



2025 WATER AND WASTEWATER RATE STUDY IMPACT OF ELIMINATION OF WW INFRASTRUCTURE CHARGE

October 2025



Updated: October 3 2025



BENEFITS AND CHALLENGES OF ELIMINATING WW INFRASTRUCTURE FEE



Benefits

- Lesser increases for low volume wastewater customers
- Customers using 5,000 gallons or less per month will benefit

Challenges

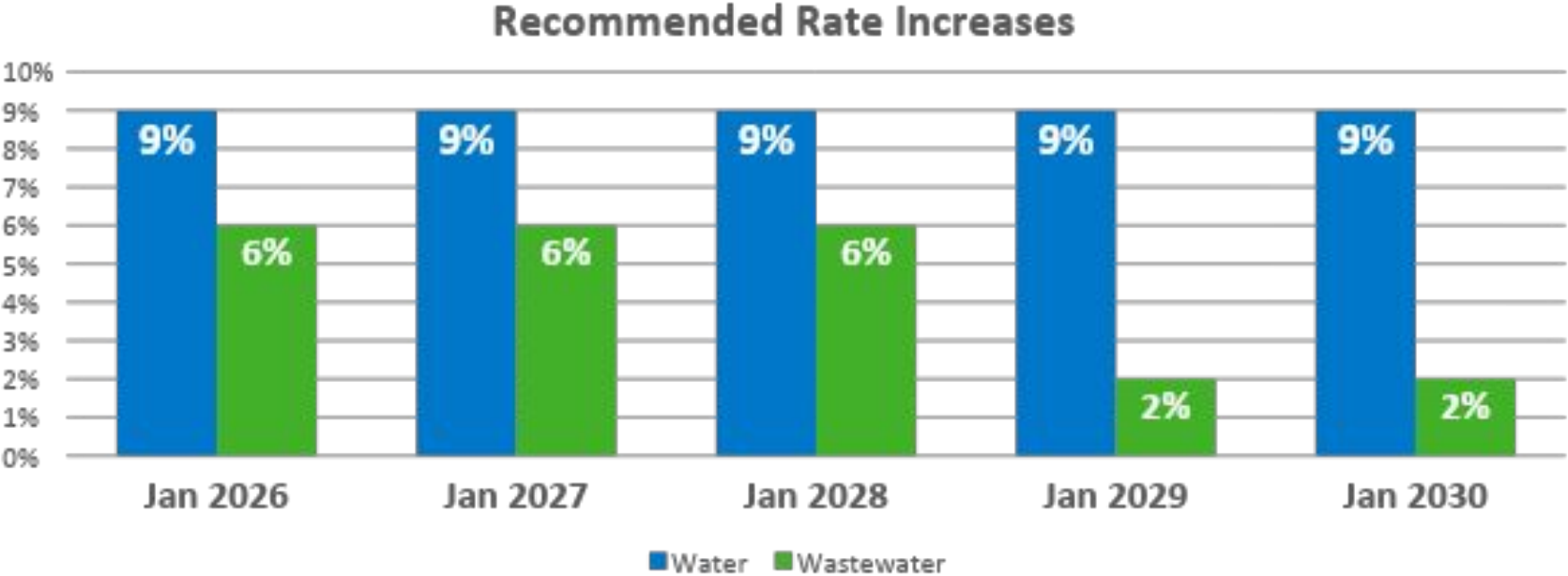
- Significantly higher charges for high volume customers
- More cost recovered through volume charges instead of fixed charges – leads to less revenue certainty

RATE PROPOSAL | SCENARIO I – STATUS QUO

Recommended rate adjustments for next 5 years:



- Annual Rate Adjustments in January of each year
- Uniform percentage adjustments for base volume charges
- Higher increases for water
- One Time \$5 reduction in WW Infrastructure Monthly fee for residential customers



SCENARIO I | WASTEWATER



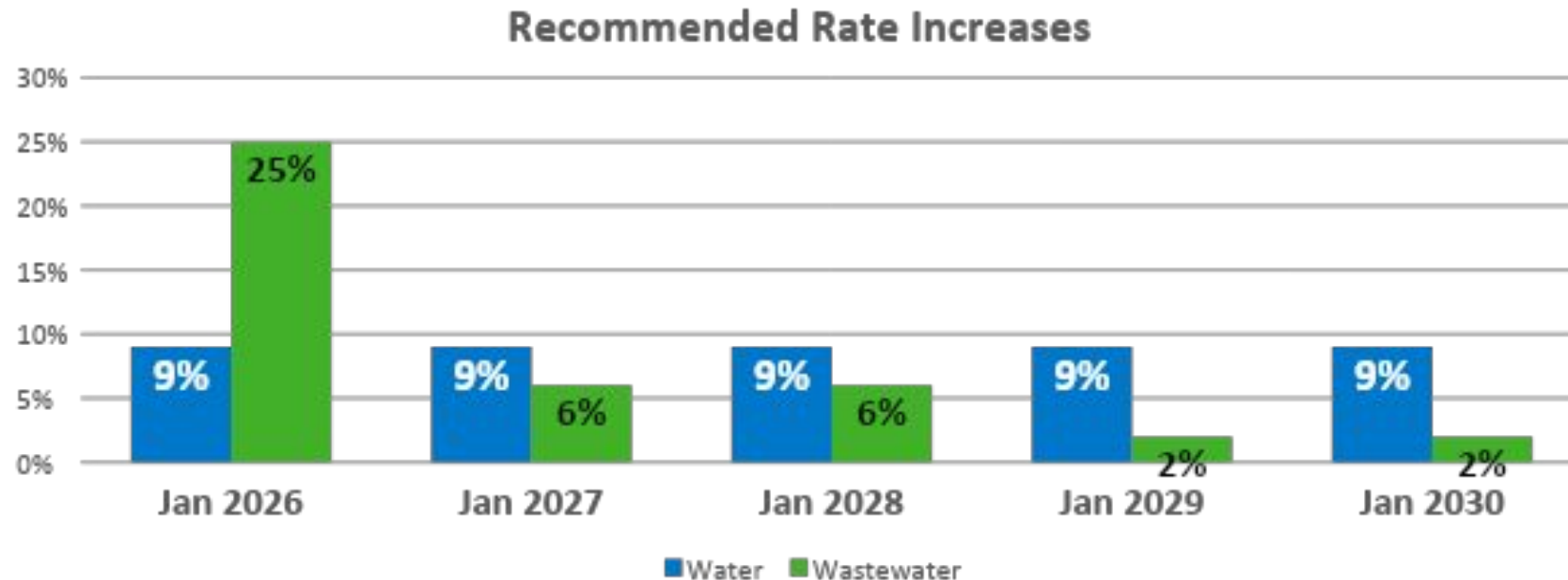
		Current	Effective					
			Jan-26	Jan-27	Jan-28	Jan-29	Jan-30	
WASTEWATER								
Residential & Non-Residential Inside								
Monthly Minimum Charge			\$ 20.70	\$ 21.94	\$ 23.26	\$ 24.65	\$ 25.15	\$ 25.65
Volume Rate/100 Gal (2,000-Above)			1.104	1.170	1.240	1.315	1.341	1.368
Salem/Quail Ridge								
Monthly Minimum Charge			\$ 41.40	\$ 43.88	\$ 46.52	\$ 49.31	\$ 50.29	\$ 51.30
Volume Rate/100 Gal			1.104	1.170	1.240	1.315	1.341	1.368
Drain Water (County Landfield)								
Volume Rate/per Gallon			0.0575	0.0610	0.0646	0.0685	0.0699	0.0713

WW Infrastructure Monthly Charge							
(in addition to mthly chgs)	5/8"	\$ 15.75	\$ 10.00	\$ 10.50	\$ 11.03	\$ 11.58	\$ 12.16
	1"	52.50	55.13	57.88	60.78	63.81	67.00
	1 1/2"	105.00	110.25	115.76	121.55	127.63	134.01
	2"	168.00	176.40	185.22	194.48	204.21	214.42
	3"	336.00	352.80	370.44	388.96	408.41	428.83
	4"	530.25	556.76	584.60	613.83	644.52	676.75
	6"	1,060.50	1,113.53	1,169.20	1,227.66	1,289.04	1,353.50
	8"	1,060.50	1,113.53	1,169.20	1,227.66	1,289.04	1,353.50

RATE PROPOSAL | SCENARIO II – ELIMINATE WW IF CHARGE

Recommended rate adjustments for next 5 years:

- Annual Rate Adjustments in January of each year
- Uniform percentage adjustments for base volume charges
- Higher increases for water
- Elimination of WW Infrastructure Monthly fee for all customers



SCENARIO II | WASTEWATER



		Current	Effective					
			Jan-26	Jan-27	Jan-28	Jan-29	Jan-30	
WASTEWATER								
Residential & Non-Residential Inside								
Monthly Minimum Charge			\$ 20.70	\$ 25.88	\$ 27.43	\$ 29.07	\$ 29.65	\$ 30.25
Volume Rate/100 Gal (2,000-Above)			1.104	1.380	1.463	1.551	1.582	1.613
Salem/Quail Ridge								
Monthly Minimum Charge			\$ 41.40	\$ 51.75	\$ 54.86	\$ 58.15	\$ 59.31	\$ 60.50
Volume Rate/100 Gal			1.104	1.380	1.463	1.551	1.582	1.613
Drain Water (County Landfield)								
Volume Rate/per Gallon			0.0575	0.0719	0.0762	0.0808	0.0824	0.0840

WW Infrastructure Monthly Charge							
(In addition to mthly chgs)	5/8"	\$ 15.75	\$ -	\$ -	\$ -	\$ -	\$ -
	1"	52.50	-	-	-	-	-
	1 1/2"	105.00	-	-	-	-	-
	2"	168.00	-	-	-	-	-
	3"	336.00	-	-	-	-	-
	4"	530.25	-	-	-	-	-
	6"	1,060.50	-	-	-	-	-
	8"	1,060.50	-	-	-	-	-

IMPACT OF RATE SCENARIOS ON COMBINED MONTHLY CHARGES



	Current		Effective									
		Jan-26	Jan-27	Jan-28	Jan-29	Jan-30						
Wastewater Monthly Charges												
2,000 WW												
With IF Fee	\$	36.45	\$	31.94	\$	33.76	\$	35.68	\$	36.72	\$	37.81
Without IF Fee		<u>36.45</u>		<u>25.88</u>		<u>27.43</u>		<u>29.07</u>		<u>29.65</u>		<u>30.25</u>
Difference		-		(6.07)		(6.33)		(6.61)		(7.07)		(7.56)
5,000 WW												
With IF Fee		69.57		67.05		70.97		75.13		76.96		78.85
Without IF Fee		<u>69.57</u>		<u>67.28</u>		<u>71.31</u>		<u>75.59</u>		<u>77.10</u>		<u>78.64</u>
Difference		-		0.23		0.34		0.46		0.14		(0.20)
10,000 WW												
With IF Fee		124.77		125.56		132.99		140.87		144.02		147.25
Without IF Fee		<u>124.77</u>		<u>136.28</u>		<u>144.45</u>		<u>153.12</u>		<u>156.18</u>		<u>159.30</u>
Difference		-		10.71		11.46		12.25		12.16		12.06
20,000 WW												
With IF Fee		235.17		242.59		257.04		272.36		278.14		284.05
Without IF Fee		<u>235.17</u>		<u>274.28</u>		<u>290.73</u>		<u>308.18</u>		<u>314.34</u>		<u>320.63</u>
Difference		-		31.69		33.69		35.82		36.20		36.58

The background of the slide is a photograph of industrial machinery, possibly a water treatment or chemical processing plant. It features large pipes, valves, and mechanical components. A semi-transparent blue overlay covers the entire image. The text "QUESTIONS & DISCUSSION" is centered in white.

QUESTIONS & DISCUSSION

Disclosure

Willdan Financial Services ("Willdan") is registered as a "municipal advisor" pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the United States Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). The MSRB has made available on its website (www.msrb.org) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority. As part of its SEC registration Willdan is required to disclose to the SEC information regarding criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving Willdan. Pursuant to MSRB Rule G-42, Willdan is required to disclose any legal or disciplinary event that is material to Client's evaluation of Willdan or the integrity of its management or advisory personnel. Willdan has determined that no such event exists. Copies of Willdan's filings with the United States Securities and Exchange Commission can currently be found by accessing the SEC's EDGAR system Company Search Page which is currently available at: <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either Willdan Financial Services or for our CIK number which is 0001782739.

For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the municipality with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the municipality, (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the municipality, in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, unless formally engaged to provide such information.