2,000	\$4,360.00	\$6,095.00	\$1,735.00
Public Authority	Very Large	4	4,000	\$8,774.00	\$12,255.00	\$3,481.00

D. COMMUNITY RATE COMPARISON

To provide context for the proposed rates for La Crosse, a comparison with the sewer user rates charged by other communities in the region and peer communities around the state was prepared. The basis of the charges, and the estimated total annual bill for a residential customer for each community are shown in the following tables. As shown, for a residential City of La Crosse customer using 44,880 gallons or 6,000 cubic feet of water per year, the estimated annual sewer bill under the current rates for 2023 would be \$189.00. The proposed rates for 2024 would result in an annual bill of \$252.60, or an increase of \$15.90 per quarter over current rates. Even with the increase, the average bill would remain well below the average or median bill for the other regional communities.

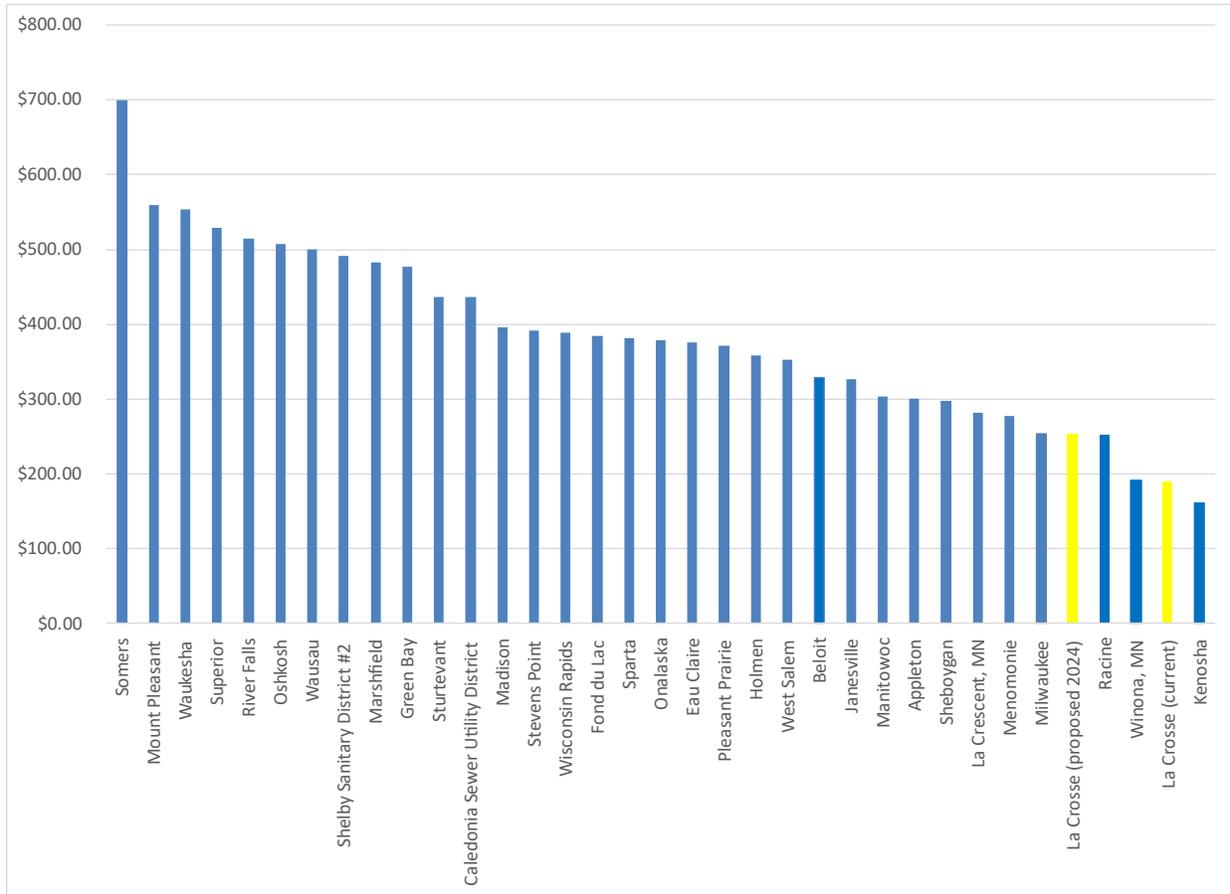
Table 13 - Comparison of Average Annual Residential Bills with UW Communities

Community	Fixed Charge	Bills per Year	Volume Rate	Annual Usage	Units	Annual Bill
Whitewater	\$12.75	12	\$11.99	44,880	gallons	\$691.11
Superior	\$5.50	12	\$7.71	6,000	ft ³	\$528.60
River Falls	\$16.50	12	\$7.04	44,880	gallons	\$513.96
Oshkosh	\$11.36	12	\$6.18	6,000	ft ³	\$507.12
Platteville	\$16.22	12	\$4.99	6,000	ft ³	\$494.04
Green Bay	\$14.50	12	\$5.04	6,000	ft ³	\$476.40
Madison	\$15.23	12	\$4.75	44,880	gallons	\$395.94
Stevens Point	\$36.42	4	\$4.09	6,000	ft ³	\$391.08
Fond du Lac	\$37.50	4	\$3.91	6,000	ft ³	\$384.60
Eau Claire	\$9.54	4	\$5.63	6,000	ft ³	\$375.96
Menomonie	\$21.50	4	\$3.20	6,000	ft ³	\$278.00
Milwaukee	\$15.84	4	\$3.18	6,000	ft ³	\$254.16
La Crosse (proposed 2024)	\$18.00	4	\$3.01	6,000	ft³	\$252.60
La Crosse (current)	\$15.00	4	\$2.15	6,000	ft³	\$189.00
Average w/o La Crosse						\$440.91
Median w/o La Crosse						\$436.17

Table 14 - Comparison of Average Annual Residential Bills with Regional and Peer Communities

Community	Fixed Charge	Bills per Year	Volume Rate	Annual Usage	Units	Annual Bill
Somers	\$175.00	4				\$700.00
Mount Pleasant	\$140.00	4		44,880	gallons	\$560.00
Waukesha	\$6.88	12	\$10.48	44,880	gallons	\$552.90
Superior	\$5.50	12	\$7.71	6,000	ft ³	\$528.60
River Falls	\$16.50	12	\$7.04	44,880	gallons	\$513.96
Oshkosh	\$11.36	12	\$6.18	6,000	ft ³	\$507.12
Wausau	\$36.31	4	\$5.91	6,000	ft ³	\$499.84
Shelby Sanitary District #2	\$123.00	4				\$492.00
Marshfield	\$18.90	12	\$4.26	6,000	ft ³	\$482.40
Green Bay	\$14.50	12	\$5.04	6,000	ft ³	\$476.40
Sturtevant	\$40.00	4	\$6.15	44,880	gallons	\$436.01
Caledonia Sewer Utility District	\$109.00	4				\$436.00
Madison	\$15.23	12	\$4.75	44,880	gallons	\$395.94
Stevens Point	\$36.42	4	\$4.09	6,000	ft ³	\$391.08
Wisconsin Rapids	\$14.39	12	\$3.60	6,000	ft ³	\$388.68
Fond du Lac	\$37.50	4	\$3.91	6,000	ft ³	\$384.60
Sparta	\$12.09	12	\$3.95	6,000	ft ³	\$382.08
Onalaska	\$6.50	4	\$5.88	6,000	ft ³	\$378.80
Eau Claire	\$9.54	4	\$5.63	6,000	ft ³	\$375.96
Pleasant Prairie	\$14.10	12	\$4.49	44,880	gallons	\$370.71
Holmen	\$15.50	4	\$6.60	44,880	gallons	\$358.21
West Salem	\$61.34	4	\$2.40	44,880	gallons	\$353.07
Beloit	\$8.21	12	\$3.84	6,000	ft ³	\$328.92
Janesville	\$46.10	4	\$2.38	6,000	ft ³	\$327.20
Manitowoc	\$11.28	12	\$2.81	6,000	ft ³	\$303.96
Appleton	\$16.60	4	\$3.90	6,000	ft ³	\$300.40
Sheboygan	\$49.00	4	\$1.70	6,000	ft ³	\$298.00
La Crescent, MN	\$70.37	4				\$281.48
Menomonie	\$21.50	4	\$3.20	6,000	ft ³	\$278.00
Milwaukee	\$15.84	4	\$3.18	6,000	ft ³	\$254.16
La Crosse (proposed 2024)	\$18.00	4	\$3.01	6,000	ft²	\$252.60
Racine	\$21.10	4	\$2.77	6,000	ft ³	\$250.60
Winona, MN	\$18.03	4	\$1.99	6,000	ft ³	\$191.52
La Crosse (current)	\$15.00	4	\$2.15	6,000	ft³	\$189.00
Kenosha	\$2.69	12	\$2.15	6,000	ft ³	\$161.28
Average w/o La Crosse						\$388.01
Median w/o La Crosse						\$380.44

Figure 4 - Comparison of Average Annual Residential Bills with Regional and Peer Communities



SECTION FOUR – CASH FLOW FORECASTS

Cash flows were projected for 2023 through 2024 based on the proposed rates for 2024 and inflationary increases in subsequent years. The following criteria were used to evaluate the adequacy of cash flows with the proposed rate increases:

- Increase operating revenues to levels sufficient to cover operation and maintenance costs, debt service, and debt coverage equal to at least 10 percent of annual revenue debt service payments.
- Fund routine capital improvements and equipment replacements from current revenues or reserves to the extent possible.
- Increase reserves to at least 250 days of operating expenses.
- Avoid or mitigate rate spikes to the extent possible.

		2023	2024	2025
Debt coverage – Clean Water Fund program	Operating revenues less O&M ≥ 1.10x revenue debt service	4.07x	1.63x	1.79x
Funding for routine capital outlay	Generate \$2.5 - \$3.5 million of cash funding per year for routine capital replacements and outlay	\$1.3 million	\$1.3 million	\$2.8 million
Cash operating reserves	Maintain cash unrestricted reserves ≥ 250 days operating expenses	151	184	220
Rate spikes	Mitigate to the extent possible	29.4% is the minimum required to fund capital and build up cash reserves	3.0% projected	3.0% projected

The cash flow forecasts were based on the following assumptions:

- The forecast flows and loadings and O&M expense forecasts shown in Section 1 of this report.
- A decrease of \$475,000 in biosolids expenses from 2024 to 2025.
- Inflation of future O&M expenses by 1.0 percent per year except for health insurance, which is inflated by 2.0 percent per year.
- Other operating revenues based on the average of the previous six years, a decrease in investment income on cash reserve balances, and an increase in the costs allocated to pretreatment charges in this study.
- Capital outlay of just under \$50.3 million for 2023-2027, including the Utility’s CIP projects, \$5.0 million in 2023 for carryover projects from prior years, and \$200,000 per year for unplanned capital projects for 2024-2027. This total is comprised of \$22.7 million in 2023 for the completion of the WWTP upgrade and \$27.6 million, or \$5.5 million per year for routine capital projects and equipment replacement.
- Projected capital improvements of \$3.5 million per year, increased by 3 percent per year, for 2028-2032, plus an allowance of \$200,000 per year for miscellaneous unplanned capital expenses.

- Funding of routine capital improvements will be funded through current utility revenues to the extent possible.
- The cash flow forecast includes borrowing of \$12.0 million in 2023 to finance most of the \$14.1 million of capital improvements in 2023 and 2024 (including \$5.0 million of carryover projects from prior years). The interest rate and payment schedule for this borrowing is not known currently. An interest rate of 4.0 percent and level annual payments were used for planning purposes. If some of the 2023/2024 capital projects are delayed to future years, the amount of the borrowing should be reduced accordingly.
- Recommended minimum reserve levels include the following:
 - Operating reserve equal to 3 months of annual operating expenses;
 - Additional unrestricted capital reserves in an amount to provide the Utility with a total of 250 days cash on hand in unrestricted reserves;
 - A capital reserve equal to the average planned capital outlay per year as shown in the Utility's Capital Improvement Program; and
 - Restricted ERF funds in amounts required by the WDNR. The balance as of year-end 2022 was \$1.8 million. For planning purposes, the minimum required balance post-WWTP project was estimated at \$3.3 million, and the cash flow forecasts reflect increases of \$300,000 per year in the ERF until the balance reaches \$3.3 million. The minimum required balance should be re-evaluated following completion of the WWTP project.

As noted in Section 3, the depreciation expense and return on investment included in the 2024 revenue requirements are projected to generate about \$7.4 million per year for debt service, cash funded capital outlay, and replenishment of cash reserves. The Utility is projecting the following annual funding needs for these purposes over the next five years:

- \$4.6 million per year of debt service (\$3.7 million for the CWF loan and \$890,000 for the new borrowing in 2023).
- \$2.8 million per year for cash funded capital outlay and/or replenishment of reserves.

The projected reduction in O&M expenses in 2025 due to the decrease in biosolids disposal will also help replenish the Utility's cash reserves.

The Agreement for Sanitary Sewage Conveyance and Treatment Between the City of La Crosse and the City of Onalaska and the Agreement for Sanitary Sewage Conveyance and Treatment Between the City of La Crosse and the City of La Crescent allow the City of La Crosse to appropriate excess sewer revenues from the Utility's undesignated reserve funds. There are not projected to be any undesignated reserve funds or transfers to City General Fund through at least 2032, as reserves are not projected to meet the recommended minimum until 2031 or 2032.

The following table and chart show the cash flows, total reserves, and projected minimum recommended reserves for 2023 through 2032 with the proposed rate increase for 2024 and future inflationary increases of 3.0 percent per year. These forecasts are based on numerous assumptions as described in this report. The Utility should review actual performance at least annually to determine if additional rate adjustments are needed to maintain adequate debt coverage and reserve levels or to fund additional capital improvements.

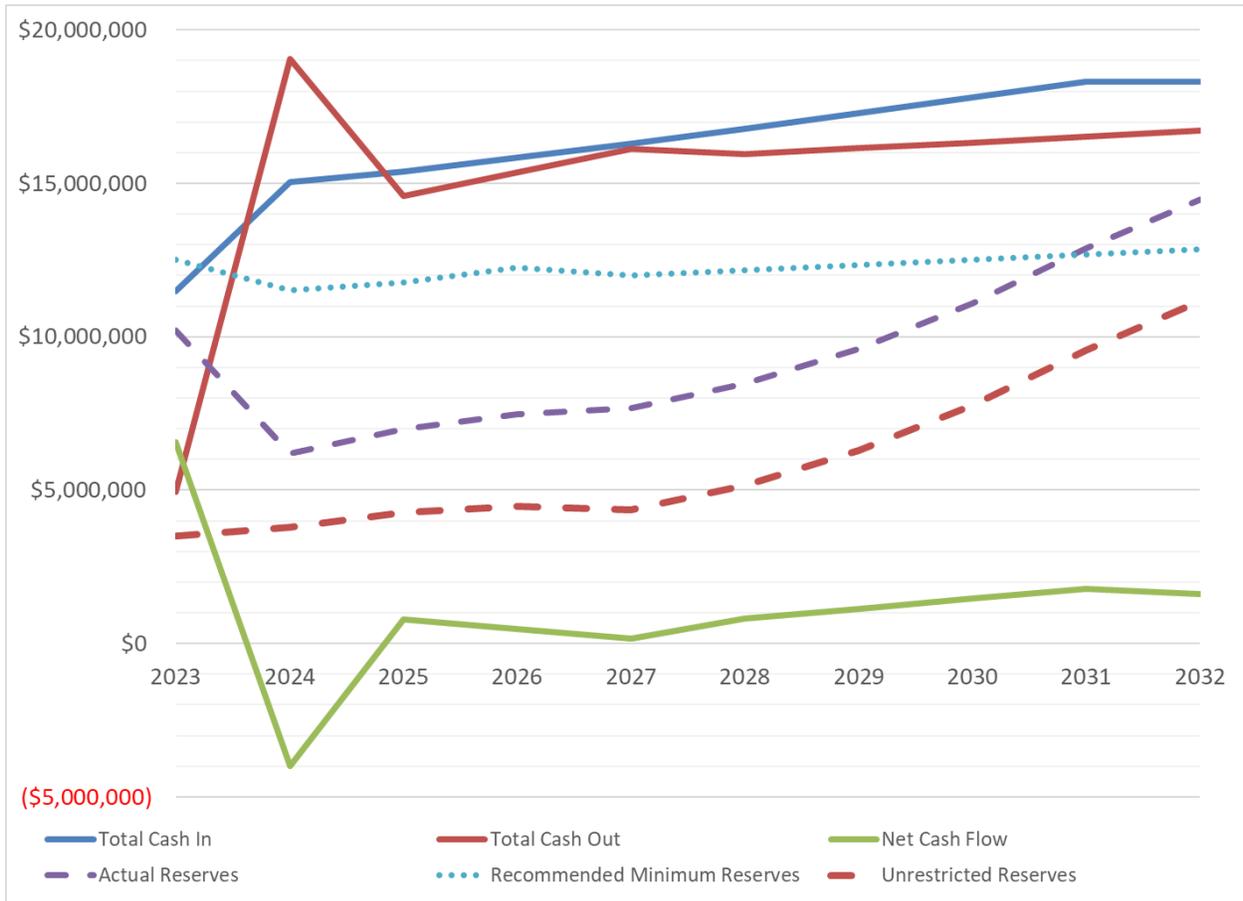
Table 15 - Forecast Cash Flow with Proposed Rate Increases

	2023	2024	2025	2026	2027
Projected Rate Increase	18.2%	29.6%	3.0%	3.0%	3.0%
Revenues					
User Charge Revenues - Retail	\$7,788,876	\$10,731,747	\$11,053,700	\$11,385,311	\$11,726,870
User Charge Revenues - Wholesale	\$2,740,699	\$2,973,967	\$3,063,186	\$3,155,081	\$3,249,734
User Charge Revenues - Hauled Waste	\$324,754	\$388,561	\$400,218	\$412,224	\$424,591
User Charge Revenues - High Strength	\$370,668	\$488,498	\$503,153	\$518,248	\$533,795
User Charge Revenues - Shelby SD#1	\$79,934	\$79,934	\$82,332	\$84,802	\$87,346
Other Operating Revenues	\$151,074	\$260,065	\$239,007	\$245,834	\$246,773
Non-Operating Revenues	\$27,500	\$128,970	\$27,500	\$27,500	\$27,500
Total Cash In	\$11,483,504	\$15,051,742	\$15,369,096	\$15,829,001	\$16,296,610
Expenses					
<i>Subtotal O&M</i>	<i>\$8,485,561</i>	<i>\$7,500,026</i>	<i>\$7,098,948</i>	<i>\$7,173,938</i>	<i>\$7,249,758</i>
<i>Debt Service</i>	<i>\$737,203</i>	<i>\$4,626,065</i>	<i>\$4,626,065</i>	<i>\$4,626,065</i>	<i>\$4,626,065</i>
<i>Capital Outlay - Non WWTP</i>	<i>\$7,443,925</i>	<i>\$6,635,000</i>	<i>\$2,560,400</i>	<i>\$3,254,000</i>	<i>\$6,913,800</i>
<i>Capital Outlay - WWTP</i>	<i>\$22,677,249</i>				
<i>Capital Outlay - Misc. Unplanned</i>		<i>\$200,000</i>	<i>\$200,000</i>	<i>\$200,000</i>	<i>\$200,000</i>
<i>Capital Outlay - Vehicle Lease</i>	<i>\$87,000</i>	<i>\$87,000</i>	<i>\$87,000</i>	<i>\$87,000</i>	<i>\$87,000</i>
<i>Less: New Borrowing</i>	<i>(\$12,000,000)</i>				<i>(\$3,000,000)</i>
<i>Less: CWF Loan</i>	<i>(\$22,677,249)</i>				
<i>Bond Issuance Expense</i>	<i>\$180,000</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$45,000</i>
Total Cash Out	\$4,933,688	\$19,048,090	\$14,572,412	\$15,341,002	\$16,121,622
Net Cash Flow	\$6,549,816	(\$3,996,348)	\$796,683	\$487,998	\$174,987
Operating Fund					
Ending Balance	\$3,499,025	\$3,786,252	\$4,282,935	\$4,470,933	\$4,345,921
Days Cash on Hand	151	184	220	227	219
CIP Fund					
Ending Balance	\$4,583,575	\$0	\$0	\$0	\$0
Equipment Replacement Fund					
Ending Balance	\$2,114,455	\$2,414,455	\$2,714,455	\$3,014,455	\$3,314,455
Total Beginning Balance	\$3,647,238	\$10,197,054	\$6,200,707	\$6,997,390	\$7,485,388
Net Change	\$6,549,816	(\$3,996,348)	\$796,683	\$487,998	\$174,987
Total Ending Balance	\$10,197,054	\$6,200,707	\$6,997,390	\$7,485,388	\$7,660,376
Recommended Minimum Reserve					
Operating Reserve	\$5,812,028	\$5,137,004	\$4,862,293	\$4,913,656	\$4,965,587
Capital Reserve	\$4,572,640	\$3,966,640	\$4,197,190	\$4,311,299	\$3,716,395
Equipment Replacement Fund	\$2,114,455	\$2,414,455	\$2,714,455	\$3,014,455	\$3,314,455
Total Recommended Minimum Reserve	\$12,499,123	\$11,518,099	\$11,773,938	\$12,239,410	\$11,996,437
Days Cash on Hand	447	443	466	469	437
Revenue Debt Coverage - Total Revenue:	4.07	1.63	1.79	1.87	1.96

City of La Crosse
2023 Sewer Rate Update - Utility Basis

	2028	2029	2030	2031	2032
Projected Rate Increase	3.0%	3.0%	3.0%	3.0%	0.0%
Revenues					
User Charge Revenues - Retail	\$12,078,676	\$12,441,036	\$12,814,267	\$13,198,695	\$13,198,695
User Charge Revenues - Wholesale	\$3,347,226	\$3,447,643	\$3,551,072	\$3,657,604	\$3,657,604
User Charge Revenues - Hauled Waste	\$437,329	\$450,448	\$463,962	\$477,881	\$477,881
User Charge Revenues - High Strength	\$549,809	\$566,304	\$583,293	\$600,792	\$600,792
User Charge Revenues - Shelby SD#1	\$89,966	\$92,665	\$95,445	\$98,309	\$98,309
Other Operating Revenues	\$248,666	\$251,635	\$252,544	\$255,319	\$257,285
Non-Operating Revenues	\$27,500	\$27,500	\$27,500	\$27,500	\$27,500
Total Cash In	\$16,779,172	\$17,277,231	\$17,788,083	\$18,316,100	\$18,318,066
Expenses					
<i>Subtotal O&M</i>	<i>\$7,326,417</i>	<i>\$7,403,927</i>	<i>\$7,482,296</i>	<i>\$7,561,536</i>	<i>\$7,641,656</i>
<i>Debt Service</i>	<i>\$4,846,810</i>	<i>\$4,846,810</i>	<i>\$4,846,810</i>	<i>\$4,846,810</i>	<i>\$4,846,810</i>
<i>Capital Outlay - Non WWTP</i>	<i>\$3,500,000</i>	<i>\$3,605,000</i>	<i>\$3,713,150</i>	<i>\$3,824,545</i>	<i>\$3,939,281</i>
<i>Capital Outlay - WWTP</i>					
<i>Capital Outlay - Misc. Unplanned</i>	<i>\$200,000</i>	<i>\$200,000</i>	<i>\$200,000</i>	<i>\$200,000</i>	<i>\$200,000</i>
<i>Capital Outlay - Vehicle Lease</i>	<i>\$87,000</i>	<i>\$87,000</i>	<i>\$87,000</i>	<i>\$87,000</i>	<i>\$87,000</i>
<i>Less: New Borrowing</i>					
<i>Less: CWF Loan</i>					
<i>Bond Issuance Expense</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
Total Cash Out	\$15,960,227	\$16,142,736	\$16,329,256	\$16,519,890	\$16,714,747
Net Cash Flow	\$818,945	\$1,134,495	\$1,458,827	\$1,796,209	\$1,603,319
Operating Fund					
Ending Balance	\$5,164,866	\$6,299,361	\$7,758,188	\$9,554,397	\$11,157,716
Days Cash on Hand	257	311	378	461	533
CIP Fund					
Ending Balance	\$0	\$0	\$0	\$0	\$0
Equipment Replacement Fund					
Ending Balance	\$3,314,455	\$3,314,455	\$3,314,455	\$3,314,455	\$3,314,455
Total Beginning Balance	\$7,660,376	\$8,479,321	\$9,613,816	\$11,072,643	\$12,868,852
Net Change	\$818,945	\$1,134,495	\$1,458,827	\$1,796,209	\$1,603,319
Total Ending Balance	\$8,479,321	\$9,613,816	\$11,072,643	\$12,868,852	\$14,472,171
Recommended Minimum Reserve					
Operating Reserve	\$5,018,094	\$5,071,183	\$5,124,860	\$5,179,134	\$5,234,011
Capital Reserve	\$3,827,887	\$3,942,724	\$4,061,005	\$4,182,835	\$4,308,320
Equipment Replacement Fund	\$3,314,455	\$3,314,455	\$3,314,455	\$3,314,455	\$3,314,455
Total Recommended Minimum Reserve	\$12,160,436	\$12,328,361	\$12,500,321	\$12,676,424	\$12,856,787
Days Cash on Hand	441	444	448	452	456
Revenue Debt Coverage - Total Revenue:	1.95	2.04	2.13	2.22	2.20

Figure 5 - Forecast Cash Flow and Reserves with Proposed Rate Increases



**APPENDIX A – SEWER UTILITY COST OF SERVICE STUDY AND PROPOSED RATE
DESIGN FOR 2024**

Historical and Forecast Operation and Maintenance Expenses

New Object	Project No.	Account Description									Test Year	
			2017	2018	2019	2020	2021	2022	3-Year Average	2023	2024	
			(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	
510000	W3160	Reg Salaries - Sanitary Lift Sta	82,111	71,145	110,296	54,844	56,854	57,026	56,241	65,000	73,450	
510000	W3430	Reg Salaries - Sanitary Lift Sta				69,801	43,602	86,764	66,722	65,000	75,000	
510005	W3160	Part-Time Labor - Sanitary Lift Stations - Collection						1,602	1,602	1,000	2,063	
510006	W3160	Overtime Wages - Sanitary Lift Sta				2,616	4,157	1,749	2,841	5,000	3,200	
510006	W3430	Overtime Wages - Sanitary Lift Sta				3,330	4,774	2,654	3,586	5,000	4,000	
521102	W3160	Electricity - Collector				15,185	14,745	15,484	15,138	17,000	18,020	
521102	W3430	Electricity - Interceptor				66,208	67,234	77,202	70,215	73,000	77,380	
521104	W3160	Water					475	1,315	895	1,600	1,616	
521104	W3430	Water					1,008	1,979	1,493	2,000	2,020	
521104	W3160	Natural Gas				2,241	3,356	4,101	3,233	4,200	4,326	
521104	W3430	Natural Gas				3,284	3,884	5,017	4,062	5,050	5,202	
521105	W3160	Sewer					150	674	412	1,000	1,400	
521105	W3430	Sewer					638	880	759	1,000	1,400	
521106	W3160	Storm Water					46	129	88	155	157	
521106	W3430	Storm Water					54	145	100	155	157	
540000	W3160	R&M Buildings - Collection				251	384	107	247	3,500	3,535	
540000	W3430	R&M Buildings - Interceptors				409	15,294	12,879	9,528	25,000	25,250	
540050	W3160	R&M Grounds - Collection				2,327	3,109	15,827	7,088	10,000	10,100	
540050	W3430	R&M Grounds - Interceptors				2,229	4,847	8,630	5,235	7,000	7,070	
540100	W3160	R&M Equip/Mach				563	18,648	19,639	12,950	25,000	25,250	
540100	W3430	R&M Equip/Mach				6,729	32,628	83,122	40,826	60,000	60,600	
SUBTOTAL LIFT STATIONS			82,111	71,145	110,296	230,016	275,887	396,925	303,260	376,660	401,195	
510000	W6631	Salaries and wages				69,381	61,753	69,887	67,007	73,381	75,000	
510000	W9030	Salaries and wages				0	46,359	54,822	33,727	66,000	69,670	
510006	W6631	Overtime Wages				9	38	30	26	50	40	
510006	W9030	Overtime Wages				0	706	1,228	645	1,500	1,580	
520075	W9030	Temporary Labor Services				0	3,832	0	1,277	0	0	
520134	W6631	Metering Expenses	193,074	277,638	294,146	264,151	265,072	260,208	263,144	275,000	277,750	
550150		Bad Debt Expense	2,831	73	504	175	0	281	152	2,000	2,020	
SUBTOTAL CUSTOMER ACCOUNTS			195,904	277,711	294,650	333,717	377,760	386,456	365,978	417,931	426,060	

New Object	Project No.	Account Description	2017	2018	2019	2020	2021	2022	3-Year Average	2023	2024
			(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
510000	W8010	Reg Salaries - Oper & Mtce	90,168	602,880	574,139	599,429	567,562	361,498	509,497	640,000	465,476
510005	W8010	Part-Time Labor - Wastewater Treatment Operations				0	689	10,164	3,618	0	13,088
510006	W8010	Overtime Wages - Oper & Mtce	1,639	18,905	18,556	17,182	11,362	11,966	13,503	21,000	15,408
510030		Cell Phone Reimbursement				152	0	0	51	2,000	
521102		Electricity	498,698	555,066	571,726	457,619	473,286	527,751	486,219	650,000	200,000
521103		Water	65,558	32,376	38,449	41,315	42,363	72,622	52,100	90,000	45,000
521104		Natural Gas	31,661	41,970	38,662	27,905	42,200	53,273	41,126	325,000	334,750
521105		Sewer	128,707	50,703	63,971	64,590	66,125	156,394	95,703	200,000	70,000
521106		Storm Sewer Fee Payments	8,837	8,029	4,235	1,247	1,147	984	1,126	1,300	1,313
532090		Chemical Supplies - Ferric Chloride	143,695	171,870	181,237	159,795	94,201	115,202	123,066	700,000	707,000
532090		Chemical Supplies - Polymer				23,083	77,952	76,211	59,082	350,000	353,500
532090		Chemical Supplies - Misc				0	0	0	0	30,000	30,300
540000		R&M Buildings	29,685	15,340	12,079	15,892	19,672	26,347	20,637	25,000	25,250
540050		R&M Grounds	6,443	9,130	13,064	14,795	3,711	13,358	10,621	15,000	15,150
540100		R&M Equip/Mach	240,118	313,232	240,289	253,244	266,796	226,641	248,894	357,000	360,570
540100	W8030	R&M Equip/Mach - Energy Gen. Equip.						0			110,000
510030		Cell Phone Reimbursement				18	0	0	6	0	
SUBTOTAL FACILITY OPERATIONS			1,245,211	1,819,502	1,756,407	1,676,266	1,667,066	1,652,411	1,665,248	3,406,300	2,746,805
		Miscellaneous	12,196	9,588	13,422						
TOTAL OPERATION & MAINTENANCE			5,157,283	5,199,493	6,100,640	5,953,830	6,402,016	5,834,336	6,121,469	8,485,561	7,500,026

Allocation of Collector and Interceptor Mains

Function	Size (Inches)	Quantity (Feet)	Gravity Mains			Quantity (Feet)	Force Mains			
			Total	Collector	Interceptor		Total	Collector	Interceptor	
C	1.5		-	-	-	237	356	356	-	
C	2		-	-	-	410	820	820	-	
C	2.5		-	-	-	1,000	2,500	2,500	-	
C	3		-	-	-	3,700	11,100	11,100	-	
C	4	481	1,924	1,924	-	2,390	9,560	9,560	-	
C	6	2,471	14,826	14,826	-	3,824	22,944	22,944	-	
C	8	441,093	3,528,742	3,528,742	-	3,377	27,016	27,016	-	
C	10	117,061	1,170,605	1,170,605	-	430	4,300	4,300	-	
C	12	219,470	2,633,638	2,633,638	-	10,052	120,624	120,624	-	
C	14		-	-	-	17,374	243,236	243,236	-	
C	15	62,437	936,552	936,552	-	-	-	-	-	
C	16	234	3,742	3,742	-	16,810	268,960	268,960	-	
I	18	60,459	1,088,267	-	1,088,267	6,634	119,412	-	119,412	
I	20	16,937	338,730	-	338,730	-	-	-	-	
I	21	5,113	107,365	-	107,365	-	-	-	-	
I	24	24,577	589,855	-	589,855	6,290	150,960	-	150,960	
I	27	1,721	46,464	-	46,464	-	-	-	-	
I	30	19,356	580,686	-	580,686	-	-	-	-	
I	33	1,058	-	-	-	-	-	-	-	
I	36	9,931	-	-	-	-	-	-	-	
I	39	1,565	61,035	-	61,035	-	-	-	-	
I	42	527	22,134	-	22,134	-	-	-	-	
I	48	4,217	-	-	-	-	-	-	-	
I	50	16,523	826,150	-	826,150	-	-	-	-	
			1,005,229	11,950,716	8,290,029	3,660,687	72,528	981,788	711,416	270,372
					69.37%	30.63%			72.46%	27.54%
Combined Gravity and Force Mains						1,077,757	12,932,503	9,001,445	3,931,059	
Use for Allocation								69.60%	30.40%	
		UF Plant /								
		O&M	Dep	Total Plant						
Interceptor Mains		16.28%	30.40%	30.40%						
Collector Mains		83.72%	69.60%	69.60%						

Labor, Power, Chemical Cost Allocation Factor Development

Process Code	Allocation Percents									Collection System	Interceptor System	Treatment Plant					Customer				
	Coll	Intr	Flow	BOD	TSS	P	NH ₃	Cst	Cnn			Total	Flow	B.O.D.	T.S.S.	Phos.	NH ₃ -N	Billing	Meter/Conn		
Labor Allocation																					
2	Primary Treatment	0%	0%	30%	10%	55%	5%	0%	0%	0%	39.92%	0.00%	0.00%	11.98%	3.99%	21.96%	2.00%	0.00%	0.00%	0.00%	
3	Secondary Treatment	0%	0%	20%	45%	10%	5%	20%	0%	0%	36.73%	0.00%	0.00%	7.35%	16.53%	3.67%	1.84%	7.35%	0.00%	0.00%	
5	Biosolids Trmnt & Disposal	0%	0%	0%	40%	55%	5%	0%	0%	0%	23.34%	0.00%	0.00%	0.00%	9.34%	12.84%	1.17%	0.00%	0.00%	0.00%	
	Total Facility Operations Labor Expense	0%	0%	19%	30%	38%	5%	7%	0%	0%	100.00%	0.00%	0.00%	19.32%	29.86%	38.47%	5.00%	7.35%	0.00%	0.00%	
Electric Power Allocation																					
1.1	Prelim.- Raw Sewage Pumping	0%	0%	100%	0%	0%	0%	0%	0%	0%	903,886	0	0	903,886	0	0	0	0	0	0	0
1.2	Prelim.- Bar Screening / Communiton	0%	0%	70%	0%	30%	0%	0%	0%	0%	80	0	0	56	0	24	0	0	0	0	0
1.3	Prelim.- Grit Removal	0%	0%	70%	0%	30%	0%	0%	0%	0%	37,962	0	0	26,573	0	11,389	0	0	0	0	0
2.1	Primary Clarifier	0%	0%	50%	20%	28%	3%	0%	0%	0%	64,224	0	0	32,112	12,845	17,661	1,606	0	0	0	0
3.1	Secondary - Activated Sludge	0%	0%	20%	45%	10%	5%	20%	0%	0%	6,953,268	0	0	1,390,654	3,128,970	695,327	347,663	1,390,654	0	0	0
3.6	Secondary - Phosphorus	0%	0%	0%	0%	0%	100%	0%	0%	0%	1,273,399	0	0	0	0	0	1,273,399	0	0	0	0
3.9	Secondary - Final Clarifier	0%	0%	20%	32%	44%	4%	0%	0%	0%	15,368	0	0	3,074	4,918	6,762	615	0	0	0	0
5	Biosolids Trmnt & Disposal	0%	0%	0%	40%	55%	5%	0%	0%	0%	2,968,699	0	0	0	1,187,480	1,632,784	148,435	0	0	0	0
6	Disinfection	0%	0%	100%	0%	0%	0%	0%	0%	0%	1,985,472	0	0	1,985,472	0	0	0	0	0	0	0
8.1	Flow Monitoring Eqmt.	0%	0%	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0	0	0	0	0
9	Electrical	0%	0%	31%	31%	17%	12%	10%	0%	0%	-1,992,200	0	0	-609,039	-607,971	-331,597	-248,523	-195,070	0	0	0
10	WWTP Non-Specific	0%	0%	31%	31%	17%	12%	10%	0%	0%	143,782	0	0	43,956	43,879	23,932	17,936	14,079	0	0	0
	Total Electric Power	0%	0%	31%	31%	17%	12%	10%	0%	0%	12,353,939	0	0	3,776,743	3,770,120	2,056,282	1,541,131	1,209,662	0	0	0
	% of Total											0%	0%	31%	31%	17%	12%	10%	0%	0%	0%
Chemical Allocation																					
70.3	Polymer (Sludge)	0%	0%	0%	40%	55%	5%	0%	0%	0%	56.59%	0.00%	0.00%	0.00%	22.63%	31.12%	2.83%	0.00%	0.00%	0.00%	
70.4	Ferric Cl ₂ (Phos.)	0%	0%	0%	0%	0%	100%	0%	0%	0%	43.00%	0.00%	0.00%	0.00%	0.00%	0.00%	43.00%	0.00%	0.00%	0.00%	
70	Other Sup. & Chem.	0%	0%	13%	32%	36%	16%	3%	0%	0%	0.42%	0.00%	0.00%	0.05%	0.13%	0.15%	0.07%	0.01%	0.00%	0.00%	
	Total Chemicals	0%	0%	0%	23%	31%	46%	0%	0%	0%	100.00%	0.00%	0.00%	0.05%	22.77%	31.27%	45.89%	0.01%	0.00%	0.00%	
Natural Gas Allocation																					
66.1	Building Heat	0%	0%	19%	30%	38%	5%	7%	0%	0%	70.00%	0.00%	0.00%	13.53%	20.90%	26.93%	3.50%	5.14%	0.00%	0.00%	
66.2	Sludge Heating	0%	0%	0%	40%	55%	5%	0%	0%	0%	30.00%	0.00%	0.00%	0.00%	12.00%	16.50%	1.50%	0.00%	0.00%	0.00%	
	Total Natural Gas	0%	0%	14%	33%	43%	5%	5%	0%	0%	100.00%	0.00%	0.00%	13.53%	32.90%	43.43%	5.00%	5.14%	0.00%	0.00%	

Allocation of Operation and Maintenance Expenses

New Object No.	Account Description	Coll System		Int System		WWTP				Cust Costs				COLLECTION			INTERCEPTORS		WASTEWATER TREATMENT PLANT					CUSTOMER COSTS				
		Coll Main (%)	Coll LS (%)	Int Main (%)	Int LS (%)	Flow (%)	BOD (%)	TSS (%)	Phos (%)	NH-3 (%)	Billing (%)	Conn (%)	Ind. Pre-Treat (%)	Hauled Waste (%)	Total (\$)	Mains (\$)	Lift Stations (\$)	Mains (\$)	Lift Stations (\$)	Flow (\$)	BOD (\$)	TSS (\$)	P (\$)	NH-3 (\$)	Billing (\$)	Meter / Connection (\$)	Industrial Pretreat. (\$)	Hauled Waste (\$)
GENERAL ADMINISTRATION - 6306310																												
510000	Regular Salaries	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	331,035	52,052	21,224	4,936	21,875	35,377	53,317	59,365	10,467	13,634	19,471	20,506	18,811	0
510000	Reg Salaries - Other City Depts	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	12,605	1,982	808	188	833	1,347	2,030	2,260	399	519	741	781	716	0
510000	Reg Salaries - Training	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	15,000	2,359	962	224	991	1,603	2,416	2,690	474	618	882	929	852	0
510001	Payout of Vacation and Sick Accruals	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	4,000	629	256	60	264	427	644	717	126	165	235	248	227	0
510005	Limited Term EE Salaries - Collector	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
510005	Part-Time Labor - Training	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	1,455	229	93	22	96	155	234	261	46	60	86	90	83	0
510006	Overtime Wages	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
510006	Overtime Wages - Training	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	279	44	18	4	18	30	45	50	9	11	16	17	16	0
510006	Overtime Wages - Other City Depts	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
510025	Compensated Absences	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
510030	Cell Phone Reimbursement	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
511005	Health Insurance	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	392,200	61,670	25,145	5,848	25,916	41,914	63,168	70,334	12,400	16,153	23,068	24,295	22,287	0
511010	Worker Compensation Insur	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	39,336	6,185	2,522	587	2,599	4,204	6,336	7,054	1,244	1,620	2,314	2,437	2,235	0
511015	Life Insurance	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	5,500	865	353	82	363	588	886	986	174	227	323	341	313	0
511020	Social Security Taxes	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	132,320	20,806	8,484	1,973	8,744	14,141	21,312	23,729	4,184	5,450	7,783	8,197	7,519	0
511025	Retirement Benefits	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	117,810	18,525	7,553	1,757	7,785	12,590	18,975	21,127	3,725	4,852	6,929	7,298	6,695	0
511065	Employee Recognition	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	1,000	157	64	15	66	107	161	179	32	41	59	62	57	0
520006	Regulatory / Permit Fees	0.00%	0.00%	0.00%	0.00%	12.56%	31.08%	35.51%	15.30%	3.22%	0.00%	0.00%	0.00%	0.00%	50,500	0	0	0	0	6,344	15,697	17,932	7,727	1,625	0	0	0	1,176
520010	Audit & Accounting Services	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	3,300	519	212	49	218	353	532	592	104	136	194	204	188	0
520050	Consulting Services	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	200,000	36,201	9,708	15,986	12,842	17,059	27,893	30,461	8,025	6,080	7,019	20,907	7,117	703
520055	Recruitment	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	1,200	217	58	96	77	102	167	183	48	36	42	125	43	4
520100	Contract Svcs. - Laundering	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	1,700	308	83	136	109	145	237	259	68	52	60	178	60	6
520110	Fleet Lease Admin. Fees	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	7,850	1,421	381	627	504	670	1,095	1,196	315	239	275	821	279	28
520134	Other City Dept Svcs.	15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	237,500	37,345	15,227	3,541	15,694	25,381	38,252	42,591	7,509	9,782	13,969	14,712	13,496	0
520140	Cust. Records and Collection	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	16.80%	83.20%	0.00%	0.00%	30,000	0	0	0	0	0	0	0	0	0	5,041	24,959	0	0	
521005	Lodging, transportation, and meals	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	3,000	543	146	240	193	256	418	457	120	91	105	314	107	11
521006	Fees for training and conferences	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	25,000	4,525	1,213	1,998	1,605	2,132	3,487	3,808	1,003	760	877	2,613	890	88
521101	Telephone and cell phone expenses	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	22,000	3,982	1,068	1,758	1,413	1,876	3,068	3,351	883	669	772	2,300	783	77
530200	Property Insurance	0.00%	5.31%	0.00%	9.69%	10.68%	26.42%	30.18%	13.01%	2.73%	0.00%	0.00%	0.00%	100,540	0	5,340	0	9,741	10,735	26,563	30,345	13,076	2,750	0	0	0	0	1,989
530250	Liability Insurance	17.71%			32.29%	9.66%	14.93%	19.24%	2.50%	3.67%	0.00%	0.00%	0.00%	40,101	0	7,100	0	12,950	3,874	5,987	7,714	1,003	1,473	0	0	0	0	0
532000	Office Supplies	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	4,040	731	196	323	259	345	563	615	162	123	142	422	144	14
532010	Operating Supplies	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	65,000	11,765	3,155	5,195	4,174	5,544	9,065	9,900	2,608	1,976	2,281	6,795	2,313	228
532055	Gasoline	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	16,100	2,914	781	1,287	1,034	1,373	2,245	2,452	646	489	565	1,683	573	57
532056	Diesel Fuel	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	26,450	4,788	1,284	2,114	1,698	2,256	3,689	4,028	1,061	804	928	2,765	941	93
532060	Postage and Freight	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	1,581	286	77	126	102	135	220	241	63	48	55	165	56	6
532065	Printing of Internal Forms	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	500	91	24	40	32	43	70	76	20	15	18	52	18	2
532085	Memberships and subscriptions	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	32,135	5,817	1,560	2,568	2,063	2,741	4,482	4,894	1,289	977	1,128	3,359	1,144	113
532085	Safety Equipment	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	20,000	3,620	971	1,599	1,284	1,706	2,789	3,046	803	608	702	2,091	712	70
533010	Computer Equip	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	20,000	3,620	971	1,599	1,284	1,706	2,789	3,046	803	608	702	2,091	712	70
533030	Mjr Tools and Equip Under \$10,000	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	50,000	9,050	2,427	3,996	3,211	4,265	6,973	7,615	2,006	1,520	1,755	5,227	1,779	176
533035	Small Tools	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%																			

New Object No.	Account Description	Coll Main	Coll LS	Int Main	Int LS	Flow	BOD	TSS	Phos	NH-3	Billing	Conn	Ind. Pre-Treat	Hauled Waste	Total (\$)	Lift Stations (\$)		Lift Stations (\$)		Flow	BOD	TSS	P	NH-3	Billing	Meter / Connection (\$)	Industrial Pretreat. (\$)	Hauled Waste (\$)
		(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)		(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
521105	Sewer	100.00%													1,400	0	1,400	0	0	0	0	0	0	0	0	0	0	0
521105	Sewer			100.00%											1,400	0	0	0	1,400	0	0	0	0	0	0	0	0	0
521106	Storm Water	100.00%													157	0	157	0	0	0	0	0	0	0	0	0	0	0
521106	Storm Water			100.00%											157	0	0	0	157	0	0	0	0	0	0	0	0	0
540000	R&M Buildings	100.00%													3,535	0	3,535	0	0	0	0	0	0	0	0	0	0	0
540000	R&M Buildings			100.00%											25,250	0	0	0	25,250	0	0	0	0	0	0	0	0	0
540050	R&M Grounds	100.00%													10,100	0	10,100	0	0	0	0	0	0	0	0	0	0	0
540050	R&M Grounds			100.00%											7,070	0	0	0	7,070	0	0	0	0	0	0	0	0	0
540100	R&M Equip/Mach	100.00%													25,250	0	25,250	0	0	0	0	0	0	0	0	0	0	0
540100	R&M Equip/Mach			100.00%											60,600	0	0	0	60,600	0	0	0	0	0	0	0	0	0
SUBTOTAL LIFT STATIONS		0.00%	35.41%	0.00%	64.59%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	401,195	0	142,069	0	259,125	0	0	0	0	0	0	0	0	
CUSTOMER ACCOUNTS - 6306338																												
510000	Salaries and wages											100.00%			75,000	0	0	0	0	0	0	0	0	0	0	75,000	0	0
510000	Salaries and wages										100.00%				69,670	0	0	0	0	0	0	0	0	0	69,670	0	0	0
510006	Overtime Wages											100.00%			40	0	0	0	0	0	0	0	0	0	0	40	0	0
510006	Overtime Wages										100.00%				1,580	0	0	0	0	0	0	0	0	0	1,580	0	0	0
520075	Temporary Labor Services										100.00%				0	0	0	0	0	0	0	0	0	0	0	0	0	0
520134	Metering Expenses											100.00%			277,750	0	0	0	0	0	0	0	0	0	0	277,750	0	0
550150	Bad Debt Expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	16.80%	83.20%	0.00%	0.00%	2,020	0	0	0	0	0	0	0	0	0	339	1,681	0	0
SUBTOTAL CUSTOMER ACCOUNTS		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	16.80%	83.20%	0.00%	0.00%	426,060	0	0	0	0	0	0	0	0	0	71,589	354,471	0	0
FACILITY OPERATIONS - 6306340																												
510000	Reg Salaries - Oper & Mtce	0.00%	0.00%	0.00%	0.00%	19.32%	29.86%	38.47%	5.00%	7.35%	0.00%	0.00%	0.00%	0.00%	465,476	0	0	0	0	89,946	138,989	179,071	23,274	34,196	0	0	0	0
510005	Limited Term EE Salaries	0.00%	0.00%	0.00%	0.00%	19.32%	29.86%	38.47%	5.00%	7.35%	0.00%	0.00%	0.00%	0.00%	13,088	0	0	0	0	2,529	3,908	5,035	654	962	0	0	0	0
510006	Overtime Wages - Oper & Mtce	0.00%	0.00%	0.00%	0.00%	19.32%	29.86%	38.47%	5.00%	7.35%	0.00%	0.00%	0.00%	0.00%	15,408	0	0	0	0	2,977	4,601	5,928	770	1,132	0	0	0	0
510030	Cell Phone Reimbursement	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
521102	Electricity	0.00%	0.00%	0.00%	0.00%	30.57%	30.52%	16.64%	12.47%	9.79%	0.00%	0.00%	0.00%	0.00%	200,000	0	0	0	0	61,142	61,035	33,290	24,950	19,583	0	0	0	0
521103	Water	0.00%	0.00%	0.00%	0.00%	12.56%	31.08%	35.51%	15.30%	3.22%	0.00%	0.00%	0.00%	2.33%	45,000	0	0	0	0	5,653	13,987	15,979	6,886	1,448	0	0	0	1,048
521104	Natural Gas	0.00%	0.00%	0.00%	0.00%	13.53%	32.90%	43.43%	5.00%	5.14%	0.00%	0.00%	0.00%	0.00%	334,750	0	0	0	0	45,280	110,138	145,380	16,738	17,215	0	0	0	0
521105	Sewer	0.00%	0.00%	0.00%	0.00%	12.56%	31.08%	35.51%	15.30%	3.22%	0.00%	0.00%	0.00%	2.33%	70,000	0	0	0	0	8,793	21,758	24,856	10,711	2,252	0	0	1,629	0
521106	Storm Sewer Fee Payments	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	1,313	238	64	105	84	112	183	200	53	40	46	137	47	5
532090	Chemical Supplies	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	#####	0.00%	0.00%	0.00%	0.00%	0.00%	707,000	0	0	0	0	0	0	707,000	0	0	0	0	0	0
532090	Chemical Supplies	0.00%	0.00%	0.00%	0.00%	0.00%	40.00%	55.00%	5.00%	0.00%	0.00%	0.00%	0.00%	0.00%	353,500	0	0	0	0	0	141,400	194,425	17,675	0	0	0	0	0
532090	Chemical Supplies	0.00%	0.00%	0.00%	0.00%	12.86%	31.82%	36.36%	15.67%	3.29%	0.00%	0.00%	0.00%	0.00%	30,300	0	0	0	0	3,897	9,642	11,016	4,747	998	0	0	0	0
540000	R&M Buildings	0.00%	0.00%	0.00%	0.00%	12.56%	31.08%	35.51%	15.30%	3.22%	0.00%	0.00%	0.00%	2.33%	25,250	0	0	0	0	3,172	7,848	8,966	3,864	812	0	0	0	588
540050	R&M Grounds	0.00%	0.00%	0.00%	0.00%	12.56%	31.08%	35.51%	15.30%	3.22%	0.00%	0.00%	0.00%	2.33%	15,150	0	0	0	0	1,903	4,709	5,380	2,318	487	0	0	0	353
540100	R&M Equip/Mach	0.00%	0.00%	0.00%	0.00%	12.56%	31.08%	35.51%	15.30%	3.22%	0.00%	0.00%	0.00%	2.33%	360,570	0	0	0	0	45,295	112,074	128,034	55,172	11,601	0	0	0	8,393
	R&M Biogas Cogeneration	0.00%	0.00%	0.00%	0.00%	30.57%	30.52%	16.64%	12.47%	9.79%	0.00%	0.00%	0.00%	0.00%	110,000	0	0	0	0	33,628	33,569	18,309	13,722	10,771	0	0	0	0
510030	Cell Phone Reimbursement	18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SUBTOTAL FACILITY OPERATIONS		0.01%	0.00%	0.00%	0.00%	11.08%	24.17%	28.25%	32.35%	3.70%	0.00%	0.00%	0.00%	0.06%	2,746,805	238	64	105	84	304,329	663,842	775,867	888,533	101,497	46	137	1,676	10,386
Subtotal for G & A Labor Allocation		15.72%	6.41%	1.49%	6.61%	10.69%	16.11%	17.93%	3.16%	4.12%	5.88%	6.19%	5.68%	0.00%	1,211,377	190,478	77,666	18,062	80,047	129,459	195,106	217,238	38,301	49,892	71,250	75,040	68,838	0
Subtotal for G & A Allocation		18.10%	4.85%	7.99%	6.42%	8.53%	13.95%	15.23%	4.01%	3.04%	3.51%	10.45%	3.56%	0.35%	4,420,740	800,174	214,573	353,342	283,863	377,064	616,544	673,297	177,388	134,388	155,142	462,118	157,317	15,529
TOTAL OPERATION & MAINTENANCE		13.55%	3.97%	6.01%	5.94%	8.09%	15.37%	17.25%	13.62%	2.83%	2.63%	7.80%	2.66%	0.29%	7,500,026	1,015,887	297,414	450,545	445,429	606,698	1,152,590	1,293,703	1,021,321	212,469	197,485	585,044	199,410	22,031
Less: Non-Sewer Deduct Charges												100.00%			0	0	0	0	0	0	0	0	0	0	0	0	0	0
Less: Late Payment Charges											100.00%				(56,920)	0	0	0	0	0	0	0	0	0	(56,920)	0	0	0
Less: All Other Revenues						12.56%	31.08%	35.51%	15.30%	3.22%	0.00%	0.00%		2.33%	(3,735)	0	0	0	0	(469)	(1,161)	(1,326)	(572)	(120)	0	0	0	(87)
Less: Pre-Treatment Charges												100.00%			(199,410)	0	0	0	0	0	0	0	0	0	0	0	(199,410)	0
NET OPERATION & MAINTENANCE		14.03%	4.11%	6.22%	6.15%	8.37%	15.90%	17.85%	14.10%	2.93%	1.94%	8.08%	0.00%	0.30%	7,239,961	1,015,887	297,414	450,545	445,429	606,228	1,151,429	1,292,377	1,020,749	212,349	140,565	585,044	0	21,944

Allocation of Utility-Financed Plant to Service Cost Functions

Acct No.	Account Description	YE Balance 2023 (\$)	Allocation Percents										CONVEYANCE		TREATMENT PLANT					CUSTOMER COSTS		HAULED WASTE
			Coll	Int	Flow	BOD	TSS	P	NH-3	Cust	Conn	HW	Collection System	Interceptor System	Flow	BOD	TSS	P	NH-3	Billing	Meter / Conn	(\$)
WASTEWATER TREATMENT FACILITY:																						
1.1	Prelim.- Raw Sewage Pumping	890,991	0%	0%	100%	0%	0%	0%	0%	0%	0%	0	0	890,991	0	0	0	0	0	0	0	
1.2	Prelim.- Bar Screening / Communion	1,030,279	0%	0%	70%	0%	30%	0%	0%	0%	0%	0	0	721,195	0	309,084	0	0	0	0	0	
1.3	Prelim.- Grit Removal	736,526	0%	0%	70%	0%	30%	0%	0%	0%	0%	0	0	515,568	0	220,958	0	0	0	0	0	
1.4	Prelim.- Septage Receiving	2,106,143	0%	0%	0%	0%	0%	0%	0%	0%	100%	0	0	0	0	0	0	0	0	0	2,106,143	
2	Primary Treatment	713,874	0%	0%	30%	10%	55%	5%	0%	0%	0%	0	0	214,162	71,387	392,631	35,694	0	0	0	0	
2.1	Primary Clarifier	1,953,891	0%	0%	50%	20%	28%	3%	0%	0%	0%	0	0	976,945	390,778	537,320	48,847	0	0	0	0	
3	Secondary Treatment	0	0%	0%	20%	45%	10%	5%	20%	0%	0%	0	0	0	0	0	0	0	0	0	0	
3.1	Secondary - Activated Sludge	5,757,074	0%	0%	20%	45%	10%	5%	20%	0%	0%	0	0	1,151,415	2,590,683	575,707	287,854	1,151,415	0	0	0	
3.6	Secondary - Phosphorus	7,938,354	0%	0%	0%	0%	0%	100%	0%	0%	0%	0	0	0	0	0	7,938,354	0	0	0	0	
3.7	Secondary - NH ₃ -N	24,023	0%	0%	0%	0%	0%	0%	100%	0%	0%	0	0	0	0	0	0	24,023	0	0	0	
3.8	Secondary - Return Sludge Pumping	0	0%	0%	20%	32%	44%	4%	0%	0%	0%	0	0	0	0	0	0	0	0	0	0	
3.9	Secondary - Final Clarifier	223,995	0%	0%	20%	32%	44%	4%	0%	0%	0%	0	0	44,799	71,678	98,558	8,960	0	0	0	0	
4	Advanced Treatment	0	0%	0%	30%	30%	30%	10%	0%	0%	0%	0	0	0	0	0	0	0	0	0	0	
5	Biosolids Trmnt & Disposal	43,638,439	0%	0%	0%	40%	55%	5%	0%	0%	0%	0	0	0	17,455,375	24,001,141	2,181,922	0	0	0	0	
6	Disinfection	1,121,728	0%	0%	100%	0%	0%	0%	0%	0%	0%	0	0	1,121,728	0	0	0	0	0	0	0	
7	Plant Site Piping & Pumps	1,070,138	0%	0%	9%	32%	41%	16%	2%	0%	0%	0	0	94,210	343,958	436,809	175,517	19,645	0	0	0	
8	Laboratory & Monitoring	76,372	0%	0%	25%	35%	20%	10%	10%	0%	0%	0	0	19,093	26,730	15,274	7,637	7,637	0	0	0	
8.1	Flow Monitoring Eqmt.	61,196	0%	0%	100%	0%	0%	0%	0%	0%	0%	0	0	61,196	0	0	0	0	0	0	0	
8.2	Safety Equipment	7,094	0%	0%	9%	32%	41%	16%	2%	0%	0%	0	0	625	2,280	2,896	1,164	130	0	0	0	
9	Electrical	14,565,205	0%	0%	31%	31%	17%	12%	10%	0%	0%	0	0	4,452,753	4,444,945	2,424,342	1,816,983	1,426,183	0	0	0	
10	WWTP Non-Specific	8,561,323	0%	0%	13%	32%	36%	16%	3%	0%	0%	0	0	1,101,117	2,724,485	3,112,479	1,341,220	282,023	0	0	0	
	SUBTOTAL	90,476,644	0%	0%	13%	31%	36%	15%	3%	0%	2%	0	0	11,365,796	28,122,301	32,127,199	13,844,150	2,911,056	0	0	2,106,143	
	PERCENTAGE											0.00%	0.00%	12.56%	31.08%	35.51%	15.30%	3.22%	0.00%	0.00%	2.33%	
CONVEYANCE SYSTEM:																						
15	Interceptor Mains	8,484,961	0%	100%	0%	0%	0%	0%	0%	0%	0	8,484,961	0	0	0	0	0	0	0	0	0	
16	Interceptor Lift Stations	3,525,081	0%	100%	0%	0%	0%	0%	0%	0%	0	3,525,081	0	0	0	0	0	0	0	0	0	
17	Force Mains	0	0%	100%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0	0	0	0	0	
20	Collection Mains / Other Eqmt.	22,407,781	60%	0%	0%	0%	0%	0%	0%	15%	25%	13,444,669	0	0	0	0	0	3,361,167	5,601,945	0	0	
21	Collection Lift Stations (All)	3,138,194	100%	0%	0%	0%	0%	0%	0%	0%	0%	3,138,194	0	0	0	0	0	0	0	0	0	
25	Service Connections / Laterals	0	0%	0%	0%	0%	0%	0%	0%	0%	100%	0	0	0	0	0	0	0	0	0	0	
26	Other Conveyance System - Non Specific	1,734,989	44%	32%	0%	0%	0%	0%	0%	9%	15%	766,085	554,832	0	0	0	0	155,277	258,795	0	0	
	SUBTOTAL	39,291,006	44%	32%	0%	0%	0%	0%	0%	9%	15%	17,348,947	12,564,874	0	0	0	0	3,516,444	5,860,740	0	0	
	PERCENTAGE											44.16%	31.98%	0.00%	0.00%	0.00%	0.00%	8.95%	14.92%	0.00%	0.00%	
SUBTOTAL WWTP AND INTERCEPTORS												0	12,010,041	11,365,796	28,122,301	32,127,199	13,844,150	2,911,056	0	0	2,106,143	
												0.00%	11.72%	11.09%	27.44%	31.35%	13.51%	2.84%	0.00%	0.00%	2.06%	
SUBTOTAL WWTP AND CONVEYANCE		129,767,650	13%	10%	9%	22%	25%	11%	2%	3%	5%	2%	17,348,947	12,564,874	11,365,796	28,122,301	32,127,199	13,844,150	2,911,056	3,516,444	5,860,740	2,106,143

Acct No.	Account Description	YE Balance 2023 (\$)	Allocation Percents										CONVEYANCE		TREATMENT PLANT					CUSTOMER COSTS		HAULED WASTE
			Coll	Int	Flow	BOD	TSS	P	NH-3	Cust	Conn	HW	Collection System	Interceptor System	Flow	BOD	TSS	P	NH-3	Billing	Meter / Conn	
													(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
												13.37%	9.68%	8.76%	21.67%	24.76%	10.67%	2.24%	2.71%	4.52%	1.62%	
GENERAL PLANT EQUIPMENT:																						
28.1	Land & Land Rights	0	13%	10%	9%	22%	25%	11%	2%	3%	5%	2%	0	0	0	0	0	0	0	0	0	
28.2	Struct. & Improv.	0	13%	10%	9%	22%	25%	11%	2%	3%	5%	2%	0	0	0	0	0	0	0	0	0	
28.3	Office Furn. & Eqmt.	0	13%	10%	9%	22%	25%	11%	2%	3%	5%	2%	0	0	0	0	0	0	0	0	0	
28.4	Office Furn. & Eqmt.- EDP	54,489	13%	10%	9%	22%	25%	11%	2%	3%	5%	2%	7,285	5,276	4,772	11,809	13,490	5,813	1,222	1,477	2,461	884
28.5	Transport. Eqmt.	2,405,754	13%	10%	9%	22%	25%	11%	2%	3%	5%	2%	321,631	232,939	210,710	521,357	595,604	256,656	53,968	65,191	108,652	39,046
28.6	Communications Eqmt.	5,699	13%	10%	9%	22%	25%	11%	2%	3%	5%	2%	762	552	499	1,235	1,411	608	128	154	257	92
28.7	Tools, Shop & Misc.	64,261	13%	10%	9%	22%	25%	11%	2%	3%	5%	2%	8,591	6,222	5,628	13,926	15,909	6,856	1,442	1,741	2,902	1,043
28.8	Safety Eqmt.	0	13%	10%	9%	22%	25%	11%	2%	3%	5%	2%	0	0	0	0	0	0	0	0	0	0
28.9	Other Genrl. Eqmt.	151,811	13%	10%	9%	22%	25%	11%	2%	3%	5%	2%	20,296	14,699	13,296	32,899	37,584	16,196	3,406	4,114	6,856	2,464
	SUBTOTAL	2,682,013	13%	10%	9%	22%	25%	11%	2%	3%	5%	2%	358,565	259,688	234,906	581,226	663,999	286,128	60,165	72,677	121,129	43,529
	TOTAL	132,449,663											17,707,512	12,824,562	11,600,702	28,703,527	32,791,197	14,130,278	2,971,221	3,589,121	5,981,869	2,149,672
												13.4%	9.7%	8.8%	21.7%	24.8%	10.7%	2.2%	2.7%	4.5%	1.6%	

Allocation of Depreciation to Service Cost Functions

Acct No.	Account Description	2024 Allocation Percents										CONVEYANCE		TREATMENT PLANT					CUSTOMER COSTS		HAULED WASTE	
		Total Projected Depreciation (\$)	Coll	Int	Flow	BOD	TSS	P	NH-3	Cust	Conn	HW	Collection System (\$)	Interceptor System (\$)	Flow (\$)	BOD (\$)	TSS (\$)	P (\$)	NH-3 (\$)	Billing (\$)	Meter / Conn (\$)	(\$)
WASTEWATER TREATMENT FACILITY:																						
1.1	Prelim.- Raw Sewage Pumping	18,719	0%	0%	100%	0%	0%	0%	0%	0%	0%	0	0	18,719	0	0	0	0	0	0	0	
1.2	Prelim.- Bar Screening / Communion	25,000	0%	0%	70%	0%	30%	0%	0%	0%	0%	0	0	17,500	0	7,500	0	0	0	0	0	
1.3	Prelim.- Grit Removal	11,859	0%	0%	70%	0%	30%	0%	0%	0%	0%	0	0	8,301	0	3,558	0	0	0	0	0	
1.4	Prelim.- Septage Receiving	42,123	0%	0%	0%	0%	0%	0%	0%	0%	100%	0	0	0	0	0	0	0	0	0	42,123	
2	Primary Treatment	750	0%	0%	30%	10%	55%	5%	0%	0%	0%	0	0	225	75	413	38	0	0	0	0	
2.1	Primary Clarifier	92,550	0%	0%	50%	20%	28%	3%	0%	0%	0%	0	0	46,275	18,510	25,451	2,314	0	0	0	0	
3	Secondary Treatment	0	0%	0%	20%	45%	10%	5%	20%	0%	0%	0	0	0	0	0	0	0	0	0	0	
3.1	Secondary - Activated Sludge	200,121	0%	0%	20%	45%	10%	5%	20%	0%	0%	0	0	40,024	90,054	20,012	10,006	40,024	0	0	0	
3.6	Secondary - Phosphorus	265,831	0%	0%	0%	0%	0%	100%	0%	0%	0%	0	0	0	0	0	265,831	0	0	0	0	
3.7	Secondary - NH ₃ -N	0	0%	0%	0%	0%	0%	0%	100%	0%	0%	0	0	0	0	0	0	0	0	0	0	
3.8	Secondary - Return Sludge Pumping	0	0%	0%	20%	32%	44%	4%	0%	0%	0%	0	0	0	0	0	0	0	0	0	0	
3.9	Secondary - Final Clarifier	3,153	0%	0%	20%	32%	44%	4%	0%	0%	0%	0	0	631	1,009	1,387	126	0	0	0	0	
4	Advanced Treatment	0	0%	0%	30%	30%	30%	10%	0%	0%	0%	0	0	0	0	0	0	0	0	0	0	
5	Biosolids Trmnt & Disposal	1,342,164	0%	0%	0%	40%	55%	5%	0%	0%	0%	0	0	0	536,866	738,190	67,108	0	0	0	0	
6	Disinfection	29,511	0%	0%	100%	0%	0%	0%	0%	0%	0%	0	0	29,511	0	0	0	0	0	0	0	
7	Plant Site Piping & Pumps	28,856	0%	0%	8%	32%	40%	17%	2%	0%	0%	0	0	2,338	9,376	11,552	5,010	580	0	0	0	
8	Laboratory & Monitoring	4,395	0%	0%	25%	35%	20%	10%	10%	0%	0%	0	0	1,099	1,538	879	440	440	0	0	0	
8.1	Flow Monitoring Eqmt.	2,007	0%	0%	100%	0%	0%	0%	0%	0%	0%	0	0	2,007	0	0	0	0	0	0	0	
8.2	Safety Equipment	0	0%	0%	8%	32%	40%	17%	2%	0%	0%	0	0	0	0	0	0	0	0	0	0	
9	Electrical	536,347	0%	0%	31%	31%	17%	12%	10%	0%	0%	0	0	163,967	163,680	89,274	66,908	52,518	0	0	0	
10	WWTP Non-Specific	310,970	0%	0%	13%	32%	35%	16%	4%	0%	0%	0	0	40,139	99,693	109,055	50,724	11,360	0	0	0	
	SUBTOTAL	2,914,354	0%	0%	13%	32%	35%	16%	4%	0%	1%	0	0	370,735	920,801	1,007,270	468,504	104,921	0	0	42,123	
CONVEYANCE SYSTEM:																						
15	Interceptor Mains	82,375	0%	100%	0%	0%	0%	0%	0%	0%	0%	0	82,375	0	0	0	0	0	0	0	0	
16	Interceptor Lift Stations	98,430	0%	100%	0%	0%	0%	0%	0%	0%	0%	0	98,430	0	0	0	0	0	0	0	0	
17	Force Mains	0	0%	100%	0%	0%	0%	0%	0%	0%	0%	0	0	0	0	0	0	0	0	0	0	
20	Collection Mains / Other Eqmt.	219,487	60%	0%	0%	0%	0%	0%	0%	15%	25%	131,692	0	0	0	0	0	0	32,923	54,872	0	
21	Collection Lift Stations (All)	83,089	100%	0%	0%	0%	0%	0%	0%	0%	0%	83,089	0	0	0	0	0	0	0	0	0	
25	Service Connections / Laterals	0	0%	0%	0%	0%	0%	0%	0%	0%	100%	0	0	0	0	0	0	0	0	0	0	
26	Other Conveyance System - Non Specific	60,806	44%	37%	0%	0%	0%	0%	0%	7%	11%	27,018	22,744	0	0	0	0	0	4,141	6,902	0	
	SUBTOTAL	544,186	44%	37%	0%	0%	0%	0%	0%	7%	11%	241,799	203,548	0	0	0	0	0	37,065	61,774	0	

Acct No.	Account Description	2024 Allocation Percents											CONVEYANCE		TREATMENT PLANT				CUSTOMER COSTS		HAULED WASTE	
		Total Projected Depreciation (\$)	Coll	Int	Flow	BOD	TSS	P	NH-3	Cust	Conn	HW	Collection System (\$)	Interceptor System (\$)	Flow (\$)	BOD (\$)	TSS (\$)	P (\$)	NH-3 (\$)	Billing (\$)	Meter / Conn (\$)	WASTE (\$)
GENERAL PLANT EQUIPMENT:																						
28.1	Land & Land Rights	0	7%	6%	11%	27%	29%	14%	3%	1%	2%	1%	0	0	0	0	0	0	0	0	0	
28.2	Struct. & Improv.	0	7%	6%	11%	27%	29%	14%	3%	1%	2%	1%	0	0	0	0	0	0	0	0	0	
28.3	Office Furn. & Eqmt.	0	7%	6%	11%	27%	29%	14%	3%	1%	2%	1%	0	0	0	0	0	0	0	0	0	
28.4	Office Furn. & Eqmt.- EDP	0	7%	6%	11%	27%	29%	14%	3%	1%	2%	1%	0	0	0	0	0	0	0	0	0	
28.5	Transport. Eqmt.	142,748	7%	6%	11%	27%	29%	14%	3%	1%	2%	1%	9,980	8,401	15,302	38,005	41,574	19,337	4,331	1,530	2,550	1,739
28.6	Communications Eqmt.	570	7%	6%	11%	27%	29%	14%	3%	1%	2%	1%	40	34	61	152	166	77	17	6	10	7
28.7	Tools, Shop & Misc.	0	7%	6%	11%	27%	29%	14%	3%	1%	2%	1%	0	0	0	0	0	0	0	0	0	0
28.8	Safety Eqmt.	0	7%	6%	11%	27%	29%	14%	3%	1%	2%	1%	0	0	0	0	0	0	0	0	0	0
28.9	Other Genrl. Eqmt.	5,664	7%	6%	11%	27%	29%	14%	3%	1%	2%	1%	396	333	607	1,508	1,650	767	172	61	101	69
	SUBTOTAL	148,982	7%	6%	11%	27%	29%	14%	3%	1%	2%	1%	10,416	8,768	15,970	39,665	43,390	20,182	4,520	1,597	2,661	1,815
	TOTAL	3,607,522											252,215	212,316	386,705	960,466	1,050,660	488,685	109,441	38,661	64,435	43,937

Summary of Allocation of Operating Costs to Service Cost Functions

Retail Rate of Return - Collection System 0.00%
Retail Rate of Return - Non-Collection 5.70%
 NIRB - Collection System 18,301,637
 NIRB - Non-Collection 64,945,352

Operating Cost	Total (\$)	CONVEYANCE		WASTE TREATMENT					CUSTOMER COSTS		HAULED WASTE
		Collection System	Interceptor System	Flow	BOD	TSS	P	NH-3	Billing	Meter / Connection	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operation and Maintenance	7,239,961	1,313,301	895,974	606,228	1,151,429	1,292,377	1,020,749	212,349	140,565	585,044	21,944
Depreciation	3,607,522	252,215	212,316	386,705	960,466	1,050,660	488,685	109,441	38,661	64,435	43,937
Return on NIRB - Collection System	0	0	0	0	0	0	0	0	0	0	0
Return on NIRB - Non-Collection	3,701,885	0	433,810	410,540	1,015,796	1,160,455	500,060	105,149	0	0	76,075
Total	14,549,368	1,565,516	1,542,101	1,403,473	3,127,691	3,503,492	2,009,494	426,939	179,226	649,479	141,957

Wholesale ROR - Collection System 0.00%
Wholesale ROR - Non-Collection 5.90%
 NIRB - Collection System 18,301,637
 NIRB - Non-Collection 64,945,352

Operating Cost	Total (\$)	CONVEYANCE		WASTE TREATMENT					CUSTOMER COSTS		HAULED WASTE
		Collection System	Interceptor System	Flow	BOD	TSS	P	NH-3	Billing	Meter / Connection	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operation and Maintenance	7,239,961	1,313,301	895,974	606,228	1,151,429	1,292,377	1,020,749	212,349	140,565	585,044	21,944
Depreciation	3,607,522	252,215	212,316	386,705	960,466	1,050,660	488,685	109,441	38,661	64,435	43,937
Return on NIRB - Collection System	0	0	0	0	0	0	0	0	0	0	0
Return on NIRB - Non-Collection	3,831,776	0	449,032	424,945	1,051,438	1,201,173	517,606	108,839	0	0	78,745
Total	14,679,259	1,565,516	1,557,322	1,417,878	3,163,333	3,544,209	2,027,040	430,628	179,226	649,479	144,626

Non-Contract ROR - Collection System 0.00%
Non-Contract ROR - Non-Collection 7.90%
 NIRB - Collection System 18,301,637
 NIRB - Non-Collection 64,945,352

Operating Cost	Total (\$)	CONVEYANCE		WASTE TREATMENT					CUSTOMER COSTS		HAULED WASTE
		Collection System	Interceptor System	Flow	BOD	TSS	P	NH-3	Billing	Meter / Connection	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operation and Maintenance	7,239,961	1,313,301	895,974	606,228	1,151,429	1,292,377	1,020,749	212,349	140,565	585,044	21,944
Depreciation	3,607,522	252,215	212,316	386,705	960,466	1,050,660	488,685	109,441	38,661	64,435	43,937
Return on NIRB - Collection System	0	0	0	0	0	0	0	0	0	0	0
Return on NIRB - Non-Collection	5,130,683	0	601,246	568,994	1,407,857	1,608,350	693,065	145,733	0	0	105,438
Total	15,978,166	1,565,516	1,709,536	1,561,927	3,519,753	3,951,387	2,202,500	467,523	179,226	649,479	171,319

Overall Rate of Return 4.55%
 NIRB - Collection System 18,301,637
 NIRB - Non-Collection 64,945,352

Operating Cost	Total (\$)	CONVEYANCE		WASTE TREATMENT					CUSTOMER COSTS		HAULED WASTE
		Collection System	Interceptor System	Flow	BOD	TSS	P	NH-3	Billing	Meter / Connection	
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Operation and Maintenance	7,239,961	1,313,301	895,974	606,228	1,151,429	1,292,377	1,020,749	212,349	140,565	585,044	21,944
Depreciation	3,607,522	252,215	212,316	386,705	960,466	1,050,660	488,685	109,441	38,661	64,435	43,937
Return on NIRB - Combined	3,791,646	0	443,119	419,362	1,039,475	1,190,928	512,229	107,790	0	0	78,745
Total	14,639,129	1,565,516	1,551,409	1,412,295	3,151,370	3,533,964	2,021,663	429,579	179,226	649,479	144,626

Customer Class Demand Allocation

Customer Class	Billing Units - CCF	BASE DEMAND					EXTRA-CAPACITY MAX DAY DEMAND				BOD			
	Annual Volume (CCF)	Average Day Volume (CF)	System Percent (%)	Collection Percent (%)	Interceptor Percent (%)	Retail Percent (%)	Extra Capacity Ratio	Extra Capacity Volume Per Day (CCF)	System Adjust. Percentage (%)	Coll. Adjust. Percentage (%)	Waste Strength (mg/l)	Loadings (lbs)	Percent (%)	Retail Percent (%)
Residential	932,574.0	255,500	18.36%	23.38%	18.40%	23.31%	0.62	157,215	18.36%	23.38%	350	2,037,414	19.53%	25.24%
Multi-Family	349,555.8	95,769	6.88%	8.76%	6.90%	8.74%	0.62	58,929	6.88%	8.76%	350	763,682	7.32%	9.46%
Commercial	594,400.4	162,849	11.70%	14.90%	11.73%	14.86%	0.62	100,205	11.70%	14.90%	350	1,298,599	12.45%	16.09%
Industrial	996,432.7	272,995	19.61%	24.98%	19.66%	24.91%	0.62	167,981	19.61%	24.98%	350	2,176,927	20.87%	26.97%
Public Authority	243,815.9	66,799	4.80%	6.11%	4.81%	6.09%	0.62	41,103	4.80%	6.11%	350	532,670	5.11%	6.60%
Onalaska	743,386.4	203,667	14.63%	0.00%	14.67%	0.00%	0.62	125,322	14.63%	0.00%	350	1,624,092	15.57%	0.00%
La Crescent	134,849.4	36,945	2.65%	0.00%	2.66%	0.00%	0.62	22,733	2.65%	0.00%	350	294,608	2.82%	0.00%
Campbell	140,146.3	38,396	2.76%	0.00%	2.76%	0.00%	0.62	23,626	2.76%	0.00%	350	306,181	2.93%	0.00%
Shelby SD#2	61,824.0	16,938	1.22%	0.00%	1.22%	0.00%	0.62	10,422	1.22%	0.00%	350	135,068	1.29%	0.00%
Holding Tank Waste	5,353.8	1,467	0.11%	0.00%	0.00%	0.13%	0.62	903	0.11%	0.00%	600	20,051	0.19%	0.25%
Septic Tank Waste	4,256.8	1,166	0.08%	0.00%	0.00%	0.11%	0.62	718	0.08%	0.00%	1,800	47,828	0.46%	0.59%
Grease Trap Waste	1,935.7	530	0.04%	0.00%	0.00%	0.05%	0.62	326	0.04%	0.00%	7,500	90,622	0.87%	1.12%
Category "B" Surcharge Loadings	-	-	0.00%	0.00%	0.00%	0.00%	0.00	-	0.00%	0.00%	-	1,104,742	10.59%	13.69%
Inflow / Infiltration	872,133.9	238,941	17.17%	21.86%	17.20%	21.80%	0.62	147,026	17.17%	21.86%	-	-	0.00%	0.00%
Total	5,080,665.1	1,391,963	100.0%	100.0%	100.0%	100.0%		856,510	100.0%	100.0%		10,432,485	100.0%	100.0%

Customer Class Demand Allocation

Billing Units - CCF

TREATMENT CATEGORIES

Customer Class	TSS					P				NH3			
	Annual Volume (CCF)	Waste Strength (mg/l)	Loadings (lbs)	Percent (%)	Retail Percent (%)	Waste Strength (mg/l)	Loadings (lbs)	Percent (%)	Retail Percent (%)	Waste Strength (mg/l)	Loadings (lbs)	Percent (%)	Retail Percent (%)
Residential	932,574.0	325	1,891,884	21.21%	28.11%	7.0	40,748	20.28%	26.51%	40.0	232,847	21.35%	28.36%
Multi-Family	349,555.8	325	709,133	7.95%	10.54%	7.0	15,274	7.60%	9.94%	40.0	87,278	8.00%	10.63%
Commercial	594,400.4	325	1,205,842	13.52%	17.92%	7.0	25,972	12.93%	16.90%	40.0	148,411	13.60%	18.07%
Industrial	996,432.7	325	2,021,433	22.66%	30.04%	7.0	43,539	21.67%	28.33%	40.0	248,792	22.81%	30.30%
Public Authority	243,815.9	325	494,622	5.54%	7.35%	7.0	10,653	5.30%	6.93%	40.0	60,877	5.58%	7.41%
Onalaska	743,386.4	325	1,508,085	16.91%	0.00%	7.0	32,482	16.17%	0.00%	40.0	185,610	17.02%	0.00%
La Crescent	134,849.4	325	273,565	3.07%	0.00%	7.0	5,892	2.93%	0.00%	40.0	33,670	3.09%	0.00%
Campbell	140,146.3	325	284,311	3.19%	0.00%	7.0	6,124	3.05%	0.00%	40.0	34,992	3.21%	0.00%
Shelby SD#2	61,824.0	325	125,420	1.41%	0.00%	7.0	2,701	1.34%	0.00%	40.0	15,436	1.42%	0.00%
Holding Tank Waste	5,353.8	1,800	60,154	0.67%	0.89%	25.0	835	0.42%	0.54%	50.0	1,671	0.15%	0.20%
Septic Tank Waste	4,256.8	5,500	146,143	1.64%	2.17%	60.0	1,594	0.79%	1.04%	100.0	2,657	0.24%	0.32%
Grease Trap Waste	1,935.7	15,000	181,244	2.03%	2.69%	120.0	1,450	0.72%	0.94%	200.0	2,417	0.22%	0.29%
Category "B" Surcharge Loadings	-	-	18,971	0.21%	0.28%	-	13,624	6.78%	8.86%	-	36,201	3.32%	4.41%
Inflow / Infiltration	872,133.9	-	-	0.00%	0.00%	-	-	0.00%	0.00%	-	-	0.00%	0.00%
Total	5,080,665.1		8,920,807	100.0%	100.0%		200,889	100.0%	100.0%		1,090,859	100.0%	100.0%

Consumer Costs Allocation Factors

Customer Class	Number of Meters												Total Meters	Percent Total	
	5/8	3/4	1	1 1/4	1 1/2	2	3	4	6	8	10	12			
Residential	8,736	4,618	143		2	1								13,500	84.52%
Multi-Family	164	213	308		25	59	4	4	1					778	4.87%
Commercial	302	552	343		57	103	23	18	2					1,400	8.77%
Industrial	4	14	29		10	13	9	14	6	4				103	0.64%
Public Authority	12	52	31		17	55	15	9						191	1.20%
Total	9,218	5,449	854	0	111	231	51	45	9	4	0	0	15,972		

Equivalent Meters														
Allocation factor:	5/8	3/4	1	1 1/4	1 1/2	2	3	4	6	8	10	12	Total Equiv. Meters	Percent Total
Meter Size (Inches):	5/8	3/4	1	1 1/4	1 1/2	2	3	4	6	8	10	12		
Equiv. Meters Ratio:	1	1.0	2.5	3.7	5	8	15	25	50	80	120	160		

Customer Class	5/8	3/4	1	1 1/4	1 1/2	2	3	4	6	8	10	12	Total	Percent
Residential	8,736	4,618	358	-	10	8	-	-	-	-	-	-	13,730	62.79%
Multi-Family	164	213	770	-	125	472	60	100	50	-	-	-	1,954	8.94%
Commercial	302	552	858	-	285	824	345	450	100	-	-	-	3,716	16.99%
Industrial	4	14	73	-	50	104	135	350	300	320	-	-	1,350	6.17%
Public Authority	12	52	78	-	85	440	225	225	-	-	-	-	1,117	5.11%
Total	9,218	5,449	2,135	0	555	1,848	765	1,125	450	320	0	0	21,865	100.00%

Equivalent Services														
Allocation factor:	5/8	3/4	1	1 1/4	1 1/2	2	3	4	6	8	10	12	Total Equiv. Services	Percent Total
Meter Size (Inches):	5/8	3/4	1	1 1/4	1 1/2	2	3	4	6	8	10	12		
Equiv. Services Ratio:	1	1.0	1.3	1.7	2	3	4	5	6	7	8	9		

Customer Class	5/8	3/4	1	1 1/4	1 1/2	2	3	4	6	8	10	12	Total	Percent
Residential	8,736	4,618	186	-	4	3	-	-	-	-	-	-	13,547	78.75%
Multi-Family	164	213	400	-	50	177	16	20	6	-	-	-	1,046	6.08%
Commercial	302	552	446	-	114	309	92	90	12	-	-	-	1,917	11.14%
Industrial	4	14	38	-	20	39	36	70	36	28	-	-	285	1.65%
Public Authority	12	52	40	-	34	165	60	45	-	-	-	-	408	2.37%
Total	9,218	5,449	1,110	0	222	693	204	225	54	28	0	0	17,203	100.00%

Allocation of Service Cost Functions to Customer Classes - Combined Retail and Wholesale Return on Investment

	C		N		N								Category "B"		
	Total	Residential	Multi-Family	Commercial	Industrial	Public Authority	Onalaska	La Crescent	Campbell	Shelby SD#2	Holding Tank Waste	Septic Tank Waste	Grease Trap Waste	Surcharge Loadings	Infiltration / Inflow
CONVEYANCE COSTS:															
Collection	1,565,516	366,004	137,189	233,282	391,067	95,690	0	0	0	0	0	0	0	0	342,284
La Crescent Forcemain	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interceptor	1,551,409	283,703	106,340	180,825	303,129	74,172	228,381	41,428	47,264	20,850	0	0	0	0	265,316
FLOW COSTS:															
Flow	1,412,295	257,612	96,561	164,196	275,253	67,351	207,459	37,633	43,085	19,006	1,494	1,188	540	0	240,917
TREATMENT COSTS:															
BOD	3,151,370	610,823	228,954	389,324	652,650	159,696	492,456	89,331	103,300	45,570	6,080	14,503	27,478	331,205	0
TSS	3,533,964	743,005	278,500	473,573	793,882	194,254	599,158	108,687	125,933	55,554	23,899	58,062	72,008	7,451	0
P	2,021,663	407,606	152,783	259,799	435,517	106,566	327,754	59,454	67,138	29,617	8,430	16,087	14,631	136,281	0
NH-3	429,579	91,131	34,159	58,085	97,372	23,826	73,272	13,291	14,997	6,616	660	1,049	954	14,168	0
CUSTOMER COSTS:															
Billing	179,226	151,487	8,730	15,710	1,156	2,143	0	0	0	0	0	0	0	0	0
Equivalent Meters	649,479	407,822	58,042	110,365	40,086	33,165	0	0	0	0	0	0	0	0	0
HAULED WASTE	144,626	0	0	0	0	0	0	0	0	0	78,185	40,794	25,646	0	0
SUBTOTAL COST before I/I	14,639,129	3,319,194	1,101,257	1,885,160	2,990,112	756,863	1,928,480	349,824	401,716	177,213	118,748	131,683	141,257	489,105	848,516
Collection		270,713	20,152	37,043	6,937	7,439									
Interceptor		58,527	21,938	37,304	62,534	15,301	47,114	8,546	9,750	4,301					
Flow		53,129	19,914	33,863	56,767	13,890	42,786	7,761	8,886	3,920					
I/I Adjustment Allocation %		45%	7%	13%	15%	4%	11%	2%	2%	1%	0%	0%	0%	0%	
I/I Adjustment	0	382,369	62,004	108,210	126,239	36,631	89,900	16,308	18,636	8,221	0	0	0	0	(848,516)
SUBTOTAL COST after I/I	14,639,129	3,701,563	1,163,260	1,993,369	3,116,350	793,495	2,018,380	366,132	420,352	185,434	118,748	131,683	141,257	489,105	0
LESS: SHELBY SD#1 REVENUES	(79,934)	(20,212)	(6,352)	(10,884)	(17,016)	(4,333)	(11,021)	(1,999)	(2,295)	(1,013)	(648)	(719)	(771)	(2,671)	
COST OF SERVICES	14,559,195	3,681,351	1,156,909	1,982,485	3,099,334	789,162	2,007,359	364,133	418,057	184,421	118,100	130,964	140,486	486,435	
REVENUE AT PRESENT RATES	11,252,371	2,824,502	827,673	1,421,672	2,181,584	560,820	1,843,316	338,713	387,659	171,012	80,136	117,438	127,181	370,668	
DIFFERENCE	3,306,824	856,850	329,236	560,813	917,749	228,342	164,043	25,420	30,398	13,410	37,964	13,526	13,305	115,767	
PERCENT INCREASE/DECREASE	29.39%	30.34%	39.78%	39.45%	42.07%	40.72%	8.90%	7.50%	7.84%	7.84%	47.37%	11.52%	10.46%	31.23%	

General Service Charge Calculation

	Cost of Service	Allocated I/I	Units	Annual Billing Periods	Cost per Billing Cycle (\$/Unit)
Billing Cost	\$179,226	\$536,589	15,972	4	\$11.20
Equivalent Meters	\$649,479	\$178,863	21,865	4	\$9.47
	\$828,705	\$715,452			

Billing Cycle - Quarterly

Size of Connection	Billing Cost (\$/unit)	Equivalent Meter Ratio	Meter Cost (\$/unit)	Equivalent Service Ratio	Calculated Charge (\$/unit)	Present Charge (\$/unit)	Proposed Service Charge (\$/unit)	No. Connections	Revenues at Present Rates	Revenues at Proposed Rates
5/8-inch	\$11.20	1.0	\$9.47	1.0	\$20.68	\$15.00	\$18.00	9,218	\$553,080	\$663,696
3/4-inch	\$11.20	1.0	\$9.47	1.0	\$20.68	\$15.00	\$18.00	5,449	\$326,940	\$392,328
1-inch	\$11.20	2.5	\$23.68	1.3	\$34.88	\$24.00	\$30.00	854	\$81,984	\$102,480
1 1/4-inch	\$11.20	3.7	\$35.04	1.7	\$46.25	\$39.00	\$40.00	-	\$0	\$0
1 1/2-inch	\$11.20	5.0	\$47.36	2.0	\$58.56	\$60.00	\$51.00	111	\$17,316	\$22,644
2-inch	\$11.20	8.0	\$75.77	3.0	\$86.97	\$108.00	\$75.00	231	\$55,440	\$69,300
2 1/2-inch	\$11.20	12.0	\$113.65	3.5	\$124.86	\$174.00	\$108.00	-	\$0	\$0
3-inch	\$11.20	15.0	\$142.07	4.0	\$153.27	\$342.00	\$133.00	51	\$22,032	\$27,132
4-inch	\$11.20	25.0	\$236.78	5.0	\$247.98	\$543.00	\$215.00	45	\$31,320	\$38,700
6-inch	\$11.20	50.0	\$473.55	6.0	\$484.76	\$813.00	\$420.00	9	\$12,312	\$15,120
8-inch	\$11.20	80.0	\$757.69	7.0	\$768.89	\$1,080.00	\$666.00	4	\$8,688	\$10,656
10-inch	\$11.20	120.0	\$1,136.53	8.0	\$1,147.74		\$994.00	-	\$0	\$0
12-inch	\$11.20	160.0	\$1,515.38	9.0	\$1,526.58		\$1,322.00	-	\$0	\$0
Total								15,972	\$1,109,112	\$1,342,056
Cost of Service										\$1,544,157
Percent of Cost										86.9%

Volumetric and Surcharge Rate Calculation

	Total	Residential	Multi-Family	Commercial	Industrial	Public Authority	Onalaska	La Crescent	Campbell	Shelby SD#2	Holding Tank Waste	Septic Tank Waste	Grease Trap Waste	Category "B" Surcharge Loadings
Allocated Cost - Volumetric	\$13,076,505	\$2,759,885	\$1,034,485	\$1,759,085	\$2,948,870	\$721,555	\$2,007,359	\$364,133	\$418,057	\$184,421	\$118,100	\$130,964	\$140,486	\$489,105
Billable Units CCF	4,208,531	932,574	349,556	594,400	996,433	243,816	743,386	134,849	140,146	61,824	5,354	4,257	1,936	
Calculated Rate \$ / CCF		\$2.96	\$2.96	\$2.96	\$2.96	\$2.96	\$2.70	\$2.70	\$2.98	\$2.98	\$22.06	\$30.77	\$72.58	
Proposed Rate \$ / CCF		\$3.01	\$3.01	\$3.01	\$3.01	\$3.01	\$2.70	\$2.70	\$2.98	\$2.98	\$16.40	\$27.15	\$67.60	
Proposed Rate \$ / M gals							\$3,610.01	\$3,610.01	\$3,987.97	\$3,987.97				
Proposed Rate \$ / K gals											\$21.93	\$36.30	\$90.37	
Allocated Cost - BOD	\$3,127,691													
Billable Units Pounds	10,405,303													1,104,742
Calculated Rate \$ / lb.	\$0.3006													
Proposed Rate	\$0.300													
Allocated Cost - TSS	\$3,503,492													
Billable Units Pounds	8,895,567													18,971
Calculated Rate \$ / lb.	\$0.3938													
Proposed Rate	\$0.390													
Allocated Cost - Phosphorus	\$2,009,494													
Billable Units Pounds	200,345													13,624
Calculated Rate \$ / lb.	\$10.0302													
Proposed Rate	\$9.950													
Allocated Cost - NH-3	\$426,939													
Billable Units Pounds	1,087,752													36,201
Calculated Rate \$ / lb.	\$0.3925													
Proposed Rate	\$0.390													
Estimated Revenues	\$13,178,224	\$2,807,048	\$1,052,163	\$1,789,145	\$2,999,262	\$733,886	\$2,007,357	\$364,132	\$418,057	\$184,421	\$87,822	\$115,583	\$130,849	\$488,498

**APPENDIX B – BASIS OF RISK PREMIUM FOR NON-CONTRACT VS. CONTRACT
COMMUNITIES**

INTRODUCTION

This updated study proposed to determine revenue requirements using the utility basis method. This is the standard approach for water and sewer utilities regulated by the Public Service Commission of Wisconsin and is common nationwide for utilities that provide service to customers outside of their municipal boundaries, whether on retail or wholesale basis. It is a reasonable and appropriate approach to setting rates because the municipal owner carries certain burdens and risks that the outside communities do not have to bear. If there is not a current agreement for sewer service, the risk is even greater to the municipal utility owner. This appendix explains how the utility basis is appropriate for the La Crosse Sewer Utility, in particular a risk premium for communities lacking current sewer service contracts.

LITERATURE REVIEW

A number of publications discuss the utility basis of setting revenue requirements and rates for sewer utilities. The following excerpts can be found in the manual on rate-setting, "Financing and Charges for Wastewater Systems," published by the Water Environment Federation.⁸

On the general applicability of the utility basis for sewer utilities with wholesale customers:

"The approach works particular well for allocating costs to those customers located outside the corporate limits of a municipality owned utility. In such situations, the service relationship parallels that of an investor-owned utility because the owner (municipality) serves non-owner customers (those outside the corporate limits).

Customers inside the municipal corporate limits may be considered to be the utility's stockholders. They are ultimately responsible for paying all operating and capital costs of the utility should outside customers decide to no longer be served by the municipality. Thus, the municipality is entitled to a reasonable return from the non-owner customers, based on the value of the assets that are used and useful in providing service to them and the business risks inherent in municipal service to non-owner customers."⁹

This has particular application to La Crosse as outside city customers have no obligation to pay any capital costs directly from their own funding or via a direct payment on share of the loan for treatment plant improvements. The La Crosse Sewer Utility is carrying the entire burden of construction, debt, ownership, and replacement, without any guarantee of a certain level of sales

⁸ Water Environment Federation, Financing and Charges for Wastewater Systems, WEF Manual of Practice No. 27, 2004

⁹ Page 234, WEF Manual of Practice No. 27

or even that outside city customers will remain customers, and receiving a return on their investment is a perfectly reasonable expectation for the inside city owner customers. This approach is also of benefit to the outside city customers:

“...the utility basis provides a measure of protection for the non-owner customers against inconsistent capital financing choices or inequitable rate-setting practices of the municipal owner. The utility basis often stabilizes periodic rate changes compared with the cash basis as revenue- or debt-financed capital improvements may fluctuate significantly from year to year.”¹⁰

This is especially true in Wisconsin, which has a regulatory body that maintains a benchmark rate of return on investment for water and sewer utilities. By utilizing this as its own standard, the Utility ensures that outside city customers will not be charged an unfair rate, and any shortfall in revenues must be made up by inside city customers.

Additional risk exists where wholesale customers do not have current contracts for service. It is to the owner utility’s discretion to determine the amount of risk that warrants a higher rate of return for wholesale customers without contracts. On the level of risk regarding wholesale customers and contracts:

“If the municipality serves retail and wholesale customers outside its corporate limits, the utility would probably assess the level of risk involved in serving outside customers and charge a higher rate of return than the rate of return for inside customers.

To derive a higher outside rate of return, municipalities generally either add a fixed percentage in the range of 2 to 4%, or apply a multiplier in the range of 1.25 to 2.00, to the system rate of return as an allowance for cost associated with risk.”¹¹

For contract customers, the Utility is limiting its rate of return to the benchmark set by the Public Service Commission of Wisconsin at the time of setting rates, or to the same rate of return as retail customers if a higher return is needed. This rate is deemed to be a reasonable rate of return by the regulatory body of the State of Wisconsin, regardless of the actual cost of capital obtained by a utility or municipality. However, non-contract customers carry additional risk and can be reasonably charged a higher rate of return:

“Table A.1 shows an outside rate of return of 7.25%, which equates to approximately a 1.74 multiplier applied to the system return. A multiplier this high

¹⁰ Page 234, WEF Manual of Practice No. 27.

¹¹ Page 238, WEF Manual of Practice No. 27.

may be indicative of a service situation where the municipal utility has no means of terminating service to outside retail customers when they fail to pay. The situation could also apply where wholesale service is provided without contract.”¹²

Both of these hypothetical situations exist currently for the City of La Crosse Sewer Utility. It cannot legally terminate service as per the approved Sewer Service Area Plan, and it is currently providing wholesale service without contract.

Another publication discussing issues of wholesale service of wastewater treatment is “Water and Wastewater Finance and Pricing,” written by George A. Raftelis.¹³ To wit:

“The concept of inside-city customer ownership provides a fundamental explanation why the water and wastewater rates paid by outside city retail customers are often higher than those of inside-city retail customers for the same level of service. It also explains why, when industry standard cost-of-service principles are used to calculate outside-city rates (retail or wholesale), the outside revenue requirement generally includes an explicit return on invested capital component.

A secondary justification often used for charging higher rates to outside-city wholesale customers is that such customers create a higher level of risk for the providing utility. For example, a utility providing service to an outside-city wholesale customer may invest in new water or wastewater treatment plant capacity in order to provide service. If the wholesale customer elects to cancel service after the initial contract term, the providing utility may lose a significant source of rate revenue and find that it is left with unused excess treatment plant capacity.”¹⁴

This is the case with the La Crosse Sewer Utility. It is planning to invest in major improvements to its wastewater treatment plant, partially to provide capacity to its outside-city wholesale customers and is shouldering the entire burden of funding construction and the associated debt. At this time, it does not have current contracts to provide service for three of its wholesale customers and so is carrying 100 percent of the risk of providing capacity for these non-captive customers. While the utility does not believe it is in the best interests of its outside-city customers to cancel service, it recognizes that it is a possible outcome, and deems it reasonable to apply a higher rate of return of 2% to the rate of return in order to compensate the utility and its

¹² Page 238, WEF Manual of Practice No. 27.

¹³ Raftelis, George A., CRC Press, Water and Wastewater Finance and Pricing, 2015

¹⁴ Pages 255-256, Raftelis.

municipal owners for the risk and burden of carrying capacity that might go unused and the costs that are associated with such risk.

CONCLUSION

It is the recommendation of this study that it is appropriate to use the utility basis methodology to establish the revenue requirements of the La Crosse Sewer Utility, to charge no more than the PSC benchmark rate of return for wholesale customers, and to apply a risk premium of 2.0% to the rate of return for wholesale customers without a contract for the reasons described within this appendix. Proposed non-contract wholesale customer rates were developed using a rate of return of 7.90% (contract wholesale rate of return of 5.90% plus a 2.0% risk premium) for non-contract customers, as shown in Table 9.



City of La Crosse, Wisconsin

City Hall
400 La Crosse Street
La Crosse, WI 54601

Text File

File Number: 23-1389

Agenda Date: 12/7/2023

Version: 1

Status: New Business

In Control: Finance & Personnel Committee

File Type: Resolution

Resolution amending Appendix C Fee Schedule to reflect 2024 Sanitary Sewer Fee Increase.

RESOLUTION

WHEREAS, resolution 23-1488 approved Sanitary Sewer Utility Fee increases effective January 1, 2024.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of La Crosse that it hereby approves the following change to Appendix C.

46-149	Category A, Retail customers discharging normal domestic strength wastewater quarterly facilities charge - per metering device, excluding deduct meters.		
	$\frac{5}{8}$ " Meter	2020 2024	\$15.00 \$18.00
	$\frac{3}{4}$ " Meter	2020 2024	\$15.00 \$18.00
	1" Meter	2020 2024	\$24.00 \$30.00
	1 $\frac{1}{2}$ " Meter	2020 2024	\$39.00 \$51.00
	2" Meter	2020 2024	\$60.00 \$75.00
	3" Meter	2020 2024	\$108.00 \$133.00
	4" Meter	2020 2024	\$174.00 \$215.00
	6" Meter	2020 2024	\$342.00 \$420.00
	8" Meter	2020 2024	\$543.00 \$666.00
	10" Meter	2020 2024	\$813.00 \$994.00
	12" Meter	2022 2024	\$1,080.00 \$1,322.00
46-149	Category A, Retail customers discharging normal domestic strength wastewater volume unit price, per 100 cubic feet	2023 2024	\$2.15 \$3.01
46-149	Category A, Unmetered – per quarter	2023 2024	\$51.55 \$69.17

46-149	Category B, Retail customers discharging high strength wastewater quarterly facilities charge, per metering device, excluding deduct meters	2020 2024	Same as quarterly facilities charges for Category A, Retail customers discharging normal domestic strength wastewater
46-149	Category B, Retail customers discharging high strength wastewater, volume unit price, per 100 cubic feet	2023 2024	\$2.15 \$3.01
46-149	Category B, Retail customers discharging high strength wastewater, BOD unit price, per pound	2023 2024	\$0.237 \$0.300
46-149	Category B, Retail customers discharging high strength wastewater the billing period, SS unit price, per pound	2023 2024	\$0.289 \$0.390
46-149	Category B, Retail customers discharging high strength wastewater, Phosphorus unit price, per pound	2023 2024	\$6.755 \$9.950
46-149	Category B, Retail customers discharging high strength wastewater the billing period, NH3- N (Ammonia) unit price, per pound	2023 2024	\$0.313 \$0.390
46-149	Category C, Tanker Truck Customers, fixed disposal charge, per load	2023 2024	\$15.20 \$18.00
46-149	Category C, Tanker Truck Customers, volume charge: Holding tank discharge, per Kgal	2023 2024	\$13.82 \$21.93
46-149	Category C, Tanker Truck Customers, volume charge: Septic tank discharge, per Kgal	2023 2024	\$32.82 \$36.30
46-149	Category C, Tanker Truck Customers, volume charge: Grease trap disposal, per Kgal	2023 2024	\$82.22 \$90.37
46-149	Contracted Wholesale Customers	2023 2024	\$3,315.00/per million gallons \$3,610.01/per million gallons

46-149	Non-Contracted Wholesale Customers	2023 2024	\$3,698.00/per million gallons \$3,987.97/per million gallons
46-149	Deduct meter - quarterly fixed charged based on meter size: $\frac{5}{8}$ " & $\frac{3}{4}$ "	2020 2024	\$15.00 \$18.00
46-149	Deduct meter - quarterly fixed charged based on meter size: 1"	2020 2024	\$24.00 \$30.00
46-149	Deduct meter - quarterly fixed charged based on meter size: $1\frac{1}{2}$ "	2020 2024	\$39.00 \$51.00
46-149	Deduct meter - quarterly fixed charged based on meter size: 2"	2020 2024	\$60.00 \$75.00
46-149	Deduct meter - quarterly fixed charged based on meter size: 3"	2020 2024	\$108.00 \$133.00
46-149	Deduct meter - quarterly fixed charged based on meter size: 4"	2020 2024	\$174.00 \$215.00
46-149	Deduct meter - quarterly fixed charged based on meter size: 6"	2020 2024	\$342.00 \$420.00

BE IT FURTHER RESOLVED that all other fees included within Appendix C remain unchanged.

BE IT FURTHER RESOLVED that the Director of Finance and the City Clerk are authorized to take any and all steps necessary to effectuate this resolution.



CITY OF LA CROSSE

400 La Crosse Street
La Crosse, Wisconsin 54601
(608) 789-CITY
www.cityoflacrosse.org

LEGISLATION STAFF REPORT FOR COUNCIL

File ID Caption

Staff/Department Responsible for Legislation

Requestor of Legislation

Location, if applicable

Summary/Purpose

Background

Fiscal Impact

Staff Recommendation



City of La Crosse, Wisconsin

City Hall
400 La Crosse Street
La Crosse, WI 54601

Text File

File Number: 23-1420

Agenda Date: 12/4/2023

Version: 1

Status: Agenda Ready

In Control: Board of Public Works

File Type: General Item



City of La Crosse, Wisconsin

City Hall
400 La Crosse Street
La Crosse, WI 54601

Text File

File Number: 23-1421

Agenda Date: 12/4/2023

Version: 1

Status: Agenda Ready

In Control: Board of Public Works

File Type: General Item

CONTRACT CHANGE ORDER

No. 1

Date November 10, 2023

EDF #22-030

Contract No. LIFT-02022-028 for the following public work: Breezy Point Lift Station Improvements between Winona Mechanical, Inc. and the City of La Crosse, dated 7/07/22, is hereby changed in the following particulars, to-wit:

The following specific work is hereby eliminated from such contract:

- Eliminate CIP concrete base for building.

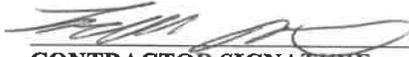
The following specific work is hereby added to such contract:

- Revise traffic control plan
- Add wet well vent pipe.
- Add concrete sidewalk connection from driveway to building.
- Extend completion date to November 16, 2023

By virtue of such changes in the contract, the following revisions shall be made:

Contract -----	\$492,350.00
Contingency -----	\$0.00
Net Previous Change Orders -----	\$0.00
Decrease by eliminations (this C.O.) -----	\$0.00
Increase by additions (this C.O.) -----	\$1,125.00
Net Deductions or Additions (Strike out one) -----	\$1,125.00
Revised Contract Total -----	\$493,475.00

Winona Mechanical, Inc.
NAME OF CONTRACTOR


CONTRACTOR SIGNATURE

BOARD OF PUBLIC WORKS

I HEREBY CERTIFY that there are sufficient funds in the treasury to meet the liability assumed by the foregoing addenda to contract, or that provision has been made to pay the liability that will accrue thereunder. (WS 62.15-12; 62.09-10-f)

DocuSigned by:

David Tauscher

EE923CC8B4BC443...

Budget Analyst

DocuSigned by:

Chadwick Hawkins

A93F306A40954A6...

Controller



City of La Crosse, Wisconsin

City Hall
400 La Crosse Street
La Crosse, WI 54601

Text File

File Number: 23-1424

Agenda Date: 12/4/2023

Version: 1

Status: Agenda Ready

In Control: Board of Public Works

File Type: General Item

BOARD OF PUBLIC WORKS - MONTHLY ESTIMATE

FINAL

Contractor Poellinger Electric, Inc.
 5416 33rd Street South, La Crosse, WI 54601
Contract 10th & Cass Historic Lighting Addition
Date December-23
EDF # 21-064.04
Job Number LITG-22-06

Estimate Number #4 December
Resolution Number 22-011
Contingency Amount \$6,143.56
Contract Amount \$55,856.44
Change Order #1 \$55,856.44

Section Title	Line Item	Item Code	Item Description	Unit of Measure	Quantity	Unit Price	Total
			CURRENT PAYMENT FOR WORK IN 2023				
Total Completed							\$52,951.94
Less 0% Retainage							\$0.00
Amount due on Contract of total amount of work to date:							\$52,951.94

.....20.....

Total Previous Estimates \$41,292.93
 Estimate No. #4 December \$11,659.01

Audited

COMPTROLLER.....

RESOLUTION

RESOLVED: That an order be drawn in favor of Poellinger Electric, Inc..... for the sum of **\$11,659.01**
 the same being payment of the estimate for the 10th & Cass Historic Lighting Addition

Respectfully Submitted,
 COUNCIL COMMITTEE

APPROVED BY BOARD OF PUBLIC WORKS

BOARD OF PUBLIC WORKS - MONTHLY ESTIMATE

Contractor	Poellinger Electric, Inc. 5416 33rd Street South, La Crosse, WI 54601	Estimate Number	Partial Final #6 December
Contract	2022 Pedestrian Lighting Project - Gillette Street and Onalaska Avenue	Resolution Number	22-012
Date	December-23	Contingency Amount	\$82,147.59
EDF #	22-013	Contract Amount	\$547,650.68
Job Number	LITG-22-04	Change Order #1	\$547,650.68

Section Title	Line Item	Item Code	Item Description	Unit of Measure	Quantity	Unit Price	Total
Gillette St-Removals							
	1	5.01	Sawing (Concrete)	LF	315.0	\$4.45	\$1,401.75
	2	11	Remove Concrete Flatwork (Any Thickness)	SF	1078.75	\$2.00	\$2,157.50
Gillette St-Installations							
	3	120	Concrete Flatwork (4")	SF	950.0	\$6.84	\$6,498.00
	4	120	Concrete Flatwork (5")	SF	104.0	\$7.78	\$809.12
	5	121	Truncated Dome Warning Fields (2'x4')	EA	2.0	\$405.70	\$811.40
	6	140	Restoration (Mulch)	SY	30.0	\$22.23	\$666.90
Gillette St-Streetscape							
	7	811	Modified Concrete Base Complete (PT & W)	EA	24.0	\$607.59	\$14,582.16
	8	812	Concrete Control Cabinet Base	EA	1.0	\$677.40	\$677.40
	9	816	Conduit Empty (2" DB)	LF	2100.0	\$16.24	\$34,104.00
	10	816.1	Conduit Empty (2" Material Only)	LF	52.25	\$6.41	\$334.92
	11	817	Cut, Couple, and Connect Conduit at Bases	EA	24.0	\$275.63	\$6,615.12
	12	821	Pull Box (R)	EA	6.0	\$950.77	\$5,704.62
	13	826	Install New Wire Color Coded (5L)	LF	2476.25	\$2.80	\$6,933.50
	14	831.1	Assemble, Wire, and Install Poles Complete (PT & W)	EA	24.0	\$406.49	\$9,755.76
	15	835	Lighting Control Cabinet, Complete (LED)	EA	1.0	\$852.54	\$852.54
Onalaska Ave- Removals							
	16	5.01	Sawing (Concrete)	LF	1150.0	\$4.17	\$4,795.50
	17	10	Remove Concrete Curb & Gutter	LF	140.0	\$4.45	\$623.00
	18	11	Remove Concrete Flatwork (Any Thickness)	SF	4709.0	\$2.00	\$9,418.00
	19	1000	Fence Removal	LF	12.0	\$61.13	\$733.56
Onalaska Ave-Installations							
	20	120	Concrete Flatwork (4")	SF	3000.0	\$6.84	\$20,520.00
	21	120	Concrete Flatwork (5")	SF	1892.0	\$7.78	\$14,719.76
	22	121	Truncated Dome Warning Fields (2'x4')	EA	24.0	\$405.70	\$9,736.80
	23	125	Curb & Gutter (Standard <24')	LF	140.0	\$34.07	\$4,769.80
	24	125	Curb & Gutter (Gutter Only)	LF	0.0	\$34.07	\$0.00
	25	140	Restoration (Mulch)	SY	595.0	\$22.23	\$13,226.85
Page 1 of 3							

BOARD OF PUBLIC WORKS - MONTHLY ESTIMATE

Contractor	Poellinger Electric, Inc. 5416 33rd Street South, La Crosse, WI 54601	Estimate Number	#6 December
Contract	2022 Pedestrian Lighting Project - Gillette Street and Onalaska Avenue	Resolution Number	22-012
Date	December-23	Contingency Amount	\$82,147.59
EDF #	22-013	Contract Amount	\$547,650.68
Job Number	LITG-22-04	Change Order #1	\$547,650.68

Partial Final

Section Title	Line Item	Item Code	Item Description	Unit of Measure	Quantity	Unit Price	Total
Onalaska Ave- Storm Sewer							
	26	5.01	Sawing (Concrete)	LF	60.0	\$4.17	\$250.20
	27	5.02	Sawing (Bituminous)	LF	200.0	\$3.89	\$778.00
	28	10	Remove Concrete Curb & Gutter	LF	120.0	\$4.45	\$534.00
	29	125	Curb & Gutter (Standard <24')	LF	120.0	\$34.07	\$4,088.40
	30	125	Curb & Gutter (Gutter Only)	LF	0.0	\$34.07	\$0.00
	31	11	Remove Concrete Flatwork (Any Thickness)	SF	500.0	\$2.11	\$1,055.00
	32	15.01	Remove Bituminous Concrete Pavement (Standard)	SY	10.0	\$19.78	\$197.80
	33	135	Erosion Control Installation & Maintenance	LS	1.0	\$833.63	\$833.63
	34	225	Replace Catch Basin (Type B)	EA	6.0	\$3,590.16	\$21,540.96
Onalaska Ave-Streetscape							
	35	811	Modified Concrete Base Complete (BB)	EA	122.0	\$540.28	\$65,914.16
	36	812	Concrete Control Cabinet Base	EA	2.0	\$677.40	\$1,354.80
	37	816	Conduit Empty (1-1/2" DB)	LF	11500.0	\$12.68	\$145,820.00
	38	816.1	Conduit Empty (1-1/2" Material Only)	LF	148.0	\$5.81	\$859.88
	39	817	Cut, Couple, and Connect Conduit at Bases	EA	121.0	\$234.06	\$28,321.26
	40	821	Pull Box (R)	EA	10.0	\$950.67	\$9,506.70
	41	826	Install New Wire Color Coded (7L)	LF	12688.0	\$4.75	\$60,268.00
	42	831.1	Assemble, Wire, and Install Poles Complete (AR)	EA	121.0	\$392.30	\$47,468.30
	43	835	Lighting Control Cabinet, Complete (LED)	EA	2.0	\$852.54	\$1,705.08
FUNDING SOURCE:							
			CIP 742			\$469,039.44	
			CIP 627			\$91,904.69	
			TOTAL			\$560,944.13	
Page 2 of 3							

CONTRACT CHANGE ORDER

No. 1

Date November 10, 2023

EDF #22-030

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NAME OF CONTRACTOR


CONTRACTOR SIGNATURE

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DocuSigned by:

David Tauscher

EE923CC8B4BC443...

Budget Analyst

DocuSigned by:

Chadwick Hawkins

A93F306A40954A6...

Controller