

FACT SHEET FOR WATER RATE INCREASE and RESTRUCTURE

- The City has been cutting operations costs to a bare minimum and has subsidized the water fund with other City funds for several years.
- The City has identified a minimum of \$10.7 million of capital improvements in today's dollars to be funded over the next 5 years. In addition, improvements to wells 12 and 15 are highly desirable within this timeframe. Addition of the costs of wells 12 and 15 increase the total costs to \$13.8 million in today's dollars.
 - The funding plan applies a City-awarded grant of \$1,395,000 for well 17 and assumes that improvements to wells 12, 13, 15, and 18 are paid for through a State Revolving Fund loan at 0% interest repaid over 20 years. The City will continue to aggressively pursue any grant opportunities. Improvements to wells 8, 14, and exploratory well 16 will be paid for with TCP settlement funds.
- The current rate structure has many obsolete codes and is complicated for certain customer categories. The new rate structure simplifies the calculations for monthly billing:
 - Attached units (such as apartments) will have a monthly allowance of 10,000 gallons
 - Single family homes will have a monthly allowance of 25,000 gallons
 - All other customers will have a monthly allowance of 35,000 gallons
 - All water usage above the monthly allowance will be billed at the same rate per gallon
- Customer bills will continue to be comprised of 3 fees: (1) service charge (flat rate each month), (2) meter replacement fee (flat rate each month), and (3) use charge (for use above the allowance).
- By raising the rates in 2014 with the new rate structure the City will generate sufficient revenue to continue to meet its bond covenants, to build a healthy reserve, to fund necessary capital improvements and to fully fund water operations without using other City funds. Two rate scenarios are provided. Under Scenario A all the CIP items are planned to be built within the next 5 to 6 years. Under Scenario B improvements to wells 12 and 15 are not completed.
- For a single family home the potential total utility bill is:

Utility	Typical Monthly Bill using less than 25,000 gallons					
	Current	2014	2015	2016	2017	2018
Full CIP Funding						
Solid Waste	\$23.79	\$26.49	\$26.49	\$26.49	\$26.49	\$26.49
Sewer	\$30.00	\$44.23	\$44.23	\$44.23	\$44.23	\$44.23
Water - Scenario A	\$9.90	\$29.09	\$36.15	\$42.89	\$45.91	\$49.07
Total Utilities	\$63.69	\$99.81	\$106.87	\$113.61	\$116.63	\$119.79
Reduced CIP Funding						
Solid Waste	\$23.79	\$26.49	\$26.49	\$26.49	\$26.49	\$26.49
Sewer	\$30.00	\$44.23	\$44.23	\$44.23	\$44.23	\$44.23
Water - Scenario B	\$9.90	\$27.34	\$33.44	\$36.18	\$37.09	\$42.11
Total Utilities	\$63.69	\$98.06	\$104.16	\$106.90	\$107.81	\$112.83

Source: HEC.

"all_utils"

FACT SHEET FOR WATER RATE INCREASE and RESTRUCTURE

Scenario A Rate Schedule

	Fiscal Year				
	2013-14	2014-15	2015-16	2016-17	2017-18
<i>Rates Effective</i>	4/1/2014	1/1/2015	1/1/2016	1/1/2017	1/1/2018
INSIDE CITY METERED CUSTOMER CHARGES [1]					
Meter Replacement Fee					
1" or less	\$2.87	\$2.98	\$3.09	\$3.21	\$3.33
1-1/2"	\$10.45	\$10.85	\$11.26	\$11.69	\$12.14
2"	\$11.40	\$11.84	\$12.29	\$12.76	\$13.25
3"	\$24.20	\$25.13	\$26.09	\$27.08	\$28.12
4"	\$38.18	\$39.64	\$41.15	\$42.72	\$44.36
6"	\$52.97	\$54.99	\$57.09	\$59.27	\$61.53
8"	\$84.16	\$87.37	\$90.71	\$94.18	\$97.77
10"	\$192.31	\$199.65	\$207.27	\$215.19	\$223.40
Service Charge					
1" or less	\$26.22	\$33.17	\$39.80	\$42.70	\$45.74
1-1/2"	\$52.45	\$66.35	\$79.60	\$85.41	\$91.48
2"	\$83.92	\$106.16	\$127.35	\$136.65	\$146.37
3"	\$183.57	\$232.22	\$278.59	\$298.93	\$320.18
4"	\$314.70	\$398.09	\$477.58	\$512.45	\$548.88
6"	\$655.62	\$829.36	\$994.95	\$1,067.60	\$1,143.49
8"	\$1,258.79	\$1,592.38	\$1,910.31	\$2,049.79	\$2,195.50
10"	\$1,993.08	\$2,521.27	\$3,024.66	\$3,245.50	\$3,476.21
Service Charge Monthly Water Allowance					
Attached Residential (per Unit)	10,000	gallons			
Detached Residential (per Unit)	25,000	gallons			
Non-Residential (per Meter)	35,000	gallons			
Construction	0	gallons			
Consumption Charge per 1,000 gallons of water in excess of allowance each month					
All Customers except Construction	\$0.59	\$0.75	\$0.90	\$0.96	\$1.02
Construction	\$0.44	\$0.56	\$0.67	\$0.71	\$0.76
Flat-Rate Customer Charges					
Residential	\$31.35	\$38.95	\$46.21	\$49.47	\$52.87
Commercial	\$44.44	\$55.63	\$66.17	\$70.75	\$75.67

Source: HEC.

"sum rates"

[1] Outside City residential customers pay the same meter replacement fees and consumption charges. Monthly service charges are 1.5x the Inside City charges.

FACT SHEET FOR WATER RATE INCREASE and RESTRUCTURE

Scenario B Rate Schedule

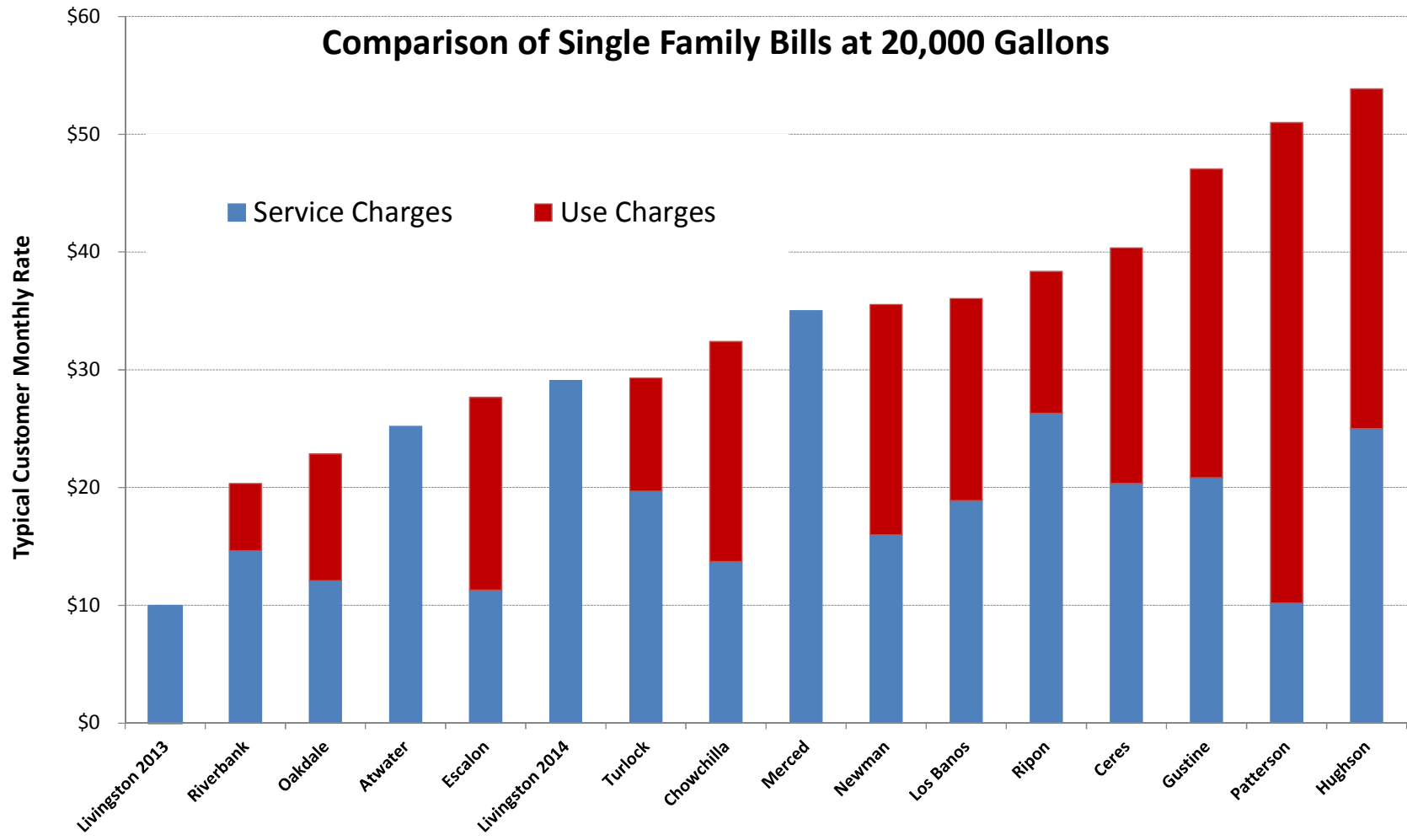
	Fiscal Year				
	2013-14	2014-15	2015-16	2016-17	2017-18
<i>Rates Effective</i>	4/1/2014	1/1/2015	1/1/2016	1/1/2017	1/1/2018
INSIDE CITY METERED CUSTOMER CHARGES [1]					
Meter Replacement Fee					
1" or less	\$2.87	\$2.98	\$3.09	\$3.21	\$3.33
1-1/2"	\$10.45	\$10.85	\$11.26	\$11.69	\$12.14
2"	\$11.40	\$11.84	\$12.29	\$12.76	\$13.25
3"	\$24.20	\$25.13	\$26.09	\$27.08	\$28.12
4"	\$38.18	\$39.64	\$41.15	\$42.72	\$44.36
6"	\$52.97	\$54.99	\$57.09	\$59.27	\$61.53
8"	\$84.16	\$87.37	\$90.71	\$94.18	\$97.77
10"	\$192.31	\$199.65	\$207.27	\$215.19	\$223.40
Service Charge					
1" or less	\$24.47	\$30.46	\$33.09	\$33.88	\$38.78
1-1/2"	\$48.95	\$60.93	\$66.17	\$67.77	\$77.55
2"	\$78.31	\$97.48	\$105.88	\$108.42	\$124.09
3"	\$171.31	\$213.25	\$231.61	\$237.18	\$271.44
4"	\$293.68	\$365.57	\$397.04	\$406.59	\$465.32
6"	\$611.83	\$761.60	\$827.16	\$847.06	\$969.42
8"	\$1,174.71	\$1,462.27	\$1,588.15	\$1,626.36	\$1,861.29
10"	\$1,859.95	\$2,315.26	\$2,514.57	\$2,575.07	\$2,947.04
Service Charge Monthly Water Allowance					
Attached Residential (per Unit)	10,000	gallons			
Detached Residential (per Unit)	25,000	gallons			
Non-Residential (per Meter)	35,000	gallons			
Construction	0	gallons			
Consumption Charge per 1,000 gallons of water in excess of allowance each month					
All Customers except Construction	\$0.55	\$0.69	\$0.74	\$0.75	\$0.86
Construction	\$0.41	\$0.51	\$0.55	\$0.56	\$0.64
Flat-Rate Customer Charges					
Residential	\$29.25	\$35.77	\$38.70	\$39.68	\$45.05
Commercial	\$41.43	\$51.03	\$55.17	\$56.42	\$64.25

Source: HEC.

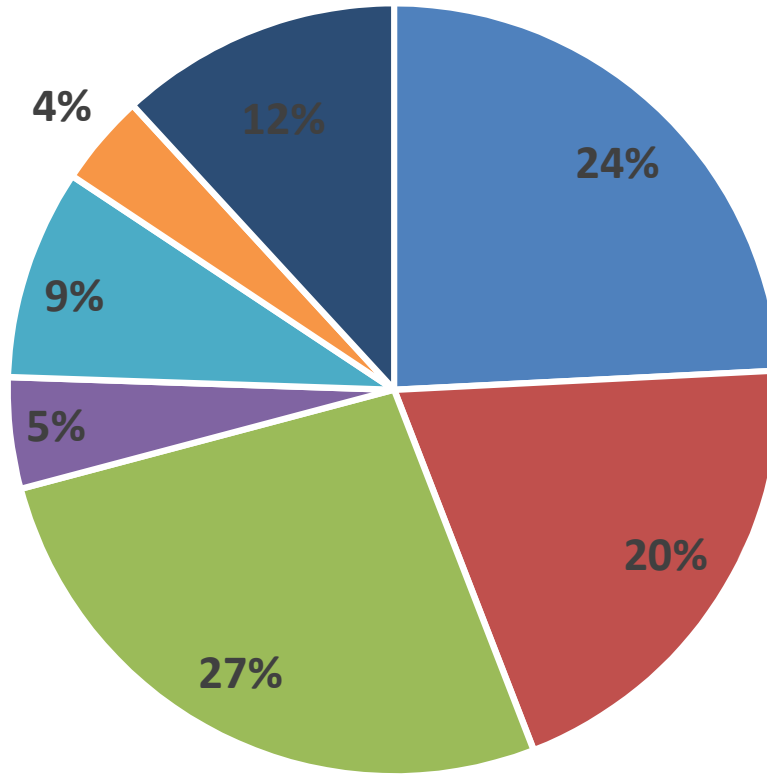
"sum rates"

[1] Outside City residential customers pay the same meter replacement fees and consumption charges. Monthly service charges are 1.5x the Inside City charges.

Comparison of Single Family Bills at 20,000 Gallons



Use of Customer Rate Revenue



- Personnel
- Utilities
- Wells Media & Chemicals
- Meter Replacement
- Debt Service (for CIP)
- Reserves/Rehabilitation
- Other Operating Costs

Table 2
City of Livingston 2013 Water Rate Study
Typical Bill Impacts for Residential and Commercial Customers

DRAFT

Scenario A

Customer Type	Current 2013	Calendar Year				
		2014	2015	2016	2017	2018
Metered Residential	<i>1" meter</i>					
Service Charge	\$8.70	\$26.22	\$33.17	\$39.80	\$42.70	\$45.74
Meter Fee	\$1.20	\$2.87	\$2.98	\$3.09	\$3.21	\$3.33
Consumption Charge [1]	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Residential Bill	\$9.90	\$29.09	\$36.15	\$42.89	\$45.91	\$49.07
Flat Rate Residential	\$8.65	\$31.35	\$38.95	\$46.21	\$49.47	\$52.87
Commercial	<i>1" meter</i>					
Service Charge	\$8.70	\$26.22	\$33.17	\$39.80	\$42.70	\$45.74
Meter Fee	\$1.20	\$2.87	\$2.98	\$3.09	\$3.21	\$3.33
Consumption Charge [2]	\$7.00	\$11.76	\$14.99	\$17.94	\$19.12	\$20.49
Total Commercial Bill	\$16.90	\$40.86	\$51.14	\$60.83	\$65.04	\$69.56
Flat Rate Commercial	\$9.90	\$44.44	\$55.63	\$66.17	\$70.75	\$75.67

Source: City of Livingston and HEC.

"typical"

[1] Average monthly use of 20,000 gallons.

[2] Average monthly use of 55,000 gallons.

Table 8
City of Livingston 2013 Water Rate Study
Capital Improvements Plan

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Scenario A

Improvement	Estimated Cost	Funding Source	Fiscal Year					
			2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Well 8	\$2,269,700	TCP Settlement	\$1,900,000	\$369,700	\$0	\$0	\$0	\$0
Well 12	\$1,720,000	DWSRF Loan	\$0	\$150,000	\$500,000	\$1,070,000	\$0	\$0
Well 13	\$1,720,000	DWSRF Loan	\$150,000	\$1,570,000	\$0	\$0	\$0	\$0
Well 14 (pipeline and treatment)	\$1,580,000	TCP Settlement	\$100,000	\$650,000	\$830,000	\$0	\$0	\$0
Well 15	\$1,420,000	DWSRF Loan	\$200,000	\$1,220,000	\$0	\$0	\$0	\$0
Well 16 (exploratory)	\$60,000	TCP Settlement	\$60,000	\$0	\$0	\$0	\$0	\$0
Well 17	\$1,760,000	TCP & Grant	\$900,000	\$860,000	\$0	\$0	\$0	\$0
Well 18	\$2,730,000	DWSRF Loan	\$0	\$150,000	\$550,000	\$1,100,000	\$930,000	\$0
SCADA Upgrades	\$60,000	Connection Fees	\$60,000	\$0	\$0	\$0	\$0	\$0
Network / Computer replacements	\$17,680	Rates	\$0	\$17,120	\$560	\$0	\$0	\$0
Forklift	\$8,400	Rates	\$0	\$8,400	\$0	\$0	\$0	\$0
Air Compressor	\$12,018	Rates	\$0	\$12,018	\$0	\$0	\$0	\$0
Vehicles	\$38,300	Rates	\$0	\$6,300	\$14,000	\$18,000	\$0	\$0
PLC upgrade	\$30,000	Rates	\$0	\$30,000	\$0	\$0	\$0	\$0
Tank Painting and Protection	\$430,000	Rates	\$0	\$30,000	\$0	\$0	\$0	\$400,000
Total Infrastructure Costs - 2013 \$	\$13,856,098		\$3,370,000	\$5,073,538	\$1,894,560	\$2,188,000	\$930,000	\$400,000
Costs by Funding Source								
Grant (well 17)	\$1,395,000		\$900,000	\$495,000	\$0	\$0	\$0	\$0
Connection Fees	\$60,000		\$60,000	\$0	\$0	\$0	\$0	\$0
DWSRF Loan	\$7,590,000		\$350,000	\$3,090,000	\$1,050,000	\$2,170,000	\$930,000	\$0
Cash Funded - Rates	\$536,398		\$0	\$103,838	\$14,560	\$18,000	\$0	\$400,000
Cash Funded - TCP Settlement	\$4,274,700		\$2,060,000	\$1,384,700	\$830,000	\$0	\$0	\$0
Total Estimated Costs - 2013 \$'s	\$13,856,098		\$3,370,000	\$5,073,538	\$1,894,560	\$2,188,000	\$930,000	\$400,000
Total Infrastructure Costs in Future \$ [1]								
CDBG Grant Well 17 [2]	\$1,395,000		\$900,000	\$495,000	\$0	\$0	\$0	\$0
Connection Fees	\$60,000		\$60,000	\$0	\$0	\$0	\$0	\$0
DWSRF Loan	\$8,216,000		\$350,000	\$3,226,000	\$1,132,000	\$2,428,000	\$1,080,000	\$0
Cash Funded - Rates	\$626,000		\$0	\$108,000	\$16,000	\$20,000	\$0	\$482,000
Cash Funded - TCP Settlement	\$4,393,000		\$2,060,000	\$1,438,000	\$895,000	\$0	\$0	\$0
Total Estimated Costs - Future \$	\$14,690,000		\$3,370,000	\$5,267,000	\$2,043,000	\$2,448,000	\$1,080,000	\$482,000

Source: City of Livingston and HEC.

"cip"

[1] Cost estimates have been escalated by the past 5-year California Construction Index annual increase of

3.82%

[2] Fixed grant amount does not escalate.

Table 15
City of Livingston 2013 Water Rate Study
Projected Revenue Requirement

DRAFT

Scenario A

Revenues and Expenses	Assumptions	Fiscal Year					
		Recommended 2013-14	1 2014-15	2 2015-16	3 2016-17	4 2017-18	5 2018-19
Operating Expenses							
Personnel	6.0%	\$700,814	\$742,863	\$787,434	\$834,680	\$884,761	\$937,847
Utilities	5.0%	\$593,750	\$623,438	\$654,609	\$687,340	\$721,707	\$757,792
Contracted Services	4.0%	\$162,000	\$168,480	\$175,219	\$182,228	\$189,517	\$197,098
Equipment and Repairs [1]	4.0%	\$115,000	\$119,600	\$124,384	\$129,359	\$134,534	\$139,915
Wells Media and Chemical Costs	4.0%	\$0	\$156,000	\$735,488	\$1,023,626	\$1,240,050	\$1,472,150
Insurance	4.0%	\$30,000	\$31,200	\$32,448	\$33,746	\$35,096	\$36,500
Supplies	4.0%	\$56,200	\$58,448	\$60,786	\$63,217	\$65,746	\$68,376
Meter Replacement Program	3.8%	\$34,570	\$145,112	\$152,369	\$159,970	\$169,317	\$179,144
Total Operating Expenses		\$1,692,333	\$2,045,140	\$2,722,738	\$3,114,167	\$3,440,728	\$3,788,822
Debt Service							
1977 FHA Loan		\$18,102	\$18,102	\$18,102	\$18,102	\$16,969	\$0
1994 State Water Drinking Bond		\$59,139	\$0	\$0	\$0	\$0	\$0
DWSRF Loan 1		\$0	\$157,000	\$157,000	\$157,000	\$157,000	\$157,000
DWSRF Loan 2		\$0	\$0	\$0	\$222,500	\$222,500	\$222,500
Total Debt Service		\$77,241	\$175,102	\$175,102	\$397,602	\$396,469	\$379,500
Capital Expenditures Greater than Rehabilitation [1]		\$0	\$108,000	\$16,000	\$20,000	\$0	\$0
System Rehabilitation		\$0	\$0	\$0	\$0	\$0	\$0
Emergency Repair Fund		\$0	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
Operating Reserves		\$0	\$0	\$0	\$0	\$0	\$20,000
SUBTOTAL Annual Cost		\$1,769,574	\$2,428,242	\$3,013,840	\$3,631,769	\$3,937,196	\$4,288,322
Credits							
Developer Fees	[2]	\$0	\$0	\$0	\$0	\$0	\$0
Meter Installation Fees	[2]	\$0	\$0	\$0	\$0	\$0	\$0
Penalty Fees	1.0% of sales	\$10,400	\$22,300	\$28,500	\$34,700	\$37,600	\$41,000
Interest Income		\$29,700	\$50,000	\$4,000	\$4,000	\$4,000	\$4,000
TCP Settlement Revenue	[3]	\$0	\$0	\$0	\$0	\$0	\$0
Gain (Sale of Assets)	[4]	\$600	\$0	\$0	\$0	\$0	\$0
Other Revenues	constant	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Meter Replacement Program	3.8%	\$34,570	\$145,112	\$152,369	\$159,970	\$169,317	\$179,144
Total Credits		\$77,770	\$219,912	\$187,369	\$201,170	\$213,417	\$226,644
REVENUE REQUIREMENT	Est. 2013	\$1,332,960	\$1,691,804	\$2,208,330	\$2,826,471	\$3,430,599	\$4,061,677
Increase (Decrease) from Prior Year			\$875,370	\$618,141	\$604,128	\$293,180	\$337,898
<i>Annual Percentage Change</i>			65.7%	28.0%	21.4%	8.5%	9.1%

Source: HEC.

"rev req"

[1] A portion of the tank cost in year 5 is funded with reserves.

[2] Excluded; new development fee revenues should be monitored for potential to reduce existing rate payer burden and/or buydown of debt service.

[3] TCP Settlement revenue was a non-recurring payment to the City.

[4] None anticipated.

Table 20
City of Livingston 2013 Water Rate Study
Projected Five-year Water Fund Cash Flow

DRAFT **Scenario A**

Revenues and Expenses	Cost Escalation Assumptions	Estimate Fiscal Year 2012-13	Fiscal Year					5	
			2013-14	1 2014-15	2 2015-16	3 2016-17	4 2017-18		
				1.2%	1.2%	1.2%	2.0%	2.0%	2.0%
	Population Growth Rate [1]		1.2%	1.2%	1.2%	2.0%	2.0%	2.0%	2.0%
	New Rates Effective		3/1/2014	1/1/2015	1/1/2016	1/1/2017	1/1/2018		
Operating Revenues									
Water Sales July through December			\$666,480	\$1,104,165	\$1,413,235	\$1,715,300	\$1,861,890	\$2,030,839	\$2,030,839
Water Sales January through June			\$885,323	\$1,413,235	\$1,715,300	\$1,861,890	\$2,030,839	\$2,030,839	\$2,030,839
Total Water Sales		\$1,332,960	\$1,551,802	\$2,517,400	\$3,128,535	\$3,577,189	\$3,892,728	\$4,061,677	
Developer Fees	[2]	\$85,907	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Meter Installation Fees	[2]	\$75	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Penalty Fees	1.0% of sales	\$31,928	\$10,400	\$22,300	\$28,500	\$34,700	\$37,600	\$41,000	\$41,000
Interest Income		\$29,706	\$29,700	\$50,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
Gain (Sale of Assets)		\$0	\$600	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenues	constant	\$7,205	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Meter Replacement Program	3.8%	\$0	\$34,570	\$145,112	\$152,369	\$159,970	\$169,317	\$179,144	\$179,144
Total Operating Revenues		\$1,487,782	\$1,629,572	\$2,737,312	\$3,315,904	\$3,778,359	\$4,106,145	\$4,288,322	
Operating Expenses									
Personnel	6.0%	\$508,902	\$515,720	\$742,863	\$787,434	\$834,680	\$884,761	\$937,847	\$937,847
Utilities	5.0%	\$510,901	\$475,000	\$623,438	\$654,609	\$687,340	\$721,707	\$757,792	\$757,792
Contracted Services	4.0%	\$92,528	\$155,200	\$168,480	\$175,219	\$182,228	\$189,517	\$197,098	\$197,098
Equipment and Repairs	4.0%	\$130,062	\$115,000	\$119,600	\$124,384	\$129,359	\$134,534	\$139,915	\$139,915
Wells Media and Chemical Costs	4.0%	\$0	\$0	\$156,000	\$735,488	\$1,023,626	\$1,240,050	\$1,472,150	\$1,472,150
Insurance	4.0%	\$30,222	\$29,350	\$31,200	\$32,448	\$33,746	\$35,096	\$36,500	\$36,500
Supplies	4.0%	\$41,947	\$58,500	\$58,448	\$60,786	\$63,217	\$65,746	\$68,376	\$68,376
Meter Replacement Program	3.8%	\$0	\$34,570	\$145,112	\$152,369	\$159,970	\$169,317	\$179,144	\$179,144
Total Operating Expenses		\$1,314,563	\$1,383,340	\$2,045,140	\$2,722,738	\$3,114,167	\$3,440,728	\$3,788,822	
Operating Revenue before Capital Improvements and Debt Service		\$173,219	\$246,232	\$692,172	\$593,166	\$664,192	\$665,418	\$499,500	
Debt Service									
1977 FHA Loan		\$18,102	\$18,102	\$18,102	\$18,102	\$18,102	\$16,969	\$0	\$0
1994 State Water Drinking Bond		\$59,139	\$59,139	\$0	\$0	\$0	\$0	\$0	\$0
DWSRF Loan 1		\$0	\$0	\$157,000	\$157,000	\$157,000	\$157,000	\$157,000	\$157,000
DWSRF Loan 2		\$0	\$0	\$0	\$0	\$222,500	\$222,500	\$222,500	\$222,500
Total Debt Service		\$77,241	\$77,241	\$175,102	\$175,102	\$397,602	\$396,469	\$379,500	
<i>Debt Service Coverage [3]</i>		2.24	3.19	3.95	3.39	1.67	1.68	1.32	
Capital Expenditures (non-TCP funded)		\$1,738,836	\$60,000	\$108,000	\$16,000	\$20,000	\$0	\$482,000	
Net Revenues (Deficit)		(\$1,642,857)	\$108,992	\$409,070	\$402,064	\$246,590	\$268,949	(\$362,000)	
Beginning Fund Balance (Operating and Capital)		\$1,866,422	\$223,565	\$332,556	\$741,627	\$1,143,691	\$1,390,281	\$1,659,230	
Add Back System Rehabilitation		\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net Revenues (Deficit)		(\$1,642,857)	\$108,992	\$409,070	\$402,064	\$246,590	\$268,949	(\$362,000)	
End Fund Balance		\$223,565	\$332,556	\$741,627	\$1,143,691	\$1,390,281	\$1,659,230	\$1,297,230	
Minimum Operating Reserves [4]	4 months expenses	\$456,288	\$479,213	\$699,813	\$925,679	\$1,056,156	\$1,165,009	\$1,281,041	
TCP Settlement Funds		\$2,424,686	\$2,674,686	\$2,114,686	\$5,502,000	\$4,607,000	\$4,607,000	\$4,607,000	
Matured Investments		\$250,000	\$1,500,000	\$4,825,314	\$0	\$0	\$0	\$0	
Use of Cash		\$0	(\$2,060,000)	(\$1,438,000)	(\$895,000)	\$0	\$0	\$0	
TCP Loan		\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Loan Repayments		\$0	\$0	\$0	\$0	\$0	\$0	\$0	
End Cash Balance TCP Funds		\$2,674,686	\$2,114,686	\$5,502,000	\$4,607,000	\$4,607,000	\$4,607,000	\$4,607,000	
Combined Balance Water Funds		\$2,898,251	\$2,447,242	\$6,243,627	\$5,750,691	\$5,997,281	\$6,266,230	\$5,904,230	

Source: HEC.

"flow"

[1] Growth rate for first three years based on Dep't of Finance estimates of growth since 2010; following years of growth based on historical average from 1990 to 2012.

[2] No new development fee revenue included.

[3] Coverage of 1.15x required to issue future debt, per the DWR Loan.

[4] Minimum reserves include the Reserve Fund for the FHA loan (\$18,100) and 4 months of expenses

Table 25
City of Livingston 2013 Water Rate Study
2014 Rates Bill Impacts on the City's Largest Industrial Customers

Customer	Calculated Bills with Current Rates	Calculated Bills with Proposed 2014 Rates	Increased (Decrease) Annual Bills
Foster Farms	<i>Uses consumption Jul 2012 through Jun 2013</i>		
Industrial Account	\$851,222	\$927,528	\$76,305
Commercial Account	\$144	\$391	\$247
Irrigation Account	\$2,613	\$5,998	\$3,386
Total	\$853,979	\$933,917	\$79,938
Fresenius			
Industrial Account	\$7,351	\$12,185	\$4,834

Source: HEC

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