06/30/2025

Water Rate Recommendation

City of Rawlins
Finance Department
521 West Cedar
Rawlins, WY 82301

Introduction

The history of water in Rawlins, Wyoming goes back to the summer of 1867 when a survey party led by General Grenville M Dodge seeking a route for the Union Pacific Railroad stopped by the current town site of Rawlins Wyoming. General John A Rawlins, a member of the party, spoke of a spring nearby where they camped as "the most gracious and acceptable of anything he had had on the march" and said that if anything was ever named after him, he wanted it to be a spring of water. As a result, the springs was named Rawlins Springs. A town that sprung up near the springs was also named Rawlins Springs, then later shortened to Rawlins.

From this beginning, the City of Rawlins began to develop its municipal water system. Years later the city discovered and developed natural springs approximately 30 miles south of town in the Sage Creek and Beaver Creek Basins. Water is captured through spring boxes within the springs and sent to the city's water treatment plant south of town through a transmission line. Once the water is treated at the treatment plant it is brought to town by way of two iron ductile lines before being fed into the city's in-town infrastructure. In 1970, two water tanks were constructed to store water and then in 1984 a water treatment plant and filtering building were constructed just south of town to treat the water. Later in 1979, a water tank was constructed above the hospital and in 1987 the Painted Hills tank was added.

The city experiences cycles of wet years and drought. In the 1980s, the city developed three artesian wells in the Nugget Foundation, referred to as the Nugget Wells, to supplement in drought conditions. A water pretreatment plant was also constructed in the early 2000s to allow for the treatment of river and reservoir water. The Pretreatment Plant was built to lower turbidity levels of river and reservoir water before it is fed into the treatment plant. Due to the natural drought cycles the Pretreatment Plant has not been operational for more than a few months at a time since it was constructed. The City often has sufficient spring water to meet community water needs without relying on the chemical water treatment process within the Pretreatment Plant. The proper chemical process had also had not been perfected within the Pretreatment Plant, which had led to issues within the regular treatment plant due to the transfer of water between the two plants until it came online in 2023.

In reviewing the City's depreciation schedules, a majority of the in-town water infrastructure was placed into service beginning in 1950 with other large projects in 1965 and 1975. Much of the collection system is older than 1950 and is evidenced by approximately 10,000 feet of wood stave pipeline left in the Beaver Creek Basin. The city has always taken pride in offering high quality water at a low rate.

From its inception, the City of Rawlins has not developed nor implemented a maintenance program to keep the water system current. Over time the system has deteriorated to the point that major maintenance and rehabilitation is needed. Cathodic protection was disrupted in approximately Fiscal Year 2000 and repairs were not made leaving the transmission line unprotected up to the current time. This report will discuss the rehabilitation needs of the transmission line, the financial condition of the water of the City of Rawlins and will make a recommendation of suitable rates to maintain the water system in the future.

The priority one rehabilitation plan includes multiple projects including:

- Replacement of the collection system at the springs
- Rehabilitation of the transmission line including replacement of blow off valves and air vac valves
- Reestablishing cathodic protection on the transmission line
- Ongoing operations of the pretreatment plant including necessary repairs
- Replacement of storage tanks at tank farm
- Replacement of the SCADA system
- Replacement of the iron ductile lines between the storage tanks and town

In addition to the transmission line, there are extensive repairs and replacements needed to maintain in-town infrastructure.

The city increased water rates in November 2022 in an attempt to increase liquid assets to support operations, repairs and maintenance, and debt service requirements needed to enhance the transmission line and springs. Due to many extenuating factors, the increased revenue is not sufficient to fund the transmission rehabilitation plan nor in-town infrastructure needs. The city was able to bring the pretreatment plant online although many repairs are still warranted. A secondary factor in the increase of expenditure is monetary inflation. Despite the increased rates the city is still operating in a deficit position.

Due to the financial situation of the Water Fund, the City will not be able to finance all necessary capital improvements with the current operating income and will be forced to look for outside financing. In order to afford the debt service requirements for a loan, the city must increase water rates to show ability to make annual payments.

The city has two main loan related funding sources to finance projects associated with the source water rehabilitation and transmission line. According to the United States Department of Agriculture (USDA) the water rates should be 1.58% of monthly household income in order to be considered for USDA funding. According to their formula the average monthly rates would need to around $93.62 per month (AMHI is approximately $70,054 according to the US Census Bureau). According to USDA representatives a monthly rate of lower than 1.58% of monthly household income may be considered as long as the city can show suitable rate increases that lead toward sustainability**.** The second funding source is the State Revolving Fund – Drinking Water Loans. The city is currently researching this option. A large loan for both the USDA and the SRF is approximately $12M. Based on this, the city will need to pursue both options. According to the water rate study performed by Carl Brown, the national average at 5,000 gallons is 1% of average household income. This would calculate to a monthly rate of $58.99 per month. The current rate is approximately $46.88 per month for 5,000 gallons.

The chart below shows the Population, Median Household Income, and 1.58% of the related city's Median Household Income.

Time Frame 2018-2022

City	Population	Median Household Income	1.58% AMHI
Sheridan	19,235	57,667	75.93
Casper	585,453	67,011	88.23
Rawlins	8,197	70,054	92.24
Laramie	32,035	50,539	66.54
Douglas	6,438	79,322	104.44
Lander	7,581	62,958	82.89
Green River	11,535	83,497	109.94

Source - United States Census Bureau

See Appendix A for a comparison of rates with other communities.

Another potential source of funds for the enhancement project is grants. The city currently has received four grants that will support the priority one rehabilitation plan.

- $735,460 ARPA grant for the design of the collection boxes and the water transmission line
- $675,000 MRG grant that was used as a grant match for the ARPA grant for the design of the collection boxes and the water transmission line
- $917,548 ARPA grant for the Sage Creek Basin and Junction Boxes Replacement.
- $962,951 CDBA (Community Development Block Grant) for the replacement of the SCADA (supervisory control and data acquisition) system

The summary below outlines the priority one projects associated with the rehabilitation plan.

Water Fund - Priority One Projects	Total Cost	General Fund	USDA/DWSRF Debt	Principal Forgiveness	WWDC	SLIB	CDBG
Springs Rehabilitation - Sage Creek Boxes	1,870,000	952,452				917,548	
Spring Rehabilitation - All Remaining Components	8,190,000	30,160	5,869,688	1,922,422		367,730	
Sage Creek Transmission Pipeline	4,830,000	30,160	3,349,688	1,082,422		367,730	
Potable Water Storage Tank Farm 2.0 MG	3,780,000	1,000,000	1,390,000		1,390,000		
High -Pressure Transmission Line	7,870,000	30,160	5,997,418	1,842,422			
SCADA	1,500,000	537,049					962,951
Total	28,040,000	2,579,981	16,606,794	4,847,266	1,390,000	1,653,008	962,951

In addition to the priority one projects, the city has a series of projects that are vital but do not reach the level of significance of the priority one projects. Below is a summary of the Priority Two Projects.

Priority Two Projects	
Source Water Protection Projects	75,000
Potable Water Storage 1MG Tank	2,310,000
Potable Water Storage 3MG Tank	5,250,000
Low Pressure Transmission Line	2,600,000
Ground Water Supplies - Nugget Wells	300,000
Ground Water Supplies - Miller Hill Vault	300,000
North Platte - River Pump Station	100,000
North Platte - Steel Transmission Line	100,000
North Platte - Thayer Pump Station	100,000
North Platte - Golf Course Vault	100,000
Dams and Reservoirs - Rawlins	50,000
Dams and Reservoirs - Peaking	50,000
Distribution System - Water Mains	2,000,000
Distribution System - Pressure Control Stations	1,000,000
	14,335,000

The total of the Priority One and Priority Two Projects is $42,237,000.

There are possibilities that the State of Wyoming may support the City of Rawlins with additional funding. Two possible sources are State Appropriations Committee and the State Land Investment Board (SLIB).

Cash Reserves

Water Fund	2019	2020	2021	2022	2023
Cash	$2,583,083	$2,501,401	$1,552,776	$1,690,822	$1,238,885
Investments	1,309,067	1,313,560	1,034,954	1,046,815	1,274,440
Total Cash and Investments	$3,892,150	$3,814,961	$2,587,730	$2,737,637	$2,513,325

In Fiscal Year 2010, the City of Rawlins received a loan from the State of Wyoming in which the city was required to invest monies to perform needed maintenance on the water line being financed. These funds are classified above as investments due to the long-term nature of the repairs that would need to be made. The remaining funds are used as operating cash to fund the water fund.

Cash balances, not including investments, have declined $1.34M, or 52.04% from Fiscal Year 2019 through FY 2023. This decrease is due to repairs and maintenance on the aging water systems and the start-up of the pretreatment plant. These repairs have been performed on the transmission line bringing water to town as well as in-town infrastructure. Repairs and maintenance are expected to

increase in the upcoming years due to the age of the system as well as inflation. The decline in reserves shows that as funds are needed for repairs, the funds are not being replenished through operating income.

Current cash reserves of $1.24M include an interdepartmental loan with the General Fund of $812,020. If this interdepartmental loan is removed from cash reserves the cash reserves would be $426,865. This represents 63.95 days cash on hand ($2,436,332 operating expenses / 365 days / $426,865). This raises concerns that operating cash reserves are not sufficient to cover unexpected water fund expenditures. The city should develop a cash reserves policy that defines adequate emergency funds. A recommendation is that cash reserves should be at least one year of expenditures.

To be self-sufficient, cash reserves should include amounts for the replacement of capital called funded depreciation. Cash should be placed in reserves each year in the amount of the recognized financial depreciation expense. Under this methodology, reserves will be sufficient for replacement when the assets reach the end of life. According to the Fiscal Year 2023 audit report the accumulated depreciation amounted to $38.07M. Using the funded depreciation approach, $38.07M should be included in fund reserves. In light of the current situation, the rehabilitation of the transmission line and in-town repairs amount to approximately $50.00M. With no cash reserves to cover these expenditures, the city is forced to look to outside financing, or increasing rates. Financing these projects through loans will limit the saving of funds for future replacement leaving the city in the same position in future years.

Capital Assets

Water Fund	2019	2020	2021	2022	2023
Construction in Progress	$1,754,339	$2,515,019	$1,490,395	$1,041,540	$264,506
Building and Improvements	59,733,295	59,745,899	62,532,509	64,467,881	66,510,932
Furniture and Equipment	2,172,023	2,172,024	2,211,361	2,211,361	2,423,252
Total Historical Cost	63,659,657	64,432,942	66,234,265	67,720,782	69,198,690
Accumulated Deprecation	31,952,877	33,451,790	34,959,169	36,497,891	38,067,161
Net Capital Assets	$31,706,780	$30,981,152	$31,275,096	$31,222,891	$31,131,529
Depreciation Expense	$1,502,138	$1,498,913	$1,507,379	$1,538,721	$1,569,270

Net Capital Assets decreased $575,251 or 1.81% from Fiscal Year 2019 through Fiscal Year 2023. This shows that depreciation of the system is outpacing current investment into the system. Over time this will have a detrimental effect in that replacement needs will outweigh available funds. From FY 2019 to FY 2023 the cost of water fund capital assets increased $5.54M or 8.70% while accumulated depreciation increased $6.12M or 19.13%.

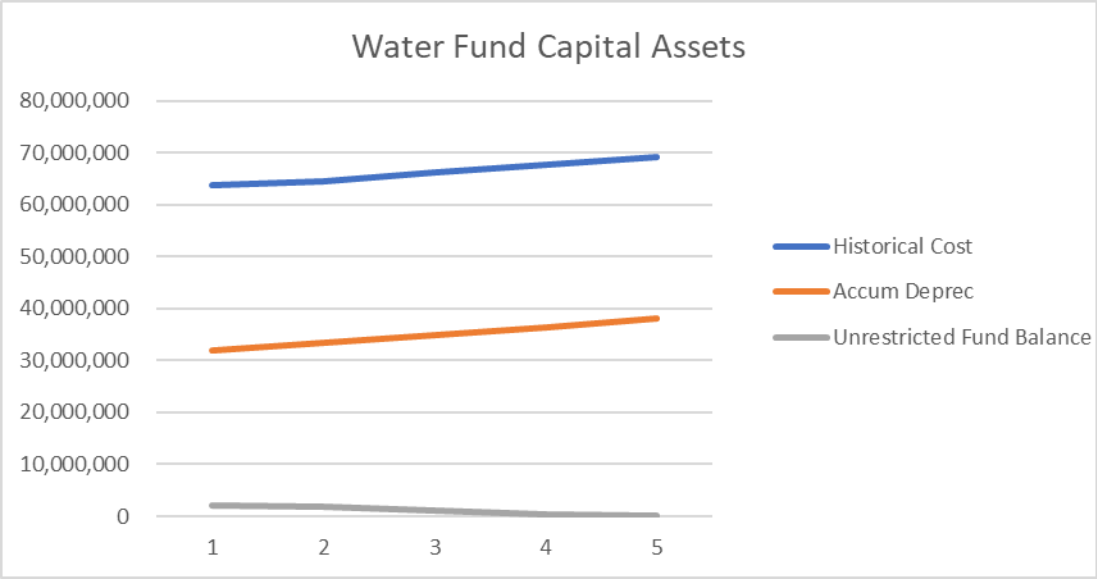
Water	FY 2021	FY 2022	FY 2023
Capital Assets	66,234,265	67,720,782	69,198,690
Accumulated Depreciation	34,959,169	36,497,891	38,067,161
Net Capital	31,275,096	31,222,891	31,131,529
Percent of Depreciation	52.78%	53.89%	55.01%

The above chart shows that each year the amount of depreciation outpaces the investment in capital assets. The higher the percentage, the more aged the capital assets become leading to increased risk in system failure and increased repairs and maintenance costs. Ideally, the percentage should be less than 40%.

The city's depreciation schedules began with infrastructure that was placed into service beginning in 1950. The city has identified significant portions of infrastructure that was placed into service before 1950 that are not included in the depreciation schedule. If these systems were included in the depreciation schedule amounts, the percent of depreciation of capital assets would be approximately 75% to 80%.

Below are the Water Projects that have been placed into service July 1, 2020.

Projects	Date Complted	Purchase Price
AC Pipeline Replacement	2/4/2021	532,348
2019 Water Project	12/22/2020	444,790
2019 Water System Improvements	12/22/2020	1,233,895
2018 State Waterline Project	7/31/2020	72,924
2018 Water Line Projects	7/31/2020	247,642
2019 Waterline Grant	7/31/2020	239,551
2019 Water System Improvements	7/31/2021	1,935,374
Sage Creek Basin Phase I	9/30/2022	2,010,704
Air Vacs for Spring Line	7/28/2022	32,347



Long-Term Debt

As of June 30, 2023, the Water Fund has the following seven loans:

Note payable to the state of Wyoming, Wyoming Water Development Commission due in annual installments of $150,278 including interest at 4% to December 2037, secured by revenue generated by the Municipal Water System. The loan was used on the Sage Creek Water Line.

Note payable to the Office of State Lands and Investments, funded by the EPA, due in annual installments of $25,077 including interest at 2.5% to November 2028, secured by revenue generated by the Municipal Water System.

Note payable to the Office of State Lands and Investments, funded by the EPA, due in annual installments of $25,260 including interest at 2.5% to November 2028, secured by revenue generated by the Municipal Water System.

Note payable to the Wyoming Water Development Commission due in annual installments of $50,023 including interest at 4.0% to October 2041, secured by revenue generated by the Municipal Water System. This loan is associated with the Atlantic Rim Pipeline.

Note payable to the Office of State Lands and Investments, due in annual installments of $131,835 including interest at 4.00% to September 2042, secured by revenue generated by the Municipal Water System. This loan is associated with the Atlantic Rim Reservoir.

Note payable to the Office of State Lands and Investments, due in annual installments of $16,974 including interest at 2.5% to July 2036, secured by revenue generate by the Municipal Water System.

Note payable to the Office of State Lands and Investments, due in annual installments of $46,102 including interest at 2.5% to July 2036, secured by revenue generated by the Municipal Water System.

Current Loan Summary

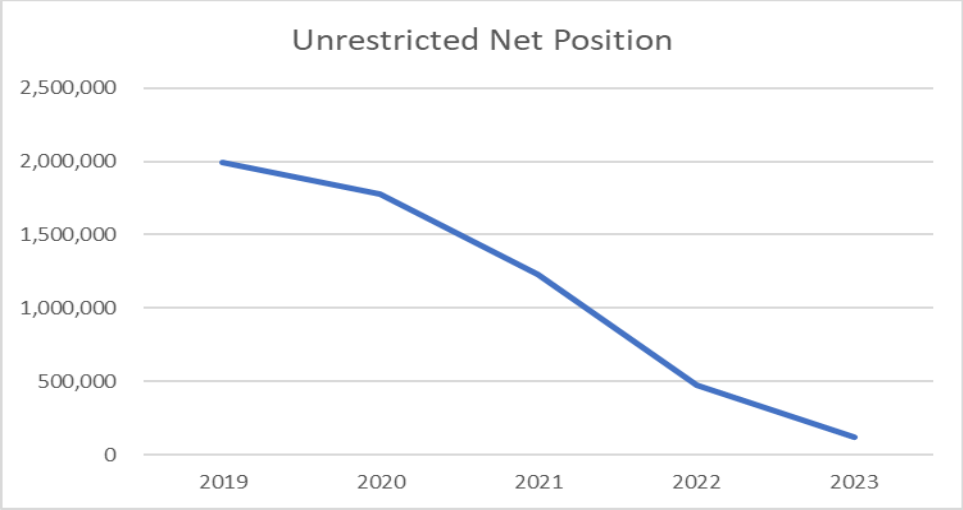
Loan Payable	Current Portion	Long Term Portion	Total
Sage Creek Water Line	86,189	1,516,046	1,602,234
DWSRF Loan #69	21,667	116,616	138,283
DWSF Land #80	21,782	117,353	139,135
Atlantic Rim Pipeline	23,743	633,254	656,997
Atlantic Rim Reservoir	52,015	1,496,893	1,548,908
CWSRF Loan #145	12,094	185,824	197,918
DWSRF Loan #147	24,745	374,008	398,753
Total	242,233	4,439,995	4,682,228

In addition to the notes payable, the Water Fund has a long-term liability due to the General Fund in the amount of $812,020 for the implementation of Phase I of the Sage Creek Springs Project.

These loans will add additional risk in securing funding for the transmission line project.

Net Position (Information obtained from Annual Audit Reports)

	June 2019	June 2020	June 2021	June 2022	June 2023
Assets					
Current Assets	$4,186,497	$4,159,362	$2,936,407	$2,988,305	$2,943,666
Capital Assets	31,706,780	30,981,152	31,275,096	31,222,891	31,131,529
Total Assets	35,893,277	35,140,514	34,211,503	34,211,196	34,075,195
Liabilities					
Current Liabailities	436,254	576,271	393,998	488,515	514,609
Long Term Liabilities	6,164,444	5,803,876	5,353,642	5,784,674	5,817,269
Total Liabilities	6,600,698	6,380,147	5,747,640	6,273,189	6,331,878
Deferred Inflows/Outflows Net	146,851	(50,820)	(65,645)	(112,845)	98,223
Net Position					
Net Investment In Capital Assets	26,133,977	25,620,094	26,132,615	26,306,596	26,449,300
Restricted Investments	1,309,067	1,313,560	1,034,954	1,046,815	1,274,440
Unrestricted	1,996,386	1,775,893	1,230,649	471,751	117,800
Total Net Positon	$29,439,430	$28,709,547	$28,398,218	$27,825,162	$27,841,540



The difference between assets plus deferred outflows of resources and deferred inflows of resources plus liabilities is reported as net position. Over time, an increase or decrease in net position may serve as a useful indicator of whether the financial position of the city funds are improving or deteriorating. The above graph shows that the net position of the Water Fund has dropped from $1.99M in June 2019 to $117,800 in June 2023. At this trajectory the Water Fund will be in a deficit position by the end of June 2024.

Factors involved in the decrease of unrestricted net position are increased debt in the form of notes payable and increased expenditures over available revenues.

Water Fund Profit and Loss Statement (Information obtained from Annual Audit Reports)

	June 2019	June 2020	June 2021	June 2022	June 2023
Operating Revenues					
Charges to customers	$2,133,793	$2,109,664	$2,117,809	$1,845,703	$2,491,491
Other Income	114,209	77,913	557,389	833,408	84,207
Total Operating Revenues	2,248,002	2,187,577	2,675,198	2,679,111	2,575,697
Operating Expenses					
Personnel Services	845,436	800,358	538,276	512,976	802,054
Contractual Services	131,235	247,495	47,607	137,886	160,328
Utilities	152,086	136,222	131,235	94,251	145,967
Repair and Maintenance	33,051	137,212	115,167	53,881	214,840
Other Supplies and Expenses	93,185	142,004	189,403	425,871	368,768
Depreciation Expense	1,502,138	1,498,913	1,507,379	1,538,721	1,569,270
Total Operating Expenses	2,757,131	2,962,204	2,529,067	2,763,586	3,261,227
Net Income From Operations	(509,129)	(774,627)	146,131	(84,475)	(685,530)
Non-Operating Revenue (Expenses)					
Investment Income	13,220	11,779	1,564	13,111	238,328
Interest Expense	(207,510)	(204,415)	(187,624)	(187,336)	(176,617)
Total Non-Operating Revenue (Expense)	(194,290)	(192,636)	(186,060)	(174,225)	61,712
Transfers					
Transfers In	1,540,301	769,422	0		1,007,274
Transfers Out	(2,669,450)	(532,042)	(271,400)	(314,356)	(367,076)
Transfers Net	(1,129,149)	237,380	(271,400)	(314,356)	640,198
Change in Net Position	(1,832,568)	(729,883)	(311,329)	(573,056)	16,380
Net Position Beginning	31,271,998	29,439,430	28,709,547	28,398,218	27,825,162
Net Position Ending	$29,439,430	$28,709,547	$28,398,218	$27,825,162	$27,841,542

From Fiscal Year 2019 through Fiscal Year 2023, operating expenditures increased $504,096 or 18.28% while revenues increased $327,695 or 14.58%. In November 2022, water rates charged to customers increased significantly, increasing charges to customers $645,788 or 34.99%. Charges to customers decreased in Fiscal Year 2022 due to water restrictions. Included in other income in Fiscal Year 2022 is an ARPA grant the city received in the amount of $737,980. Included in other income in Fiscal Year 2021 is a state waterline grant of $449,687.

Included in Transfers In are either sixth penny projects or expenditures incurred with impact assistance funds.

The five-year total of losses from operations amount to $1.91M. It was not until November 2022 that rates increased to head off losses. Even then a substantial loss of $685,530 was recognized.

In Fiscal Year 2023 a majority of the increases in operating costs were the result of the pretreatment plant start up.

The following is a summary of the major profit and loss statement categories for the water fund.

Water Fund Monthly Revenues (Information obtained from reports in the General Ledger)

Month	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
July	$308,488.40	$192,947.77	$252,594.35	$281,740.01	$238,961.89	$269,589.82
August	325,296.98	196,329.16	230,918.83	302,026.77	279,286.42	278,103.68
September	293,430.68	169,465.65	198,972.84	255,055.93	269,503.53	274,134.26
October	226,428.94	145,031.58	157,809.84	175,914.96	171,309.52	193,401.58
November	205,032.41	221,681.55	129,542.73	133,686.94	137,517.62	144,100.32
December	191,976.45	200,047.92	122,539.36	122,426.75	127,397.53	139,984.32
January	199,189.00	199,476.24	124,795.07	123,261.08	124,618.47	110,277.06
February	200,184.93	196,979.48	125,390.38	122,786.02	128,393.48	122,385.13
March	196,186.51	196,186.51	112,701.78	115,183.24	124,156.52	120,035.28
April	194,478.74	194,478.74	124,169.56	123,220.18	116,966.70	125,975.68
May	225,966.11	225,966.11	127,711.70	136,470.17	140,096.47	135,651.19
June	285,290.42	285,290.42	162,008.96	240,727.42	229,044.08	186,881.23
FY Total	$2,851,949.57	$2,423,881.13	$1,869,155.40	$2,132,499.47	$2,087,252.23	$2,100,519.55

The numbers in red font are the revenue numbers from the previous year since this report was issued before revenue amounts were known for these months.

The decrease in Fiscal Year 2022 of $263,344 or 12.35% is the result of increased water restrictions placed in the summer of 2022. These restrictions were lifted in October of 2022 and not put back into place for the summer of 2023. In November 2022, the city increased water rates resulting in a $92,139 increase in November 2022.

Revenues increased $982,794 or 52.58% from Fiscal Year 2022 through Fiscal Year 2024 due to increased rates and the lifting of restrictions.

Salaries and Wages

Water Staffing Summary

	FY 2023	FY 2024	FY 2025
Full Time Positions			
Water Distribution			
Public Works Director	0.20	0.20	0.20
Administrative Secretary	0.20	0.20	0.20
Human Resource Director	0.05	0.05	0.00
Utilities Systems Foreperson	0.50	0.50	0.50
Municipal Service Worker III	1.00	1.00	0.00
Utilities System Worker I	3.00	3.00	4.00
Utilities System Worker II	0.50	0.50	0.50
Total	5.45	5.45	5.40
Water Pretreatment Plant			
Treatment Plant Operator II			1.00
Treatment Plant Operator III			1.00
Total			2.00
Water Treatment Plant			
Public Works Director	0.20	0.20	0.20
Administrative Secretary	0.20	0.20	0.20
Human Resource Director	0.04	0.04	0.00
WTP & WWTP Superintendent	0.50	0.50	0.50
Water Treatment Operator III	0.75	0.75	0.50
Wastewater Plant Operator II	1.50	1.50	2.00
Water Treatment Operator I	0.75	0.75	0.00
Total	3.94	3.94	3.40

Currently, the utilities clerk is paid out of General Fund monies. This position will move to the Water and Sewer Funds in the future.

Water Fund	Balance 6/30/2020	Balance 6/30/2021	Balance 6/30/2022	Balance 6/30/2023	Budget 6/30/2024	Budget 6/30/2025
Salaries	$461,413	$341,786	$370,838	$444,886	$525,393	$476,698
Temporary Pay	2,481	2,288	0	0	7,598	4,000
Overtime Pay	7,499	15,540	20,368	27,136	18,327	31,184
Total Salaries and Wages	$471,393	$359,614	$391,206	$472,022	$551,317	$511,882

Employee Benefits

Benefits include withholding for:

- Social Security 7.65%
- Wyoming Retirement 9.87%
- Workers Compensation 4.39%
- Health Insurance
  Family Coverage Annual Premium $26,400
  Employee and Spouse Annual Premium $20,684
  Employee and Child Annual Premium $17,690
  Single Annual Premium $9,798

Water Fund	Balance 6/30/2020	Balance 6/30/2021	Balance 6/30/2022	Balance 6/30/2023	Budget 6/30/2024	Budget 6/30/2025
Employee Benefits	$257,310	$229,984	$201,982	$251,185	$326,189	$283,914
Workers Compensation	8,444	9,245	13,032	26,728	24,045	22,135
Total Employee Benefits	$265,754	$239,230	$215,014	$277,913	$350,234	$306,050

Contractual Services

Water Utilities	Balance 6/30/2020	Balance 6/30/2021	Balance 6/30/2022	Balance 6/30/2023	Budget 6/30/2024	Budget 6/30/2025
Consultant Contracts	$29,479	$120,119	$51,361	$38,624	$100,500	$81,500
Travel and Training	1,695	2,150	2,411	11,335	6,000	6,000
Utilties	671	513	905	2,900	2,500	2,880
Dues and Publications	419	372	39	660	200	660
Repairs and Maintenance	18,682	2,094	15,537	24,122	34,500	14,500
Total Contractual Services	$50,945	$125,248	$70,253	$77,642	$143,700	$105,540

Water Treatment	Balance 6/30/2020	Balance 6/30/2021	Balance 6/30/2022	Balance 6/30/2023	Balance 6/30/2024	Budget 6/30/2025
Consultant Contracts	$27,493	$57,139	$63,119	$55,101	$102,000	$132,000
Right of Way	$0	$4,637	$1,939	$4,711	$0	$0
Travel and Training	2,197	2,577	4,281	4,835	5,000	5,000
Utilties	136,222	130,722	93,823	145,538	174,000	189,000
Dues and Publications	306	149	1,209	1,019	2,000	2,000
Repairs and Maintenance	23,971	9,988	37,320	206,195	99,000	98,000
Total Contractual Services	$190,188	$205,212	$201,692	$417,398	$382,000	$426,000

Water Pretreatment	Balance 6/30/2020	Balance 6/30/2021	Balance 6/30/2022	Balance 6/30/2023	Budget 6/30/2024	Budget 6/30/2025
Consultant Contracts	$0	$0	$0	$0	$0	$10,000
Utilties	0	0	0	0	60,000	60,000
Dues and Publications	0	0	0	0	0	0
Repairs and Maintenance	0	0	0	0	86,000	100,000
Total Contractual Services	$0	$0	$0	$0	$146,000	$170,000

Supplies

Water Utilities	Balance 6/30/2020	Balance 6/30/2021	Balance 6/30/2022	Balance 6/30/2023	Budget 6/30/2024	Budget 6/30/2025
Supplies and Materials	$51,843	$65,950	$44,524	$88,762	$84,000	$85,500
Equipment	5,983	2,051	4,831	7,695	10,000	10,000
Vehicle Operations	12,547	10,216	14,359	27,280	15,000	15,000
Uniforms	654	674	670	580	2,000	2,000
Water Meter Service	71,044	49,581	19,265	61,891	115,856	96,000
Total Contractual Services	$142,071	$128,471	$83,647	$186,208	$226,856	$208,500

Water Treatment	Balance 6/30/2020	Balance 6/30/2021	Balance 6/30/2022	Balance 6/30/2023	Balance 6/30/2024	Budget 6/30/2025
Supplies and Materials	$15,602	$15,510	$177,120	$13,441	$50,000	$43,500
Chemicals	$23,762	$24,361	$33,832	$114,811	$45,000	$50,000
Equipment	$750	$1,867	($1,375)	$67,295	$10,000	$15,000
Vehicle Operations	3,093	2,019	5,966	5,790	4,000	4,000
Uniforms	535	39	46	224	1,200	2,000
2019 Waterline Grant	760,681	0	0	0	0	0
Total Contractual Services	$804,422	$43,796	$215,589	$201,562	$110,200	$114,500

Water Pretreatment	Balance 6/30/2020	Balance 6/30/2021	Balance 6/30/2022	Balance 6/30/2023	Budget 6/30/2024	Budget 6/30/2025
Supplies and Materials	$0	$0	$0	$0	$1,000	$1,500
Chemicals	0	0	0	0	100,000	50,000
Equipment	0	0	0	0	5,000	5,000
Uniforms	0	0	0	0	0	1,000
Water Meter Service	0	0	0	0	15,000	15,000
Total Contractual Services	$0	$0	$0	$0	$121,000	$72,500

Projects and Capital Expenditures

Inside Corporate Limits Water Fund Capital Budget Fiscal Year 2025 through Fiscal Year 2033

Capital Total	
FY 2025	$2,428,000
FY 2026	3,008,000
FY 2027	2,774,000
FY 2028	1,281,000
FY 2029	2,376,000
FY 2030	1,611,400
FY 2031	2,426,800
FY 2032	1,740,400
FY 2033	1,815,000
Total Capital	19,460,600
9 Year Average	$2,162,289

In the summaries below equipment is funded partially each year to save amounts for purchase on the last date displayed. For instance, the dump trucks cost $150,000 to be purchased in 2030 and is funded by placing $30,000 a year into funded depreciation.

Capital Budget FY 2025	
Infrastructure	
Water line between Spruce/Pine from 7th to 10th	$500,000
Water line between Pine/Buffalo from 7th to 10th	500,000
Water line between Buffalo/Cedar from 7th to 10th	500,000
Waterline between Cedar/Front from 7th to 10th	500,000
Total Infrastructure	2,000,000
Equipment Distribution	
Service Truck	60,000
4X4 Backhoe	70,000
Water Meter/MXU Replacement	100,000
Dump Truck	30,000
Valve Exerciser	25,000
Total Equipment Distribution	285,000
Equipment Treatment Projects	
Pump Replacement	35,000
Compressor	20,000
Reservoir Boat	15,000
4X4 Service Truck	15,000
Filter Leaves	25,000
Perimeter Fencing	10,000
Backhoe Replacement	15,000
Storage tank and clear well inspection and cleaning	8,000
Total Equipment Treatment Projects	143,000
Total Capital FY 2025	$2,428,000

Capital Budget FY 2026	
Infrastructure	
Water Line Washington to Glenn Addition	$1,565,000
Water Line Glenn Addition to Highway 76	1,200,000
Total Infrastructure	2,765,000
Equipment Distribution	
Water Meter/MXU Replacement	100,000
Valve Exerciser	25,000
Dump Trucks	30,000
Total Equipment Distribution	155,000
Equipment Treatment Projects	
Service Truck	15,000
Filter Leaves	25,000
Pumps and Valves	15,000
Perimeter Fencing	10,000
Backhoe Replacement	15,000
Storage Tank Inspection and Cleaning	8,000
Total Equipment	88,000
Total Capital FY 2026	$3,008,000

Capital Budget FY 2027	
Infrastructure	
Water Line from W Elm Street to end of La Paloma	$576,000
Water Line on LA Paloma to Elm Street	756,800
Water Line on Los Altos from La Paloma to El Rancho	561,000
Water Line on El Rancho from La Paloma to Sonora Ct	495,000
Water Line on Sonora Court	167,200
Total Infrastructure	2,556,000
Equipment Distribution	
Water Meter/MXU Replacement	100,000
Dump Trucks	30,000
Total Equipment Distribution	130,000
Equipment Treatment Projects	
Service Trucks	15,000
Filter Leaves	25,000
Pumps and Valves	15,000
Perimeter Fencing	10,000
Backhoe Replacement	15,000
Storage Tank Inspection and Cleaning	8,000
Total Equipment	88,000
Total Capital FY 2027	$2,774,000

Capital Budget FY 2028	
Infrastructure	
Water Line Between Daley/McMicken from Rodeo	$476,500
Water Line Between McMicken/Ryan from Rodeo	476,500
Total Infrastructure	953,000
Equipment Distribution	
Service Vehicle	70,000
Electronic Sigh Boards	40,000
Water Meter/MXU Replacement	100,000
Dump Truck	30,000
Total Equipment Distribution	240,000
Equipment Treatment Projects	
Service Vehicle	15,000
Filter Leaves	25,000
Pumps and Valves	15,000
Perimeter Fencing	10,000
Backhoe Replacement	15,000
Storage tank Inspection and Clearing	8,000
Total Equipment Treatment Projects	88,000
Total Capital FY 2028	$1,281,000

Capital Budget FY 2029	
Infrastructure	
Colorado Street from Murray to 287 Bypass	$600,000
Pacific Street from 3rd Street to alley	780,000
Alley between Montana/Larsen and alley	566,000
Right of Way between Idaho/Montana	140,000
Total Infrastructure	2,086,000
Equipment Distribution	
Service Vehicle	70,000
Water Meter/MXU Replacement	100,000
Dump Truck	30,000
Total Equipment Distribution	200,000
Equipment Treatment Projects	
Backhoe Replacement	15,000
Perimeter Fencing	10,000
Filter Leaves	27,000
Service Trucks	15,000
Pumps and Valves	15,000
Storage Tank Inspection and Cleaning	8,000
Total Equipment Treatment Projects	90,000
Total Capital FY 2029	$2,376,000

Capital Budget FY 2030	
Infrastructure	
Water Line 15th Street. Maple to alley	$345,400
Date Street West to Park Drive & East to 12th Street	440,000
Water line alley between 14th and 15th	396,000
Total Infrastructure	1,181,400
Equipment Distribution	
4X4 Backhoe Replacment	135,000
Water Meter/MXU Replacement	100,000
Dump Truck	30,000
Excavator (25%)	75,000
Total Equipment Distribution	340,000
Equipment Treatment Projects	
Filter Leaves	27,000
Service Trucks	15,000
Pumps and Valves	15,000
Perimeter Fencing	10,000
Backhoe Replacement	15,000
Storage Tank Inspection and Cleaning	8,000
Total Equipment Treatment Projects	90,000
Total Capital FY 2030	$1,611,400

Capital Budget FY 2031	
Infrastructure	
Water Line between 12th and 13th Steet	$869,000
Water Line on Date Street from 12th Street to Alley	393,800
Grant Match Water Line between 11th and 12th	869,000
Total Infrastructure	2,131,800
Equipment Distribution	
Excavator (25%)	75,000
Water Meter/MXU Replacement	100,000
Dump Trucks	30,000
Total Equipment Distribution	205,000
Equipment Treatment Projects	
Filter Leaves	27,000
Service Trucks	15,000
Pumps and Valves	15,000
Perimeter Fencing	10,000
Backhoe Replacement	15,000
Storage Tank Inspection and Cleaning	8,000
Total Equipment Treatment Projects	90,000
Total Capital FY 2031	$2,426,800

Capital Budget FY 2032	
Infrastructure	
Water Line on High Street from Coulson to 7th Street	$693,000
Water Line between 9th and 11th from Walnut to High St	752,400
Total Infrastructure	1,445,400
Equipment Distribution	
Excavator (25%)	75,000
Water Meter/MXU Replacement	100,000
Dump Trucks	30,000
Total Equipment Distribution	205,000
Equipment Treatment Projects	
Storage Tank Inspection and Cleaning	8,000
Service Trucks	15,000
Filter Leaves	27,000
Pumps and Valves	15,000
Backhoe Replacement	15,000
Perimeter Fencing	10,000
Total Equipment Treatment and Cleaning	90,000
Total Capital FY 2032	$1,740,400

Capital Budget FY 2033	
Infrastructure	
Water Line between 8th and 9th Street	$209,000
Water Line between Maple/Walnut from Date to High St	748,000
Water Line between 7th and 8th from Date to High St	563,000
Total Infrastructure	1,520,000
Equipment Distribution	205,000
Excavator (25%)	75,000
Water Meter/MXU Replacement	100,000
Dump Trucks	30,000
Total Equipment Distribution	205,000
Equipment Treatment Projects	
Service Trucks	15,000
Filter Leaves	27,000
Pumps and Valves	15,000
Backhoe Replacement	15,000
Perimeter Fencing	10,000
Storage Tank Inspection and Cleaning	8,000
Total Equipment	90,000
Total Capital FY 2033	$1,815,000

Lead and Copper Rule

In 1991, the EPA published a regulation to control lead and copper in drinking water. This regulation is known as the Lead and Copper Rule. On August 4, 2022, the EPA released Guidance for Developing and Maintaining a Service Line Inventory to support water systems with their efforts to develop inventories and to provide rates with needed information for oversight and reporting to EPA. The guidance provides essential information to help water systems comply with the Lead and Copper Rule Revisions requirement to prepare and maintain an inventory of service line materials by October 16, 2024.

The EPA harmonizing regulatory requirements with unprecedented funding through President Biden's Bipartisan Infrastructure law to make rapid progress on removing harmful lead from Americans' drinking water.

The City of Rawlins ancillary water lines do contain copper and are subject to the regulations of the Lead and Copper Rule, while the main lines do not contain lead and copper. Grant Funding to cover the costs of pipe replacements has not yet been defined. The City of Rawlins feels that a reasonable estimate of grant funds is approximately 25% of the cost of the project.

Financial Ratios

Water	FY 2021	FY 2022	FY 2023
Current Ratio	7.45	6.12	5.72
Cash Ratio	6.57	5.60	4.88
Debt Ratio	0.17	0.18	0.19
Operating Margin Ratio	-1.49%	-9.66%	-24.22%
Return on Assets Ratio	-0.12%	-1.68%	0.05%
Debt to Equity	20.24%	22.55%	22.74%

The Current Ratio measures an organization's ability to pay off short-term liabilities with current assets. The City of Rawlins Current Ratio has dropped 1.73 from Fiscal Year 2021 through Fiscal Year 2023. This suggests that the city's ability to pay off short-term liabilities is becoming more difficult as time moves forward.

The Cash Ratio measures an organization's ability to pay off short-term liabilities with cash and cash equivalents. The City of Rawlin's Cash Ratio has decreased 1.69 from Fiscal Year 2021 through Fiscal Year 2023. This suggests that the city's ability to pay off short-term liabilities with cash and cash equivalents is becoming more difficult.

The Debt Ratio measures the relative amount of an organization's assets that are provided from debt. This ratio is increasing each year, suggesting that more of the organization's assets are a result of long-term debt.

The Operating Margin Ratio, sometimes known as the return on sales ratio, compares the operating income of an organization to its net sales to determine operating efficiency. The Operating Margin

Ratio has decreased 22.73 from Fiscal Year 2021 through FY 2023. This suggests that the City of Rawlins's operating efficiency is plummeting.

The return on assets ratio measures how efficiently an organization is using its assets to generate profit.

The debt-to-equity ratio calculates the weight of total debt and financial liabilities against fund balance. The increase of 2.5 suggests that debt is growing faster than fund balance.

Debt Amortization Schedule

The City of Rawlins estimates that the transmission line project will cost approximately $30M for all priority one projects and not including the replacement of the water tanks. Financing through the UDSA and DWSRF both contain the potential of having principal forgiven over time. The city estimates that approximately one-third of the loan balances will be forgiven. The city estimates that the total cost of the project will be $30M. Therefore, two thirds of the cost ($20M) will be in the form of a forty-year loan. Below is an amortization schedule for a $20M loan payable over 40 years at 2% interest. Below is an amortization schedule based on the above projections.

Year	Payment	Interest	Interest Rate Principal	2.00% Principal Balance
				20,000,000
2025	731,000	400,000	331,000	19,669,000
2026	731,000	393,380	337,620	19,331,380
2027	731,000	386,628	344,372	18,987,008
2028	731,000	379,740	351,260	18,635,748
2029	731,000	372,715	358,285	18,277,463
2030	731,000	365,549	365,451	17,912,012
2031	731,000	358,240	372,760	17,539,252
2032	731,000	350,785	380,215	17,159,037
2033	731,000	343,181	387,819	16,771,218
2034	731,000	335,424	395,576	16,375,642
2035	731,000	327,513	403,487	15,972,155
2036	731,000	319,443	411,557	15,560,598
2037	731,000	311,212	419,788	15,140,810
2038	731,000	302,816	428,184	14,712,626
2039	731,000	294,253	436,747	14,275,879
2040	731,000	285,518	445,482	13,830,397
2041	731,000	276,608	454,392	13,376,005
2042	731,000	267,520	463,480	12,912,525
2043	731,000	258,250	472,750	12,439,775
2044	731,000	248,796	482,204	11,957,571
2045	731,000	239,151	491,849	11,465,722
2046	731,000	229,314	501,686	10,964,036
2047	731,000	219,281	511,719	10,452,317
2048	731,000	209,046	521,954	9,930,364
2049	731,000	198,607	532,393	9,397,971
2050	731,000	187,959	543,041	8,854,930
2051	731,000	177,099	553,901	8,301,029
2052	731,000	166,021	564,979	7,736,049
2053	731,000	154,721	576,279	7,159,770
2054	731,000	143,195	587,805	6,571,966
2055	731,000	131,439	599,561	5,972,405
2056	731,000	119,448	611,552	5,360,853
2057	731,000	107,217	623,783	4,737,070
2058	731,000	94,741	636,259	4,100,812
2059	731,000	82,016	648,984	3,451,828
2060	731,000	69,037	661,963	2,789,864
2061	731,000	55,797	675,203	2,114,662
2062	731,000	42,293	688,707	1,425,955
2063	731,000	28,519	702,481	723,474
2064	731,000	14,469	716,531	6,944

Scenario Information

The following information will be consistent for all scenarios presented.

At the Fiscal Year 2024 rates the total estimated revenue for Fiscal Year 2024 is approximately $2,936,156. This amount will be used for future revenue estimates based on parallel activity for future years.

Water Fund	
Charges for Services	$2,851,950
Other Income	84,207
Total Estimated Revenue	$2,936,156

Fiscal Year 2025 operating budgets are as follows:

Water Fund	Water Utilties	Water Treatment	Water Pretreatment	Total
Salaries	255,389	174,311	82,182	511,882
Benefits	137,442	109,234	59,374	306,050
Purchased Service	105,540	426,000	170,000	701,540
Supplies	208,500	129,500	72,500	410,500
Contingency		100,000		100,000
Debt Service	101,955	314,272		416,228
Transfers	0	21,205		21,205
Subtotal	808,826	1,274,522	384,056	2,467,404

Based on these estimates the Water Fund will experience an operating income of $468,752.

Scenario One

Scenario One includes the entirety of the capital projects proposed for Fiscal Year 2025, the proposed capital replacements for facilities and equipment, and the full amount of the transmission line estimated debt payment. Based on this scenario, rates would need to increase 92%.

Estimated Revenue	$2,936,156
Operating Expenses	(2,467,404)
Operating Income	468,752
FY 2025 In Town Infrastructure	(2,000,000)
FY 2025 Capital Replacements	(428,000)
Debt Payment	(731,000)
Capital and Debt Payments	(3,159,000)
Net Decrease in Cash	($2,690,248)
Needed Percentage Increase in Rates	-92%

Staff feels that the city over time will need to accomplish all the items included in this scenario. A few considerations to consider are:

- The city may receive additional grant monies to help support the projects.
- Timing of the debt load may make it possible to increase rates over time and not all at once.
- This scenario does not include funds to begin building cash reserves nor beginning a funded depreciation program.

Scenario Two

Scenario Two patterns Scenario One with the following exception:

- The city may receive grant monies to help cover projects associated with the lead and copper rule. This scenario includes the addition of $500,000 grant funds. If these funds are not received, the city will be forced to remove $500,000 from In-Town Infrastructure Projects.

Estimated Revenue	$2,936,156
Operating Expenses	(2,467,404)
Operating Income	468,752
Lead and Copper Grant Income	500,000
FY 2025 In Town Infrastructure	(2,000,000)
FY 2025 Capital Replacements	(428,000)
Debt Payment	(731,000)
Total Capital, Debt Payments and Grants	(2,659,000)
Net Decrease in Cash	($2,190,248)
Needed Percentage Increase in Rates	-75%

The Federal Government has expressed its intention to help fund projects associated with the Lead and Copper Rule. To date, there are not guidelines on what that assistance looks like.

Scenario Three

Scenario Three reduces the debt payment to one-quarter of the estimated debt payment total in anticipation of debt being incurred evenly over a four-year period, while retaining the assumption that $500,000 will be received in lead and copper funding. This scenario estimates that rates in Fiscal Year 2025 will need to increase approximately 56%.

Estimated Revenue	$2,936,156
Operating Expenses	(2,467,404)
Operating Income	468,752
Lead and Copper Grant Income	500,000
Fiscal Year 2025 Capital	(2,000,000)
FY 2025 Capital Replacements	(428,000)
Debt Payment	(182,750)
Total Capital, Debt Payments and Grants	(2,110,750)
Net Decrease in Cash	($1,641,998)
Needed Percentage Increase in Rates	-56%

The increase each year for the increase in the debt payment will be approximately 5% each year for four years.

Recommendation

Staff feels that the rehabilitation of the transmission line is critical. Without major repairs water from the springs will not be able to reach town. With minimal cash reserves, the city must pursue USDA and DWSRF funds to complete the rehabilitation project. Currently, the water fund cannot pay annual payments for these projects. To be compliant with Federal Regulations the city must inventory and replace lead and copper water lines throughout the city. Lastly, the City must repair and replace a majority of the in-town infrastructure to maintain a viable water supply. All three of these items are critical.

In light of the needs outlined, staff recommend that the city council adopt scenario 3. Instead of increasing both the monthly rate and the cost per 1,000 by 55%, staff recommend that the monthly rate be increased by 80% and the cost per 1,000 by 33%.

Below is a summary of rates if scenario 3 is adopted.

Number of Meters	Meter Size	Current Rate	Proposed Rate	Current Revenue	Proposed Revenue
3,208	0.0625	29.48	53.06	1,134,862	2,042,752
80	0.75	29.48	53.06	28,301	50,941
287	1	32.96	59.33	113,514	204,326
40	1.5	38.77	69.79	18,610	33,497
74	2	45.75	82.35	40,626	73,127
17	3	64.32	115.78	13,121	23,618
11	4	85.23	153.41	11,250	20,251
3	6	143.51	258.32	5,166	9,299
3,720				1,365,451	2,457,811
		Cost Per 1,000		1,570,705	2,089,038
		Total Revenue		2,936,156	4,546,849

Residential average for each scenario

Scenario	Meter Size	Monthly Rate	Cost Per 5,000	Total Cost	Increase From Current
Current Rate	0.625	29.48	17.40	46.88	
Scenario 1	0.625	56.60	33.41	90.01	43.13
Scenario 2	0.625	51.59	30.45	82.04	35.16
Scenario 3	0.625	53.06	23.14	76.21	29.33

Commercial average for each scenario

Scenario	Meter Size	Monthly Rate	Cost Per 100,000	Total Cost	Increase From Current
Current Rate	2.0	45.75	348.00	393.75	
Scenario 1	2.0	87.84	668.16	756.00	362.25
Scenario 2	2.0	80.06	609.00	689.06	295.31
Scenario 3	2.0	82.35	462.84	545.19	151.44

Conclusion

In conclusion, due to the long-term negligence surrounding the city's water fund, the city finds itself in a precarious crisis struggling for existence and continuation. Water is essential for life. In order to remediate the city's challenges with water, the community must come together and explore and utilize every resource available, including a substantial rate increase. Past mismanagement has driven us to take drastic measures in order to resolve the ongoing crises. After years of struggling to find a solution that benefits the community, we now have the leadership and knowledge that we need to solve this problem. If we come together as a community and committee to solve this problem, though the leadership of the City of Rawlins, we can not only solve the problem, but we can also exceed expectations.

Water Utility: Inside Corporate Limits Type	Meter	Current Amount	Proposed Amount
Displacement	0.625"	29.48	53.06
Displacement	0.75"	29.48	53.06
Displacement	1"	32.96	59.33
Displacement	1.5"	38.77	69.79
Displacement	2"	45.75	82.34
Displacement	2.5"	56.19	101.14
Singlet	3"	64.32	115.78
Compound, Class I	3"	64.32	115.78
Turban, Class I	3"	67.81	122.06
Singlet	4"	85.23	153.41
Compound, Class I	4"	85.32	153.58
Turban, Class I	4"	99.17	178.51
Singlet	6"	143.31	257.96
Compound, Class I	6"	143.51	258.32
Turban, Class I	6"	178.15	320.67
Compound, Class I	8"	213.00	383.40
Turban, Class I	8"	352.39	634.30
Turban, Class III	10"	515.00	927.00

Type		Current Amount	Proposed Amount
Monthly Commodity Charge (all types)	Per 1,000 Gallons	3.48	4.63
Glenn Addition Fixed Rate	Per Month	47.00	62.51
Construction Water - Treated	Per 1,000 Gallons	8.70	11.57
RPZ Meter Fire Hydrant Assemble Deposit	Each	2,800.00	2,800.00
RPZ Meter Fire Hydrant Usage Fee	Per Day	10.00	10.00
Delinquent Fee	Per Month	10.00	10.00
Delinquent Reconnect Water Fee	Per Facility	60.00	60.00
Shut-Off Notice Fee	Per Facility	5.00	5.00
Non-Emergency Shut-off Request	Per Request	Minimum One Hour	Minimum One Hour
After Hours Shut Off	Per Request	Actual Cost	Actual Cost
Raw Water from North Platte River	Per 1,000 Gallons	5.00	5.00

Water Utility: Outside Corporate Limits Type	Meter	Current Amount	Proposed Amount
Displacement	0.625"	39.30	70.74
Displacement	0.75"	39.30	70.74
Displacement	1"	43.95	79.11
Displacement	1.5"	51.69	93.04
Displacement	2"	60.98	109.76
Displacement	2.5"	74.92	134.86
Singlet	3"	85.76	154.37
Compound, Class I	3"	85.76	154.37
Turban, Class I	3"	90.41	162.74
Singlet	4"	113.64	204.55
Compound, Class I	4"	113.64	204.55
Turban, Class I	4"	132.22	238.00
Singlet	6"	191.08	343.94
Compound, Class I	6"	191.08	343.94
Turban, Class I	6"	237.54	427.57
Compound, Class I	8"	284.00	511.20
Turban, Class I	8"	469.85	845.73
Turban, Class III	10"	686.67	1,236.01

Type		Current Amount	Proposed Amount
Monthly Commodity Charge (all types)	Per 1,000 Gallons	4.64	6.17
Construction Water - Treated	Per Month	17.40	23.14
Town of Sinclair	Per 1,000 Gallons	2.09	2.78
RPZ Meter Fire Hydrant Assemble Deposit	Each	2,800.00	2,800.00
RPZ Meter Fire Hydrant Usage Fee	Per Day	10.00	10.00
Delinquent Fee	Per Month	14.00	14.00
Delinquent Reconnect Water Fee	Per Facility	80.00	80.00
Shut-Off Notice Fee	Per Facility	6.67	6.67
Non-Emergency Shut-off Request	Per Request	Minimum One Hour	Minimum One Hour
After Hours Shut Off	Per Request	Actual Overtime	Actual Overtime
Raw Water from North Platte River	Per 1,000 Gallons	5.00	5.00

Appendix A

Water Rate Comparison

Casper

The base water rate is $9.69, including 1,500 gallons of usage. The charge is then $2.28 for the next 500 gallons, and $4.56 for every 1,000 gallons after. Residential and Commercial rates are the same, per Chris, their billing technician, and can be viewed at https://www.casperwy.gov/cms/One.aspx?portalId=63067&pageId=88062

- Residential User with ¾" inch line and 5,000 gallons of usage monthly: $25.65
- Commercial User with a 2" inch line and 100,000 gallons of usage monthly: $458.85

Craig, Co

Craig base rate for water is $34.65 per month and $3.55 per 1000 gallons. More information can be viewed here https://www.ci.craig.co.us/Finance%20Dept/2024%20Utility%20Billing%20Information.pdf

- Residential User with ¾" inch line and 5,000 gallons of usage monthly: $25.65
- Commercial User with a 2" inch line and 100,000 gallons of usage monthly: $458.85

Douglas

The base rate for the average home meter sizes (3/4" and 1") are $30.50 monthly and a 2' meter size is $97.60. The first 30,000 gallons of usage are charged at $2.82 per 1000 gallons and $3.63 gallons for over 31,000 gallons and above. There is also a customer service charge of $5.41. Full water rate information can be found at https://www.cityofdouglas.org/DocumentCenter/View/732

- Residential User with ¾" inch line and 5,000 gallons of usage monthly: $50.01
- Commercial User with a 2" inch line and 100,000 gallons of usage monthly: $441.71

Lander

The base rate for the average home meter sizes are 5/8 inch meter $40.15 monthly and $42.87 monthly. A 2" water meter has a monthly charge of $97.27. The first 4,000 gallons of usage are included in the base charge. All in town usage over 4,000 gallons is charged at $4.99 per 1000 gallons. Full water rates can be found at https://www.landerwyoming.org/water-sewer

- Residential User with ¾" inch line and 5,000 gallons of usage monthly: $47.86
- Commercial User with a 2" inch line and 100,000 gallons of usage monthly: $441.71

Laramie

The base rate for an average home meter (3/4") is $24.99. A 2" meter base rate charge is $108.75 monthly. The price for water usage per 1,000 gallons for a single-family residence is $4.06 for the first 3,000 gallons, $5.06 for the next 3,000 gallons, staggering up to $9.52 per 1,000 gallons for over 24,000 gallons monthly. Multifamily units pay $3.98 per 1,000 gallons and Commercial pay $4.25 per 1,000 gallons. Full water rate information can be found at https://cityoflaramie.org/102/Utility-Billing by scrolling down to Municipal Services Rate Schedule

- Residential User with ¾" inch line and 5,000 gallons of usage monthly: $47.29
- Commercial User with a 2" inch line and 100,000 gallons of usage monthly: $533.75

Riverton

The base rate for the average home meter size, ¾ inch, is $24.40 monthly and a 2" water meter base rate is $59.19 monthly. Water unit charge is $3.06 per 1000 for the first 6,000 gallons, and

$3.51 above 6.000 gallons. Full water rates can be found at https://www.rivertonwy.gov/departments/administrative_services/utility_billing/water_rates.php.

- Residential User with ¾" inch line and 5,000 gallons of usage monthly: $39.70
- Commercial User with a 2" inch line and 100,000 gallons of usage monthly: $302.19

Rawlins Current Rates

- Residential User with ¾" inch line and 5,000 gallons of usage monthly: $46.88
- Commercial User with a 2" inch line and 100,000 gallons of usage monthly: $393.74

National Rate Indexes for Comparison - Rawlins

Rate affordability, often measured by the Affordability Index (AI), is an important indicator to which you should pay attention. Affordability Index: The monthly charge for (typically) 5,000 gallons of residential service divided by the median monthly household income for the area served by the system. An index of 1.0, meaning a household pays one percent of its income to pay its bill for 5,000 gallons of service, is generally considered to be affordable. Grant and loan agencies pay close attention to it.

- Affordability Index for Rawlins: $70,054 Annual Median Income (per 2022 US Census Bureau) x 1% for water = $700.54 paid annually; $58.38 monthly

The USDA Loan agency has stated that $1.58% of household income should be paid for water to quality for their loans.

- USDA Loan Qualifications: $70,054 Annual Median Income (per 2022 US Census Bureau) x 1.58% = $71106.85 paid annually; $92.23 monthly