

OSCEOLA TOWNSHP WATER SYSTEM

PROPOSED EGLE SRF APPLICATION

FOR

WATER SYSTEM IMPROVEMENTS AND EXTENSION TO TAMARACK CITY

OPTION 1: FULL SCOPE - PRELIMINARY RATE PROJECTION

	<u>DB + TC</u>	<u>Dollar Bay</u>	
	<u>Combined</u>	<u>Subtotal</u>	<u>Tamarack City Subtotal</u>
<u>DISTRIBUTION</u>			
Project Total - Distribution	\$6,240,000	\$3,350,000	\$2,600,000
<u>WATER SOURCE</u>			
Project Total - Source/ Storage	\$230,000	\$280,000	\$200,000
Construction Total	\$6,430,000	\$3,630,000	\$2,800,000
Contingency	\$645,000	\$365,000	\$280,000
Engineering Design (7%)	\$450,000	\$250,000	\$200,000
Construction Admin., Engineering, Inspection (6%)	\$400,000	\$230,000	\$170,000
Attorney/Legal	\$75,000	\$38,000	\$37,000
Total	\$8,000,000	\$4,513,000	\$3,487,000
Assume 75% Grant:	\$6,000,000		
Loan: 25%	\$2,000,000	\$1,128,250	\$871,750
Loan Payment/Year (1.875%, 30 years)	\$87,772	\$49,515	\$38,258
Customers	500	330	170
Addnl. Base Rate (bonding) increase/ mo.		\$12.50	\$18.75
Current Base Rate/ mo.		\$36.50*	\$37.00
New Total Base Rate/ mo.		\$49.00*	\$55.75
		* includes 4,000 gal/mo.	Base Rate for Debt Service and Admin. Only Includes 0 gallons
Per Gallon Rate		-	\$1.00
Per Gallon Overage		\$4.50/1000 gal.	\$1.00/1000 gal.
			See attached Osceola Township Usage Calculation
			Proposed Project/Rates
Total Rate with proposed full project, 3,000 gallons/mo.		\$49.00	\$58.75
			\$57.98
			No Project/ Current Rates
		\$36.50	\$61.90**
			\$55.51

\$38,258 / 170 / 12 mo. = \$18.75

\$18.75 + \$37.00 = \$55.75

See attached Osceola Township Usage Calculation

@ T.C. water use 3,000 gal/mo.

@ average T.C. water use 2,230 gal/mo.

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**assumes T.C. will continue to receive water from Upper