

Freeland Sewer & Water Reuse Project

Total Project Summary with Grants

Prepared by: Katy Isaksen & Assoc.

Public Meeting 4/5/11

Freeland Sewer & Water Reuse Project	No Additional	Additional
TOTAL PROJECT COST	Grants	\$10M Grants
Estimated Common/Shared Costs /1		
2005 Facility Plan	185,000	
2008 Financial Feasibility Study	128,000	
Land Acquisition	1,000,000	
Pre-Construction Planning & Eng	1,081,000	
Design/Construction Common/Shared /2	27,216,000	
Subtotal Common/Shared Costs	29,610,000	29,610,000
- Grants in Hand /3		
Centennial Clean Water Fund	(1,000,000)	
Island Co. Rural Development Grant	(2,500,000)	
Island Co. Rural Development Grant	(2,000,000)	
Subtotal Grants in Hand	(5,500,000)	(5,500,000)
+ Estimated Financing Cost /4	5,477,000	3,368,000
- Additional Grants for Design/Construction	-	(10,000,000)
Total Common/Shared Costs by LID	\$29,587,000	\$17,478,000
Estimated Initial On-Site Cost /5	\$4,831,000	\$4,831,000
ESTIMATED TOTAL PROJECT COST	\$39,918,000	\$37,809,000
Less: Grants in Hand	(5,500,000)	(15,500,000)
TOTAL PROJECT TO BE FINANCED	\$34,418,000	\$22,309,000

1) Based on Preliminary Engineering Report, July 2010, Table 15.

2) WWtreat \$15.3M, solids handling \$2.2M, reclaimed wtr storage/reuse \$6.1, shared collection \$3.6M

3) Includes CCWF \$1M used for land, Isl. Co. Rur Dev Grant \$2.5M used for planning & eng, Isl. Co. Rur Dev Grant \$100k per year for 20 yrs to make debt payments (anticipate using for design loan).

4) Includes financing/LID formation \$4,931,000 + \$546,000 estimated interest to be paid with Island Co. grant for debt repayment.

5) Based on Preliminary Engineering Report, July 2010, Table 15.

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Average capital cost

These two tables indicate the average capital cost per equivalent residential unit.

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COMMON/SHARED CAPITAL COST (All property in LID pays)	No Additional Grants	Additional \$10M Grants
Estimated Common/Shared	\$29,587,000	\$17,478,000
Initial Capacity Equivalent Residential Units	1,557	1,557
Estimated Average Common/Shared per ERU*	\$19,100	\$11,300
Estimated Savings per ERU		\$7,800

* Estimated per ERU for reference, however actual will be based on special benefit analysis

ERU = equivalent residential unit. Residential dwelling = 1 ERU

Commercial = 1 ERU per 563 cubic feet of water per month

+

ON-SITE CAPITAL COST (Pay when connect to system)
On-Site cost will vary depending on the property when connecting to the system: Typical existing residence = \$10,500 ** Typical new residence = \$6,600 *** Average small commercial = \$11,400 ** Average large commercial = \$12,400 **

**Typical existing installation includes cost for a new septic tank, STEP pump system, control panel, electrical connection, service line to main, allowance for working on a developed site and allowance for restoration.

***New installation on an undeveloped site, no allowance for landscape or restoration.

Ongoing monthly rate

This table indicates the estimated monthly rate for sewer customers, excluding capital costs.

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ESTIMATED MONTHLY SEWER RATE (Begin paying after connecting to sewer)	
Operations/Maintenance/Administration	\$64.00 per ERU

Assumes capital and associated debt are within LID assessments. The monthly rate includes operations, maintenance, billing & administration and short-lived asset reserve.