

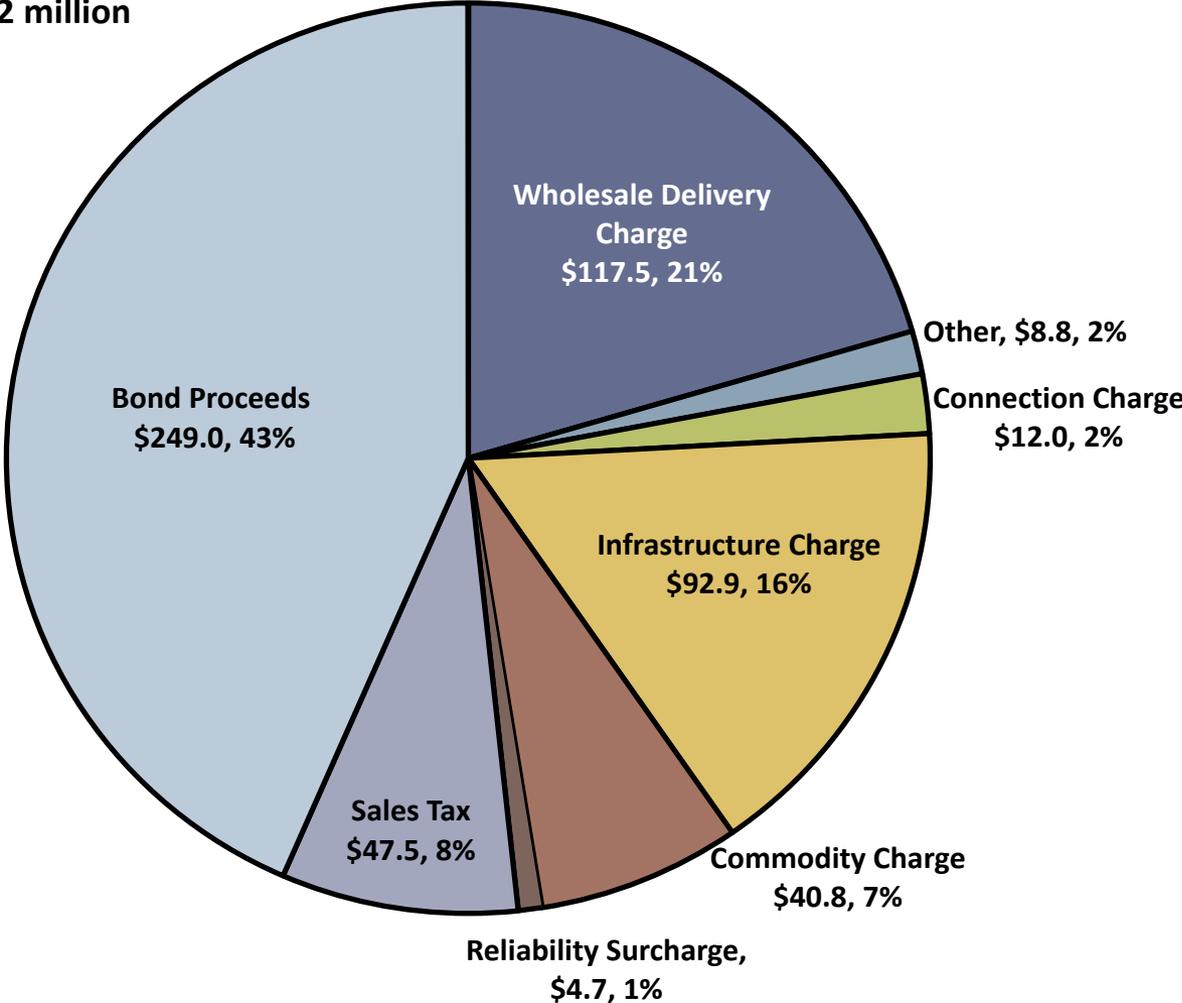
May 6, 2013

**SNWA Rate
Examples**



SNWA Sources of Funds – FY 2013

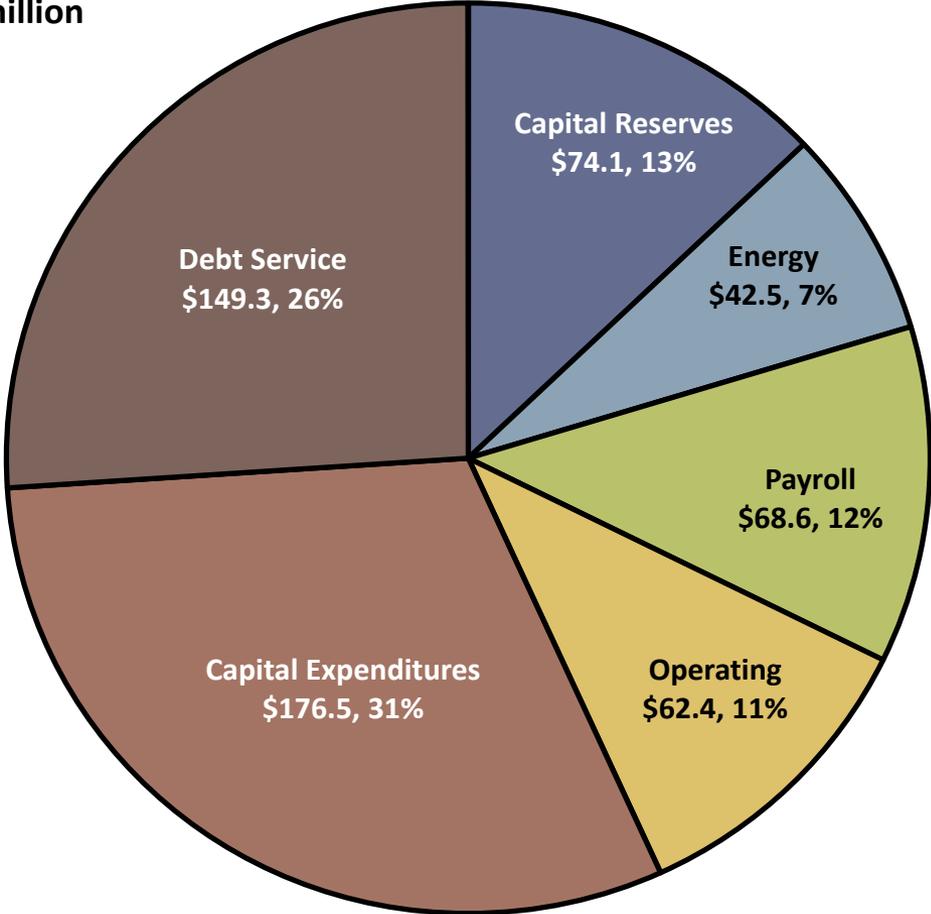
Total Sources: \$573.2 million



*Amounts in millions

SNWA Uses of Funds – FY 2013

Total Uses: \$573.4 million



*Amounts in millions

Customer Type Comparisons

Customer Type	Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill	Cost Per 1,000 Gallons	Cost per \$1,000 Gallons w/o Firelines
RESIDENTIAL SAMPLES				
Single Family Residential: 5/8" meter	Median: 10 High: 28	Median: \$34 High: \$107	\$3.43 \$3.79	n/a
Single Family Residential: 1" meter	Median: 35 High: 116	Median: \$123 High: \$487	\$3.53 \$4.20	n/a
Single Family Residential: 1 ½" meter	Median: 88 High: 243	\$306 \$937	\$3.48 \$3.86	n/a
Multi-Family Residential: 5/8" meter	Median: 14 High: 72	\$49 \$322	\$3.36 \$4.49	n/a
Mobile Home Park <i>Boulder Cascades</i>	1,616	\$2,983	\$1.77	n/a
Residential High Rise <i>Queensridge</i>	1,241	\$8,618	\$6.94	\$3.91
Residential High-Rise (Downtown) <i>Ogden</i>	1,263	\$4,586	\$3.63	\$3.31
NON-RESIDENTIAL SAMPLES				
Commercial High Rise <i>Wells Fargo Tower</i>	3,899	\$15,530	\$3.98	\$3.93
Commercial Stand-alone <i>Cragin & Pike</i>	25	\$346	\$13.81	\$5.66
Commercial Office Park <i>Desert Canyon</i>	238	\$1,491	\$6.26	\$3.56
Government Building <i>CC Justice Center</i>	2,057	\$8,551	\$4.16	\$3.62
Standalone Restaurant <i>Lawry's</i>	420	\$1,947	\$4.64	\$3.54
Standalone Fast Food <i>Cane's</i>	104	\$381	\$3.66	n/a
Golf Course <i>Southern Highlands</i>	32,799	\$114,343	\$3.49	n/a

Customer Type Comparisons

Customer Type		Typical Monthly Consumption (in 1,000 gallons)	Monthly Bill	Cost Per 1,000 Gallons	Cost per \$1,000 Gallons w/o Firelines
NON-RESIDENTIAL SAMPLES, Continued					
Municipal Park	<i>All-American</i>	3,915	\$14,216	\$4.32	n/a
Large Strip Property	<i>Bellagio</i>	36,833	\$158,369	\$4.30	\$4.27
Downtown Hotel and Casino	<i>El Cortez</i>	2,841	\$11,748	\$4.14	\$3.85
Locals Hotel and Casino	<i>Suncoast</i>	9,617	\$36,880	\$3.83	\$3.76
High School	<i>Palo Verde HS</i>	3,080	\$11,487	\$3.73	\$3.52
Retail Complex – Mall	<i>Fashion Show</i>	6,030	\$25,365	\$4.21	\$4.11
Large Retail	<i>Sahara Pavilion North</i>	1,405	\$6,796	\$4.84	\$4.38
Car Wash	<i>Terrible Herbst</i>	393	\$1,393	\$3.55	n/a
Religious	<i>Lakes Lutheran Church</i>	30	\$653	\$21.76	\$6.42
Non-profit	<i>Shade Tree</i>	269	\$1,733	\$6.42	\$4.47
Commercial Laundry	<i>Brady Linen</i>	18,488	\$66,142	\$3.58	\$3.54
Large Industrial	<i>Sunset Parkway Bus. Cntr</i>	762	\$3,244	\$4.26	\$3.65
Small Industrial	<i>Baldwin Motor Sports</i>	7	\$384	\$54.82	\$8.79
Self-Storage Facility	<i>StorageOne</i>	68	\$904	\$13.49	\$3.87
HOA Common Area	<i>Summerlin HOA</i>	1,208	\$5,214	\$4.32	n/a
Hospital – Older	<i>Sunrise Hospital</i>	5,364	\$20,340	\$3.79	\$3.67
Hospital – Newer	<i>St. Rose San Martin</i>	2,981	\$11,970	\$4.01	\$3.71
Day Care	<i>Kindercare</i>	113	\$412	\$3.65	n/a

Firelines

- **Firelines and associated infrastructure provide emergency protection**
- **The size and number of firelines are dictated by fire codes**
- **While not used often (if ever), they must always be immediately available**
- **Fireline charges are based primarily on capacity, not use**

April Meeting Review

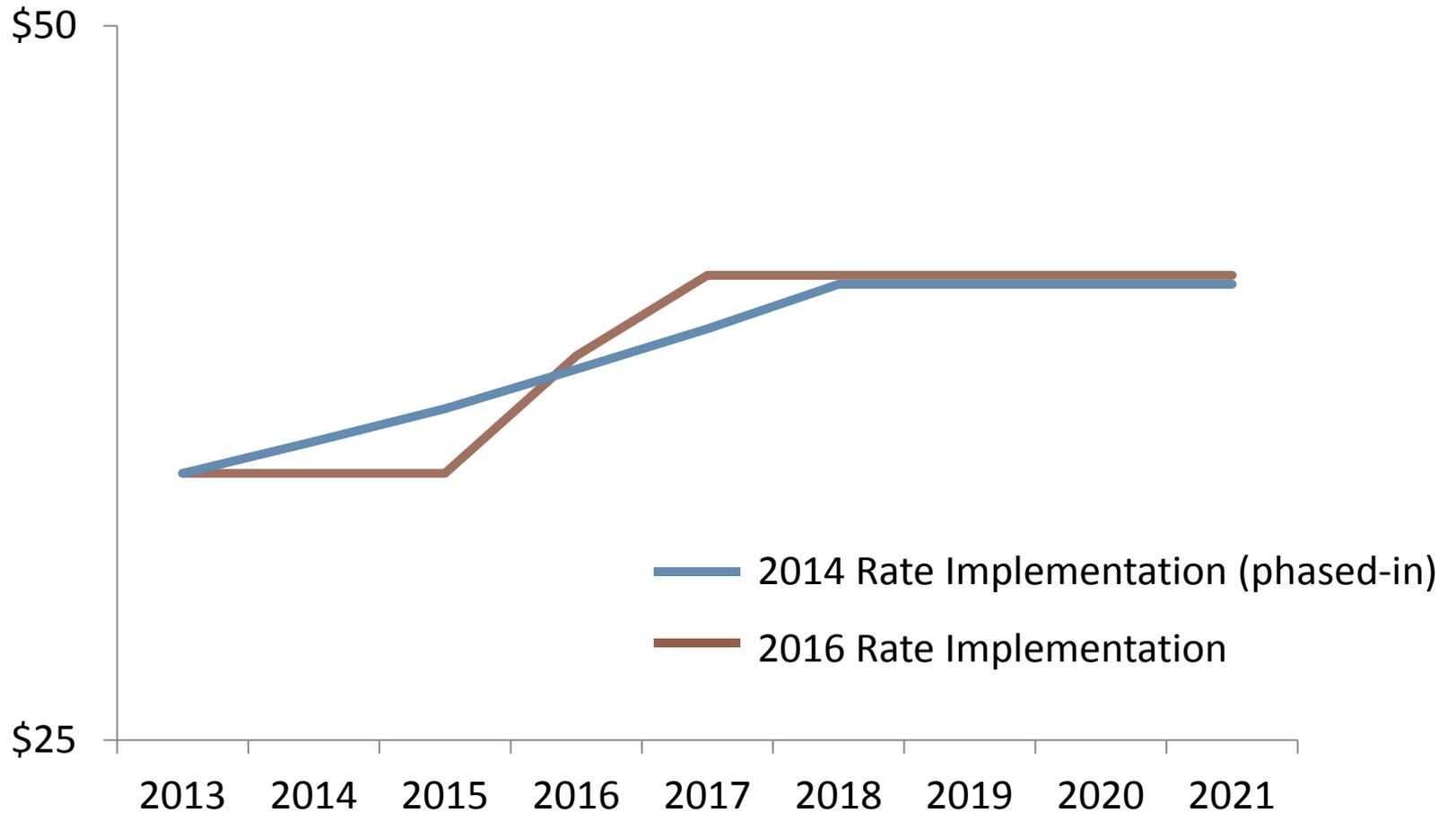
Consensus reached:

- **The committee will not further consider consumption-only rate increases.**
- **The committee will not further consider infrastructure charge-only rate increases.**
- **The committee will not further consider fireline rates that increase proportionately.**

May Meeting Goals

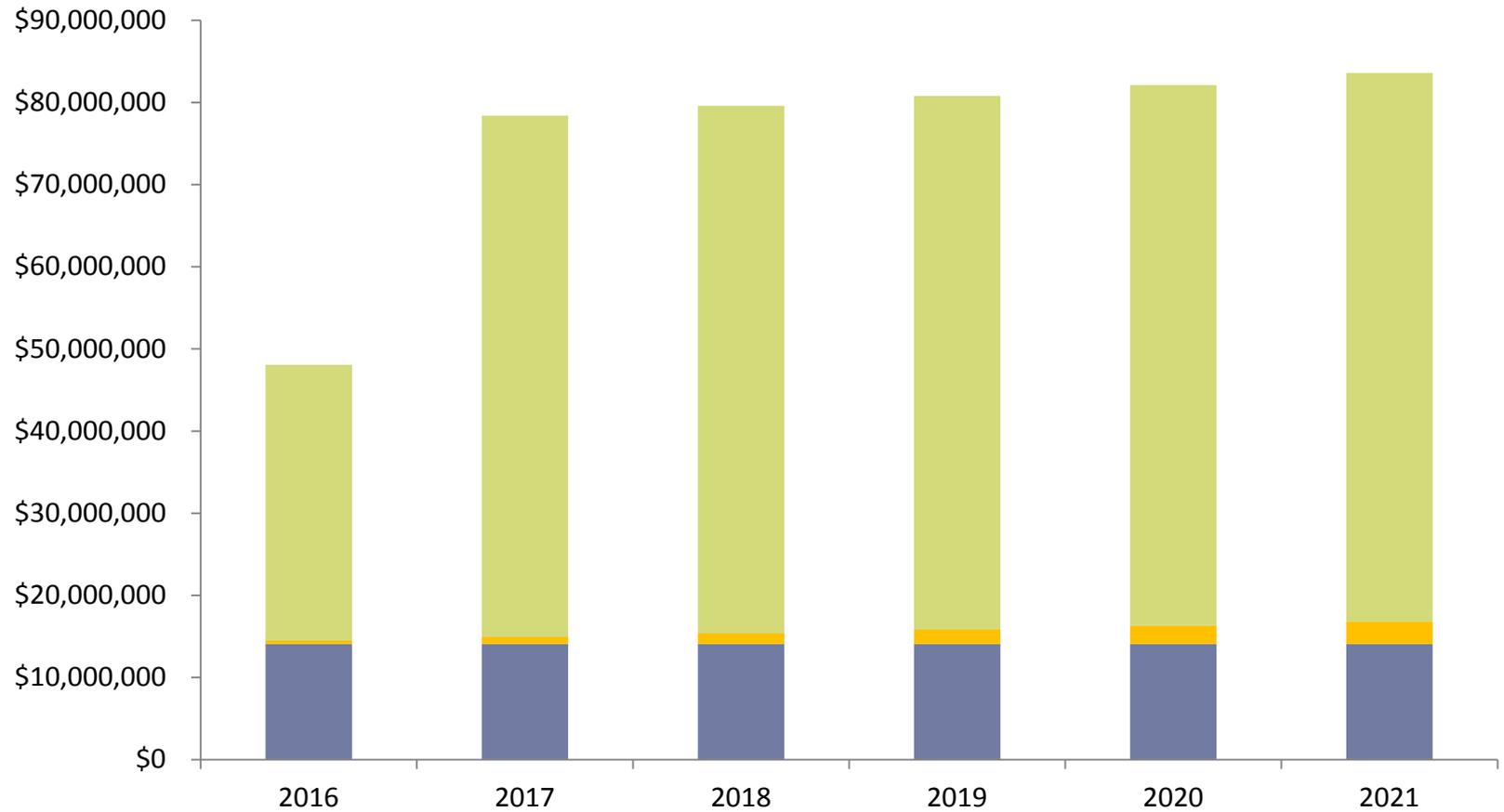
- **Make a decision regarding fireline rates**
- **Make a decision regarding phased-in rates**
- **Discuss how the hybrid rate should be divided among variable and fixed rates**
- **Discuss rate examples and appropriate next steps**

Phased-in Rates?



Sampled: 5/8" Residential Meter, Median Use
75% Commodity; 25% Infrastructure, No increase to firelines

Indexing Firelines?



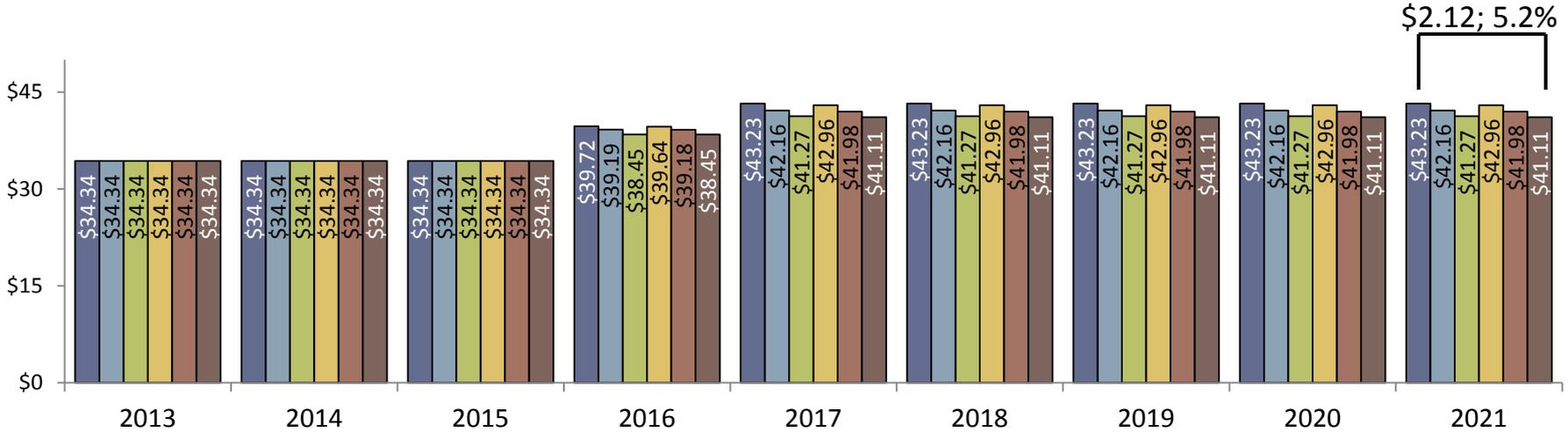
Baseline fireline revenues Indexed fireline revenues Remaining revenues

Rate Examples for Consideration

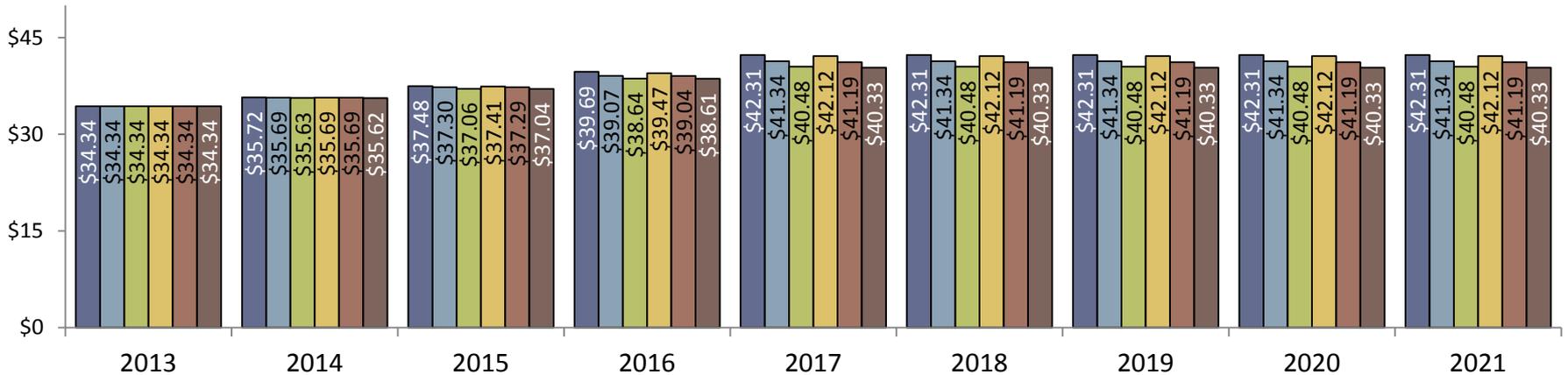
<p>Increases Begin 2016</p>	<p><u>1. No increases to existing fireline rates</u> 1A 25% Commodity / 75% Infrastructure hybrid 1B 50% Commodity / 50% Infrastructure hybrid 1C 75% Commodity / 25% Infrastructure hybrid</p> <p><u>2. Fireline rates increase with inflation</u> 2A 25% Commodity / 75% Infrastructure hybrid 2B 50% Commodity / 50% Infrastructure hybrid 2C 75% Commodity / 25% Infrastructure hybrid</p>
<p>Increases Begin 2014</p>	<p><u>3. No increase to existing fireline rates</u> 3A 25% Commodity / 75% Infrastructure hybrid 3B 50% Commodity / 50% Infrastructure hybrid 3C 75% Commodity / 25% Infrastructure hybrid</p> <p><u>4. Fireline rates increase with inflation</u> 4A 25% Commodity / 75% Infrastructure hybrid 4B 50% Commodity / 50% Infrastructure hybrid 4C 75% Commodity / 25% Infrastructure hybrid</p>

5/8" Residential Meter (Median Use)

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

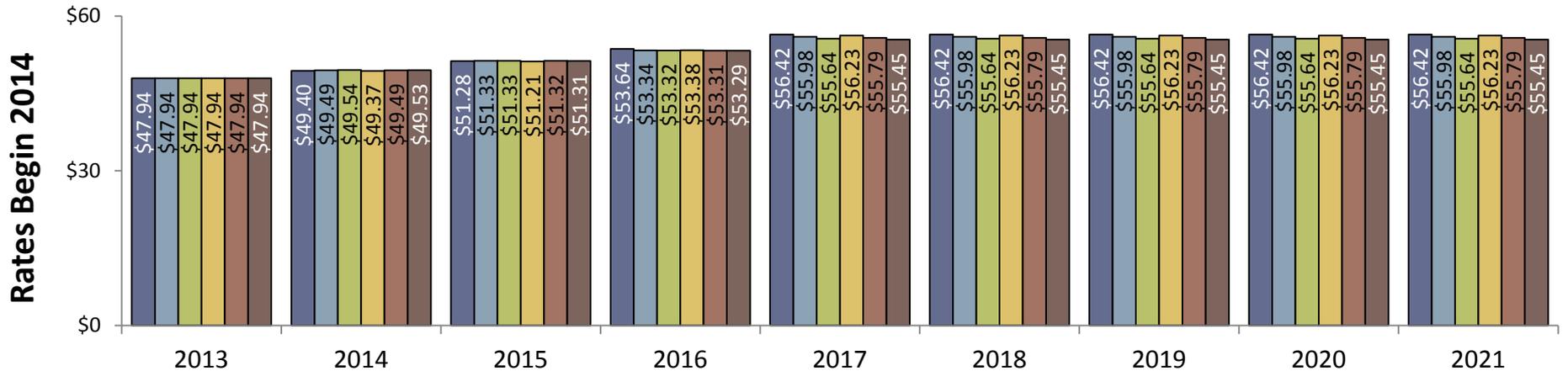
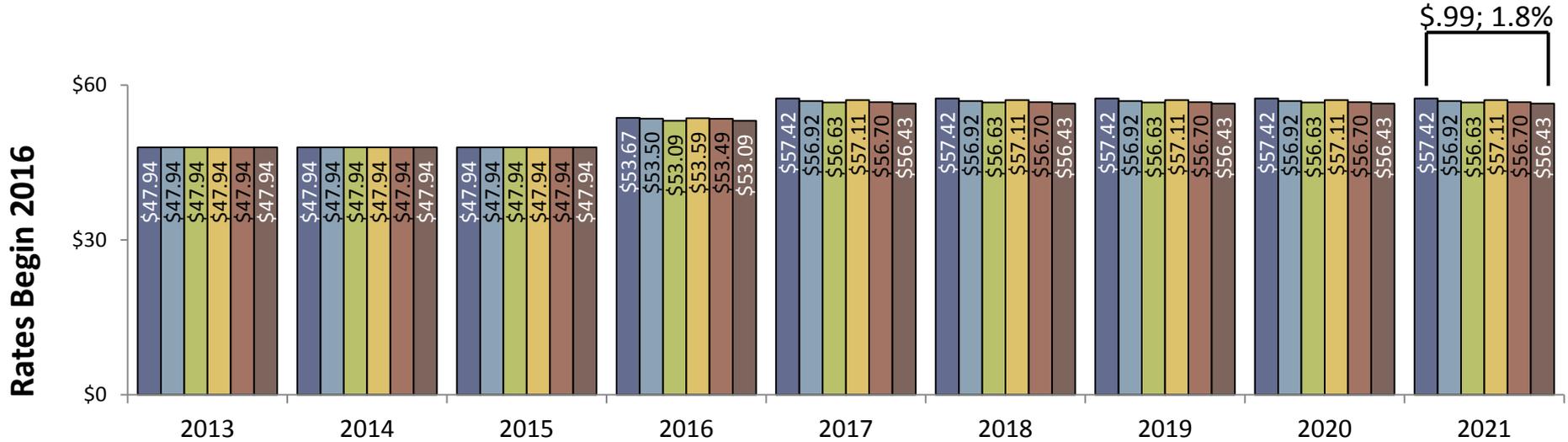
75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

Multi-Family Residential (Median Use)

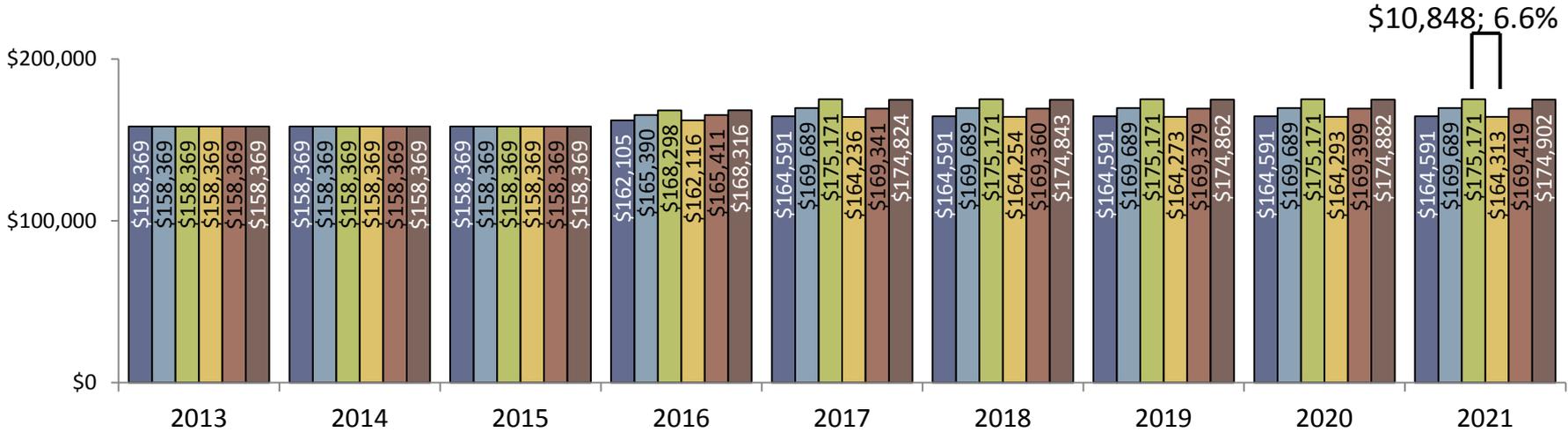


- 25% Commodity / 75% Infrastructure
No increase to firelines
- 50/50 Hybrid
No increase to firelines
- 75% Commodity / 25% Infrastructure
No increase to firelines
- 25% Commodity / 75% Infrastructure
Firelines increase with inflation
- 50/50 Hybrid
Firelines increase with inflation
- 75% Commodity / 25% Infrastructure
Firelines increase with inflation

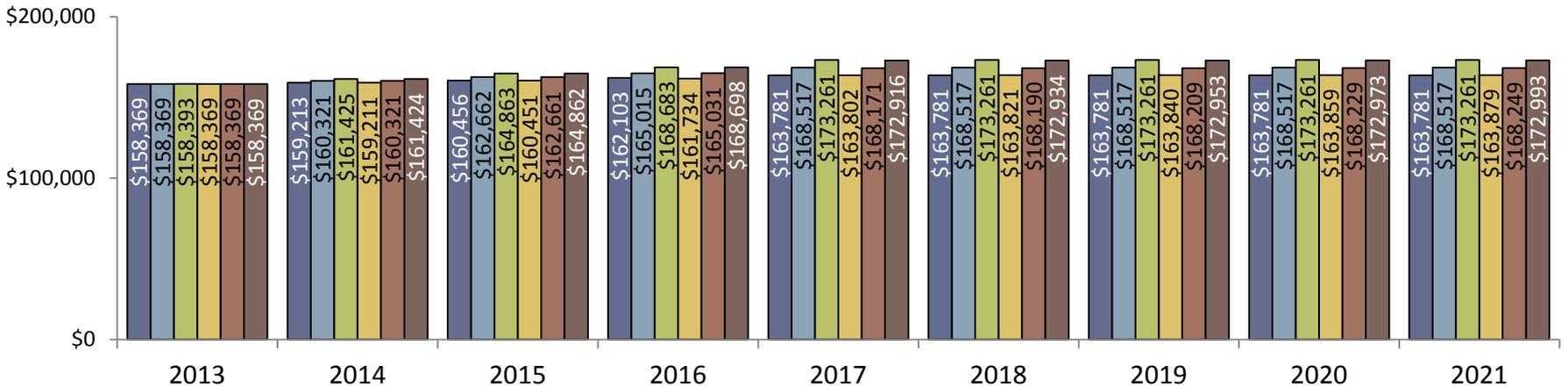
Casino – Strip Property

Bellagio

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

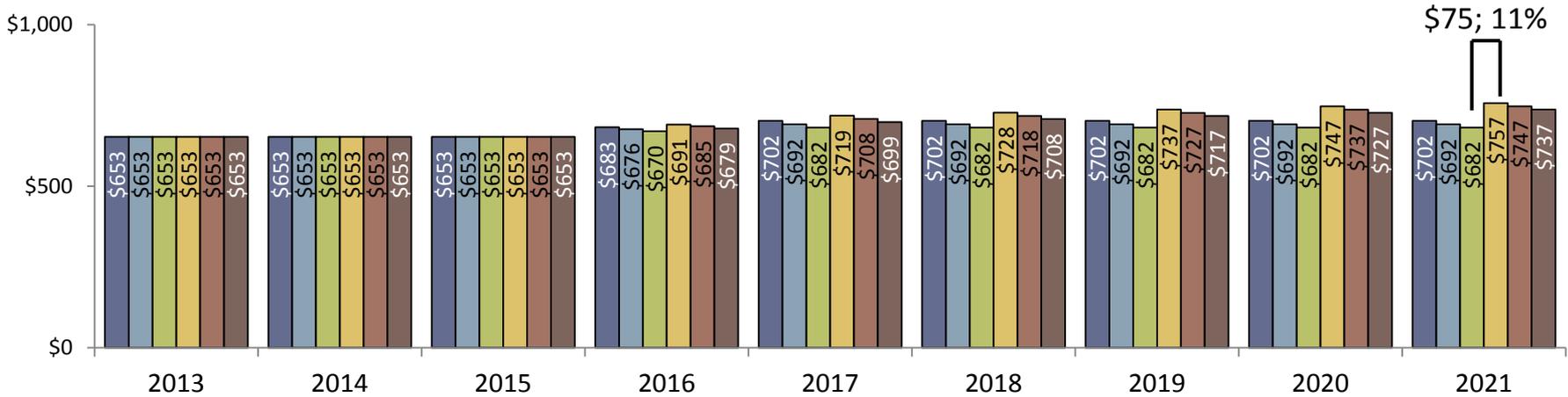
75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

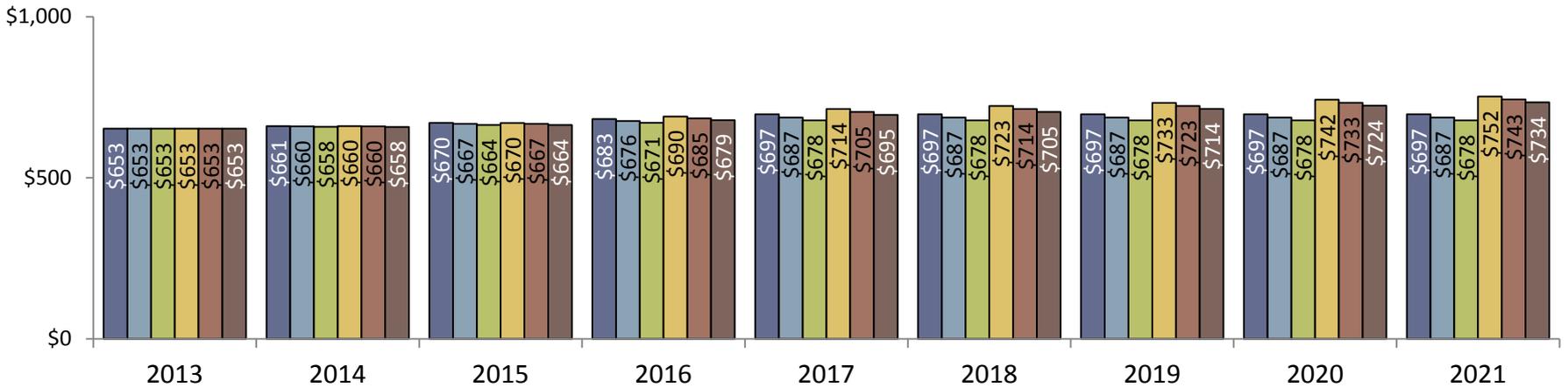
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

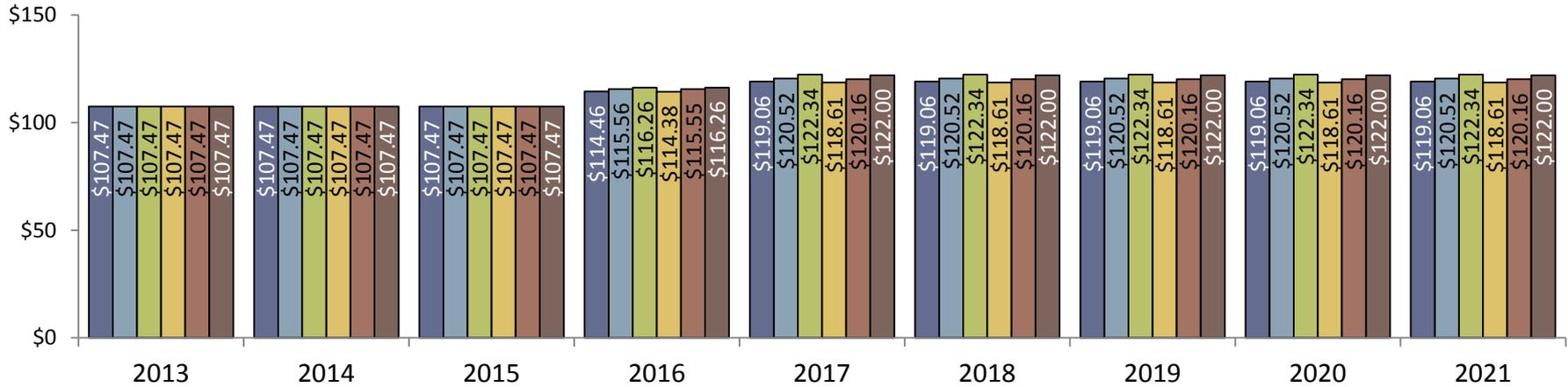
25% Commodity / 75% Infrastructure
Firelines increase with inflation

50/50 Hybrid
Firelines increase with inflation

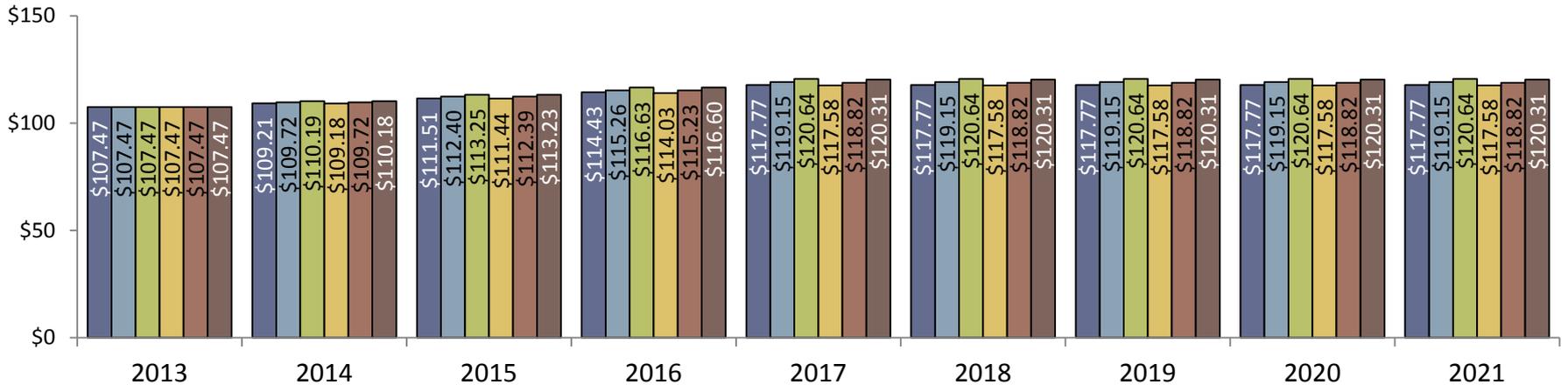
75% Commodity / 25% Infrastructure
Firelines increase with inflation

5/8" Residential Meter (High Use)

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

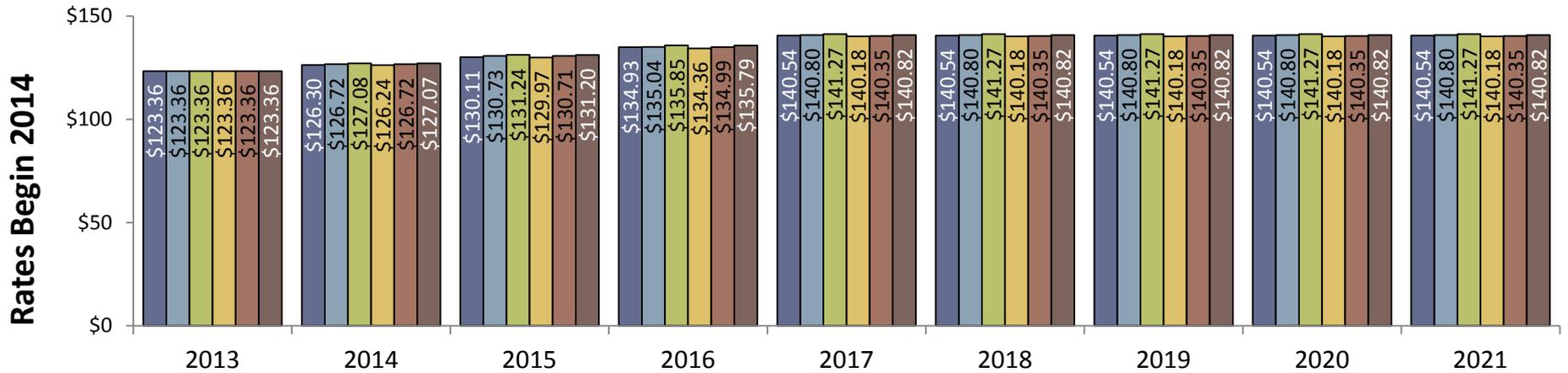
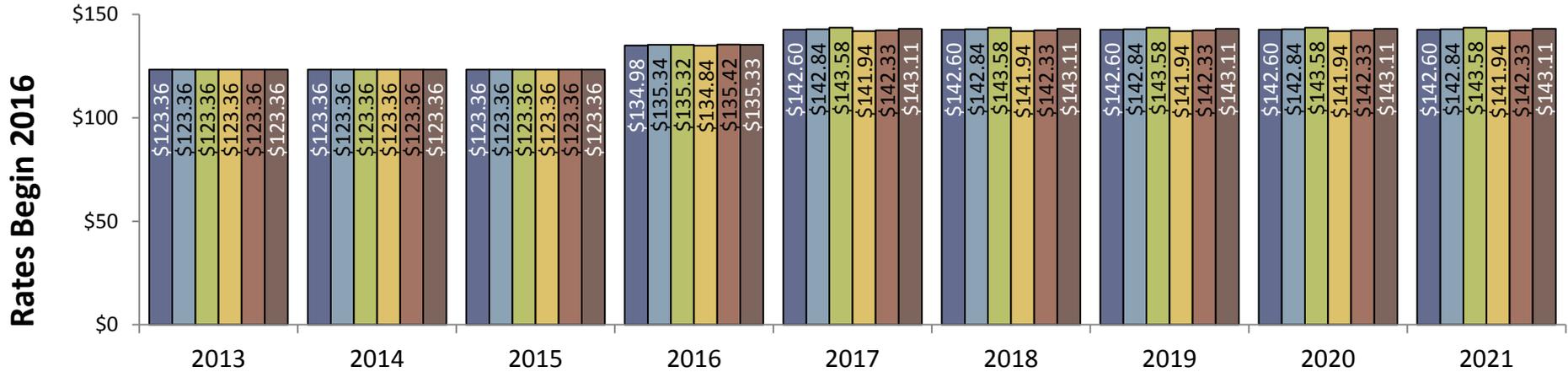
75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

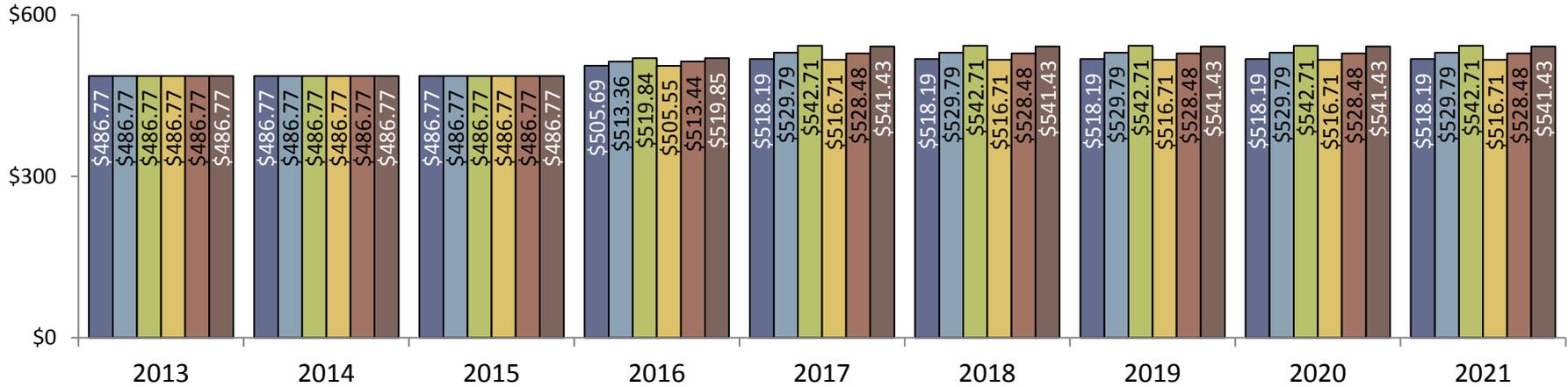
1" Residential Meter (Median Use)



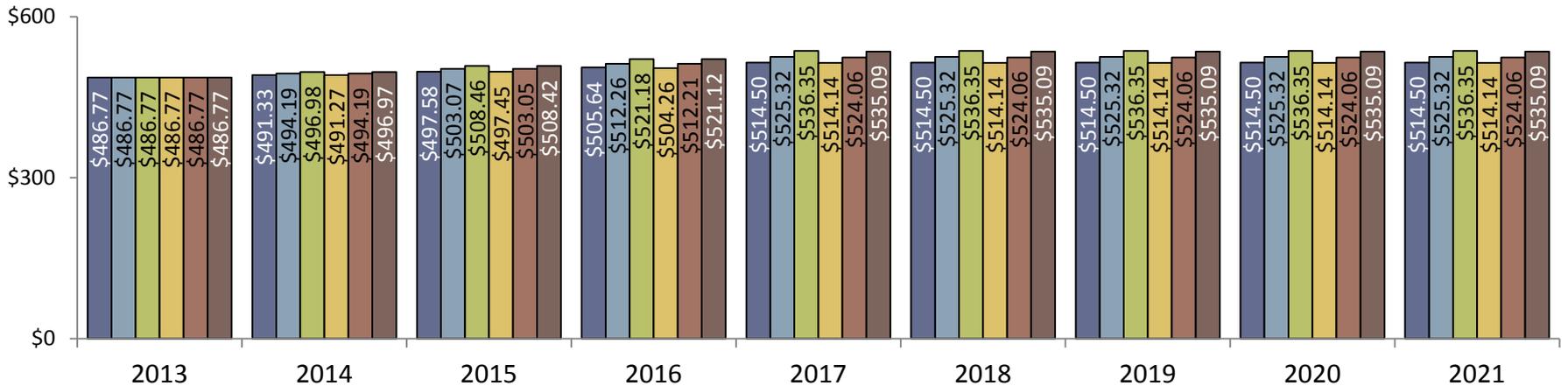
- 25% Commodity / 75% Infrastructure
No increase to firelines
- 50/50 Hybrid
No increase to firelines
- 75% Commodity / 25% Infrastructure
No increase to firelines
- 25% Commodity / 75% Infrastructure
Firelines increase with inflation
- 50/50 Hybrid
Firelines increase with inflation
- 75% Commodity / 25% Infrastructure
Firelines increase with inflation

1" Residential Meter (High Use)

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

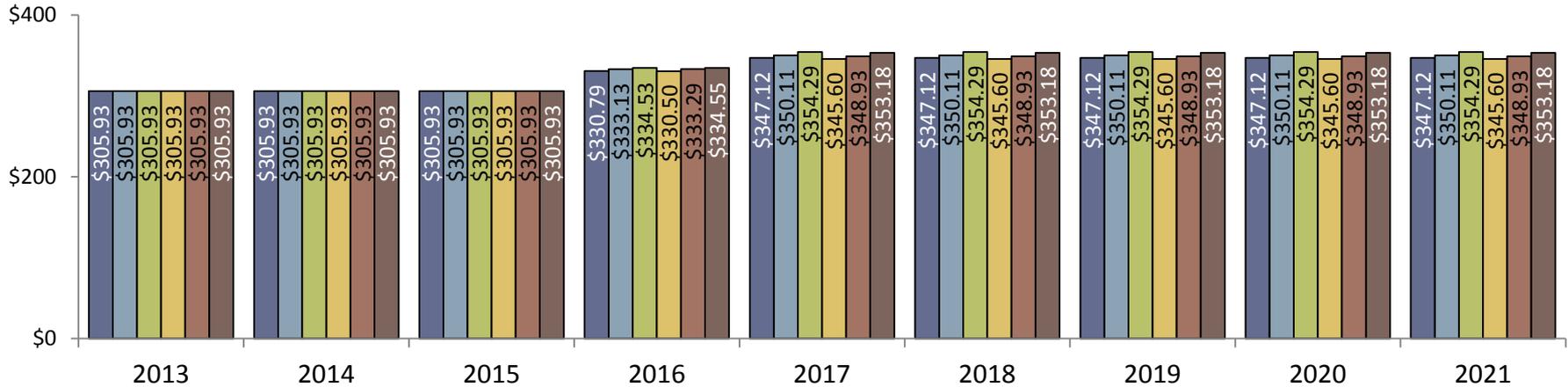
25% Commodity / 75% Infrastructure
Firelines increase with inflation

50/50 Hybrid
Firelines increase with inflation

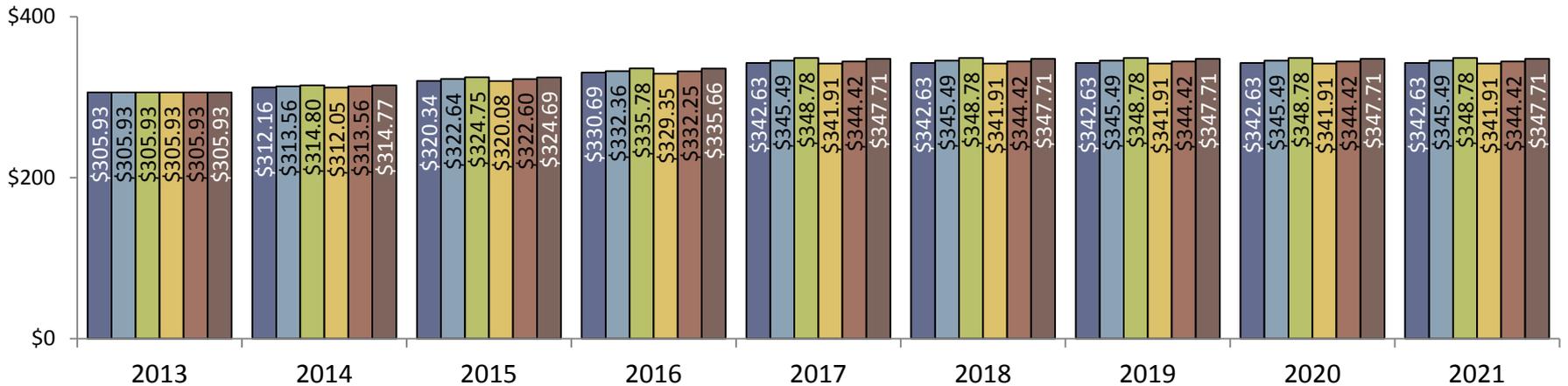
75% Commodity / 25% Infrastructure
Firelines increase with inflation

1.5" Residential Meter (Median Use)

Rates Begin 2016



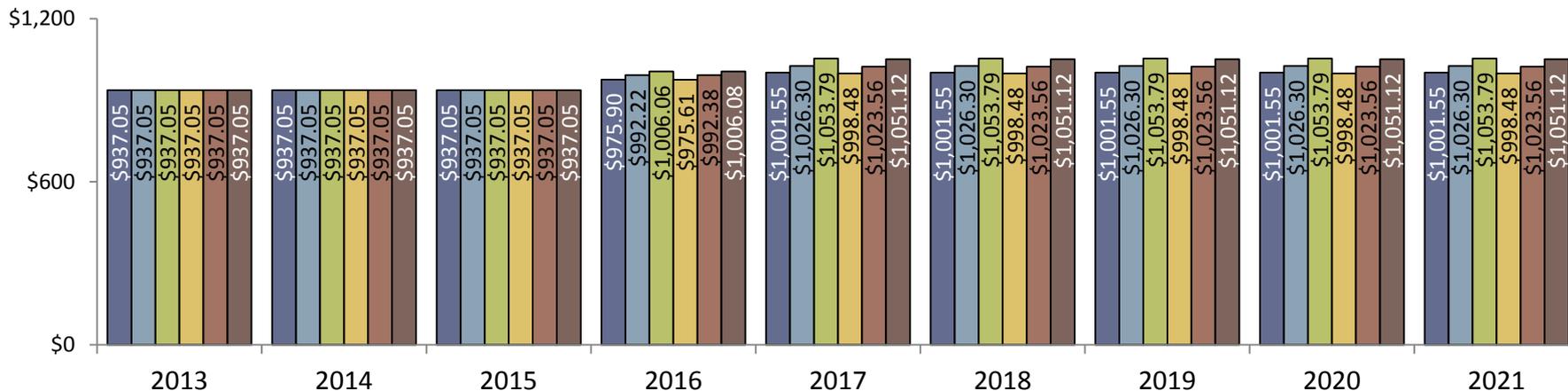
Rates Begin 2014



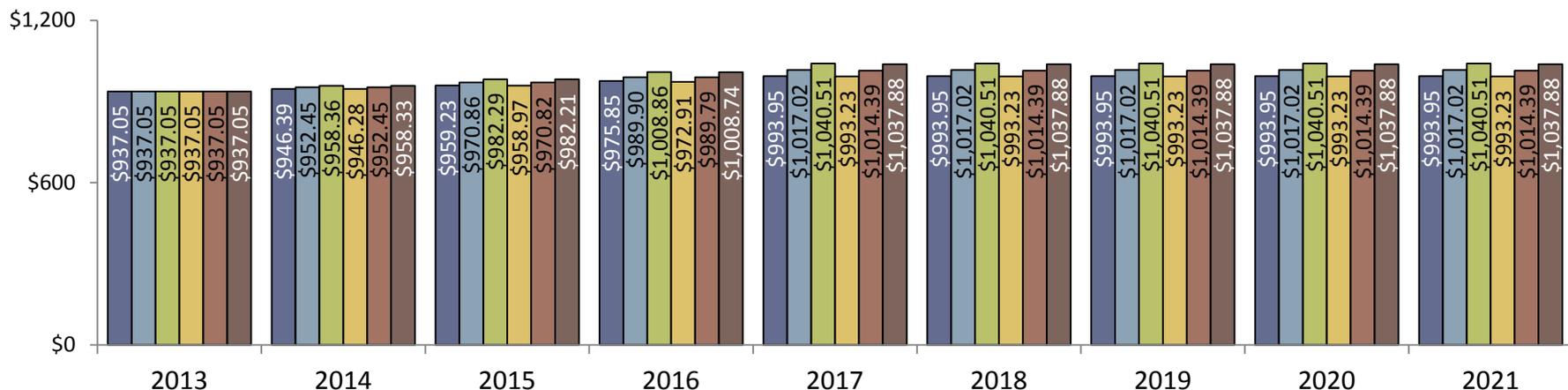
- 25% Commodity / 75% Infrastructure
No increase to firelines
- 50/50 Hybrid
No increase to firelines
- 75% Commodity / 25% Infrastructure
No increase to firelines
- 25% Commodity / 75% Infrastructure
Firelines increase with inflation
- 50/50 Hybrid
Firelines increase with inflation
- 75% Commodity / 25% Infrastructure
Firelines increase with inflation

1.5" Residential Meter (High Use)

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

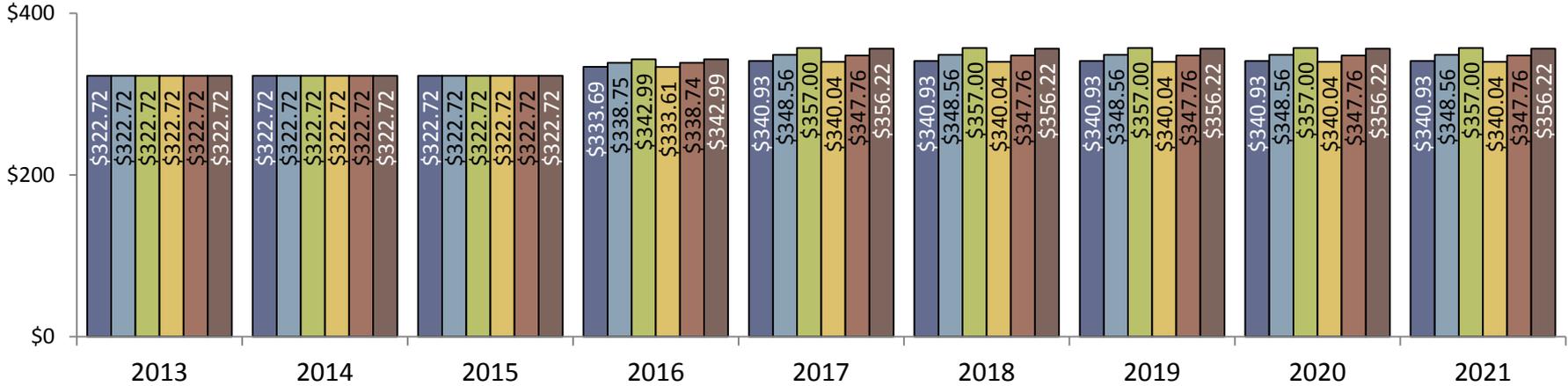
25% Commodity / 75% Infrastructure
Firelines increase with inflation

50/50 Hybrid
Firelines increase with inflation

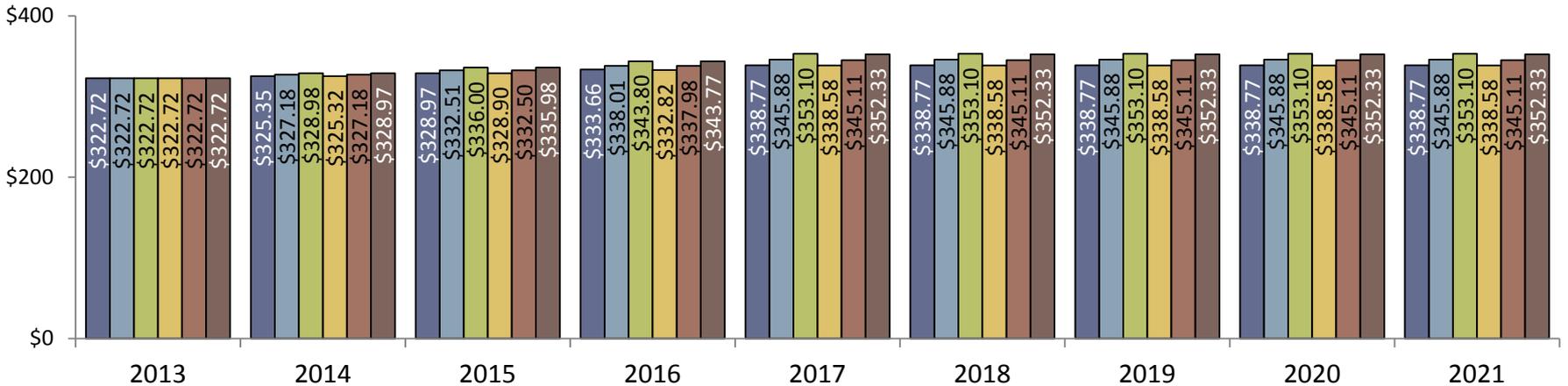
75% Commodity / 25% Infrastructure
Firelines increase with inflation

Multi-Family Residential (High Use)

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

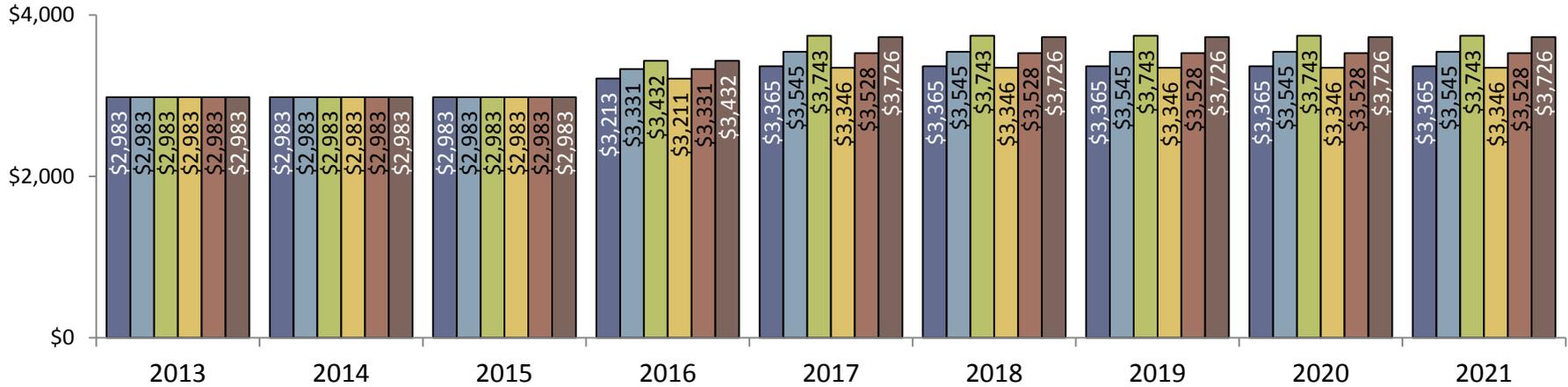
75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

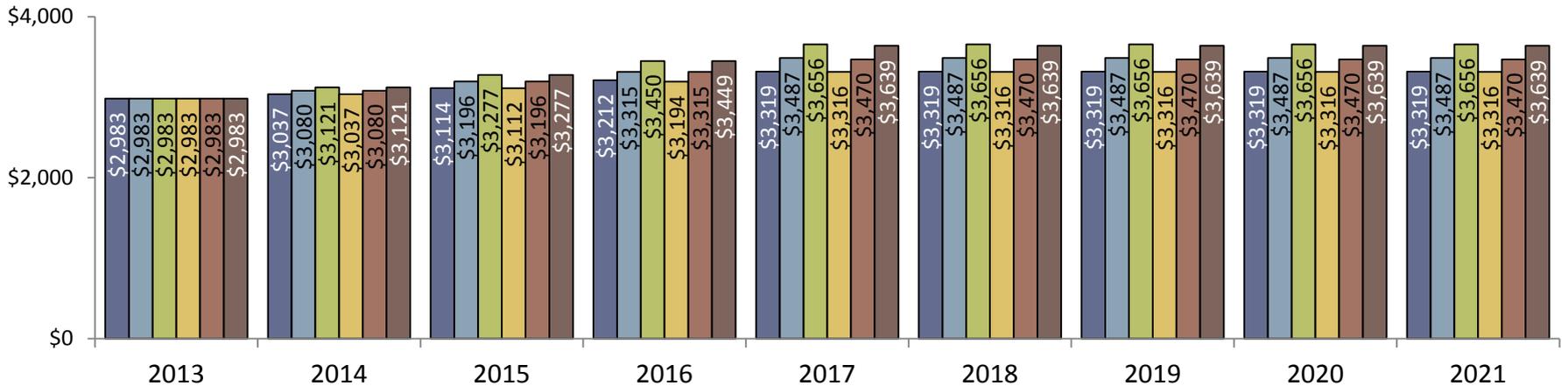
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

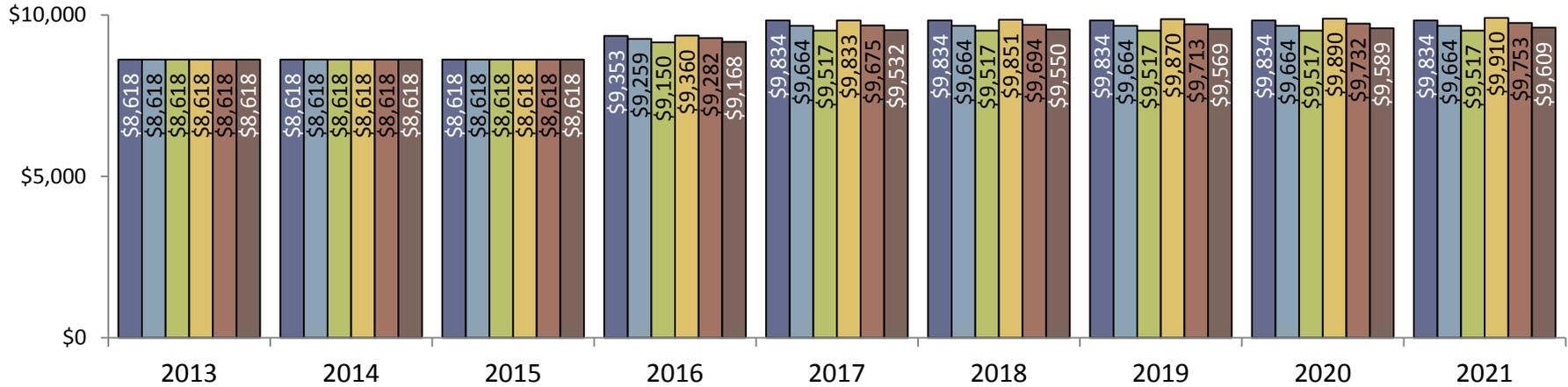
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

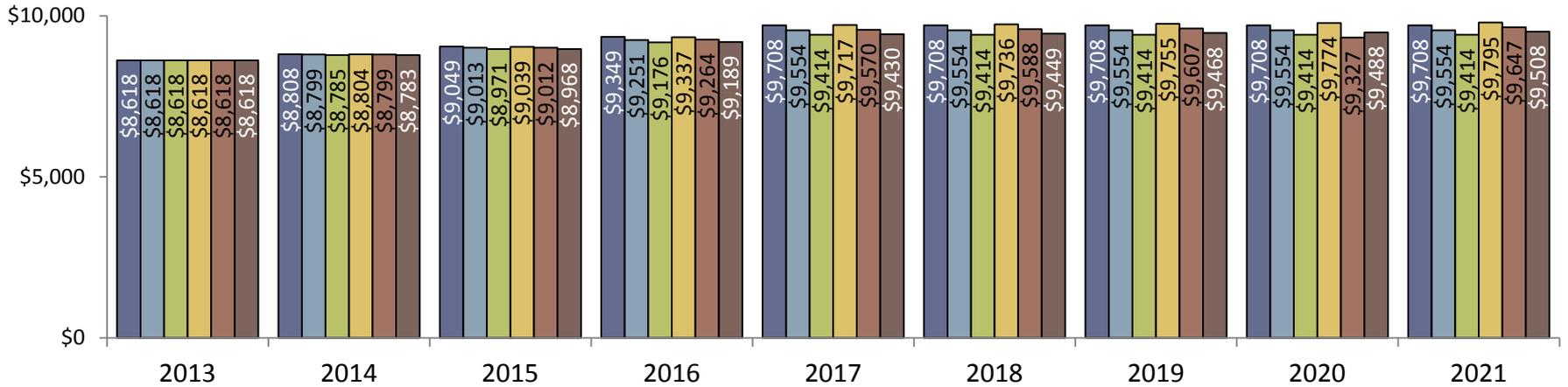
Residential High Rise

Queensridge

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

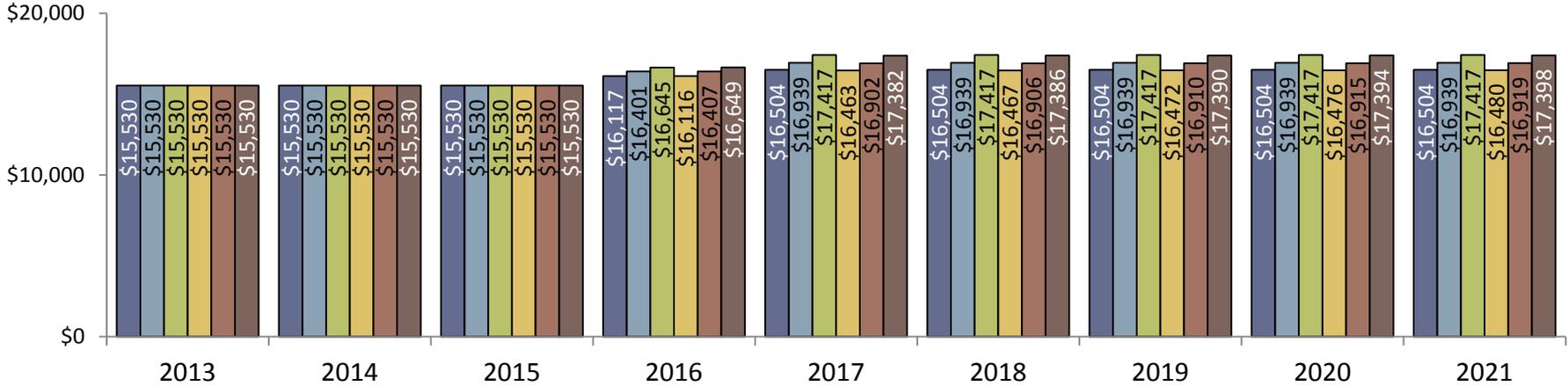
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

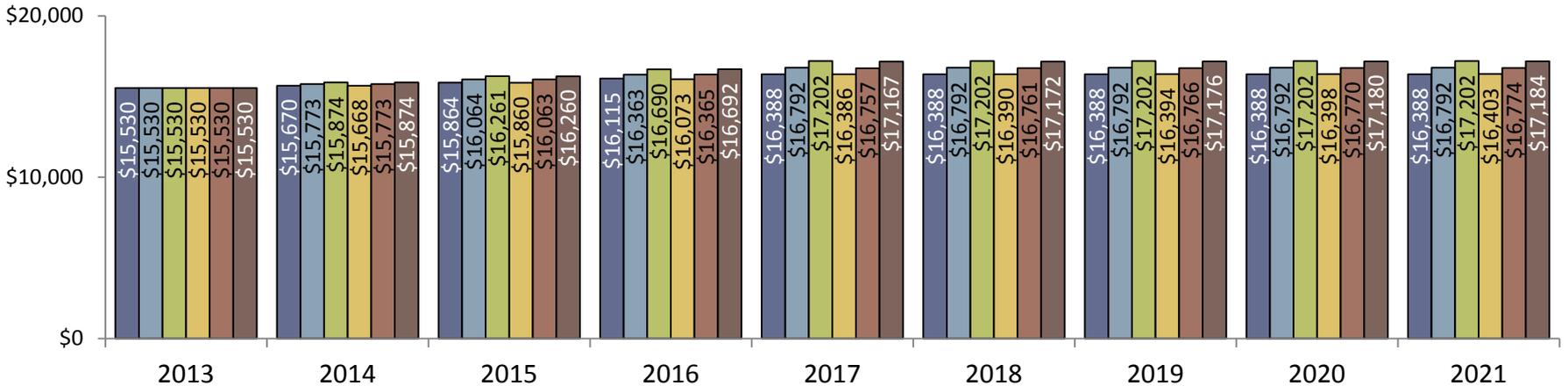
Commercial High Rise

Wells Fargo Tower

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

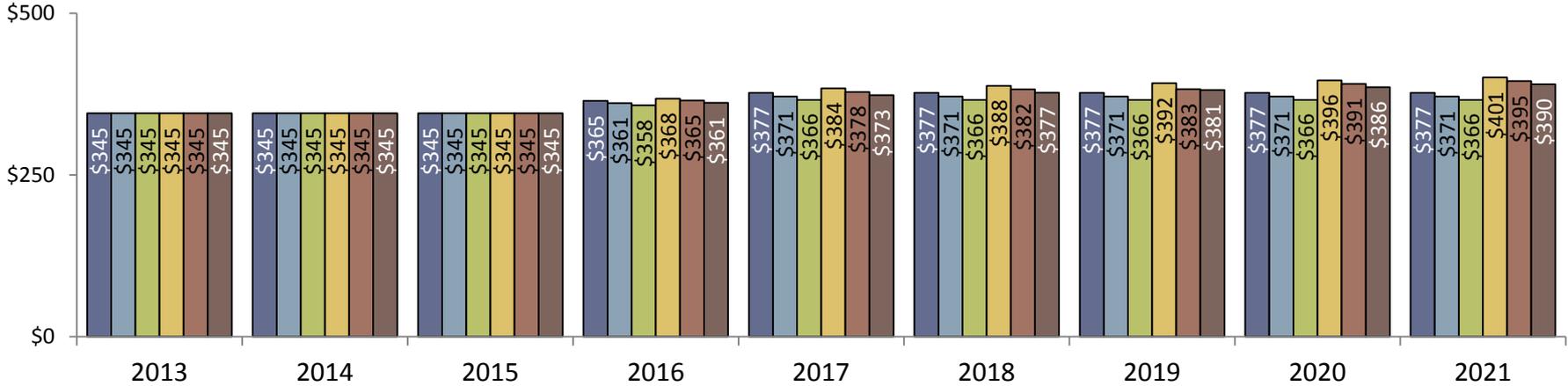
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

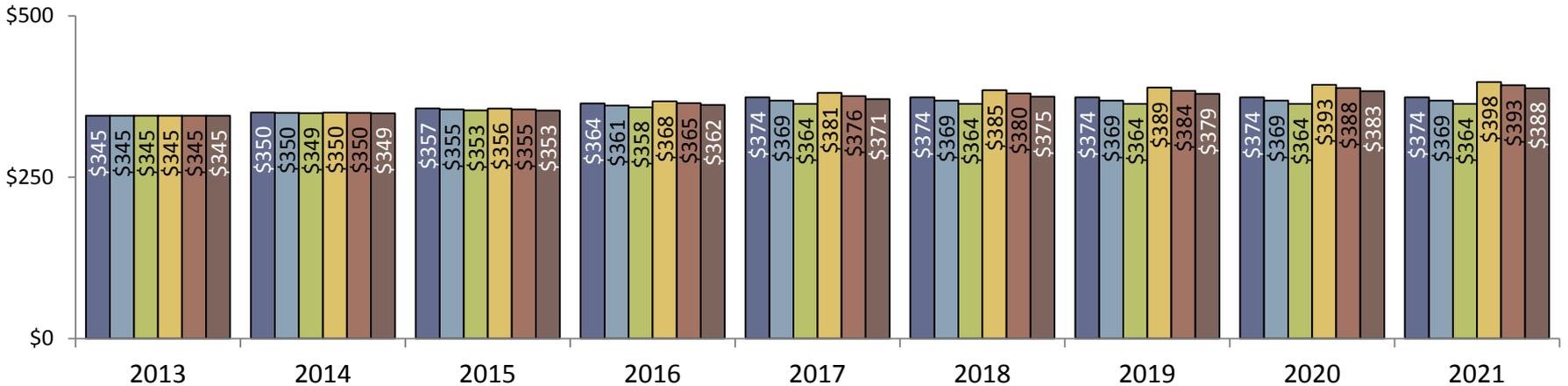
Commercial Standalone

Cragin & Pike

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

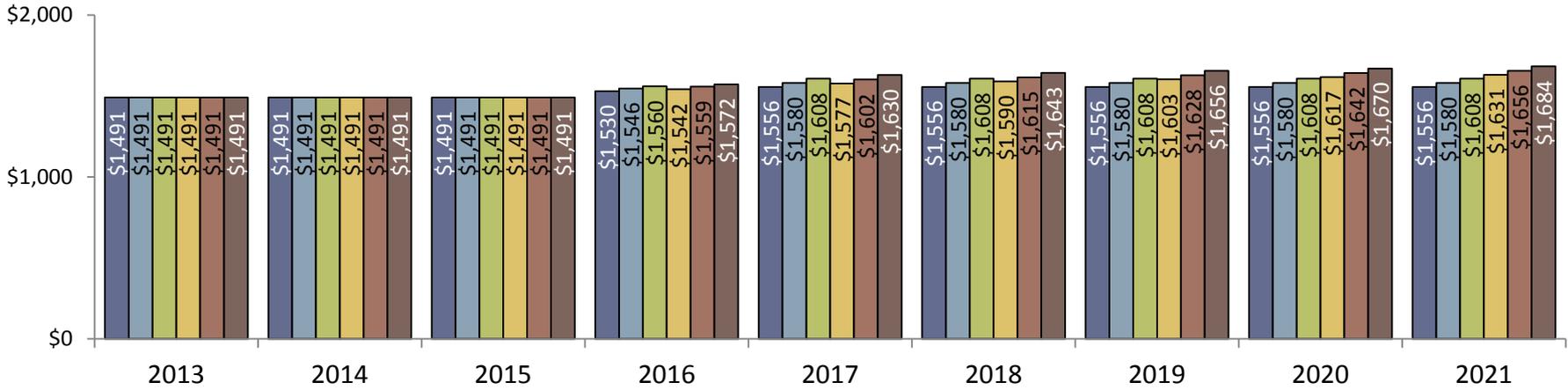
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

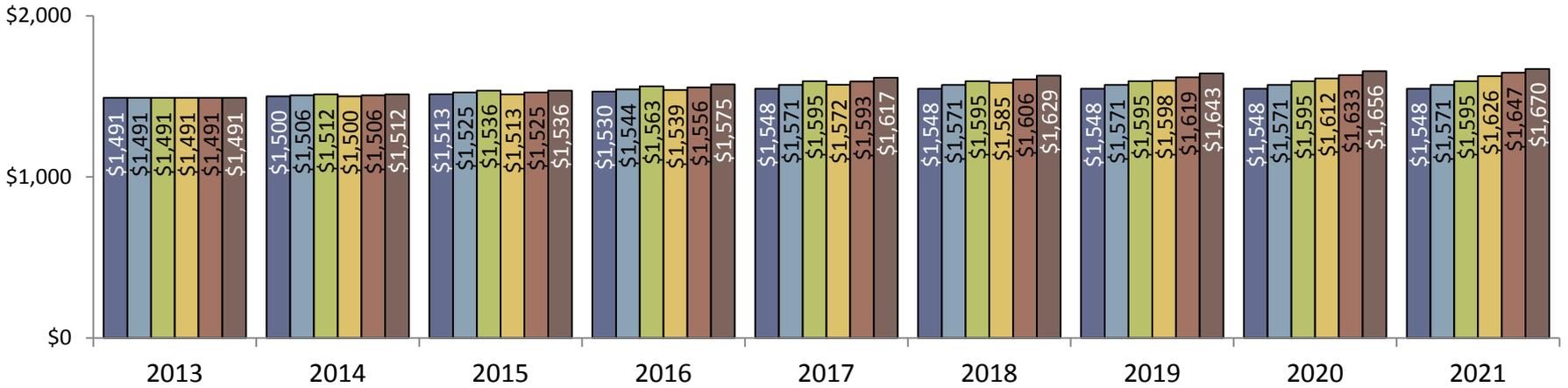
Commercial Office Park

Desert Canyon Office Park

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

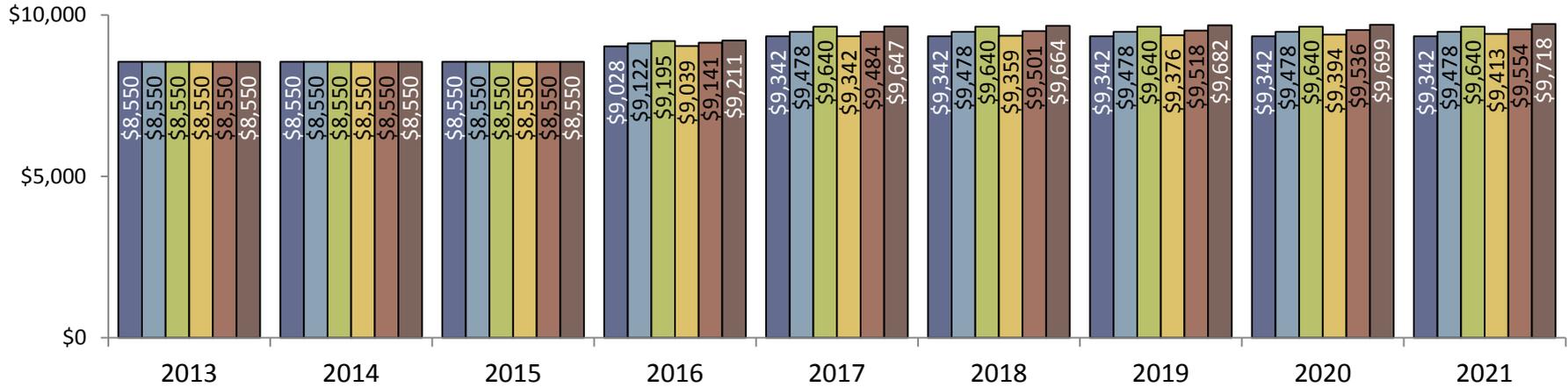
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

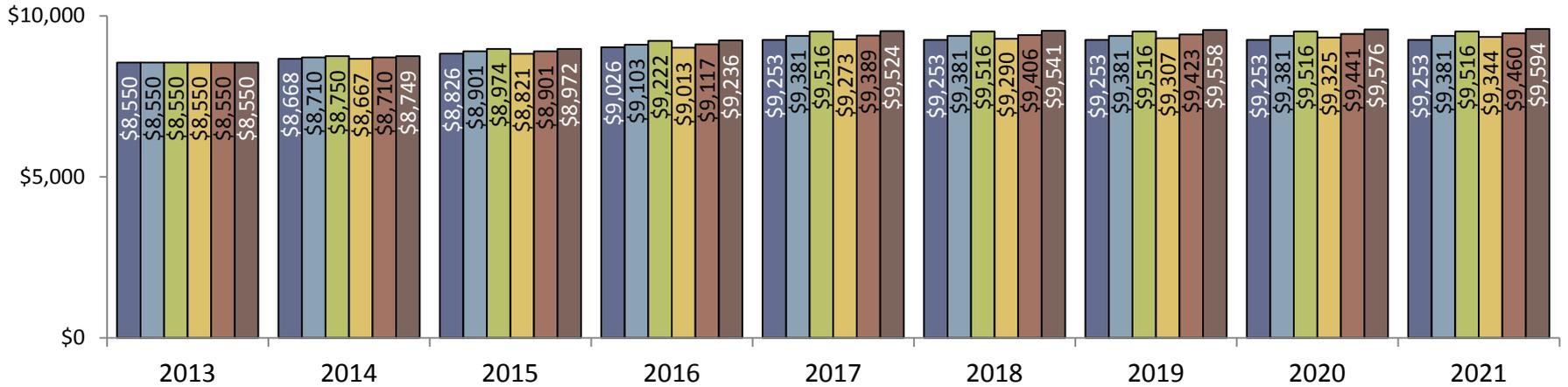
Government Building

Clark County Justice Center

Rates Begin 2016



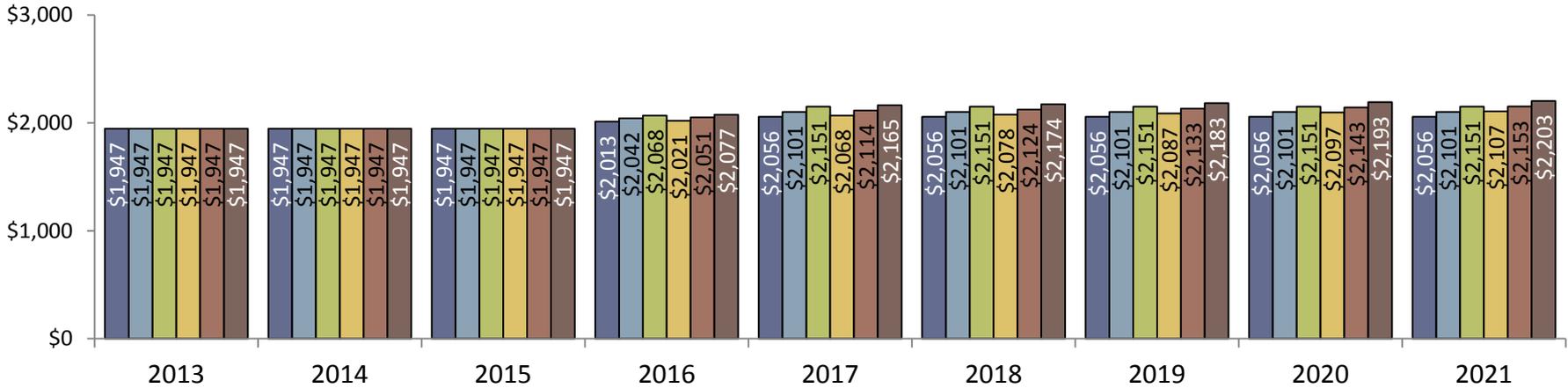
Rates Begin 2014



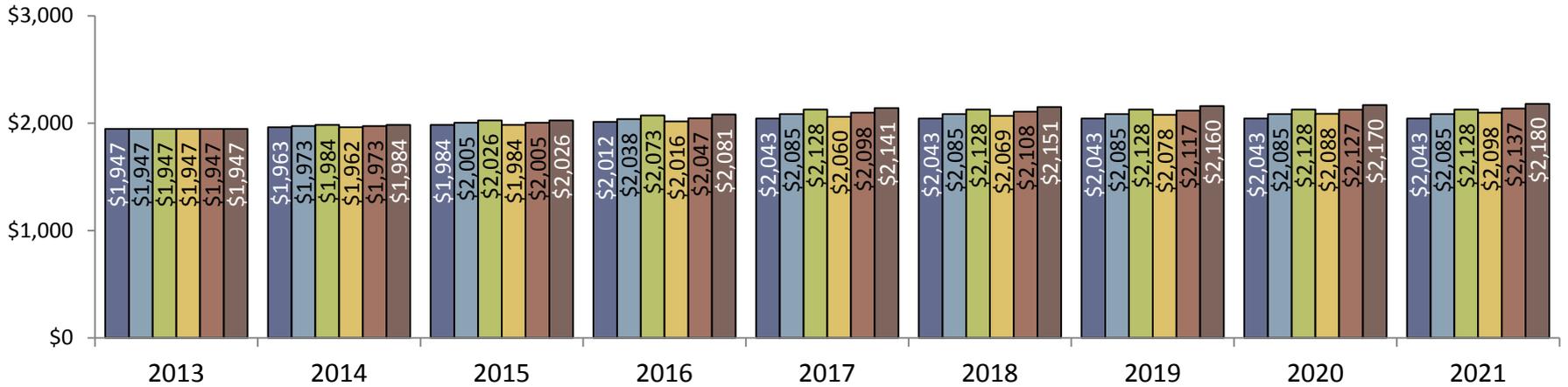
- 25% Commodity / 75% Infrastructure
No increase to firelines
- 50/50 Hybrid
No increase to firelines
- 75% Commodity / 25% Infrastructure
No increase to firelines
- 25% Commodity / 75% Infrastructure
Firelines increase with inflation
- 50/50 Hybrid
Firelines increase with inflation
- 75% Commodity / 25% Infrastructure
Firelines increase with inflation

Standalone Restaurant

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

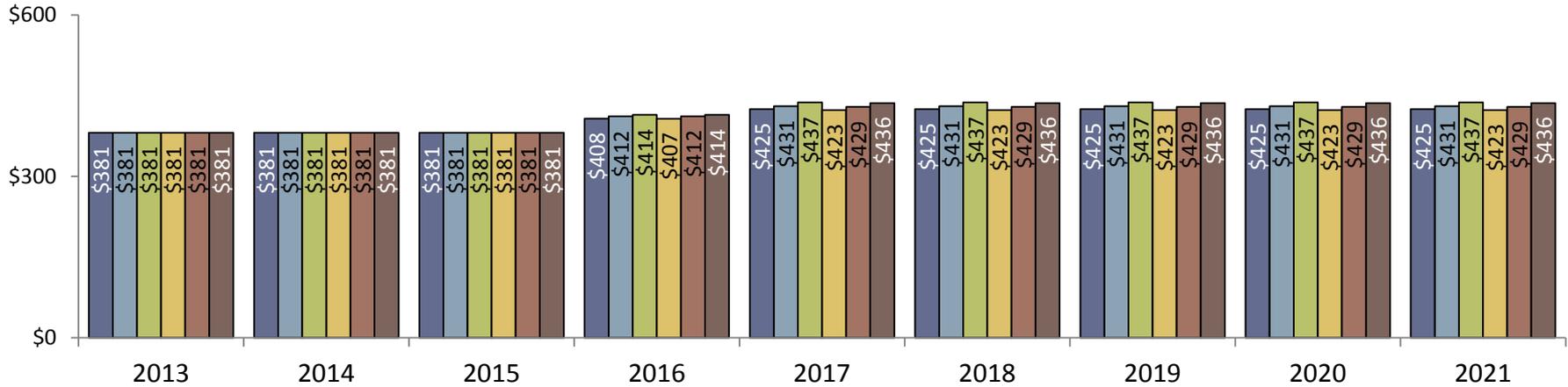
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

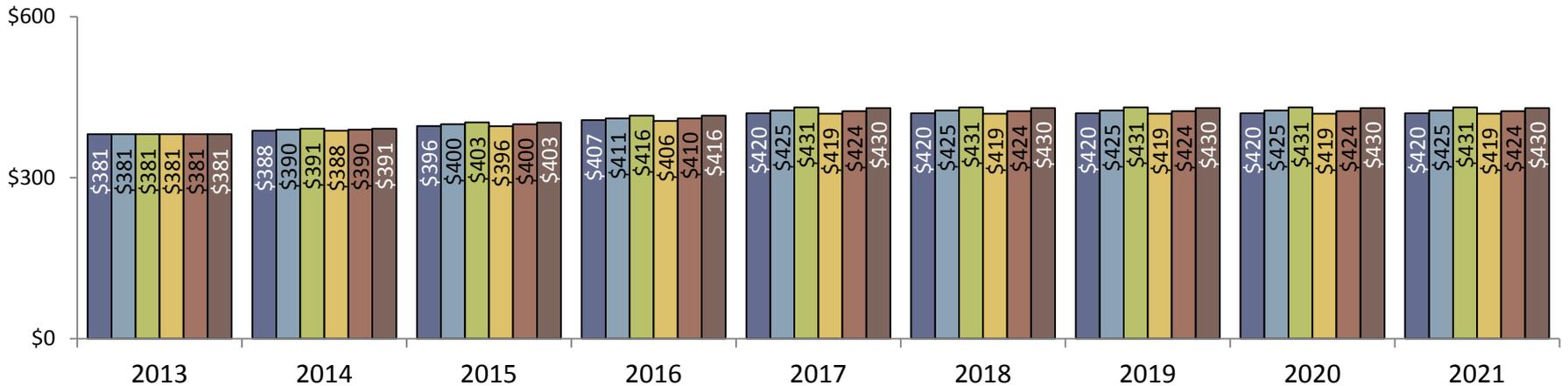
Standalone Fast Food

Raising Canes

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

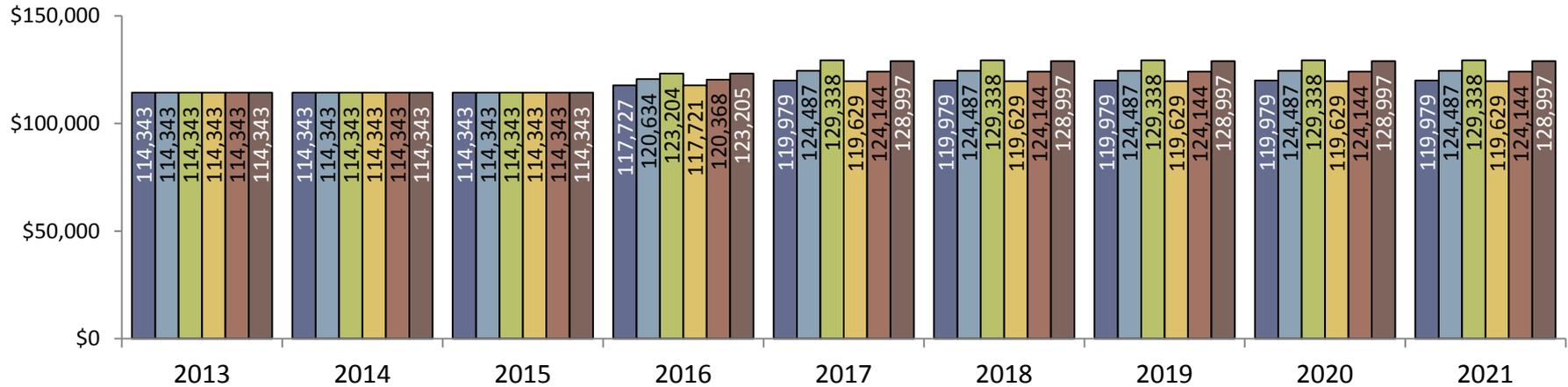
75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

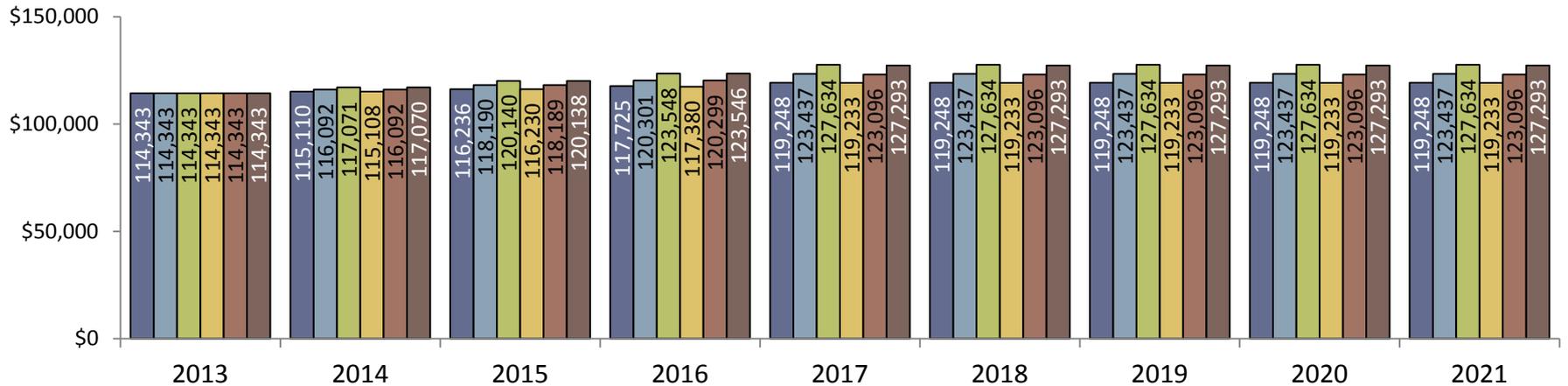
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

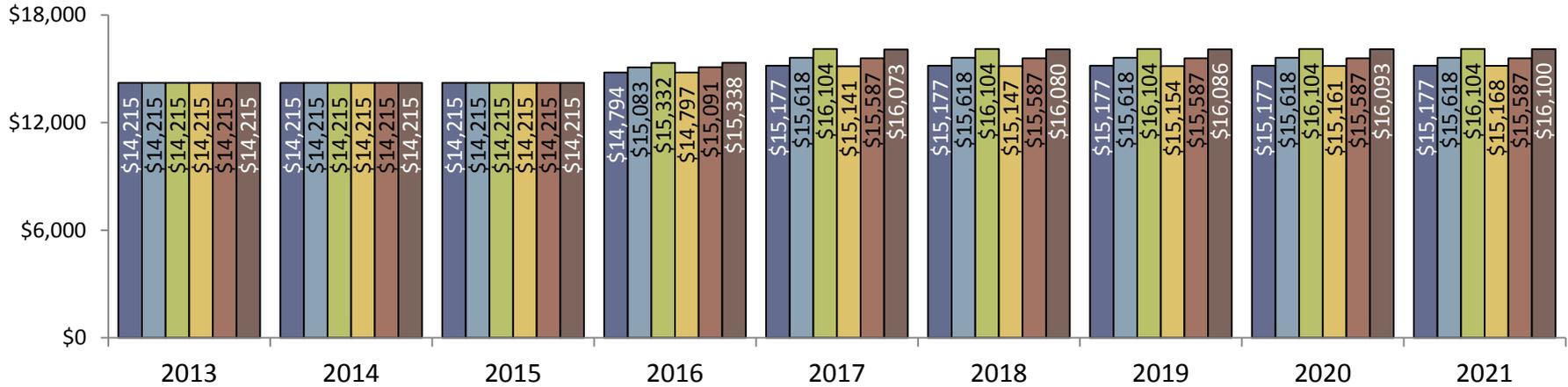
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

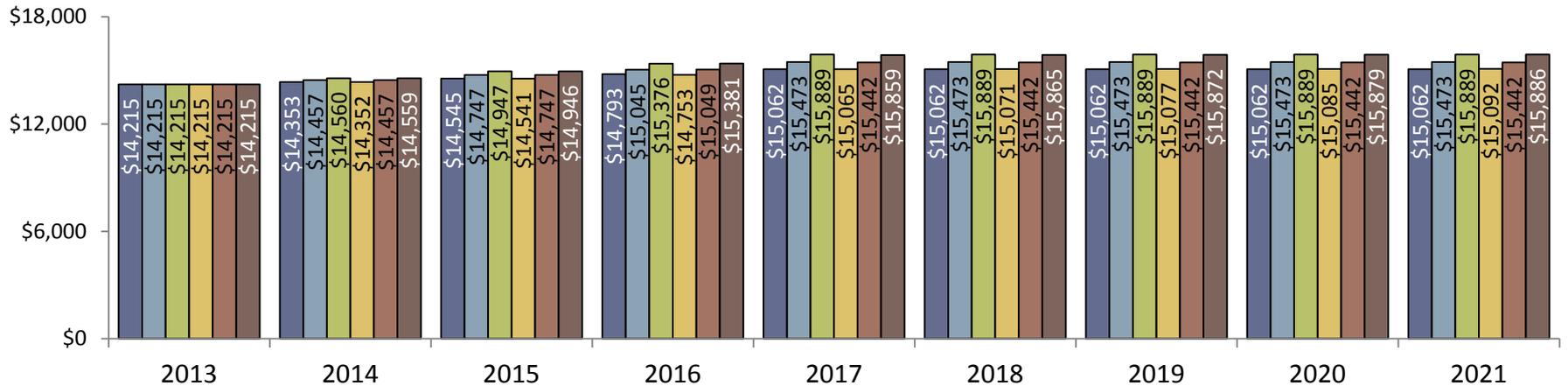
Municipal Park

All-American

Rates Begin 2016

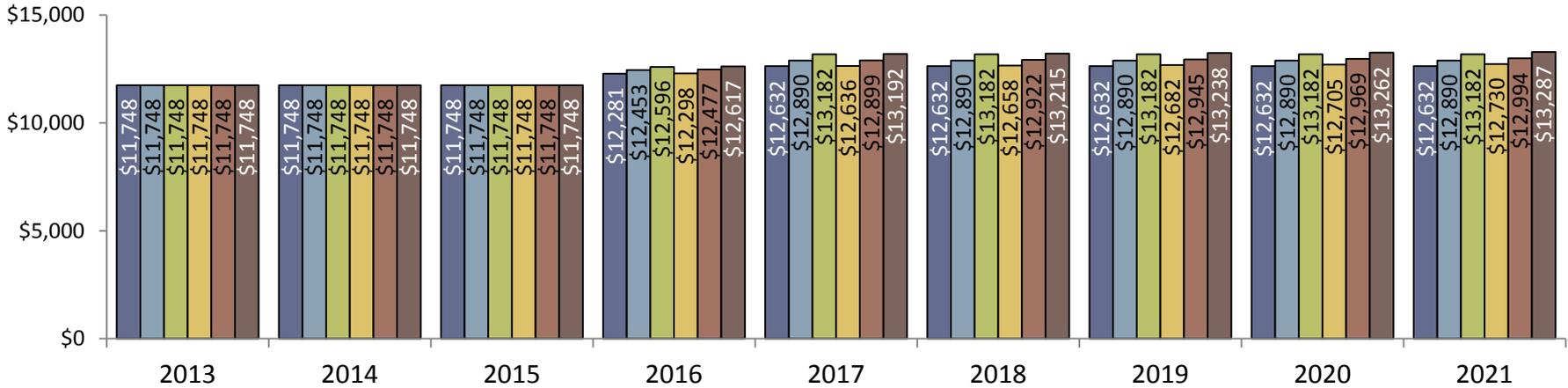


Rates Begin 2014

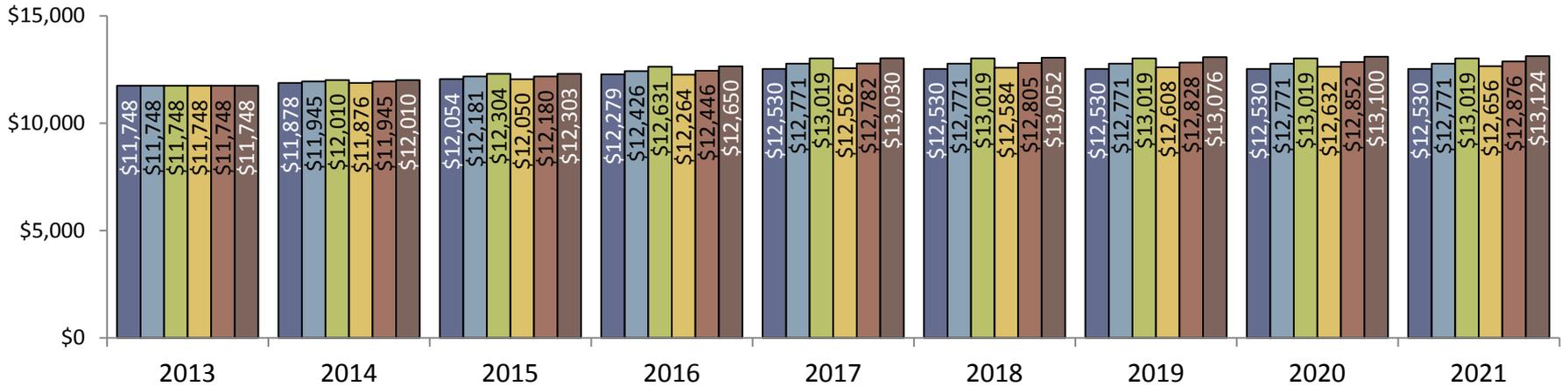


- 25% Commodity / 75% Infrastructure
No increase to firelines
- 50/50 Hybrid
No increase to firelines
- 75% Commodity / 25% Infrastructure
No increase to firelines
- 25% Commodity / 75% Infrastructure
Firelines increase with inflation
- 50/50 Hybrid
Firelines increase with inflation
- 75% Commodity / 25% Infrastructure
Firelines increase with inflation

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

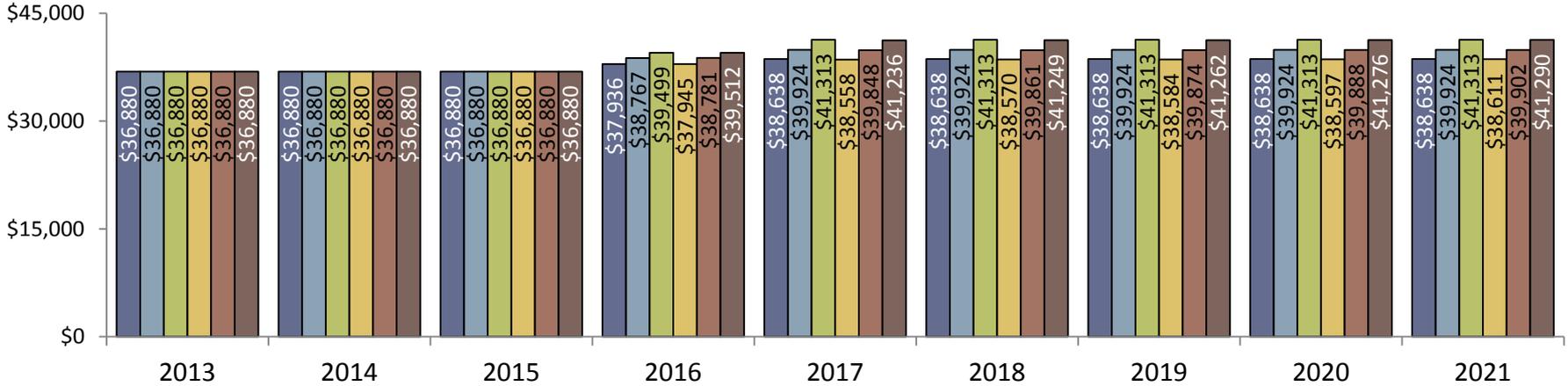
75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

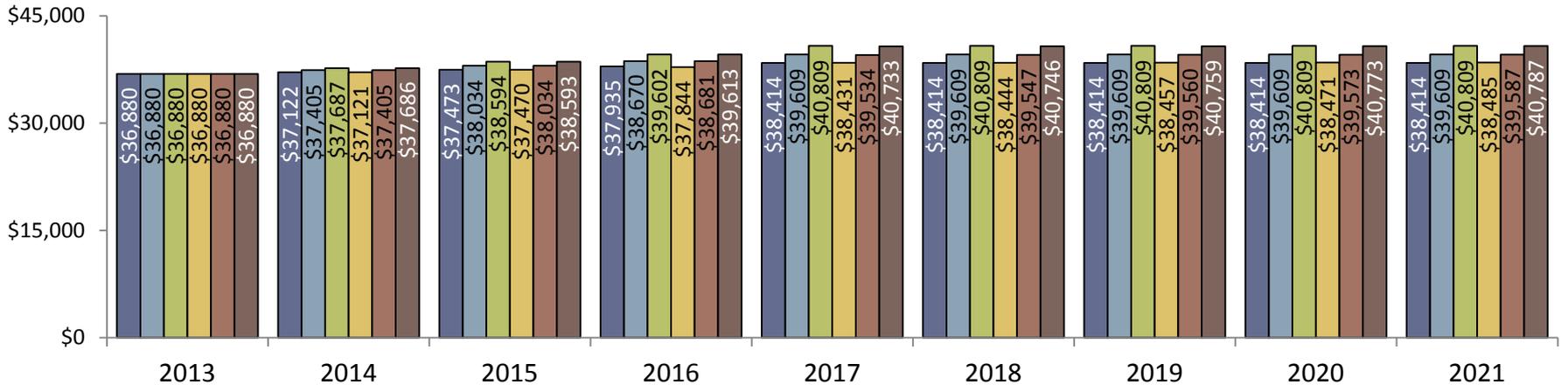
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

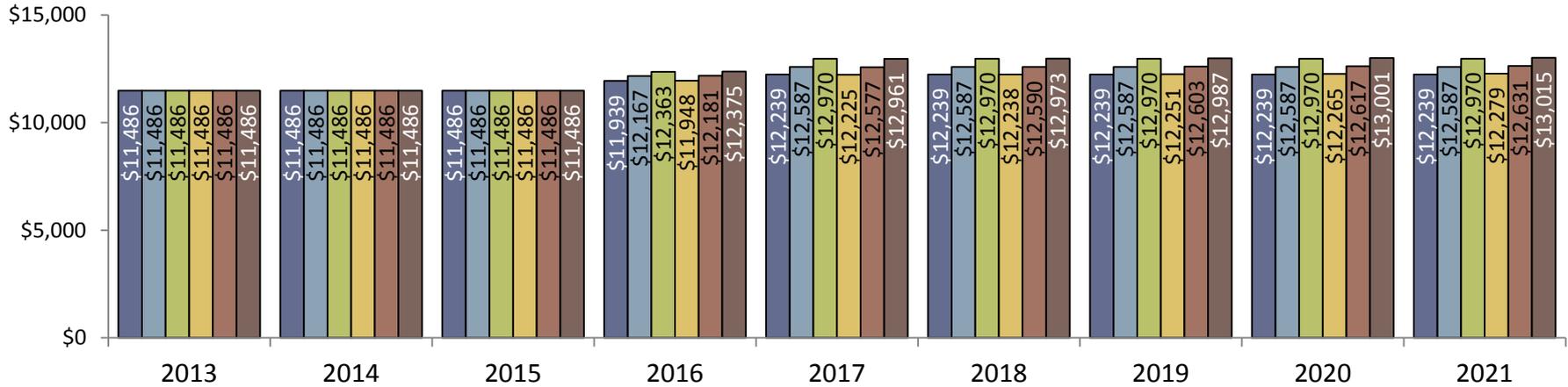
75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

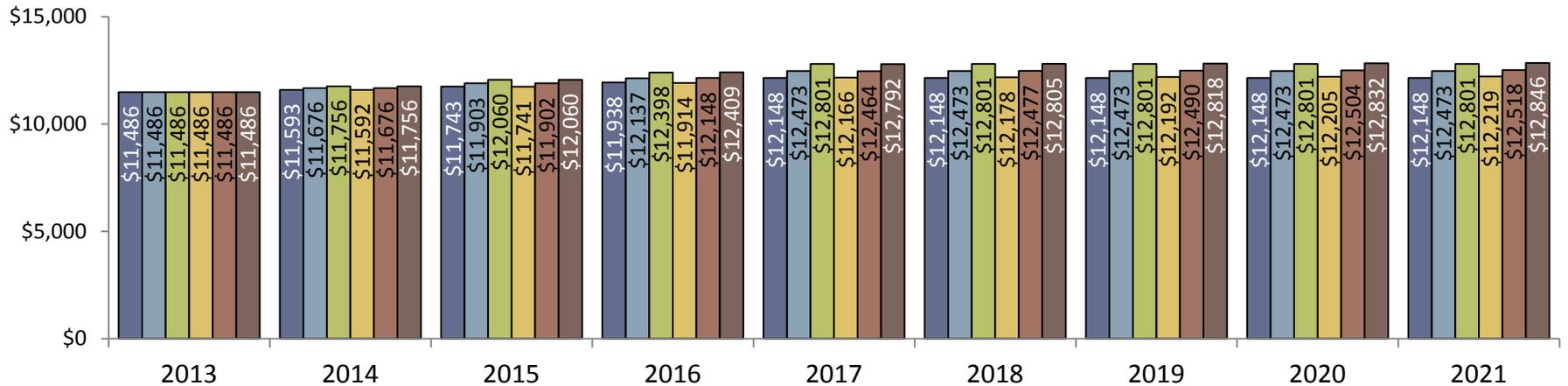
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

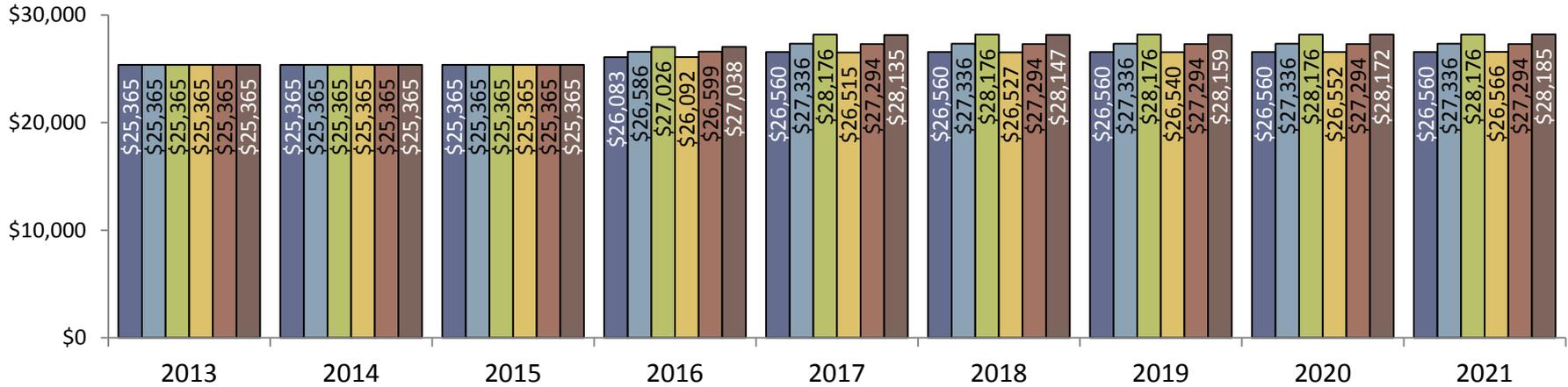
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

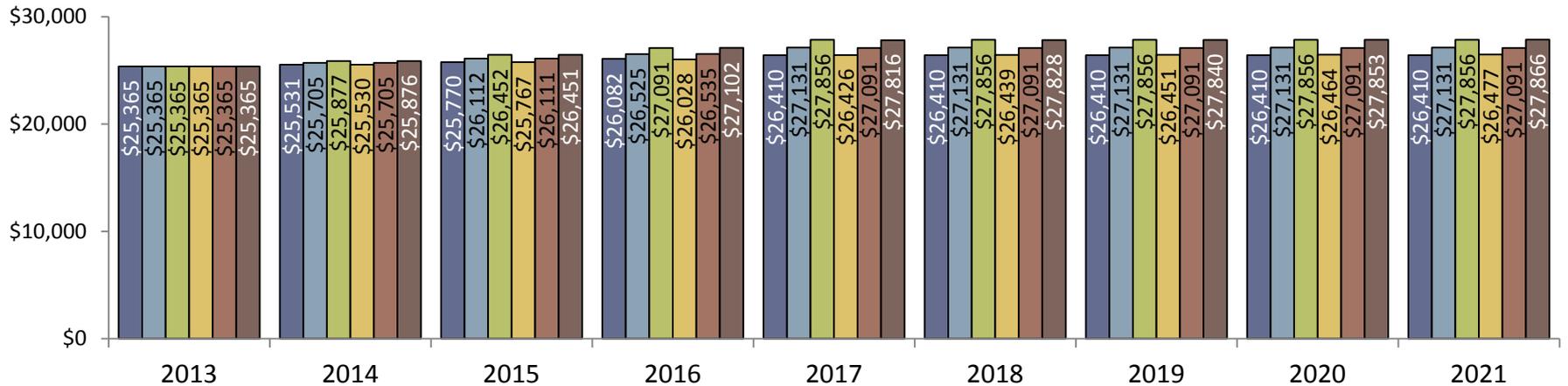
Retail Complex - Mall

Fashion Show Mall

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

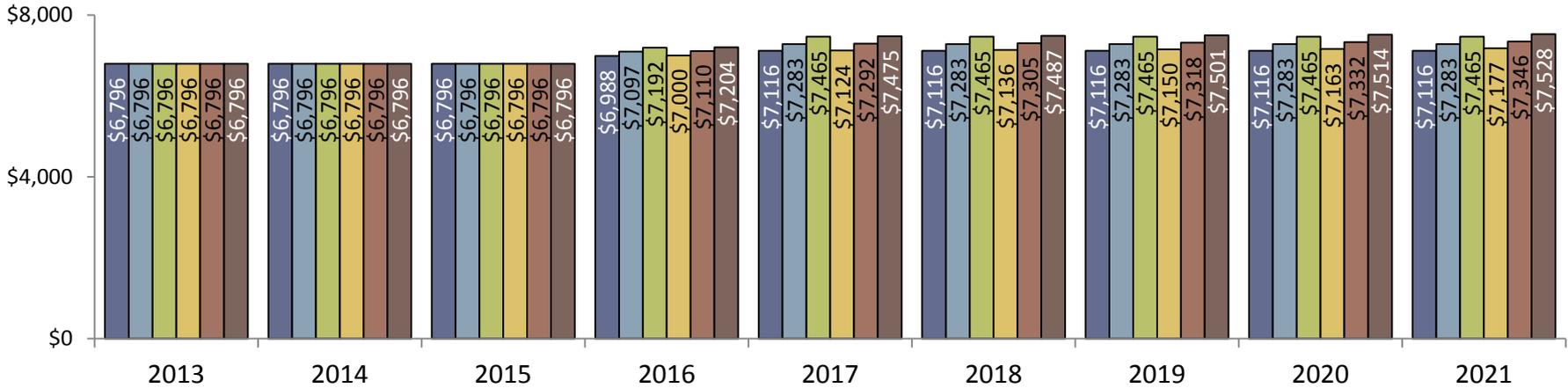
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

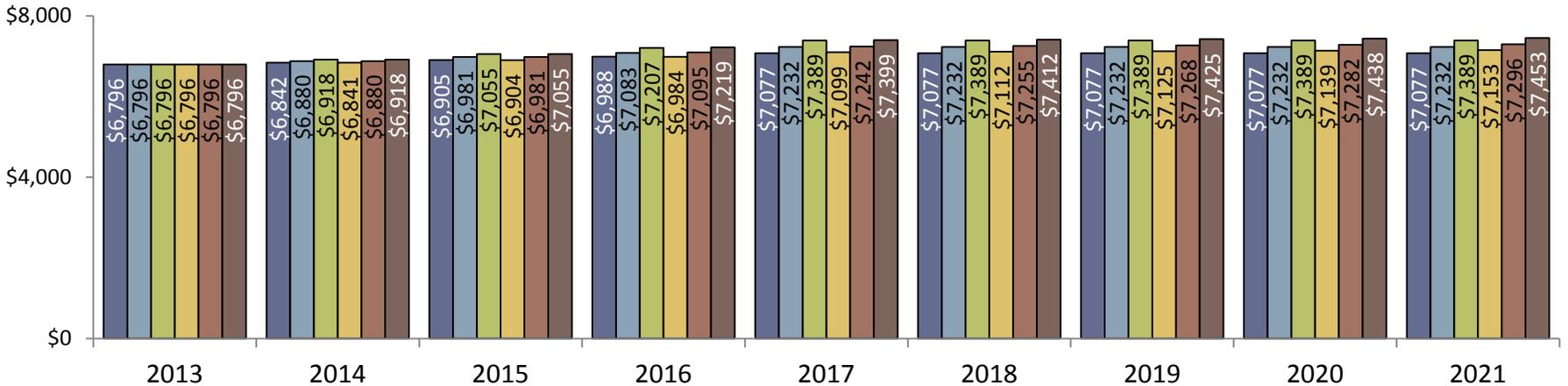
Large Retail

Sahara Pavilion North

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

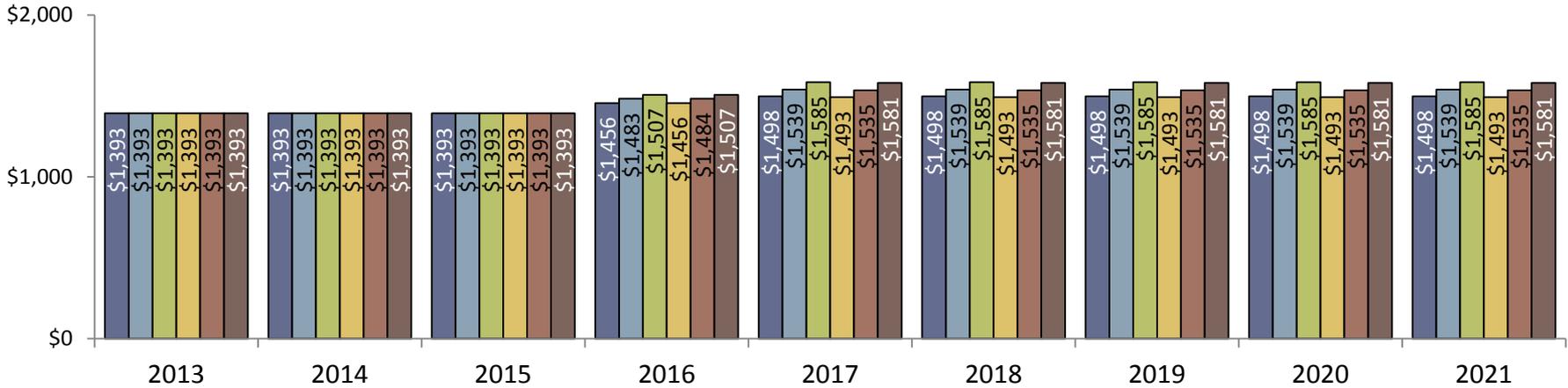
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

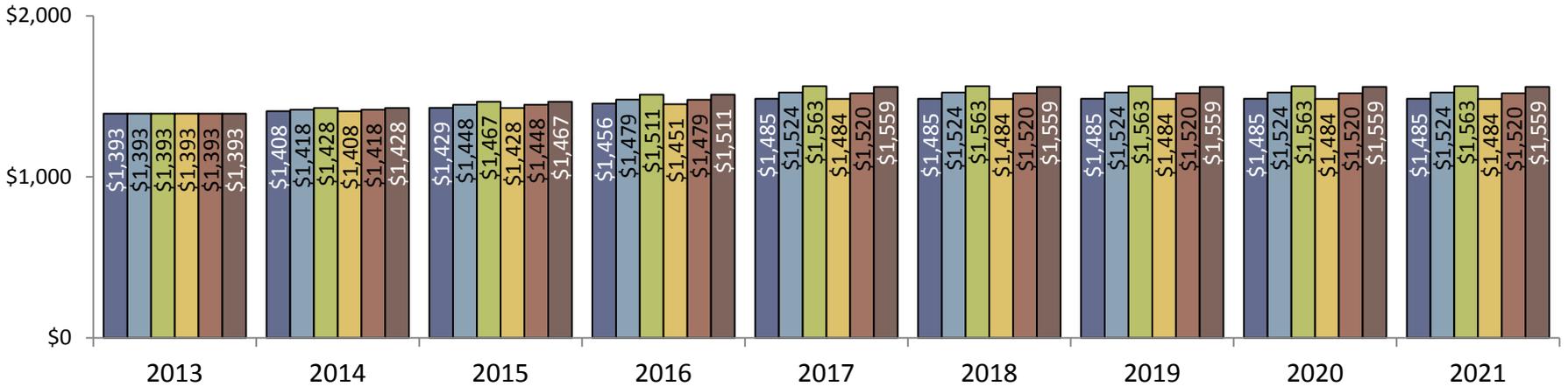
Car Wash

Terrible Herbst

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

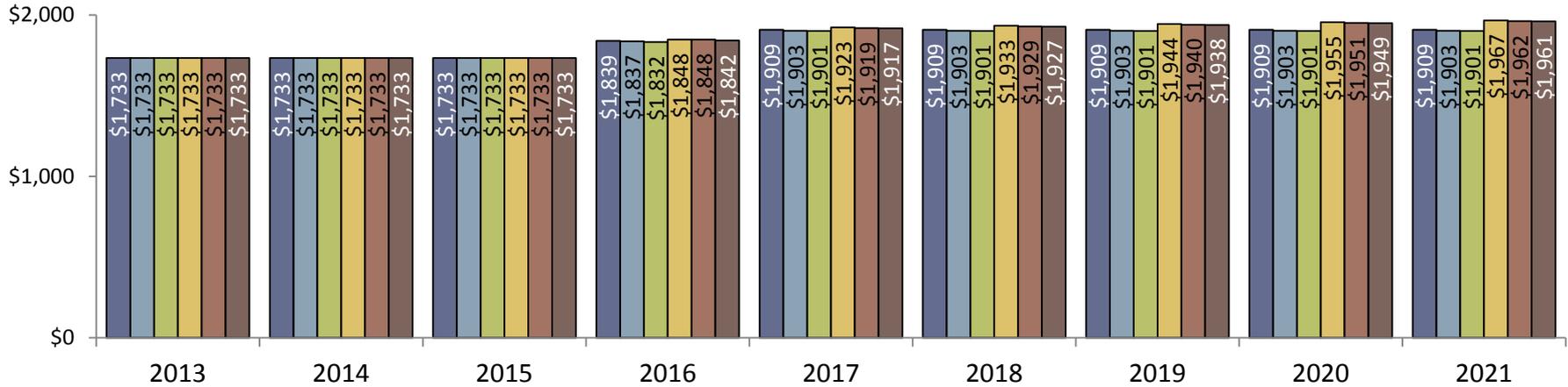
75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

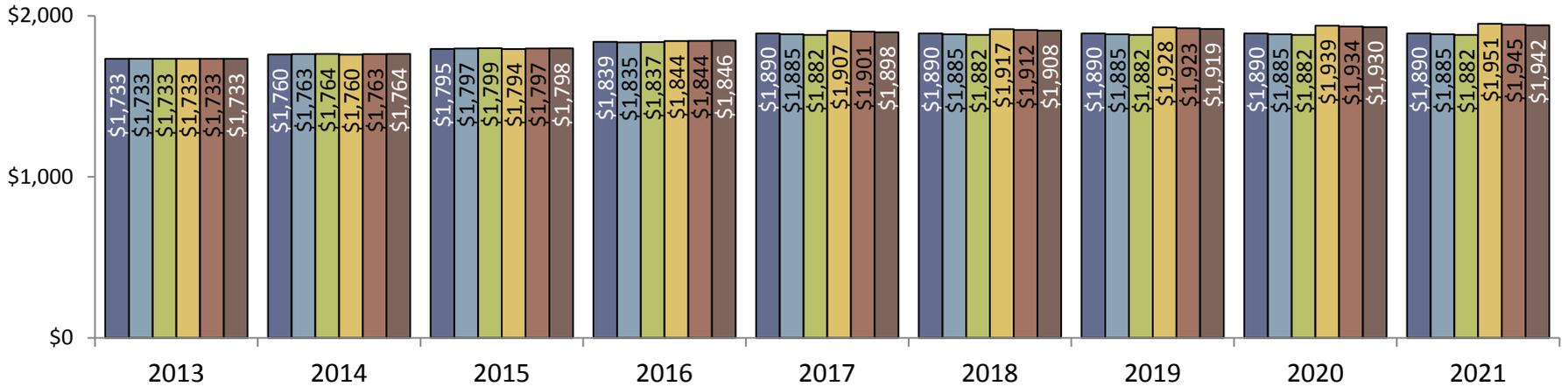
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

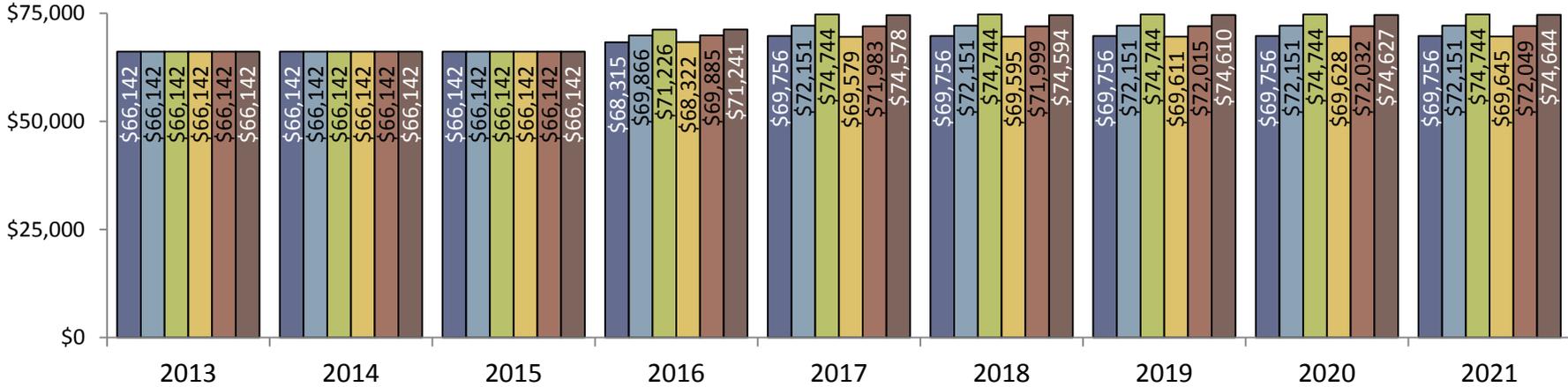
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

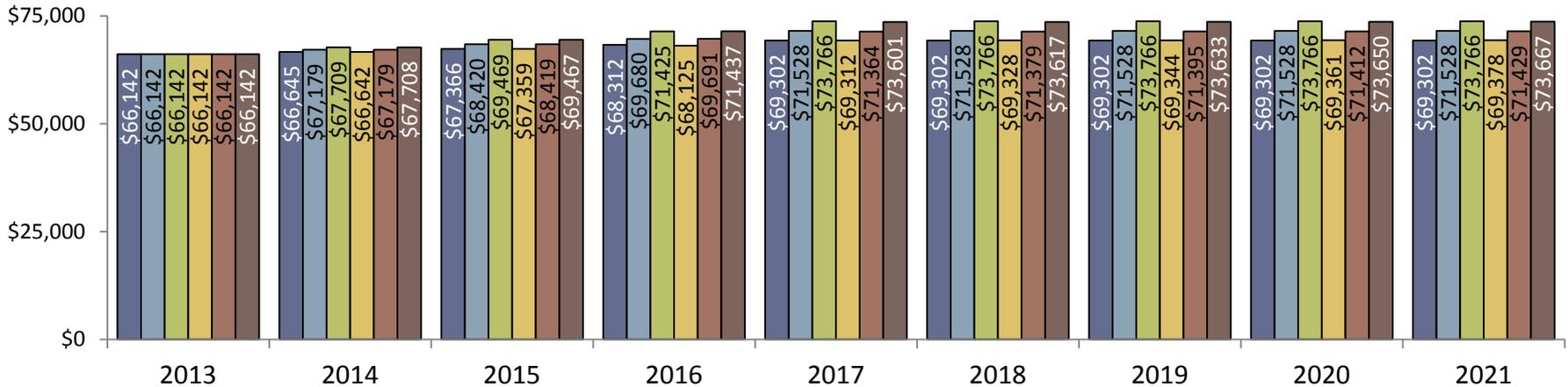
Commercial Laundry

Brady Linen

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

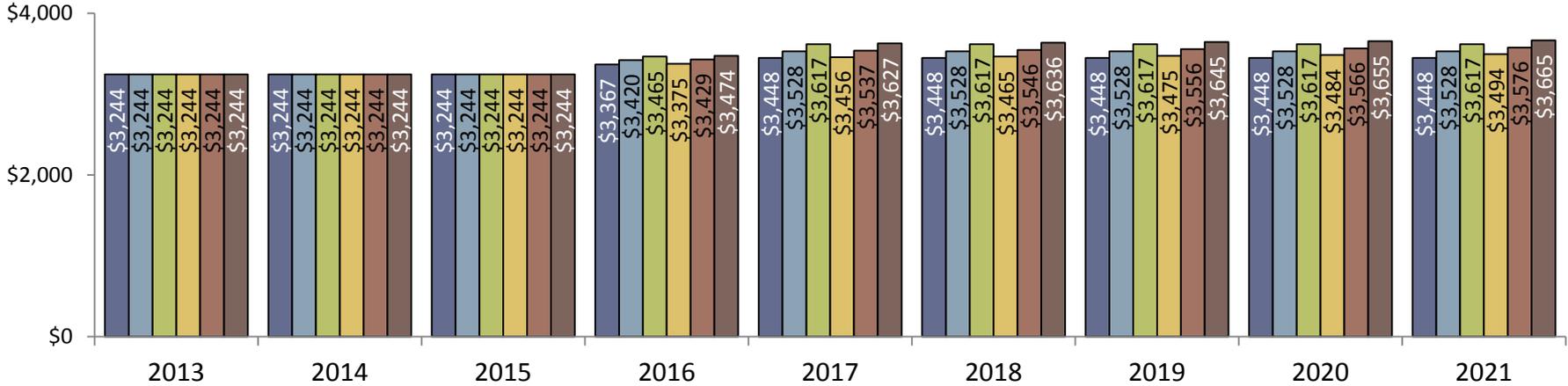
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

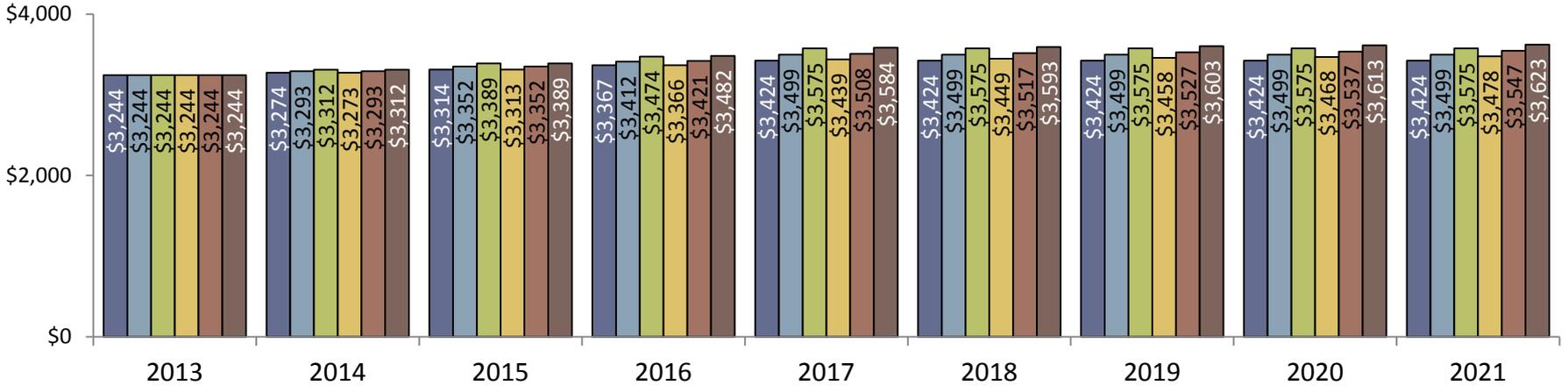
Large Industrial

Sunset Parkway Business Center

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

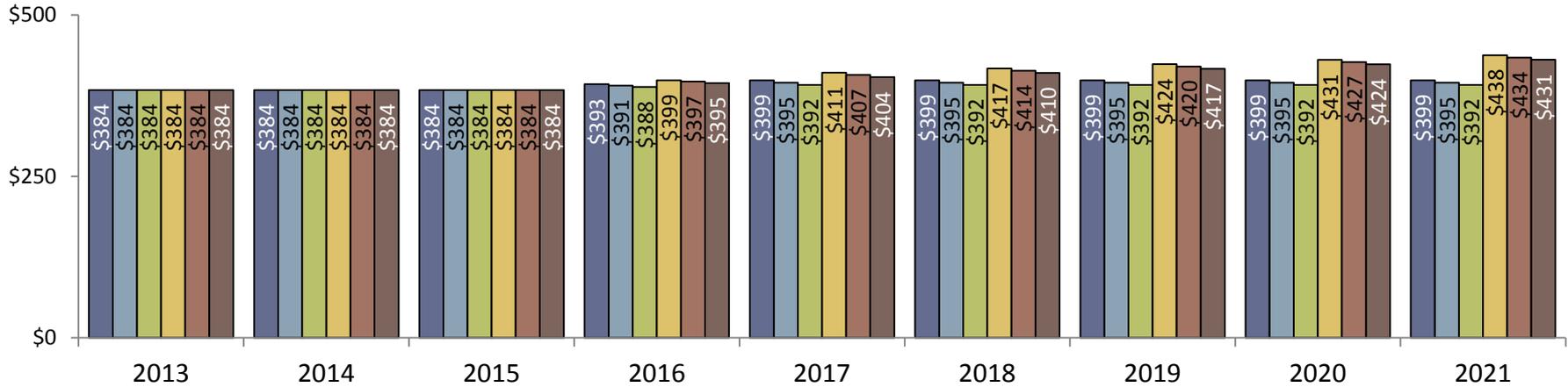
75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

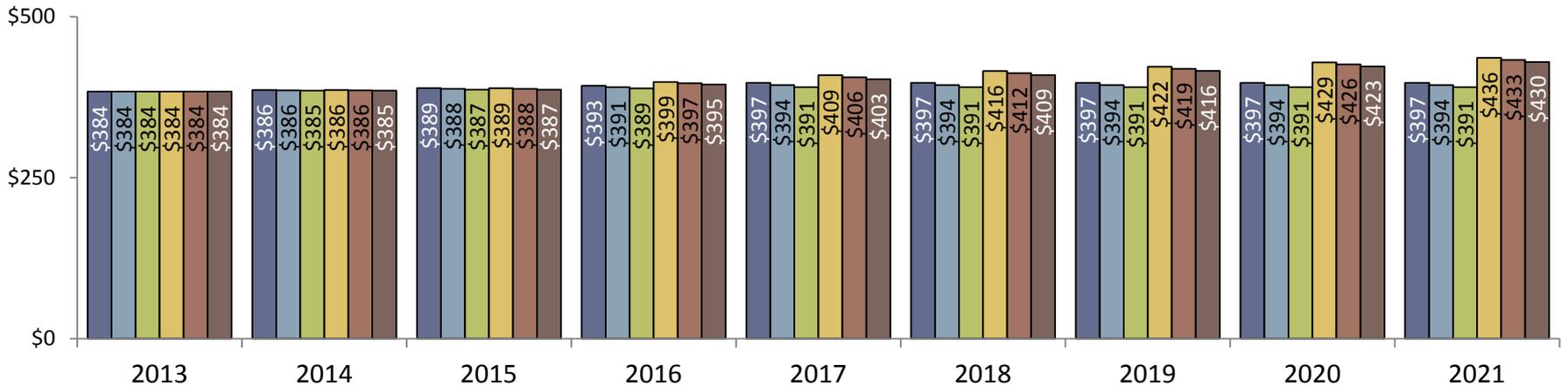
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

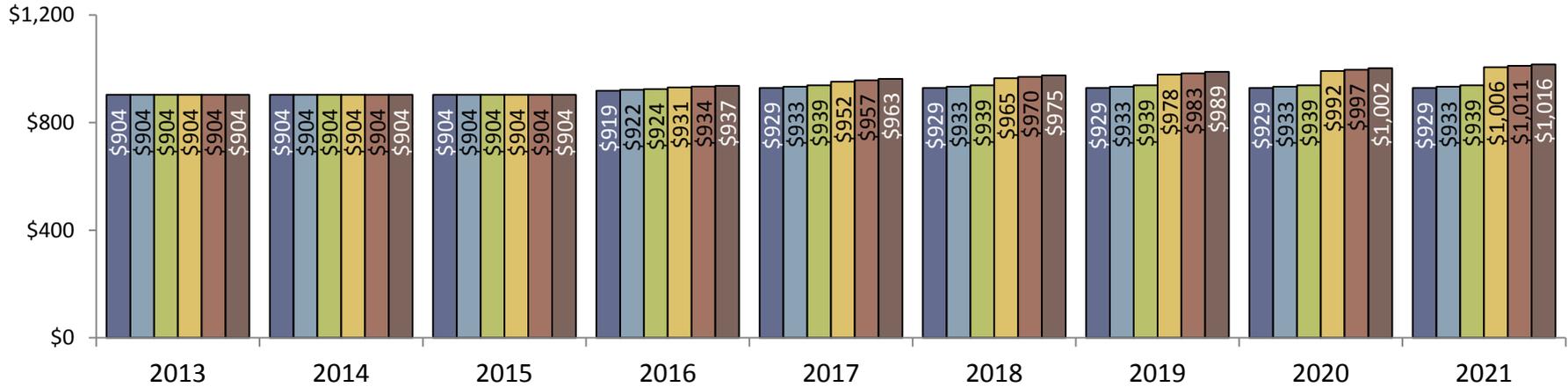
25% Commodity / 75% Infrastructure
Firelines increase with inflation

50/50 Hybrid
Firelines increase with inflation

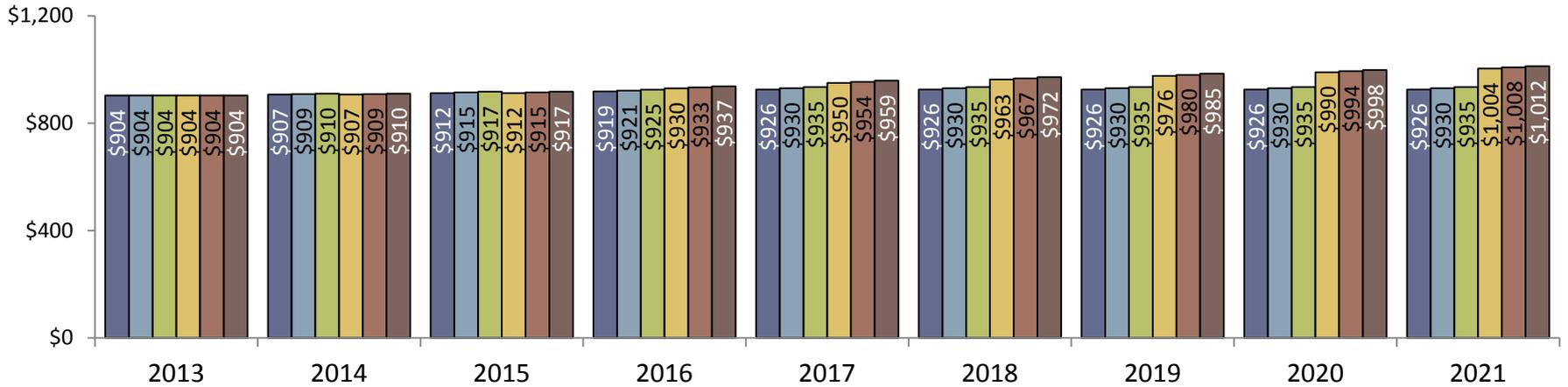
75% Commodity / 25% Infrastructure
Firelines increase with inflation

Self-Storage Facility

Rates Begin 2016



Rates Begin 2014

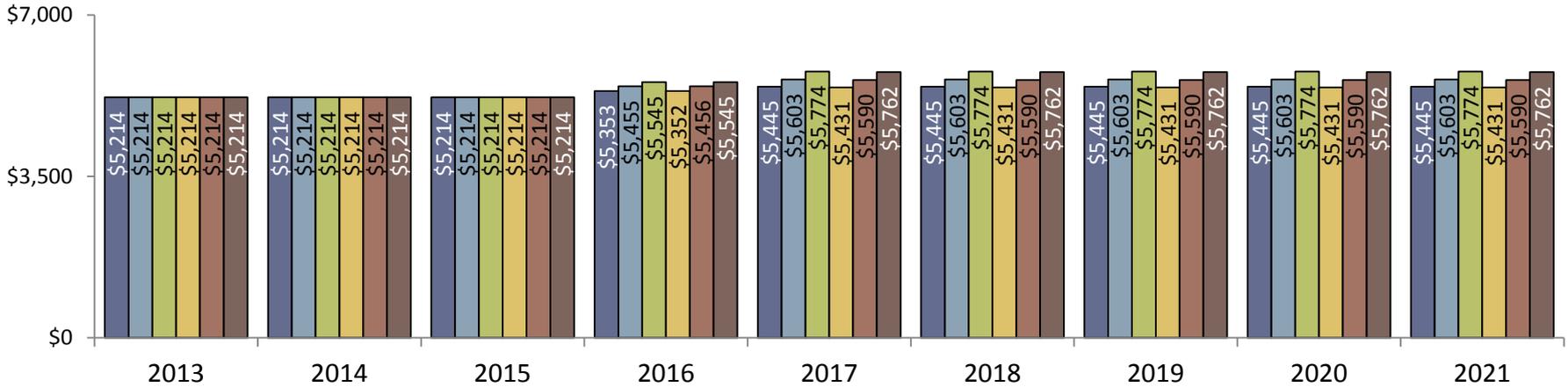


- 25% Commodity / 75% Infrastructure
No increase to firelines
- 50/50 Hybrid
No increase to firelines
- 75% Commodity / 25% Infrastructure
No increase to firelines
- 25% Commodity / 75% Infrastructure
Firelines increase with inflation
- 50/50 Hybrid
Firelines increase with inflation
- 75% Commodity / 25% Infrastructure
Firelines increase with inflation

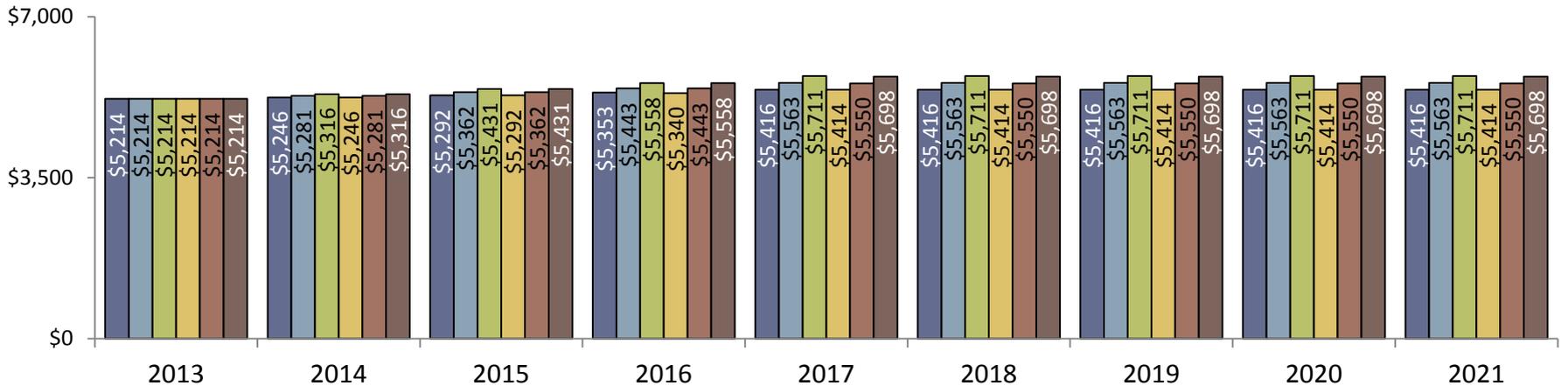
HOA Common Area

Block Commons - Summerlin

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

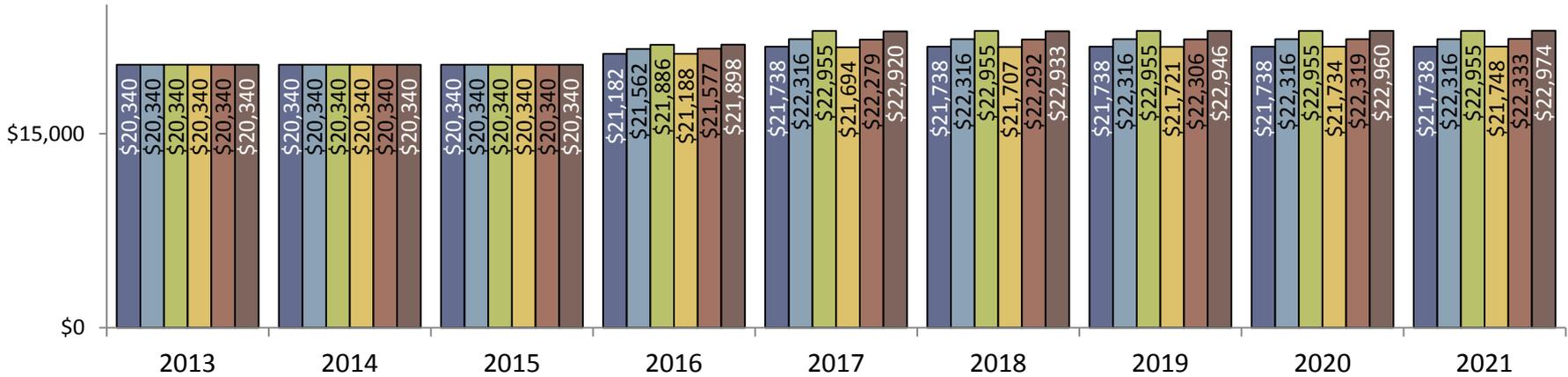
75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

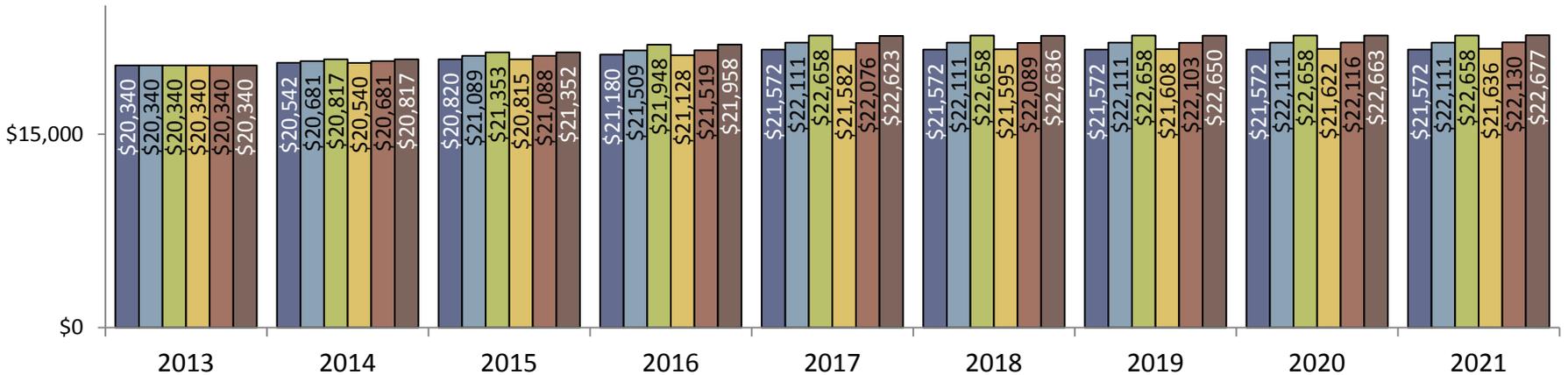
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

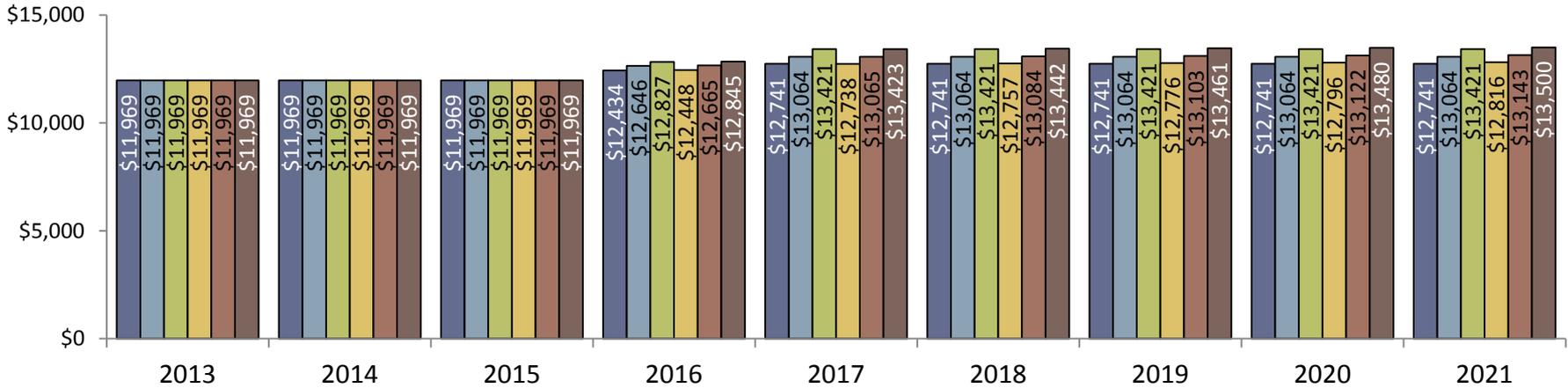
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

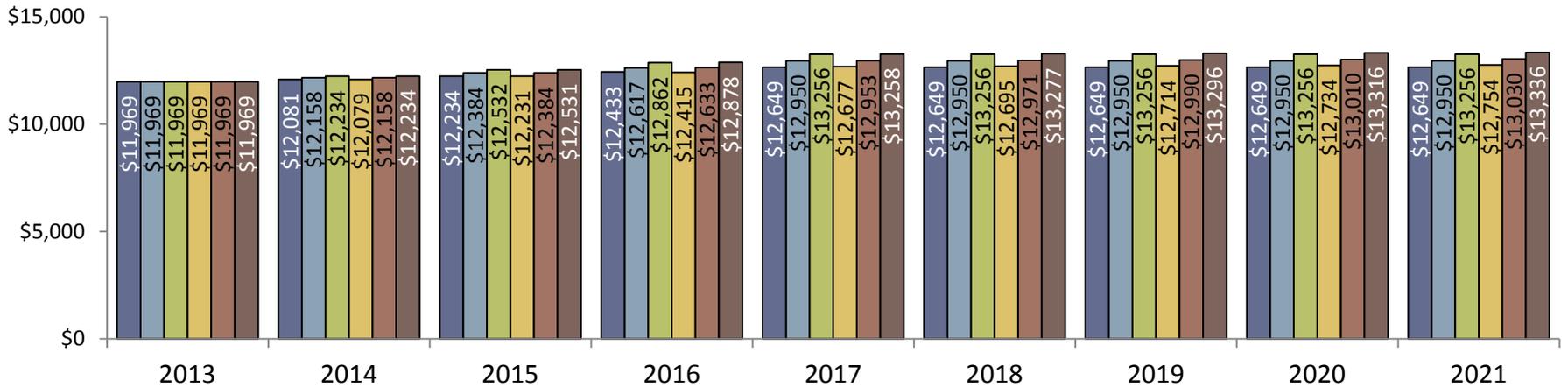
Hospital - Newer

St. Rose San Martin

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

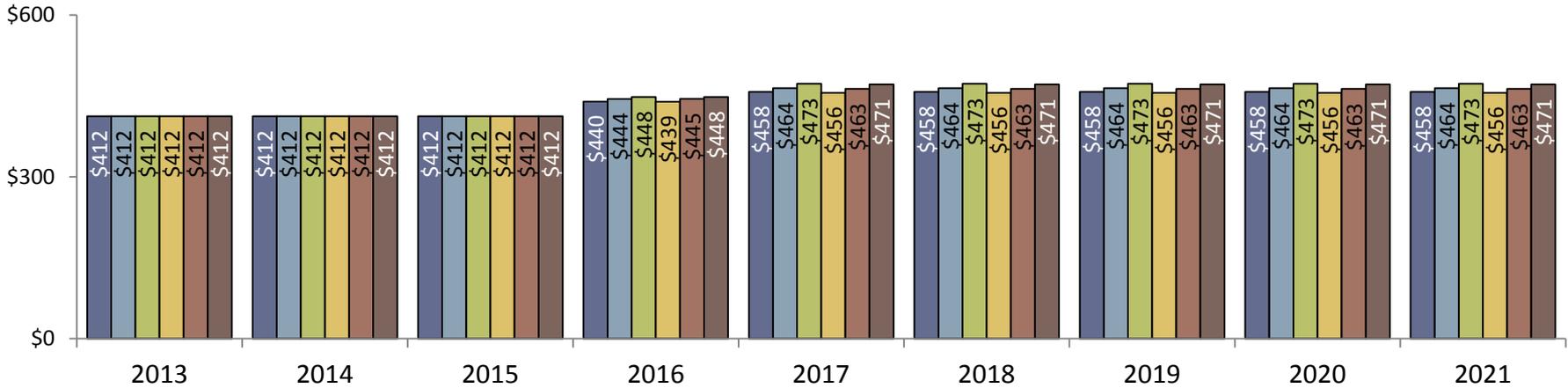
75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

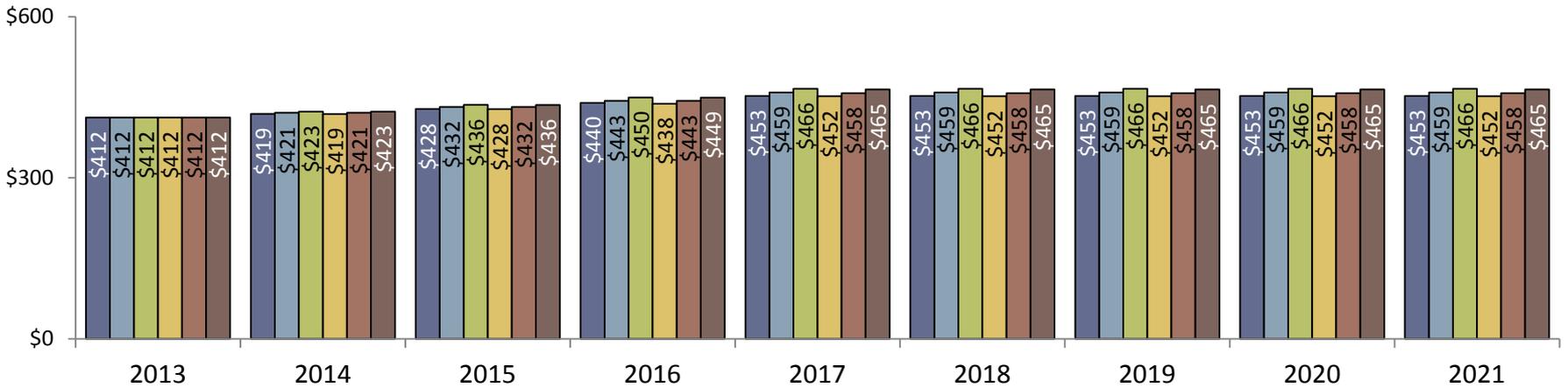
50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

Rates Begin 2016



Rates Begin 2014



25% Commodity / 75% Infrastructure
No increase to firelines

50/50 Hybrid
No increase to firelines

75% Commodity / 25% Infrastructure
No increase to firelines

25% Commodity / 75% Infrastructure
Firelines increase with inflation

50/50 Hybrid
Firelines increase with inflation

75% Commodity / 25% Infrastructure
Firelines increase with inflation

Next Meeting Date

- **Monday, June 24: Next meeting**
- **No meeting in July!**

Upcoming meetings

- **Wednesday, August 7**
- **Wednesday, September 11**

