

Proposed Tap Fee and Standby Charge Increase

August 15, 2024

Tap Fee Increase Calculation:

| | |
|---|-----------------|
| 2020 – 2024 Major Project Capital Expenses: 100k Tank | \$975,346.84* |
| Well #12 | \$540,536.92* |
| Total | \$1,515,883.76* |

Maximum number of taps based upon Augmentation Plan = 150

Major Capital Spending/Tap - $\$1,515,883.76/150 = \$10,105.89/\text{tap}$

Current Tap Fee - \$28,000

Proposed Tap Fee - $\$28,000 + \$10,000 = \mathbf{\$38,000}$

*Excludes Engineering Expenses

Standby Charge Increase Calculation:

2023 Debt Service Cost = \$50,740/year

Total number of taps currently generating revenue = 127

Cost of Debt Service / Tap - $\$50,740/127 = \$399.50/\text{tap}$

Current Standby Charge - $\$80.00/4 \text{ months} = \$240.00/\text{year}$

Proposed Standby Charge - $\$240.00 + \$150.00 = \$390.00/\text{year}$ or **\$130.00/ billing period**