

## **MEETING AGENDA**

### **Southern Nevada Water Authority Integrated Resource Planning Advisory Committee 2020**



**Wednesday, August 26, 2020**

**11:00 a.m.**

**Colorado River Conference Rooms, Southern Nevada Water Authority  
100 City Parkway, Seventh Floor, Las Vegas, Nevada**

**View this meeting live at [www.snwa.com](http://www.snwa.com)**

---

All items on the agenda are for action by the Advisory Committee, unless otherwise indicated. Items may be taken out of order. The committee may combine two or more agenda items for consideration, and the committee may remove an item from the agenda or delay discussions relating to an agenda item at any time.

Visit our website at [www.snwa.com](http://www.snwa.com) for agenda postings, copies of supporting material and approved minutes. This meeting will be available to view live on [www.snwa.com](http://www.snwa.com). Public comment can be provided in advance of the meeting and submitted to [PublicComment@snwa.com](mailto:PublicComment@snwa.com). Public Comment received through August 27, 2020, will be included in the meeting's minutes.

---

#### **CALL TO ORDER**

#### **COMMENTS BY THE GENERAL PUBLIC**

**NO ACTION MAY BE TAKEN:** This is a period devoted to comments by the general public pertaining to items on this agenda. If you wish to speak to the Advisory Committee about items within its jurisdiction, but not appearing on this agenda, you must wait until the "Comments by the General Public" period listed at the end of this agenda. Please limit your comments to three minutes or less. No action may be taken upon a matter not listed on the posted agenda.

1. *For Possible Action:* Approve agenda and minutes from the August 19, 2020 meeting
2. *For Possible Action:* Review committee requested materials
3. *For Possible Action:* Review committee recommendations and approve changes as appropriate

#### **COMMENTS BY THE GENERAL PUBLIC**

**NO ACTION MAY BE TAKEN:** At this time, the Advisory Committee will hear general comments from the public on matters under the jurisdiction of the Committee. Please limit your comments to three minutes or less. No action may be taken upon a matter not listed on the posted agenda.

**THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED IN THE FOLLOWING LOCATIONS:**

City of Boulder City, City Hall  
401 California Avenue  
Boulder City, NV

City of North Las Vegas, City Hall  
2250 Las Vegas Boulevard North  
North Las Vegas, NV

City of Henderson, City Hall  
240 Water Street  
Henderson, NV

Clark County Government Center  
500 S. Grand Central Parkway  
Las Vegas, NV

Las Vegas Valley Water District  
1001 S. Valley View Boulevard  
Las Vegas, NV

Southern Nevada Water Authority  
100 City Parkway  
Las Vegas, NV

Clark County Water Reclamation District  
5857 East Flamingo Road  
Las Vegas, NV

City of Las Vegas, City Hall  
495 South Main Street  
Las Vegas, NV

The Southern Nevada Water Authority makes reasonable efforts to assist and accommodate persons with physical disabilities who desire to attend the meeting. For assistance, call Jordan Bunker at (702) 258-7296 at least 24 hours prior to the meeting.

Agendas for this meeting and others are available online. Visit [snwa.com](http://snwa.com).



## INTEGRATED RESOURCE PLANNING ADVISORY COMMITTEE 2020 MEETING SUMMARY

*August 19, 2020, 10:00 a.m.*

*Colorado River Conference Rooms, Southern Nevada Water Authority  
100 City Parkway, 7th Floor, Las Vegas, Nevada*

IRPAC members present:	Ken Evans	Peter Guzman
	Carol Jefferies	Paul Moradkhan (via phone)
	Tom Morley	Bob Murnane
	Jonas Peterson (via phone)	Phil Ralston
	John Restrepo (via phone)	Virginia Valentine

IRPAC members absent: Andy Maggi

Staff present:	John Entsminger	Kevin Bethel
	Dave Johnson	Doa Ross
	Katie Horn	Jordan Bunker

Others present:	Terry Murphy, Facilitator
	Guy Hobbs, Financial Consultant

### PUBLIC COMMENT

Ed Uehling prepared a letter for the advisory committee, which is attached to these minutes. He expressed concerns about the SNWA going into further debt when they have an opportunity to bring in additional funds, as well as the negative impact that rate increases may have on local small businesses. He also expressed dissatisfaction regarding SNWA employee salaries.

### SUMMARY OF ACTIVITIES

The Southern Nevada Water Authority's (SNWA) Integrated Resource Planning Advisory Committee 2020 (IRPAC 2020) met on Wednesday, August 19, 2020. The meeting began at 10:02 a.m.

#### *#1 Approve agenda and minutes from the March 4, 2020 meeting.*

Bob Murnane motioned to approve the agenda and minutes from the March 4th meeting. The agenda and minutes were approved.

#### *#2 Receive an update on IRPAC status since last meeting, including COVID-19 impacts and response.*

John Entsminger, SNWA General Manager, gave an update on IRPAC's status since the last meeting on March 4<sup>th</sup> which concluded with an approved recommendations report. He stated that the recommendations were slated to go before the SNWA Board of Directors on March 19<sup>th</sup>, but that Board meeting was cancelled due to the onset of the Covid-19 pandemic.

He briefly reviewed the SNWA's major Construction and Capital Plan (MCCP) candidate projects and presented SNWA's Covid-19 response and fiscal impact, which included closing offices and shifting some staff to work remotely, maintaining employee working status and Collective Bargaining Agreements, donating 50,000 N95 masks to first responders, deferring or reducing capital and operating

expenditures, and offering Voluntary Separation Plan for employees, all while safely maintaining the community's water service. He presented Covid-19 estimated budget impacts, including decreases to sales tax revenue, connection charge revenue and volumetric charges.

Mr. Entsminger presented SNWA monthly water use for 2020, which saw a measurable decrease for approximately six weeks following the shutdown of Southern Nevada non-essential businesses. However, once weather temperatures increased in late April, water usage increased and surpassed the average of the previous three years. Present day impacts estimate water sale revenues have declined 3 percent year-to-date, while once projected to decline by 8 percent. Additionally, Connection Charge revenue decline has been 7 percent year-to-date.

Ken Evans asked about water usage and where revenues were coming from. Mr. Entsminger spoke to the SNWA Commodity Charge and reminded the committee that the water usage shown was what SNWA has delivered to purveyor members. Mr. Evans expressed sensitivity with the funding model as it relates to and impacts residents and small businesses. He also asked about the new service connections and asked if those new services are from residential or commercial development. Mr. Entsminger stated that it is a combination of the two.

### *#3 Review updated funding model.*

Kevin Bethel, Chief Financial Officer, presented a revised funding scenario and recognized that the financial landscape today is very different from when IRPAC approved its funding model in early March 2020. He began by reviewing the previously approved funding scenario. The revised IRPAC base scenario updates actuals through May 2020, delays implementation of new rates to 2022, adjusts phase-in rates to reflect inflation through December 2021, revises outlook to reflect Covid-19 impacts to revenues and other sources of funds, reduces operating expenses, refines capital cash flows and adjusts Debt/Pay-Go ratio to 90%/10%. He also showed the total dollar impact to the different revenue sources and focused on the connection charge which last increased in 2008. Mr. Bethel reviewed the 6-year phase-in approach and showed a table with the 6-year phase-in beginning in 2022 instead of 2021, as previously approved. The shift in this approach is due to the fiscal impact of Covid-19.

		6 YEAR PHASE-IN STARTING 2022						INDEXING
		2022	2023	2024	2025	2026	2027	2028
Connection Charge (ENR) <small>Last increased in 2008</small>	Catch-Up Inflation	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	0.0%
	Current Year Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
	<b>Total</b>	<b>9.5%</b>	<b>9.5%</b>	<b>9.5%</b>	<b>9.5%</b>	<b>9.5%</b>	<b>9.5%</b>	<b>3.0%</b>
Commodity Charge (CPI) <small>Last increased in 2017</small>	Catch-Up Inflation	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	0.0%
	Current Year Inflation	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
	<b>Total</b>	<b>4.8%</b>	<b>4.8%</b>	<b>4.8%</b>	<b>4.8%</b>	<b>4.8%</b>	<b>4.8%</b>	<b>2.5%</b>
Infrastructure Charge (ENR) <small>Last increased in 2018</small>	Catch-Up Inflation	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	0.0%
	Current Year Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
	<b>Total</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>3.0%</b>

Phil Ralston asked that if the rate increases are pushed out a year, can the committee consider implementing the standard inflationary adjustment of 2.5 – 3 percent in 2021, so another year is not lost. Mr. Entsminger stated that could be done by adding the current inflation in 2021. Mr. Bethel presented an updated base scenario of 90%/10% funding with rate increase implemented in 2022, but noted that the amount of financing the model assumed is higher than what he would typically be comfortable with. He also presented downside scenarios with the chance of a worsened fiscal impact.

John Restrepo asked how these worse case scenarios compare to the years in the last recession. Mr. Bethel stated that staff would look at that comparison. Mr. Entsminger added that connection charge revenues were substantially worse during the last recession. Mr. Ralston asked for clarification on what assumptions are used in the revised IRPAC base case showing a reduction of \$448 million. Mr. Bethel stated that the overall dollar comparison of the Wholesale Delivery Charge is volume reduction offset by rate increases within a five-year window. He continued by explaining the other revenue items. Virginia Valentine spoke to these conservative assumptions and reminded the committee that there is a recommendation to provide IRPAC 2020 with an annual update of the funding model and convene the committee as necessary. Mr. Ralston felt the assumptions presented were too conservative based on how the actuals look to date. Mr. Entsminger stated that these worse case scenarios are presented to show that the SNWA can handle even the worst-case assumptions. Mr. Restrepo and Paul Moradkhan expressed support for planning and modeling for the worst case.

Dave Johnson, Deputy General Manager of Operations, stated how each MCCP project has several opportunities to defer spending. He gave an example of the Horizon Lateral project and highlighted how spending is divided into individual work efforts such as right-of-way, environmental permitting, planning and design, among others. These options allow SNWA to manage spending to maintain appropriate reserves. Mr. Evans confirmed that these capital spending projects assume that there are no additional rate increases than those approved by the IRPAC in March. Mr. Entsminger stated that the only change regarding rates and revenues is pushing out the date of those increases and nothing additional is added.

Mr. Bethel presented what the worst-case scenario would look like by adding a 75 percent reserve target, which is not cancelling dollars, but managing the spending of them. Mr. Evans asked if the model assumes increased spending by deferring projects. Mr. Bethel stated that the model takes an individual year and inflates it to current dollars. Mr. Johnson added that each project has a contingency associated with it and that would be an item included in that contingency.

#### *#4 Review committee recommendations and approve changes as appropriate.*

Mr. Entsminger reviewed the funding recommendations that the committee approved in March and the suggested the committee consider changing some of their recommendations to offer some relief to ratepayers as Covid-19 impacts continue to linger. These include pushing out the implementation of the six-year annual increase to January 2022, instead of 2021, and increasing the Connection Charge by 9.5 percent (instead of 9 percent) annually for six years effective March 2022. Bob Murnane asked why March of 2022 was chosen instead of January 2022 for connection charges. Mr. Entsminger stated that the development agreements need time to be adjusted once they come in at the end of the year and January was not enough time to do so.

Ms. Valentine asked to see what these changes look like with sample customers. Staff agreed to provide IRPAC with updated figures from the sample customer list used previously. The committee agreed with Ms. Valentine's request. Mr. Evans asked if the committee would need to meet again to vote on any action items, upon seeing the impact to sample customers. Mr. Entsminger stated that he wants the

committee to have the information they need to take to their constituents and asked them to schedule an additional meeting to finalize recommendations after they've had some time to review the information they requested. Mr. Evans urged staff to include both small and diverse businesses in these projects. Mr. Johnson stated that each project has multiple components and there are many opportunities to be spread around to many different businesses. He also included opportunities to receive some federal dollars. Peter Guzman agreed with these statements and the importance of moving these recommended projects forward, acting as an economic stimulus. Mr. Murnane also agreed with the statements and asked if pushing out the rate increase until 2022 would delay any of the projects. Mr. Johnson stated that it should not delay the projects and confirmed they will move forward as planned, upon board approval. Tom Morley asked if the Lower Las Vegas Wash project was still in the works. Mr. Entsminger stated that staff is working with the National Park Service, but that project is reliant on sales tax. He stated that it could be ready by next summer.

Mr. Entsminger stated that staff suggests changes only to the funding related recommendations and proposes no changes to any of the other 19 previously approved recommendations. Terry Murphy presented next steps which include the following:

Sept. 8, 2020	<i>Begin Business Impact Statement public comment process</i>
Sept. 17, 2020	<i>SNWA Board meeting – consider recommendations report</i>
Oct. 15, 2020	<i>SNWA Board meeting - consider BIS and MCCP</i>
Nov. 19, 2020	<i>SNWA Board meeting – Public Hearing on rates</i>
2021	<i>Public Outreach</i>
January 1, 2022	<i>Recommended rate adjustments take effect</i>

Ms. Murphy suggested the committee meet Wednesday, August 26<sup>th</sup> at 11 a.m. The committee agreed to that date and time.

Ms. Murphy asked for public comment. Following public comment, she closed the meeting.

#### **PUBLIC COMMENT**

Ed Uehling stated that the modeling presentation was difficult to understand and indicated that there is no need for the SNWA to borrow money, when it should be looking at cutting costs.

#### **ADJOURNMENT**

The meeting was adjourned at 11:28 a.m.

Date: August 19, 2020

To: Distinguished members of IRPAC 2020

From: Ed Uehling, [ed.uehling@yahoo.com](mailto:ed.uehling@yahoo.com) 702-808-6000

Observations about SNWA and Suggestions for reducing its costs, improving its profits and benefitting the community:

Basically everything I have been criticizing about our two primary water agencies, the SNWA and LVVWD—prioritizing its management and employees over customers, actually abusing consumers, typical monopoly (high costs, bad service), misleading and even abusive PR that even fails to distinguish between one-time consumption and multiple use and re-use), using hysteria and fear, operating like a government agency rather than the business it is, pursuing counterproductive goals (like the Central Nevada Project that would have brought water to Las Vegas costing \$7000 per acre-foot), over estimating cost of capital projects and using excess to pay obscene salaries and benefits, bloated staff numbers (at least twice what is needed), political rate setting (#% increase for resorts and 300% for small businesses in 2012), misplaced priorities, etc.—is put on steroids

#### QUESTIONS ABOUT THE RECOMMENDATIONS:

- Why does SNWA have to save 80,000 acre-feet of water each year when it has reserves of millions of acre-feet and when Las Vegas is in the best of positions? E.g., if the Colorado River stopped running California would get ZERO water and Las Vegas would have access to a 10-year supply trapped behind Hoover Dam.

- Why does SNWA have to have \$690,000,000 in reserves today with a budget of \$600,000,000? And in the case that there is any relationship to the desired reserve and the budget (currently 115/100), why is the reserve being allowed to slip to 50/100 of income in the eighth year?
- Why is SNWA going to borrow \$3.2 billion to put in a lateral pipeline of XXX miles (\$1.6B), sewage lines totaling 17 miles, and a system of water lines totaling 18 miles (\$130 M)? Isn't that is already being constructed and paid for (?)?
- Why do the delivery, infrastructure and commodity charges have to be increased 30% in 8 years when the population is projected to increase no more than 2-3 percent during the same time period? This is especially true, due to the financial disaster created by the lockdowns, since it is even possible that the population will decrease?
- Where does the \$300M+ write-down of the Central Nevada Pipeline project figure into the financial data presented?
- What is the "candidate project" called Asset Management that is costing \$230 M?
- Why aren't the electricity costs decreasing as a result of investing \$21 M in the Solar PV Project?
- Why isn't IRPAC asking these and MANY more questions?

## SOLUTIONS:

- Tell the truth to the public in SNWA advertising by distinguishing between indoor and outdoor use
  - Cease any fretting over indoor use (even waste) since it is 100% replaced at a profit to SNWA of \$1000/acre-foot. This is virtually unlimited free money to SNWA.



- Increase indoor use of water 10% per year (22,000 acre feet); profit = \$22,000,000 first year, \$200,000,000 for the 8-year period
  - Discourage waterless urinal installations and in-door water-saving devices
  - Encourage development of facilities such as saunas, bathhouses, Roman baths that both attract tourists and create free money for SNWA.
- Encourage use of water by
  - Auctioning off the annual surplus 80,000 acre-feet of water for \$2000/ac/ft: Increased income to SNWA: \$160,000,000/year, \$1.5 for the 8-year period.
  - Selling the notion to visitors of the Las Vegas resorts being THE water-paradise center of the nation, if not the world.
- Eliminate non-essential staff
  - It is my understanding that 250 employees have been able to operate the systems of both LVVWD and SNWA during
  - Sidetrack or even derail the SNWA gravy train for the politically/friend connected job seekers (savings \$50,000,000+ per year at least).
  - Eliminate 3 programs: the 70 (?) Public Information Officers whose main jobs are to mislead the public and prevent really important information from escaping into the public realm, the Water Gestapo and the turf purchasing program (which continues to destroy home values in many neighborhoods).

- Do a comparative study of personnel numbers and salaries with other utilities
- Assuming there exists a REAL desire to reduce outdoor water use, then continue the tier system, so that outdoor users pay seriously escalating prices for the water they use outdoors (over 10,000 gallons/household/month (increased income at least \$20,000,000 per year).
- Cease borrowing money (Up to \$650,000,000 in savings between now and 2030)
- Act like a business
  - Lower costs and increase income
  - Be happy when people use your product (water) and quit threatening them
  - Contribute something to the well-being of the stretched and stressed County (at least \$200 M/ year
  - Charge customers for water, not fabricated expense categories, which discourage development
  - Fire the incompetent Managers, consultants, Board Members and IRPAC Committee members who have lost \$300,000,000 in 3 years (statement attached), while selling water for obscene prices in the heart of the driest desert in the Nation.



# RECOMMENDATIONS: REVIEW AND UPDATES

AUGUST 26, 2020

## MEETING OVERVIEW

- Review Sample Customer Bills
- Make updates to recommendations, if appropriate

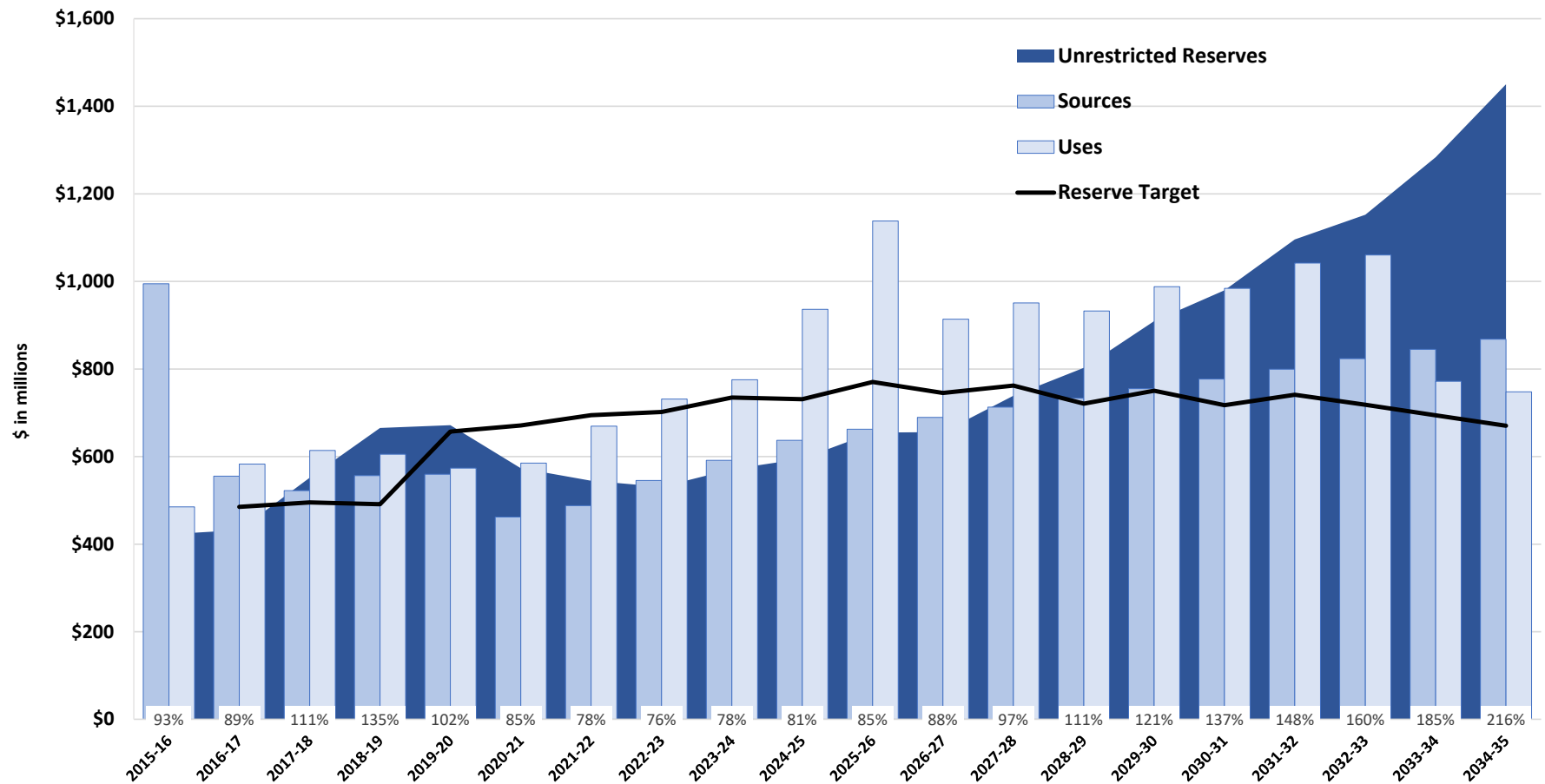
# MAINTAINING PACE WITH INFLATION

## RATE INCREASES IMPLEMENTED JANUARY 2022

		6 YEAR PHASE-IN STARTING 2022						INDEXING
		2022	2023	2024	2025	2026	2027	2028 ➡
Connection Charge (ENR) <i>Last increased in 2008</i>	Catch-Up Inflation	6.5%	6.5%	6.5%	6.5%	6.5%	6.5%	0.0%
	Current Year Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
	<b>Total</b>	<b>9.5%</b>	<b>9.5%</b>	<b>9.5%</b>	<b>9.5%</b>	<b>9.5%</b>	<b>9.5%</b>	<b>3.0%</b>
Commodity Charge (CPI) <i>Last increased in 2017</i>	Catch-Up Inflation	2.3%	2.3%	2.3%	2.3%	2.3%	2.3%	0.0%
	Current Year Inflation	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
	<b>Total</b>	<b>4.8%</b>	<b>4.8%</b>	<b>4.8%</b>	<b>4.8%</b>	<b>4.8%</b>	<b>4.8%</b>	<b>2.5%</b>
Infrastructure Charge (ENR) <i>Last increased in 2018</i>	Catch-Up Inflation	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	0.0%
	Current Year Inflation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
	<b>Total</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>3.0%</b>

# UPDATED BASE SCENARIO

90%/10% funding; Rate Increases implemented 2022



# SAMPLE CUSTOMER BILLS

		Current								
Type		2020	2021	2022	2023	2024	2025	2026	2027	2028
Single Family Residential 5/8" - Typical Use										
2021 Phase-In	\$	41.88	\$ 43.20	\$ 44.57	\$ 45.97	\$ 47.45	\$ 49.03	\$ 50.70	\$ 52.11	\$ 53.52
2022 Phase-In		41.88	42.49	43.87	45.28	46.78	48.40	50.09	51.82	53.23
Variance (\$)		-	0.71	0.70	0.69	0.67	0.63	0.61	0.29	0.29
Single Family Residential 5/8" - High Use										
2021 Phase-In	\$	93.14	\$ 95.88	\$ 98.65	\$ 101.48	\$ 104.38	\$ 107.62	\$ 110.98	\$ 113.93	\$ 116.90
2022 Phase-In		93.14	94.90	97.69	100.53	103.45	106.73	110.10	113.51	116.48
Variance (\$)		-	0.98	0.96	0.95	0.93	0.89	0.88	0.42	0.42
Single Family Residential 1" - Typical Use										
2021 Phase-In	\$	105.23	\$ 108.63	\$ 112.12	\$ 115.67	\$ 119.42	\$ 123.47	\$ 127.72	\$ 131.26	\$ 134.87
2022 Phase-In		105.23	106.72	110.25	113.85	117.65	121.76	126.09	130.50	134.08
Variance (\$)		-	1.91	1.87	1.82	1.77	1.71	1.63	0.76	0.79
Single Family Residential 1" - High Use										
2021 Phase-In	\$	358.56	\$ 368.83	\$ 379.18	\$ 389.81	\$ 400.62	\$ 412.64	\$ 425.06	\$ 436.22	\$ 447.45
2022 Phase-In		358.56	365.82	376.21	386.88	397.74	409.83	422.33	434.91	446.11
Variance (\$)		-	3.01	2.97	2.93	2.88	2.81	2.73	1.31	1.34
Mobile Home - Boulder Cascade										
2021 Phase-In	\$	4,808.29	\$ 4,954.32	\$ 5,102.56	\$ 5,253.06	\$ 5,421.02	\$ 5,609.51	\$ 5,800.60	\$ 5,959.52	\$ 6,119.92
2022 Phase-In		4,808.29	4,874.16	5,023.65	5,175.63	5,345.27	5,535.69	5,728.96	5,925.19	6,085.06
Variance (\$)		-	80.16	78.91	77.43	75.75	73.82	71.64	34.33	34.86

# SAMPLE CUSTOMER BILLS

		Current								
Type		2020	2021	2022	2023	2024	2025	2026	2027	2028
High Rise - Queensridge										
2021 Phase-In	\$	15,024.51	\$ 15,435.37	\$ 15,851.38	\$ 16,272.58	\$ 16,708.59	\$ 17,199.80	\$ 17,704.19	\$ 18,139.69	\$ 18,578.64
2022 Phase-In		15,024.51	15,261.20	15,680.11	16,104.69	16,544.55	17,040.21	17,549.58	18,065.84	18,503.56
Variance (\$)		-	174.17	171.27	167.89	164.04	159.59	154.61	73.85	75.08
Office Park - Desert Canyon										
2021 Phase-In	\$	1,820.48	\$ 1,847.56	\$ 1,874.84	\$ 1,902.36	\$ 1,930.33	\$ 1,962.47	\$ 1,995.09	\$ 2,024.06	\$ 2,053.15
2022 Phase-In		1,820.48	1,838.74	1,866.15	1,893.79	1,921.92	1,954.24	1,987.07	2,020.19	2,049.23
Variance (\$)		-	8.82	8.69	8.57	8.41	8.23	8.02	3.87	3.92
Resort and Hotel - Bellagio										
2021 Phase-In	\$	127,312.22	\$ 130,883.13	\$ 134,463.28	\$ 138,053.05	\$ 141,664.55	\$ 145,892.72	\$ 150,139.63	\$ 154,006.28	\$ 157,878.95
2022 Phase-In		127,312.22	130,055.16	133,640.72	137,236.76	140,855.52	145,091.96	149,348.22	153,617.01	157,487.40
Variance (\$)		-	827.97	822.56	816.29	809.03	800.76	791.41	389.27	391.55
Restaurant - Lawry's										
2021 Phase-In	\$	2,094.69	\$ 2,137.15	\$ 2,179.96	\$ 2,223.09	\$ 2,266.99	\$ 2,317.39	\$ 2,368.57	\$ 2,413.95	\$ 2,459.54
2022 Phase-In		2,094.69	2,123.17	2,166.17	2,209.51	2,253.67	2,304.35	2,355.85	2,407.80	2,453.32
Variance (\$)		-	13.98	13.79	13.58	13.32	13.04	12.72	6.15	6.22
Retail Complex - Fashion Show										
2021 Phase-In	\$	28,645.60	\$ 29,474.38	\$ 30,309.09	\$ 31,150.14	\$ 32,005.37	\$ 32,988.84	\$ 33,987.07	\$ 34,872.99	\$ 35,762.87
2022 Phase-In		28,645.60	29,205.80	30,044.06	30,889.23	31,749.18	32,738.02	33,742.35	34,754.83	35,643.24
Variance (\$)		-	268.58	265.03	260.91	256.19	250.82	244.72	118.16	119.63



# SAMPLE CUSTOMER BILLS

		Current								
Type		2020	2021	2022	2023	2024	2025	2026	2027	2028
School - Palo Verde										
2021 Phase-In	\$	12,485.93	\$ 12,818.98	\$ 13,154.06	\$ 13,491.20	\$ 13,833.11	\$ 14,228.05	\$ 14,627.92	\$ 14,985.19	\$ 15,343.81
2022 Phase-In		12,485.93	12,719.18	13,055.44	13,393.93	13,737.42	14,134.14	14,536.06	14,940.67	15,298.78
Variance (\$)		-	99.80	98.62	97.27	95.69	93.91	91.86	44.52	45.03
Municipal Park - All American										
2021 Phase-In	\$	9,109.44	\$ 9,364.34	\$ 9,621.71	\$ 9,881.70	\$ 10,147.46	\$ 10,450.43	\$ 10,759.06	\$ 11,029.48	\$ 11,301.58
2022 Phase-In		9,109.44	9,269.85	9,528.70	9,790.37	10,058.09	10,363.27	10,674.38	10,988.88	11,260.36
Variance (\$)		-	94.49	93.01	91.33	89.37	87.16	84.68	40.60	41.22
Hospital - Sunrise										
2021 Phase-In	\$	28,499.70	\$ 29,286.73	\$ 30,077.78	\$ 30,877.13	\$ 31,683.90	\$ 32,612.60	\$ 33,552.73	\$ 34,399.99	\$ 35,249.92
2022 Phase-In		28,499.70	29,071.76	29,865.16	30,667.24	31,477.17	32,409.45	33,353.64	34,303.26	35,152.20
Variance (\$)		-	214.97	212.62	209.89	206.73	203.15	199.09	96.73	97.72
Locals Hotel - Palace Station										
2021 Phase-In	\$	31,195.46	\$ 32,120.27	\$ 33,055.87	\$ 34,002.84	\$ 34,972.64	\$ 36,073.31	\$ 37,193.20	\$ 38,165.98	\$ 39,145.82
2022 Phase-In		31,195.46	31,746.85	32,688.80	33,643.14	34,621.45	35,731.83	36,862.70	38,008.28	38,985.45
Variance (\$)		-	373.42	367.07	359.70	351.19	341.48	330.50	157.70	160.37
Shopping Center - Renaissance West										
2021 Phase-In	\$	9,499.66	\$ 9,802.34	\$ 10,111.43	\$ 10,427.19	\$ 10,758.11	\$ 11,121.42	\$ 11,497.62	\$ 11,807.64	\$ 12,121.89
2022 Phase-In		9,499.66	9,623.08	9,935.95	10,256.06	10,592.02	10,961.08	11,343.80	11,735.19	12,047.85
Variance (\$)		-	179.26	175.48	171.13	166.09	160.34	153.82	72.45	74.04

# SAMPLE CUSTOMER BILLS

Current										
Type	2020	2021	2022	2023	2024	2025	2026	2027	2028	
Industrial - Brady Linen										
2021 Phase-In	\$ 43,917.21	\$ 45,134.80	\$ 46,357.94	\$ 47,586.84	\$ 48,826.24	\$ 50,267.27	\$ 51,719.34	\$ 53,028.81	\$ 54,341.94	
2022 Phase-In	43,917.21	44,809.18	46,035.56	47,268.22	48,511.97	49,957.96	51,415.63	52,880.80	54,192.59	
Variance (\$)	-	325.62	322.38	318.62	314.27	309.31	303.71	148.01	149.35	
Apartment Complex - Foothill Village										
2021 Phase-In	\$ 14,855.21	\$ 15,253.93	\$ 15,653.56	\$ 16,069.11	\$ 16,486.45	\$ 16,947.07	\$ 17,424.55	\$ 17,866.33	\$ 18,308.71	
2022 Phase-In	14,855.21	15,176.20	15,576.34	15,992.47	16,410.47	16,871.87	17,350.21	17,829.75	18,271.92	
Variance (\$)	-	77.73	77.22	76.64	75.98	75.20	74.34	36.58	36.79	
Warehouse - Baldwin Motorsports										
2021 Phase-In	\$ 566.49	\$ 570.51	\$ 574.65	\$ 578.88	\$ 583.37	\$ 588.20	\$ 593.24	\$ 597.34	\$ 601.51	
2022 Phase-In	566.49	567.86	572.06	576.36	580.93	585.85	590.99	596.28	600.42	
Variance (\$)	-	2.65	2.59	2.52	2.44	2.35	2.25	1.06	1.09	
Strip Mall										
2021 Phase-In	\$ 10,678.72	\$ 10,946.43	\$ 11,217.66	\$ 11,493.49	\$ 11,776.52	\$ 12,094.30	\$ 12,419.77	\$ 12,701.74	\$ 12,985.91	
2022 Phase-In	10,678.72	10,834.21	11,107.42	11,385.50	11,671.26	11,992.04	12,320.99	12,654.61	12,937.99	
Variance (\$)	-	112.22	110.24	107.99	105.26	102.26	98.78	47.13	47.92	
Strip Mall (Small)										
2021 Phase-In	\$ 6,293.55	\$ 6,446.70	\$ 6,600.88	\$ 6,760.03	\$ 6,921.45	\$ 7,100.22	\$ 7,285.30	\$ 7,452.05	\$ 7,619.45	
2022 Phase-In	6,293.55	6,402.97	6,557.73	6,717.51	6,879.71	7,059.31	7,245.36	7,432.73	7,599.92	
Variance (\$)	-	43.73	43.15	42.52	41.74	40.91	39.94	19.32	19.53	

# SAMPLE CUSTOMER BILLS

Current										
Type	2020	2021	2022	2023	2024	2025	2026	2027	2028	
College - UNLV										
2021 Phase-In	\$ 113,115.55	\$ 116,337.21	\$ 119,581.17	\$ 122,848.25	\$ 126,165.36	\$ 129,990.58	\$ 133,858.26	\$ 137,301.41	\$ 140,759.12	
2022 Phase-In	113,115.55	115,325.84	118,582.81	121,864.94	125,199.55	129,044.57	132,934.77	136,855.09	140,307.35	
Variance (\$)	-	1,011.37	998.36	983.31	965.81	946.01	923.49	446.32	451.77	

# CONNECTION CHARGE IMPACTS

		Current								
		2020	2021	2022	2023	2024	2025	2026	2027	2028
Connection Charge	5/8" & 3/4" Residential and Non Residential									
	2021 Phase-In	\$ 4,870	\$ 5,308	\$ 5,786	\$ 6,307	\$ 6,875	\$ 7,494	\$ 8,168	\$ 8,413	\$ 8,665
	2022 Phase-In	4,870	4,870	5,333	5,840	6,395	7,003	7,668	8,396	8,648
	Variance (\$)	-	438	453	467	480	491	500	17	17
Connection Charge	1" Residential and Non Residential									
	2021 Phase-In	\$ 9,610	\$ 10,475	\$ 11,418	\$ 12,446	\$ 13,566	\$ 14,787	\$ 16,118	\$ 16,602	\$ 17,100
	2022 Phase-In	9,610	9,610	10,523	11,523	12,618	13,817	15,130	16,567	17,064
	Variance (\$)	-	865	895	923	948	970	988	35	36
Connection Charge	1.5" Residential and Non Residential									
	2021 Phase-In	\$ 19,170	\$ 20,895	\$ 22,776	\$ 24,826	\$ 27,060	\$ 29,495	\$ 32,150	\$ 33,115	\$ 34,108
	2022 Phase-In	19,170	19,170	20,991	22,985	25,169	27,560	30,178	33,045	34,036
	Variance (\$)	-	1,725	1,785	1,841	1,891	1,935	1,972	70	72
Hotels & Motels	Per Room									
	2021 Phase-In	\$ 2,780	\$ 3,030	\$ 3,303	\$ 3,600	\$ 3,924	\$ 4,277	\$ 4,662	\$ 4,802	\$ 4,946
	2022 Phase-In	2,780	2,780	3,044	3,333	3,650	3,997	4,377	4,793	4,937
	Variance (\$)	-	250	259	267	274	280	285	9	9

# WATER RATES

		Current								
		2020	2021	2022	2023	2024	2025	2026	2027	2028
Commodity Charge	Per 1,000 Gallons									
	2021 Phase-In	\$ 0.48	\$ 0.50	\$ 0.52	\$ 0.54	\$ 0.56	\$ 0.59	\$ 0.62	\$ 0.64	\$ 0.66
	2022 Phase-In	0.48	0.48	0.50	0.52	0.54	0.57	0.60	0.63	0.65
	Variance (\$)	-	0.02	0.02	0.02	0.02	0.02	0.02	0.01	0.01
Infrastructure Charge (Daily)	5/8" & 3/4" Residential									
	2021 Phase-In	\$ 0.4306	\$ 0.4491	\$ 0.4684	\$ 0.4885	\$ 0.5095	\$ 0.5314	\$ 0.5543	\$ 0.5709	\$ 0.5900
	2022 Phase-In	0.4306	0.4306	0.4504	0.4711	0.4928	0.5155	0.5392	0.5640	0.5809
	Variance (\$)	-	0.0185	0.0180	0.0174	0.0167	0.0159	0.0151	0.0069	0.0091
Infrastructure Charge (30 Day Month)	5/8" & 3/4" Residential									
	2021 Phase-In	\$ 12.92	\$ 13.47	\$ 14.05	\$ 14.66	\$ 15.29	\$ 15.94	\$ 16.63	\$ 17.13	\$ 17.70
	2022 Phase-In	12.92	12.92	13.51	14.13	14.78	15.47	16.18	16.92	17.43
	Variance (\$)	-	0.56	0.54	0.52	0.50	0.48	0.45	0.21	0.27

The background of the slide is a photograph of numerous large, blue, cylindrical pipes stacked in a yard. The pipes are arranged in rows, with some in the foreground showing their circular openings. The image has a blue color overlay. The title "REVIEW RECOMMENDATIONS" is centered over the image in a white, bold, italicized sans-serif font.

# ***REVIEW RECOMMENDATIONS***



# REVIEW RECOMMENDATIONS

CONNECTION CHARGE: 2022 OPTION

## FUNDING RECOMMENDATIONS

- Fund the M CCP with a combination of debt capital and pay-go to manage unrestricted reserve balances at adequate levels consistent with the Reserve Policy.
- Implement a six-year annual increase to SNWA charges ~~effective January 2021~~ to:
  1. Phase in an inflationary catch up, and
  2. Adjust for subsequent annual inflation within the six year period:
    - Increase the Connection Charge by ~~9.0~~ 9.5% annually for six years **effective Mar. 2022**
    - Increase the Infrastructure Charge by ~~4.3~~ 4.6% annually for six years **effective Jan. 2022**
    - Increase the Commodity Charge by ~~4.5~~ 4.8% annually for six years **effective Jan. 2022**
- Implement an indexed rate component to the SNWA Connection Charge annually in accordance with the Engineering News Record (ENR) index, effective ~~January 2027~~ **March 2028**.

# REVIEW RECOMMENDATIONS

## FUNDING RECOMMENDATIONS

- Implement an indexed rate component to the SNWA Infrastructure and Commodity charges annually, effective **January 2027 2028**, and limit future increases to a floor of 1.5% and a ceiling of 4.5% each year.
  - Infrastructure Charge in accordance with Engineering News Record (ENR) index
  - Commodity Charge in accordance with the Consumer Price Index (CPI)

Do not implement inflationary increases in a year in which the five-year forecast unrestricted reserve balance is projected to be greater than 150% of targeted reserve balances.

- Eliminate the \$16.1 million Connection Charge threshold, require SNWA Connection Charge revenues to fund the pay-go portion of capital expenditures and related debt service, and exclude from funding recurring operating expenses.



## NEXT STEPS

<b>Sept. 8, 2020</b>	<i>Begin Business Impact Statement public comment process</i>
<b>Sept. 17, 2020</b>	SNWA Board meeting – <i>consider recommendations report</i>
<b>Oct. 15, 2020</b>	SNWA Board meeting - <i>consider BIS and M CCP</i>
<b>Nov. 19, 2020</b>	SNWA Board meeting – <i>Public Hearing on rates</i>
<b>2021</b>	<i>Public Outreach</i>
<b>January 1, 2022</b>	Recommended rate adjustments take effect

# OUTREACH ACTIVITIES

- Business Impact Statement
- Civic/chamber outreach
- Trade and professional association outreach
- Web information (SNWA + member agencies)
- Social Media
- Water Smart Living Newsletter (all customers)
- Bill Insert information
- SNWA Water Ways programming
- Speakers Bureau



## MODEL ASSUMPTIONS

### REVISED BASE SCENARIO (PRESENTED 08/19/20)

### DOWNSIDE SCENARIO

<b>WHOLESALE DELIVERY CHARGE</b>	Incorporates Covid-19 impacts  Year 1 reduced by 8% from pre-Covid estimate, but returns on a glide path to pre-Covid estimates by 2024-25	10% decline from pre-Covid levels through Year 10
<b>INFRASTRUCTURE CHARGE</b>  <i>Fixed charge, but account growth based on population growth from CBER population estimates (about 2% annually)</i>	Account growth based on population growth from CBER, with Covid-19 adjustments: Year 1: Growth estimate down 75% from CBER estimate Year 2: Down by 75% Year 3: Down by 50% Year 4: Down by 25% Years 5-10: Account growth consistent with CBER population estimates  Implementation of new rate pushed to 2022	No change from Revised Base Scenario
<b>COMMODITY CHARGE</b>	Year 1 reduced by 8% from pre-Covid estimate, but returns on a glide path to pre-Covid estimates by 2024-25  Implementation of new rate pushed to 2022	10% decline from pre-Covid levels through Year 10
<b>CONNECTION CHARGES</b>  <i>New connection volume based on population growth from CBER growth estimates</i>	Account growth based on population growth from CBER, with Covid-19 adjustments: Year 1: Reduced by 75 percent Year 2: Reduced by 75% Year 3: Reduced by 50% Year 4: reduced by 25% Years 5-10: Consistent with CBER population estimates  Implementation of new rate pushed to 2022	Years 1 and 2 are the same as the Revised Base Scenario; constrained growth of 15% year-over-year in Years 2-8, then Year 9 matched Revised Base Scenario (This represents approximately \$78 million less revenue than the Revised Model)
<b>SALES TAX</b>	Year 1: Collections reduced by 35% compared to pre-Covid estimate  Year 2: Collection increased based on CPI and constrained population growth, plus an additional 30% growth  Year 3: Collection increased based on CPI and constrained population growth, plus an additional 25% growth  Beginning of Year 4, Sales Tax is approx. 1-2% below the IRPAC model approved in March (pre-Covid) and remains through the remainder of the time period	Slower year-over-year growth of 10% in Years 2 – 6, and not returning to just under pre-COVID levels until Year 7.

# IRPAC Revised Sample Customer Bill Information: 2021 vs. 2022 Rate Implementation

\*Sample bills also include an already-approved LVVWD rate increase

		Current								
Type		2020	2021	2022	2023	2024	2025	2026	2027	2028
Single Family Residential 5/8" - Typical Use										
2021 Phase-In	\$	41.88	\$ 43.20	\$ 44.57	\$ 45.97	\$ 47.45	\$ 49.03	\$ 50.70	\$ 52.11	\$ 53.52
2022 Phase-In		41.88	42.49	43.87	45.28	46.78	48.40	50.09	51.82	53.23
Variance (\$)		-	0.71	0.70	0.69	0.67	0.63	0.61	0.29	0.29
Single Family Residential 5/8" - High Use										
2021 Phase-In	\$	93.14	\$ 95.88	\$ 98.65	\$ 101.48	\$ 104.38	\$ 107.62	\$ 110.98	\$ 113.93	\$ 116.90
2022 Phase-In		93.14	94.90	97.69	100.53	103.45	106.73	110.10	113.51	116.48
Variance (\$)		-	0.98	0.96	0.95	0.93	0.89	0.88	0.42	0.42
Single Family Residential 1" - Typical Use										
2021 Phase-In	\$	105.23	\$ 108.63	\$ 112.12	\$ 115.67	\$ 119.42	\$ 123.47	\$ 127.72	\$ 131.26	\$ 134.87
2022 Phase-In		105.23	106.72	110.25	113.85	117.65	121.76	126.09	130.50	134.08
Variance (\$)		-	1.91	1.87	1.82	1.77	1.71	1.63	0.76	0.79
Single Family Residential 1" - High Use										
2021 Phase-In	\$	358.56	\$ 368.83	\$ 379.18	\$ 389.81	\$ 400.62	\$ 412.64	\$ 425.06	\$ 436.22	\$ 447.45
2022 Phase-In		358.56	365.82	376.21	386.88	397.74	409.83	422.33	434.91	446.11
Variance (\$)		-	3.01	2.97	2.93	2.88	2.81	2.73	1.31	1.34
Mobile Home - Boulder Cascade										
2021 Phase-In	\$	4,808.29	\$ 4,954.32	\$ 5,102.56	\$ 5,253.06	\$ 5,421.02	\$ 5,609.51	\$ 5,800.60	\$ 5,959.52	\$ 6,119.92
2022 Phase-In		4,808.29	4,874.16	5,023.65	5,175.63	5,345.27	5,535.69	5,728.96	5,925.19	6,085.06
Variance (\$)		-	80.16	78.91	77.43	75.75	73.82	71.64	34.33	34.86
High Rise - Queensridge										
2021 Phase-In	\$	15,024.51	\$ 15,435.37	\$ 15,851.38	\$ 16,272.58	\$ 16,708.59	\$ 17,199.80	\$ 17,704.19	\$ 18,139.69	\$ 18,578.64
2022 Phase-In		15,024.51	15,261.20	15,680.11	16,104.69	16,544.55	17,040.21	17,549.58	18,065.84	18,503.56
Variance (\$)		-	174.17	171.27	167.89	164.04	159.59	154.61	73.85	75.08
Office Park - Desert Canyon										
2021 Phase-In	\$	1,820.48	\$ 1,847.56	\$ 1,874.84	\$ 1,902.36	\$ 1,930.33	\$ 1,962.47	\$ 1,995.09	\$ 2,024.06	\$ 2,053.15
2022 Phase-In		1,820.48	1,838.74	1,866.15	1,893.79	1,921.92	1,954.24	1,987.07	2,020.19	2,049.23
Variance (\$)		-	8.82	8.69	8.57	8.41	8.23	8.02	3.87	3.92

\*Sample bills also include an already-approved LVVWD rate increase

Type	Current								
	2020	2021	2022	2023	2024	2025	2026	2027	2028
<b>Resort and Hotel - Bellagio</b>									
2021 Phase-In	\$ 127,312.22	\$ 130,883.13	\$ 134,463.28	\$ 138,053.05	\$ 141,664.55	\$ 145,892.72	\$ 150,139.63	\$ 154,006.28	\$ 157,878.95
2022 Phase-In	127,312.22	130,055.16	133,640.72	137,236.76	140,855.52	145,091.96	149,348.22	153,617.01	157,487.40
Variance (\$)	-	827.97	822.56	816.29	809.03	800.76	791.41	389.27	391.55
<b>Restaurant - Lawry's</b>									
2021 Phase-In	\$ 2,094.69	\$ 2,137.15	\$ 2,179.96	\$ 2,223.09	\$ 2,266.99	\$ 2,317.39	\$ 2,368.57	\$ 2,413.95	\$ 2,459.54
2022 Phase-In	2,094.69	2,123.17	2,166.17	2,209.51	2,253.67	2,304.35	2,355.85	2,407.80	2,453.32
Variance (\$)	-	13.98	13.79	13.58	13.32	13.04	12.72	6.15	6.22
<b>Retail Complex - Fashion Show</b>									
2021 Phase-In	\$ 28,645.60	\$ 29,474.38	\$ 30,309.09	\$ 31,150.14	\$ 32,005.37	\$ 32,988.84	\$ 33,987.07	\$ 34,872.99	\$ 35,762.87
2022 Phase-In	28,645.60	29,205.80	30,044.06	30,889.23	31,749.18	32,738.02	33,742.35	34,754.83	35,643.24
Variance (\$)	-	268.58	265.03	260.91	256.19	250.82	244.72	118.16	119.63
<b>School - Palo Verde</b>									
2021 Phase-In	\$ 12,485.93	\$ 12,818.98	\$ 13,154.06	\$ 13,491.20	\$ 13,833.11	\$ 14,228.05	\$ 14,627.92	\$ 14,985.19	\$ 15,343.81
2022 Phase-In	12,485.93	12,719.18	13,055.44	13,393.93	13,737.42	14,134.14	14,536.06	14,940.67	15,298.78
Variance (\$)	-	99.80	98.62	97.27	95.69	93.91	91.86	44.52	45.03
<b>Municipal Park - All American</b>									
2021 Phase-In	\$ 9,109.44	\$ 9,364.34	\$ 9,621.71	\$ 9,881.70	\$ 10,147.46	\$ 10,450.43	\$ 10,759.06	\$ 11,029.48	\$ 11,301.58
2022 Phase-In	9,109.44	9,269.85	9,528.70	9,790.37	10,058.09	10,363.27	10,674.38	10,988.88	11,260.36
Variance (\$)	-	94.49	93.01	91.33	89.37	87.16	84.68	40.60	41.22
<b>Hospital - Sunrise</b>									
2021 Phase-In	\$ 28,499.70	\$ 29,286.73	\$ 30,077.78	\$ 30,877.13	\$ 31,683.90	\$ 32,612.60	\$ 33,552.73	\$ 34,399.99	\$ 35,249.92
2022 Phase-In	28,499.70	29,071.76	29,865.16	30,667.24	31,477.17	32,409.45	33,353.64	34,303.26	35,152.20
Variance (\$)	-	214.97	212.62	209.89	206.73	203.15	199.09	96.73	97.72
<b>Locals Hotel - Palace Station</b>									
2021 Phase-In	\$ 31,195.46	\$ 32,120.27	\$ 33,055.87	\$ 34,002.84	\$ 34,972.64	\$ 36,073.31	\$ 37,193.20	\$ 38,165.98	\$ 39,145.82
2022 Phase-In	31,195.46	31,746.85	32,688.80	33,643.14	34,621.45	35,731.83	36,862.70	38,008.28	38,985.45
Variance (\$)	-	373.42	367.07	359.70	351.19	341.48	330.50	157.70	160.37

*\*Sample bills also include an already-approved LVVWD rate increase*

		Current								
Type		2020	2021	2022	2023	2024	2025	2026	2027	2028
Shopping Center - Renaissance West										
2021 Phase-In	\$	9,499.66	\$ 9,802.34	\$ 10,111.43	\$ 10,427.19	\$ 10,758.11	\$ 11,121.42	\$ 11,497.62	\$ 11,807.64	\$ 12,121.89
2022 Phase-In		9,499.66	9,623.08	9,935.95	10,256.06	10,592.02	10,961.08	11,343.80	11,735.19	12,047.85
Variance (\$)		-	179.26	175.48	171.13	166.09	160.34	153.82	72.45	74.04
Industrial - Brady Linen										
2021 Phase-In	\$	43,917.21	\$ 45,134.80	\$ 46,357.94	\$ 47,586.84	\$ 48,826.24	\$ 50,267.27	\$ 51,719.34	\$ 53,028.81	\$ 54,341.94
2022 Phase-In		43,917.21	44,809.18	46,035.56	47,268.22	48,511.97	49,957.96	51,415.63	52,880.80	54,192.59
Variance (\$)		-	325.62	322.38	318.62	314.27	309.31	303.71	148.01	149.35
Apartment Complex - Foothill Village										
2021 Phase-In	\$	14,855.21	\$ 15,253.93	\$ 15,653.56	\$ 16,069.11	\$ 16,486.45	\$ 16,947.07	\$ 17,424.55	\$ 17,866.33	\$ 18,308.71
2022 Phase-In		14,855.21	15,176.20	15,576.34	15,992.47	16,410.47	16,871.87	17,350.21	17,829.75	18,271.92
Variance (\$)		-	77.73	77.22	76.64	75.98	75.20	74.34	36.58	36.79
Warehouse - Baldwin Motorsports										
2021 Phase-In	\$	566.49	\$ 570.51	\$ 574.65	\$ 578.88	\$ 583.37	\$ 588.20	\$ 593.24	\$ 597.34	\$ 601.51
2022 Phase-In		566.49	567.86	572.06	576.36	580.93	585.85	590.99	596.28	600.42
Variance (\$)		-	2.65	2.59	2.52	2.44	2.35	2.25	1.06	1.09
Strip Mall										
2021 Phase-In	\$	10,678.72	\$ 10,946.43	\$ 11,217.66	\$ 11,493.49	\$ 11,776.52	\$ 12,094.30	\$ 12,419.77	\$ 12,701.74	\$ 12,985.91
2022 Phase-In		10,678.72	10,834.21	11,107.42	11,385.50	11,671.26	11,992.04	12,320.99	12,654.61	12,937.99
Variance (\$)		-	112.22	110.24	107.99	105.26	102.26	98.78	47.13	47.92
Strip Mall (Small)										
2021 Phase-In	\$	6,293.55	\$ 6,446.70	\$ 6,600.88	\$ 6,760.03	\$ 6,921.45	\$ 7,100.22	\$ 7,285.30	\$ 7,452.05	\$ 7,619.45
2022 Phase-In		6,293.55	6,402.97	6,557.73	6,717.51	6,879.71	7,059.31	7,245.36	7,432.73	7,599.92
Variance (\$)		-	43.73	43.15	42.52	41.74	40.91	39.94	19.32	19.53
College - UNLV										
2021 Phase-In	\$	113,115.55	\$ 116,337.21	\$ 119,581.17	\$ 122,848.25	\$ 126,165.36	\$ 129,990.58	\$ 133,858.26	\$ 137,301.41	\$ 140,759.12
2022 Phase-In		113,115.55	115,325.84	118,582.81	121,864.94	125,199.55	129,044.57	132,934.77	136,855.09	140,307.35
Variance (\$)		-	1,011.37	998.36	983.31	965.81	946.01	923.49	446.32	451.77

### Six-Year Fixed Rate Increase

## Rate Comparison: 2021 vs. 2022 Implementation

Current									
2020	2021	2022	2023	2024	2025	2026	2027	2028	

Commodity Charge	Per 1,000 Gallons									
	2021 Phase-In	\$ 0.48	\$ 0.50	\$ 0.52	\$ 0.54	\$ 0.56	\$ 0.59	\$ 0.62	\$ 0.64	\$ 0.66
	2022 Phase-In	0.48	0.48	0.50	0.52	0.54	0.57	0.60	0.63	0.65
	Variance (\$)	-	0.02	0.02	0.02	0.02	0.02	0.02	0.01	0.01

Infrastructure Charge (Daily)	5/8" & 3/4" Residential									
	2021 Phase-In	\$ 0.4306	\$ 0.4491	\$ 0.4684	\$ 0.4885	\$ 0.5095	\$ 0.5314	\$ 0.5543	\$ 0.5709	\$ 0.5900
	2022 Phase-In	0.4306	0.4306	0.4504	0.4711	0.4928	0.5155	0.5392	0.5640	0.5809
	Variance (\$)	-	0.0185	0.0180	0.0174	0.0167	0.0159	0.0151	0.0069	0.0091

Infrastructure Charge (Monthly)	5/8" & 3/4" Residential									
	2021 Phase-In	\$ 12.92	\$ 13.47	\$ 14.05	\$ 14.66	\$ 15.29	\$ 15.94	\$ 16.63	\$ 17.13	\$ 17.70
	2022 Phase-In	12.92	12.92	13.51	14.13	14.78	15.47	16.18	16.92	17.43
	Variance (\$)	-	0.56	0.54	0.52	0.50	0.48	0.45	0.21	0.27

Connection Charge	5/8" & 3/4" Residential									
	2021 Phase-In	\$ 4,870	\$ 5,308	\$ 5,786	\$ 6,307	\$ 6,875	\$ 7,494	\$ 8,168	\$ 8,413	\$ 8,665
	2022 Phase-In	4,870	4,870	5,333	5,840	6,395	7,003	7,668	8,396	8,648
	Variance (\$)	-	438	453	467	480	491	500	17	17

Connection Charge	1" Residential									
	2021 Phase-In	\$ 9,610	\$ 10,475	\$ 11,418	\$ 12,446	\$ 13,566	\$ 14,787	\$ 16,118	\$ 16,602	\$ 17,100
	2022 Phase-In	9,610	9,610	10,523	11,523	12,618	13,817	15,130	16,567	17,064
	Variance (\$)	-	865	895	923	948	970	988	35	36

Connection Charge	1.5" Residential									
	2021 Phase-In	\$ 19,170	\$ 20,895	\$ 22,776	\$ 24,826	\$ 27,060	\$ 29,495	\$ 32,150	\$ 33,115	\$ 34,108
	2022 Phase-In	19,170	19,170	20,991	22,985	25,169	27,560	30,178	33,045	34,036
	Variance (\$)	-	1,725	1,785	1,841	1,891	1,935	1,972	70	72

Hotels & Motels	Per Room									
	2021 Phase-In	\$ 2,780	\$ 3,030	\$ 3,303	\$ 3,600	\$ 3,924	\$ 4,277	\$ 4,662	\$ 4,802	\$ 4,946
	2022 Phase-In	2,780	2,780	3,044	3,333	3,650	3,997	4,377	4,793	4,937
	Variance (\$)	-	250	259	267	274	280	285	9	9

Six-Year Fixed Rate Increase