

Appendix A. Water Rate Study Tables and Figures

TABLE 1 : FINANCIAL PLAN AND SUMMARY OF REVENUE REQUIREMENTS

RATE REVENUE REQUIREMENTS SUMMARY ¹	Budget	Projected				
	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
Sources of Water Funds						
<i>Rate Revenue:</i>						
Water Sales Revenue Under Current Rates	\$ 1,845,700	\$ 2,099,400	\$ 2,099,400	\$ 2,099,400	\$ 2,099,400	\$ 2,099,400
Revenue from Rate Increases ²	-	-	46,187	93,390	141,631	190,934
Subtotal: Rate Revenue After Rate Increases	1,845,700	2,099,400	2,145,587	2,192,790	2,241,031	2,290,334
<i>Non-Rate Revenue:</i>						
Other Operating Revenue	\$ 78,100	\$ 67,700	\$ 70,700	\$ 70,700	\$ 70,700	\$ 70,700
Non-Operating Revenue	344,400	389,700	389,700	389,700	389,700	389,700
Interest Income ³	100,000	177,800	94,481	95,986	94,654	93,146
Subtotal: Non-Rate Revenue	522,500	635,200	554,881	556,386	555,054	553,546
Total Sources of Funds	\$ 2,368,200	\$ 2,734,600	\$ 2,700,468	\$ 2,749,176	\$ 2,796,085	\$ 2,843,880
Uses of Water Funds						
<i>Operating Expenses ⁴</i>						
Operating Administrative Expenses	\$ 1,318,258	\$ 1,161,300	\$ 1,203,300	\$ 1,247,000	\$ 1,292,800	\$ 1,340,600
Non-Operating Administrative Expenses	33,200	33,200	33,900	34,600	35,300	36,000
Operations Expense	1,099,800	1,084,100	1,111,600	1,139,700	1,168,500	1,198,000
Director Expense	50,000	70,000	70,000	70,000	70,000	70,000
Administration Projects	-	-	-	-	-	-
Subtotal: Operating Expenses	\$ 2,501,258	\$ 2,348,600	\$ 2,418,800	\$ 2,491,300	\$ 2,566,600	\$ 2,644,600
<i>Other Expenditures:</i>						
Existing Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
New Debt Service	-	-	-	167,359	167,359	167,359
Rate-Funded Capital Expenses	-	182,901	206,387	157,124	136,694	-
Subtotal: Other Expenditures	\$ -	\$ 182,901	\$ 206,387	\$ 324,483	\$ 304,053	\$ 167,359
Total Uses of Water Funds	\$ 2,501,258	\$ 2,531,501	\$ 2,625,187	\$ 2,815,783	\$ 2,870,653	\$ 2,811,959
Annual Surplus/(Deficit)	\$ (133,058)	\$ 203,099	\$ 75,281	\$ (66,607)	\$ (74,567)	\$ 31,922
Net Revenue Req't. (Total Uses less Non-Rate Revenue)	\$ 1,978,758	\$ 1,896,301	\$ 2,070,306	\$ 2,259,396	\$ 2,315,598	\$ 2,258,412
Projected Annual Rate Revenue Increase	0.00%	0.00%	4.40%	4.40%	4.40%	4.40%
<i>Cumulative Increase from Annual Revenue Increases</i>	<i>0.00%</i>	<i>0.00%</i>	<i>4.40%</i>	<i>8.99%</i>	<i>13.79%</i>	<i>18.80%</i>
<i>Debt Coverage After Rate Increase</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>13.10</i>	<i>13.39</i>	<i>13.69</i>

3 <-- Select Financial Plan Scenario Here						
Financial Plan Alternatives	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
1 Alternative 1 - 4% Inflationary Rate Increases	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%
2 Alternative 2 - 5% Inflationary Rate Increases	0.00%	5.00%	5.00%	5.00%	5.00%	5.00%
3 Alternative 3 - Custom Rate Increases	0.00%	0.00%	4.40%	4.40%	4.40%	4.40%
4 Alternative 4 - No Rate Increases	0.00%	4.40%	6.00%	6.00%	6.00%	6.00%

- Revenue and expenses for FY 2024-25 are from source file: 1-4. GY 2024.25 Budget
- Rate increases assume an implementation date of March 1, 2026 and then January 1st thereafter.
- Interest earnings for FY 2024-25 is from Agency budget. For all other years, it is calculated based on agency input.
- Revenue and expenses for FY 2024-25 are from source file: 1-4. GY 2024.25 Budget

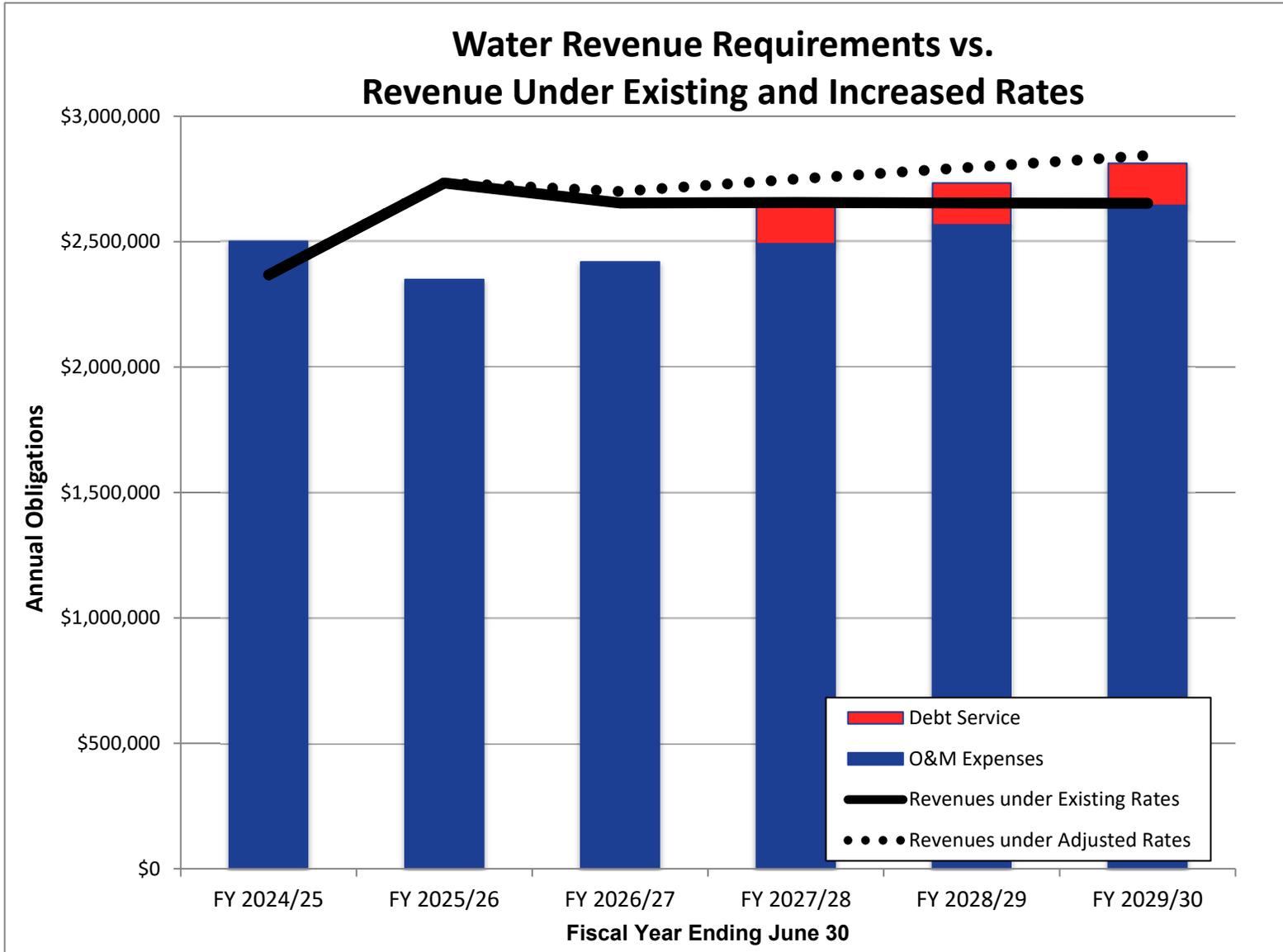
TABLE 2 : RESERVE FUND SUMMARY

SUMMARY OF CASH ACTIVITY UN-RESTRICTED RESERVES	Budget	Projected				
	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
Total Beginning Cash ^{1, 2, 3}	\$ 5,385,601					
Operating Reserve Fund (Current Customer Deposits)						
Beginning Reserve Balance ¹	\$ 5,385,601	\$ 616,749	\$ 579,107	\$ 596,416	\$ 494,483	\$ 383,419
Plus: Net Cash Flow (After Rate Increases)	(133,058)	203,099	75,281	(66,607)	(74,567)	31,922
Plus: Transfer of Debt Reserve Surplus	-	-	-	-	-	-
Less: Transfer Out to Emergency Contingencies Fund	(1,000,000)	(33,100)	(34,196)	(35,327)	(36,497)	(37,705)
Less: Transfer Out to Rate Stabilization	(500,000)	-	-	-	-	-
Less: Transfer Out to Capital Replacement Reserve	(3,135,795)	(207,641)	(23,775)	-	-	-
Ending Operating Reserve Balance	\$ 616,749	\$ 579,107	\$ 596,416	\$ 494,483	\$ 383,419	\$ 377,635
<i>Target Ending Balance (90-days of O&M)</i> ²	\$ 616,749	\$ 579,107	\$ 596,416	\$ 614,293	\$ 632,860	\$ 652,093
Emergency Contingencies Reserve Fund						
Beginning Reserve Balance	\$ -	\$ 1,000,000	\$ 1,033,100	\$ 1,067,296	\$ 1,102,623	\$ 1,139,120
Plus: Transfer of Operating Reserve Surplus	1,000,000	33,100	34,196	35,327	36,497	37,705
Less: Use of Reserves for Capital Projects	-	-	-	-	-	-
Ending Emergencies Contingencies Reserve Balance	\$ 1,000,000	\$ 1,033,100	\$ 1,067,296	\$ 1,102,623	\$ 1,139,120	\$ 1,176,825
<i>Target Ending Balance Set by Board (\$200,000 minimum)</i> ³	\$ 1,000,000	\$ 1,033,100	\$ 1,067,296	\$ 1,102,623	\$ 1,139,120	\$ 1,176,825
Capital R & R Reserve Fund						
Beginning Reserve Balance	\$ -	\$ 3,135,795	\$ 2,611,830	\$ 2,635,605	\$ 2,635,605	\$ 2,634,785
Plus: Transfer of Operating Reserve Surplus	3,135,795	207,641	23,775	-	-	-
Less: Use of Reserves for Capital Projects	-	(731,605)	-	-	(820)	(322,156)
Ending Capital Rehab & Replacement Reserve Balance	\$ 3,135,795	\$ 2,611,830	\$ 2,635,605	\$ 2,635,605	\$ 2,634,785	\$ 2,312,629
<i>Target Ending Balance</i> ⁴	\$ 733,681	\$ 1,253,491	\$ 1,495,407	\$ 1,542,544	\$ 1,583,552	\$ 1,602,882
Rate Stabilization Fund						
Beginning Reserve Balance	\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Plus: Transfer of Operating Reserve Surplus	\$ 500,000	-	-	-	-	-
Less: Transfer Out to Operating Reserve	\$ -	-	-	-	-	-
Ending Rate Stabilization Reserve Balance	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
<i>Target Ending Balance</i> ⁵	\$ 461,425	\$ 524,850	\$ 536,397	\$ 548,197	\$ 560,258	\$ 572,583
Ending Balance	\$ 5,252,543	\$ 4,724,037	\$ 4,799,318	\$ 4,732,711	\$ 4,657,324	\$ 4,367,089
Minimum Target Ending Balance	\$ 2,811,854	\$ 3,390,548	\$ 3,695,516	\$ 3,807,658	\$ 3,915,790	\$ 4,004,383
Ending Surplus/(Deficit) Compared to Reserve Targets	\$ 2,440,689	\$ 1,333,489	\$ 1,103,802	\$ 925,053	\$ 741,534	\$ 362,706
Restricted Reserves:						
Bond Debt Service Reserve Fund						
Beginning Reserve Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plus: Reserve Funding from New Debt Obligations	-	-	-	-	-	-
Less: Transfer of Surplus to Operating Reserve	-	-	-	-	-	-
Ending Debt Reserve Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Target Ending Balance</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Fee Reserve						
Beginning Reserve Balance	\$ -	\$ 17,900	\$ 36,158	\$ 54,781	\$ 73,777	\$ 93,152
Plus: Capital Impact Fee Revenue	17,900	17,900	17,900	17,900	17,900	17,900
Plus: Interest Revenue	-	358	723	1,096	1,476	1,863
Less: Use of Reserves for Capital Projects	-	-	-	-	-	-
Ending Connection Fee Fund Balance	\$ 17,900	\$ 36,158	\$ 54,781	\$ 73,777	\$ 93,152	\$ 112,915
Annual Interest Earnings Rate ⁶	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

1. Beginning cash from Audited Financial Statements for 2023/24 source files: 2024 CAFR BDVWA Final.pdf, page 32, Cash and Cash Equivalents.
2. Operating Reserve Target set to 180 days (or 6 months) of O&M expenses. Industry standard is 3 to 6 months.
3. Reserve target set by Agency Board. Source file: 16R-11 Establishing Criteria for Agency Financial Reserves.pdf
4. Replacement & Refurbishment Reserve target set to 6% of total assets.
5. Rate Stabilization Target is 25% of Rate Revenue
6. Interest earnings for FY 2024/25 are per the City's budget projections. For all future years, interest earnings are calculated here based on district provided rate and projected cash balances

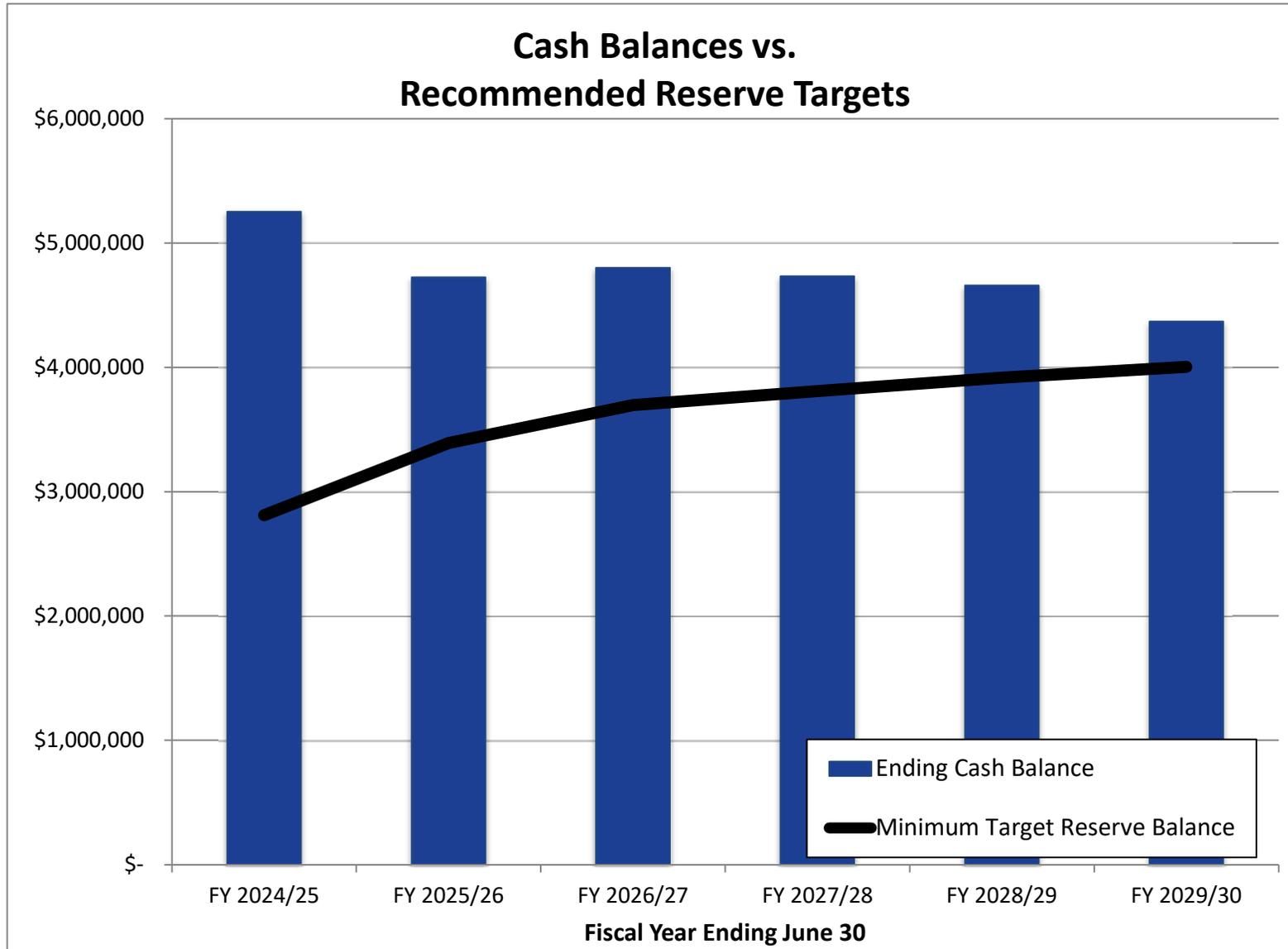
BIGHORN DESERT WATER AGENCY
WATER RATE STUDY
Rate Adjustment Charts and Report Tables

CHART 1



BIGHORN DESERT WATER AGENCY
WATER RATE STUDY
Rate Adjustment Charts and Report Tables

CHART 2



**BIGHORN DESERT WATER AGENCY
WATER RATE STUDY
Operating Revenue and Expenses**

EXHIBIT 1

TABLE 3 : REVENUE FORECAST ¹

DESCRIPTION	Inflation Basis	Budget	5-Year Projected Rate Period				
		FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
Operating Revenue							
Metered Water Sales - Tier 1	1	\$ 505,200	\$ 580,500	\$ 580,500	\$ 580,500	\$ 580,500	\$ 580,500
Metered Water Sales - Tier 2	1	224,400	312,100	312,100	312,100	312,100	312,100
Basic Service Charge	1	1,116,100	1,206,800	1,206,800	1,206,800	1,206,800	1,206,800
Other Operating Income	1	77,800	66,900	66,900	66,900	66,900	66,900
Interest Income Unrestricted	See FP	100,000	177,800				
Bad Debt Expense	7	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Bad Debt Expense - Uncollected Liens	7	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)
Water Sales	1	2,500	3,800	3,800	3,800	3,800	3,800
Subtotal		\$ 2,023,000	\$ 2,344,900	\$ 2,167,100	\$ 2,167,100	\$ 2,167,100	\$ 2,167,100
Non-Operating Revenue							
Stand-By Income W-1	1	\$ 63,900	\$ 63,900	\$ 63,900	\$ 63,900	\$ 63,900	\$ 63,900
General Tax Income (portion of 1%)	1	254,400	299,700	299,700	299,700	299,700	299,700
Other Revenue	1	17,200	21,300	21,300	21,300	21,300	21,300
Pacific Western Earning Credits	1	8,900	4,800	4,800	4,800	4,800	4,800
Subtotal		\$ 344,400	\$ 389,700	\$ 389,700	\$ 389,700	\$ 389,700	\$ 389,700
Non-Operating Revenue - New Connections							
Meter Connect Fees (SL Install Fees)	1	\$ 2,700	\$ 2,700	\$ 2,700	\$ 2,700	\$ 2,700	\$ 2,700
Basic Facilities Charge (Buy-In)	1	15,200	15,200	15,200	15,200	15,200	15,200
Subtotal		\$ 17,900	\$ 17,900	\$ 17,900	\$ 17,900	\$ 17,900	\$ 17,900
TOTAL: REVENUE		\$ 2,385,300	\$ 2,752,500	\$ 2,574,700	\$ 2,574,700	\$ 2,574,700	\$ 2,574,700

TABLE 4 : REVENUE SUMMARY

RATE REVENUE:	Budget	5-Year Projected Rate Period					
	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	
Metered Water Sales - Tier 1	\$ 505,200	\$ 580,500	\$ 580,500	\$ 580,500	\$ 580,500	\$ 580,500	
Metered Water Sales - Tier 2	224,400	312,100	312,100	312,100	312,100	312,100	
Basic Service Charge	1,116,100	1,206,800	1,206,800	1,206,800	1,206,800	1,206,800	
OTHER REVENUE:							
Other Operating Revenue	\$ 78,100	\$ 67,700	\$ 70,700	\$ 70,700	\$ 70,700	\$ 70,700	
Interest Income	100,000	177,800	-	-	-	-	
Non-Operating Revenue	344,400	389,700	389,700	389,700	389,700	389,700	
Non-Operating Revenue - New Connections	17,900	17,900	17,900	17,900	17,900	17,900	
TOTAL: REVENUE	\$ 2,386,100	\$ 2,752,500	\$ 2,577,700	\$ 2,577,700	\$ 2,577,700	\$ 2,577,700	

**BIGHORN DESERT WATER AGENCY
WATER RATE STUDY
Operating Revenue and Expenses**

EXHIBIT 1

TABLE 5 : OPERATING EXPENSE FORECAST ¹

DESCRIPTION	Inflation Basis	Budget	5-Year Projected Rate Period				
		FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
Operating Administrative Expenses							
Administrative Compensation	2	\$ 503,200	\$ 342,000	\$ 350,600	\$ 359,400	\$ 368,400	\$ 377,600
Contractual Services - Auditor	2	18,900	18,900	19,400	19,900	20,400	20,900
Contractual Services - Legal	2	35,000	40,000	41,000	42,000	43,100	44,200
Legislative Affairs	4	15,000	15,000	15,300	15,600	15,900	16,200
PERS Contribution	3	149,700	161,700	171,400	181,700	192,600	204,200
Payroll Tax	2	22,700	22,500	23,100	23,700	24,300	24,900
Telephone , Fax, Internet	4	5,700	9,000	9,200	9,400	9,600	9,800
Mailing Expenses	4	1,800	1,900	1,900	1,900	1,900	1,900
Contractual Services - Other	2	121,700	150,000	153,800	157,600	161,500	165,500
Property/Liability Insurance	4	88,458	102,000	104,000	106,100	108,200	110,400
Workers Comp Insurance	4	18,300	18,300	18,700	19,100	19,500	19,900
Dues & Subscriptions & Annual Fees	4	18,500	21,100	21,500	21,900	22,300	22,700
Power/Propane - Office & Yards	6	12,300	11,700	12,100	12,500	13,000	13,500
Office Supplies/Printing	4	8,800	12,200	12,400	12,600	12,900	13,200
Employee Benefits Insurance	3	286,100	229,300	243,100	257,700	273,200	289,600
Employee Education	4	12,100	5,700	5,800	5,900	6,000	6,100
Non-Operating Administrative Expenses							
Office Equipment Expense	4	\$ 14,100	\$ 14,100	\$ 14,400	\$ 14,700	\$ 15,000	\$ 15,300
Customer Relations	4	3,200	3,200	3,300	3,400	3,500	3,600
Other Administrative Expenses	4	14,400	14,400	14,700	15,000	15,300	15,600
Election Costs	4	1,000	1,000	1,000	1,000	1,000	1,000
Misc. Expenses	4	500	500	500	500	500	500
Operations Expense							
Operations Staff Compensation	2	\$ 499,500	\$ 498,800	\$ 511,300	\$ 524,100	\$ 537,200	\$ 550,600
Uniforms	4	10,000	10,000	10,200	10,400	10,600	10,800
Vehicle, Tractor, Equipment Expense	4	35,000	35,000	35,700	36,400	37,100	37,800
Vehicle Expense - Fuel	5	53,800	49,200	50,900	52,700	54,500	56,400
Field Materials and Supplies	4	78,800	78,800	80,400	82,000	83,600	85,300
Water Testing	4	15,000	15,000	15,300	15,600	15,900	16,200
Engineering	4	60,000	100,000	102,000	104,000	106,100	108,200
Water System Repairs	4	80,000	100,000	102,000	104,000	106,100	108,200
Excavation Permit Fees (CoSB)	4	500	500	500	500	500	500
Building Maintenance and Repair	4	15,500	15,500	15,800	16,100	16,400	16,700
Communications Expense	4	8,100	7,900	8,100	8,300	8,500	8,700
Disinfection Expense	4	15,500	13,400	13,700	14,000	14,300	14,600
Power - Wells, Booster Pumps	6	145,600	148,400	153,900	159,600	165,500	171,600
Other Operations Expense	4	12,500	11,600	11,800	12,000	12,200	12,400
Water Purchases	4	70,000	-	-	-	-	-
Sub-Total		\$ 2,451,258	\$ 2,278,600	\$ 2,348,800	\$ 2,421,300	\$ 2,496,600	\$ 2,574,600

BIGHORN DESERT WATER AGENCY
WATER RATE STUDY
Operating Revenue and Expenses

EXHIBIT 1

TABLE 6

DESCRIPTION	Inflation Basis	5-Year Projected Rate Period					
		Budget FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
Director Expense							
Director - McBride	7	\$ 10,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000	\$ 14,000
Director - Corl-Lorono	7	10,000	14,000	14,000	14,000	14,000	14,000
Director - J. Burkhart	7	10,000	14,000	14,000	14,000	14,000	14,000
Director - McKenzie	7	10,000	14,000	14,000	14,000	14,000	14,000
Director - Coulombe	7	10,000	14,000	14,000	14,000	14,000	14,000
Sub-Total		\$ 50,000	\$ 70,000				

TABLE 7

DESCRIPTION	Inflation Basis	5-Year Projected Rate Period					
		Budget FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
Administration Projects							
	4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	7	-	-	-	-	-	-
Sub-Total		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRAND TOTAL: WATER OPERATING EXPENSES		\$ 2,501,258	\$ 2,348,600	\$ 2,418,800	\$ 2,491,300	\$ 2,566,600	\$ 2,644,600

TABLE 8 : FORECASTING ASSUMPTIONS

INFLATION FACTORS ²	Inflation Basis	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
Water Sales	1	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Salaries ²	2	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Benefits ³	3	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
General Inflation ⁴	4	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Fuel ⁵	5	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
Electricity ⁶	6	3.70%	3.70%	3.70%	3.70%	3.70%	3.70%
No Escalation	7	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

1. Revenue and expenses for FY 2024-25 are from source file: 1-4. GY 2024.25 Budget
2. Social Security COLA for 2024; Website: <https://www.ssa.gov/OACT/COLA/colaseries.html>
3. Benefits inflation set to 6% per Agency staff May 2025.
4. Five-year average CPI for All Urban Consumers for the Los Angeles/Riverside/Orange County areas, per BLS, Series ID:CUURS49ASA0 .
5. Five-year average CPI for Motor Fuel for the Los Angeles/Riverside/Orange County areas, per BLS, Series ID:CUURS49ASETB .
6. Five-year average CPI for Electricity for the Los Angeles/Riverside/Orange County areas, per BLS, Series ID:CUURS49ASA0E .

TABLE 9 : CAPITAL FUNDING SUMMARY

CAPITAL FUNDING FORECAST	Budget		Projected			
	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
Funding Sources:						
Grants ¹	\$ -	\$ 7,749,000	\$ 3,000,000	\$ -	\$ -	\$ -
Use of R&R Reserves	-	731,605	-	-	820	322,156
Use of Connection Fee Reserve	-	-	-	-	-	-
Use of New Revenue Bond Proceeds	-	-	825,547	628,495	545,958	-
Rate Revenue	-	182,901	206,387	157,124	136,694	-
Total Sources of Capital Funds	\$ -	\$ 8,663,506	\$ 4,031,934	\$ 785,619	\$ 683,472	\$ 322,156
Uses of Capital Funds:						
Total Project Costs	\$ -	\$ 8,663,506	\$ 4,031,934	\$ 785,619	\$ 683,472	\$ 322,156
Capital Funding Surplus (Deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0
Bank Loan	\$ -	\$ -	\$ 2,000,000	\$ -	\$ -	\$ -
New Revenue Bond Proceeds	\$ -	\$ -				

1. Grant Funding is per page 6 of the Agency's 2024/25 budget (file: FY2024-25 Budget.pdf). Grant funding for 2025/26 based on Grant project expenses in CIP.

CAPITAL IMPROVEMENT PROGRAM FUNDING OPTIONS

CIP Funding Options	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
1 Full Program	\$ -	\$ 1,219,341	\$ 1,375,912	\$ 1,047,492	\$ 911,296	\$ 429,541
2 80% Program	\$ -	\$ 975,473	\$ 1,100,730	\$ 837,994	\$ 729,037	\$ 343,633
3 75% Program	\$ -	\$ 914,506	\$ 1,031,934	\$ 785,619	\$ 683,472	\$ 322,156
4 60% Program	\$ -	\$ 731,605	\$ 825,547	\$ 628,495	\$ 546,778	\$ 257,725

Funding Option Selected **3**

Capital Improvement Program Funding Choice	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30
Effective Annual Funding Amount	\$ -	\$ 8,663,506	\$ 4,031,934	\$ 785,619	\$ 683,472	\$ 322,156

BIGHORN DESERT WATER AGENCY
WATER RATE STUDY
Capital Improvement Plan Expenditures

EXHIBIT 2

CAPITAL IMPROVEMENT PROGRAM

TABLE 10 : CAPITAL IMPROVEMENT PROGRAM COSTS (IN CURRENT-YEAR DOLLARS) ¹

Avg. Life Yrs.	Project Description	2025	2026	2027	2028	2029	2030
Refurbish and Replacement Projects							
15	Admin Building Roof Replacement		\$ 50,000				
15	Meter Replacements		10,000				
8	Rate Study		40,000				
8	Well 8 Rehab				200,000		
8	Well 9 Rehab					200,000	
8	Well 10 Rehab			200,000			
30	Well GMW1 - plan to deepen well thru casing						
30	Well GMW3 Rehab				200,000		
30	Well 13 - Complete new well (then Rehab)		242,000				
30	Complete New Well in B-Zone		150,000	500,000			
30	Complete New Well in D-Zone (Deepen Well 6?)				150,000	500,000	
Reservoir Rehabilitation							
8	Pump Well 8				100,000		
8	Pump Well 9					100,000	
8	Pump Well 10			100,000			
8	Pump Well GMW1						
8	Pump Well GMW3				100,000		
8	Pump Well 13 (first Pump w/piping & valving)		150,000				
	Zone B Pipeline/D&R1Booster/HDWD#2/LandersCons		6,935,000	3,000,000			
	Operations Well/Pump Emergency Contingency						
60	New Storage Tank R1		300,000	300,000			
20	Utility Billing Software Replacement				200,000		
	Rehabilitate Tank B1/B2		739,000				
20	Replace Generator - 90 KW mobile						100,000
	Vac/Valve Trailer Replacement		65,000				
15	Replace Tractor						200,000
9	Replace Fleet Vehicles (avg life)						65,000
Operations Capital Projects (Grant Funded)							
	Water Storage Tank Recoating (B1, B2)						
	GMWell 13 Project						
	Zone B Pipeline/D&R1Booster/HDWD#2/LandersConsolidation						
	Meter Replacement Program						
Total: CIP Program Costs (Current-Year Dollars)		\$ -	\$ 8,681,000	\$ 4,100,000	\$ 950,000	\$ 800,000	\$ 365,000

BIGHORN DESERT WATER AGENCY
WATER RATE STUDY
Capital Improvement Plan Expenditures

EXHIBIT 2

TABLE 11 : CAPITAL IMPROVEMENT PROGRAM COSTS (IN FUTURE-YEAR DOLLARS) ¹

Project Description	2025	2026	2027	2028	2029	2030
Refurbish and Replacement Projects						
15 Admin Building Roof Replacement	-	51,655	-	-	-	-
15 Meter Replacements	-	10,331	-	-	-	-
8 Rate Study	-	41,324	-	-	-	-
8 Well 8 Rehab	-	-	-	220,525	-	-
8 Well 9 Rehab	-	-	-	-	227,824	-
8 Well 10 Rehab	-	-	213,459	-	-	-
30 Well GMW1 - plan to deepen well t	-	-	-	-	-	-
30 Well GMW3 Rehab	-	-	-	220,525	-	-
30 Well 13 - Complete new well (then	-	250,010	-	-	-	-
30 Complete New Well in B-Zone	-	154,965	533,648	-	-	-
30 Complete New Well in D-Zone (Dee	-	-	-	165,393	569,560	-
-- Reservoir Rehabilitation	-	-	-	-	-	-
8 Pump Well 8	-	-	-	110,262	-	-
8 Pump Well 9	-	-	-	-	113,912	-
8 Pump Well 10	-	-	106,730	-	-	-
8 Pump Well GMW1	-	-	-	-	-	-
8 Pump Well GMW3	-	-	-	110,262	-	-
8 Pump Well 13 (first Pump w/piping	-	154,965	-	-	-	-
-- Zone B Pipeline/D&R1Booster/HDW	-	7,164,549	3,201,887	-	-	-
-- Operations Well/Pump Emergency	-	-	-	-	-	-
60 New Storage Tank R1	-	309,930	320,189	-	-	-
20 Utility Billing Software Replacemen	-	-	-	220,525	-	-
-- Rehabilitate Tank B1/B2	-	763,461	-	-	-	-
20 Replace Generator - 90 KW mobile	-	-	-	-	-	117,682
-- Vac/Valve Trailer Replacement	-	67,152	-	-	-	-
15 Replace Tractor	-	-	-	-	-	235,365
9 Replace Fleet Vehicles (avg life)	-	-	-	-	-	76,494
total Projects --	-	-	-	-	-	-
-- Water Storage Tank Recoating (B1,	-	-	-	-	-	-
-- GMWell 13 Project	-	-	-	-	-	-
-- Zone B Pipeline/D&R1Booster/HDW	-	-	-	-	-	-
-- Meter Replacement Program	-	-	-	-	-	-
Total: CIP Program Costs (Future-Year Dollar	\$ -	\$ 8,968,341	\$ 4,375,912	\$ 1,047,492	\$ 911,296	\$ 429,541

TABLE 12 : FORECASTING ASSUMPTIONS

Economic Variables	2025	2026	2027	2028	2029	2030
Annual Construction Cost Inflation, Per	0.00%	3.31%	3.31%	3.31%	3.31%	3.31%
Cumulative Construction Cost Multiplier from 202	1.00	1.03	1.07	1.10	1.14	1.18

1. Estimated capital improvement project costs found in source files: *BDVWA CIP Working 2025-2036.xlsx*
2. Construction inflator is based on the most current 10 year average of the Engineering News-Record Construction Cost Index.
Source: www.enr.com/economics (June 2015 to June 2025).