



Columbus Water Works

2025 Rate Update

October 22, 2024



Agenda

South Columbus Water Reclamation Facility

First facilities were constructed in 1964

Review of 2024

Rate Drivers

5-Year Financial Plan

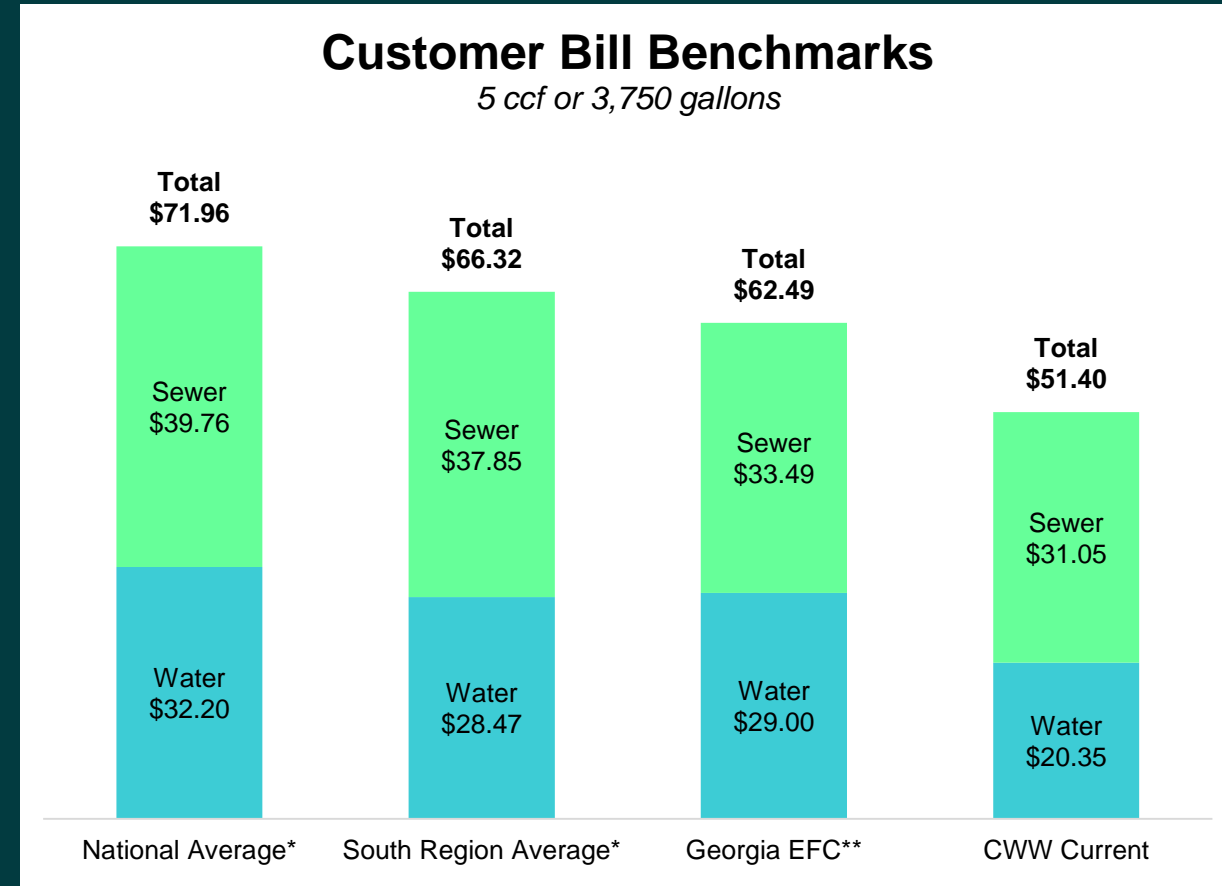
Recommended 2025
Rates

Next Steps



Historic Rates & Benchmarks

- Currently, CWW customers pay \$10-20 per month less compared with regional and national averages
- Industry benchmarks for annual rate increases since 2000 is over 5.0%
 - › CWW has historically been below 4%



CWW service is approximately one penny per gallon of service

* Based on 2023 data from approx. 450 utilities collected by Raftelis.

** Georgia rates based on 2023 data from 376 utilities collected by UNC Environmental Finance Center.

2023-2024 Key Accomplishments

NATIONAL

NACWA Peak Performance (South Columbus Water Resource Facility) – May 2024

AWWA Life Member Award (Vic Burchfield) – July 2024

GFOA Certificate of Achievement for Excellence in Financial Reporting – October 2024

STATE

GAWP Plant of the Year (Fort Moore Water Treatment Plant) – April 2024

GAWP Plant of the Year Certificate of Merit (North Columbus Water Resource Facility) – April 2024

GAWP Platinum Compliance Award (North Columbus Water Resource Facility) – April 2024

GAWP Gold Compliance Award (South Columbus Water Resource Facility) – April 2024

GAWP Top Op Water (Ken Barber) – April 2024

GAWP State-level Top Ops Competition (Ken Barber, Josh Graddick, Jennifer Medina) – April 2024

LOCAL

United Way Academy Award 2023 Campaign – March 2024

Help the Hooch (Amy Gamble-Coker) – May 2024

Rate Drivers



Delivering safe/clean water to customers and returning clean water to the river



Infrastructure maintenance and improvements for an aging system



Regulatory Compliance
- CSOs, Nutrients, PFAS



Cost of operating the systems affected by recent inflation



Chlorine Costs
2019 - \$345/metric ton
2024 - \$760/metric ton

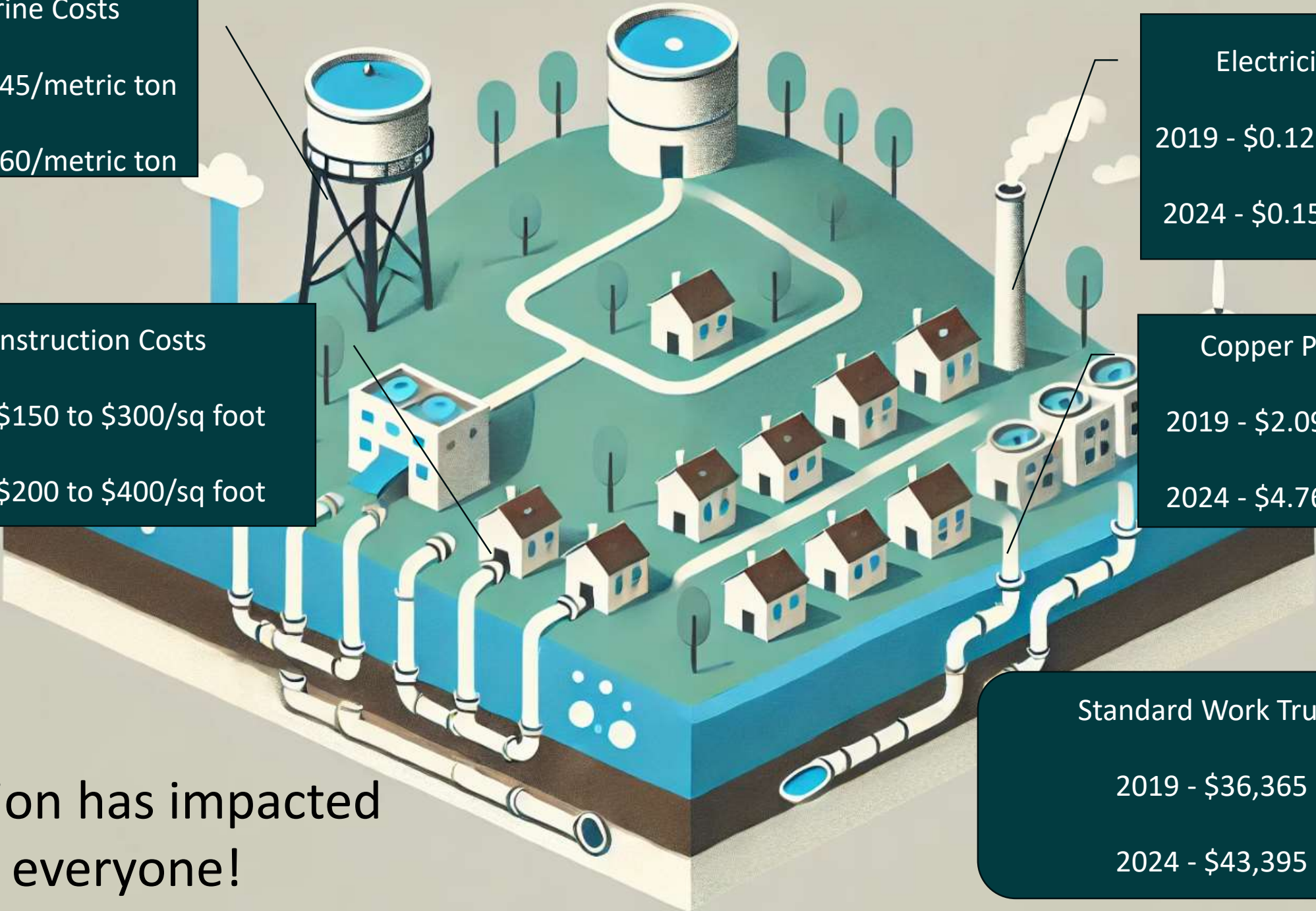
Construction Costs
2019 - \$150 to \$300/sq foot
2024 - \$200 to \$400/sq foot

Electricity
2019 - \$0.125/kWh
2024 - \$0.15/kWh

Copper Pipe
2019 - \$2.09/foot
2024 - \$4.76/foot

Standard Work Truck
2019 - \$36,365
2024 - \$43,395

Inflation has impacted everyone!



Capital spending focused on renewal of aging infrastructure and regulatory compliance

- \$100M to meet expected Nutrient Permit
- Extra \$50M to execute normal 5-yr CIP (Total \$110 million)

North Columbus Water Resources Facility

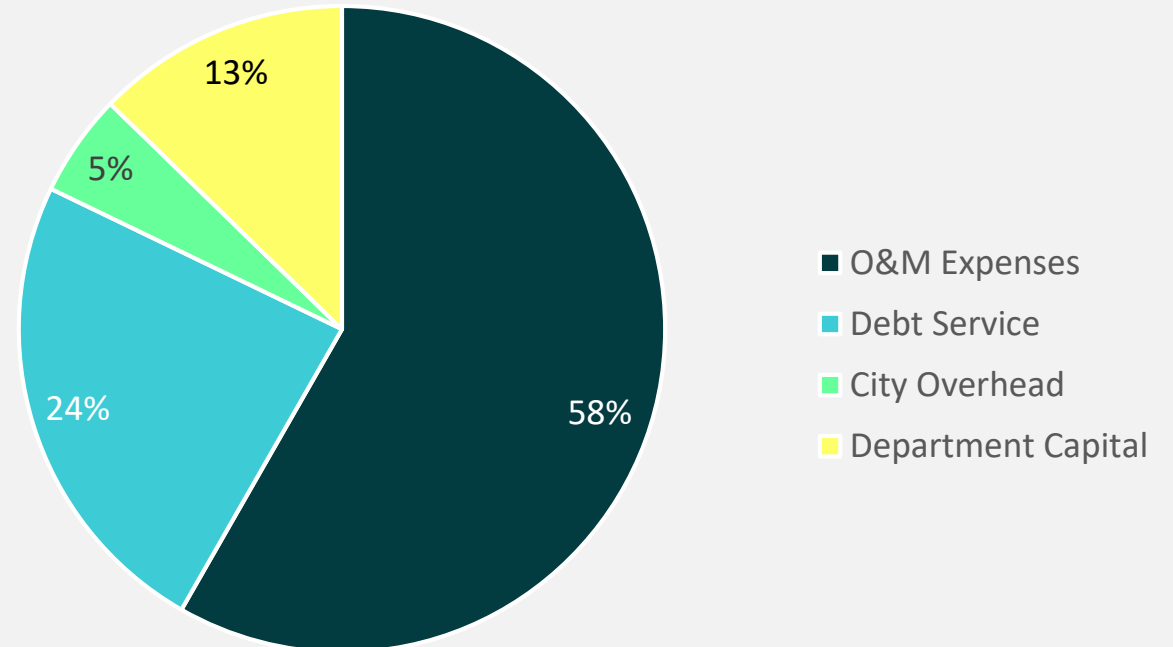


Costs are mostly fixed and rate increases are required to maintain safe and reliable service

Key Rate Drivers

- Materials, supplies, and other operating costs
- Capital renewal
- Regulatory requirements
- Financial policies

2025 CWW Cost Structure



5-Year Financial Plan



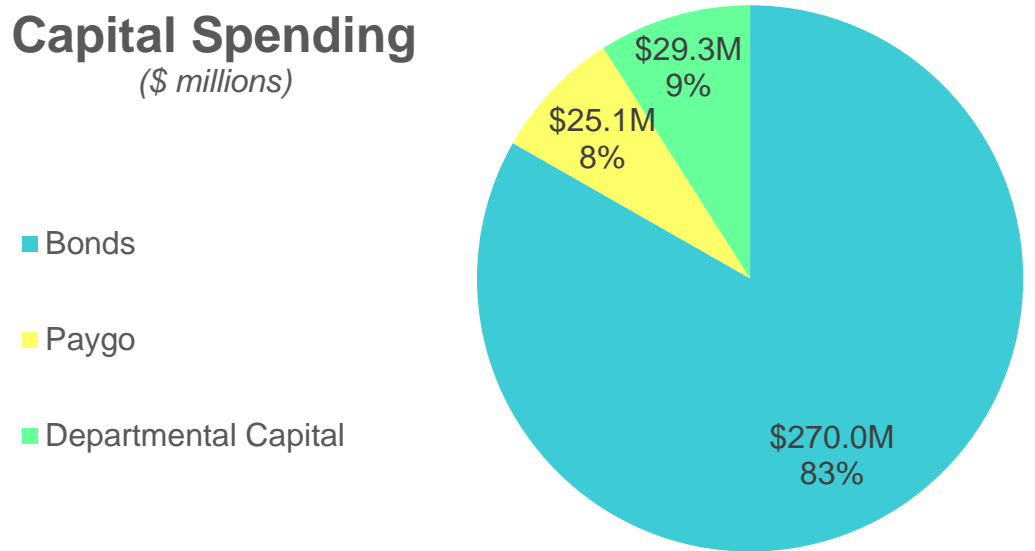
Financial Plan Assumptions

- Forecasted revenues based on conservative water consumption
- Operating costs based on FY2025 budget
- Master capital plan includes projects currently identified
 - › Funded with GEFA and PAYGO
- Compliance with financial metrics is maintained
- Regulatory costs for unfunded mandates not included

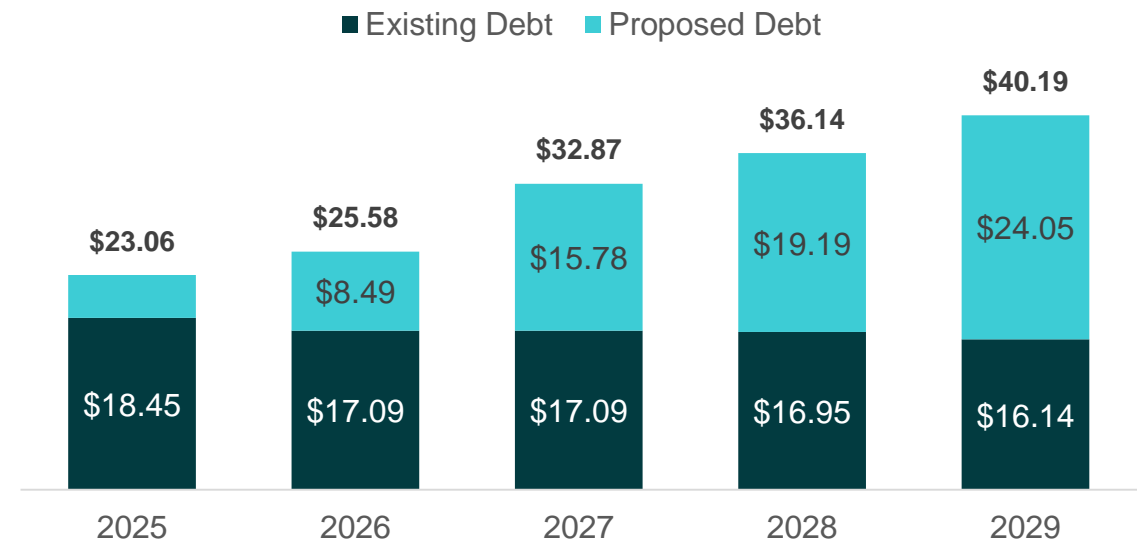
Capital projects help maintain high level of service

- \$320 million in capital projects by 2029 will maintain safe, reliable services
 - › \$100M Nutrient Reduction Bonds
 - › Extra \$50M for normal system reinvestment (Total \$110 million)
 - › PFAS & Long-term planning underway for SCWRF
- 74% increase in annual debt payments

Capital Spending
(\$ millions)



Annual Debt Service (\$ millions)

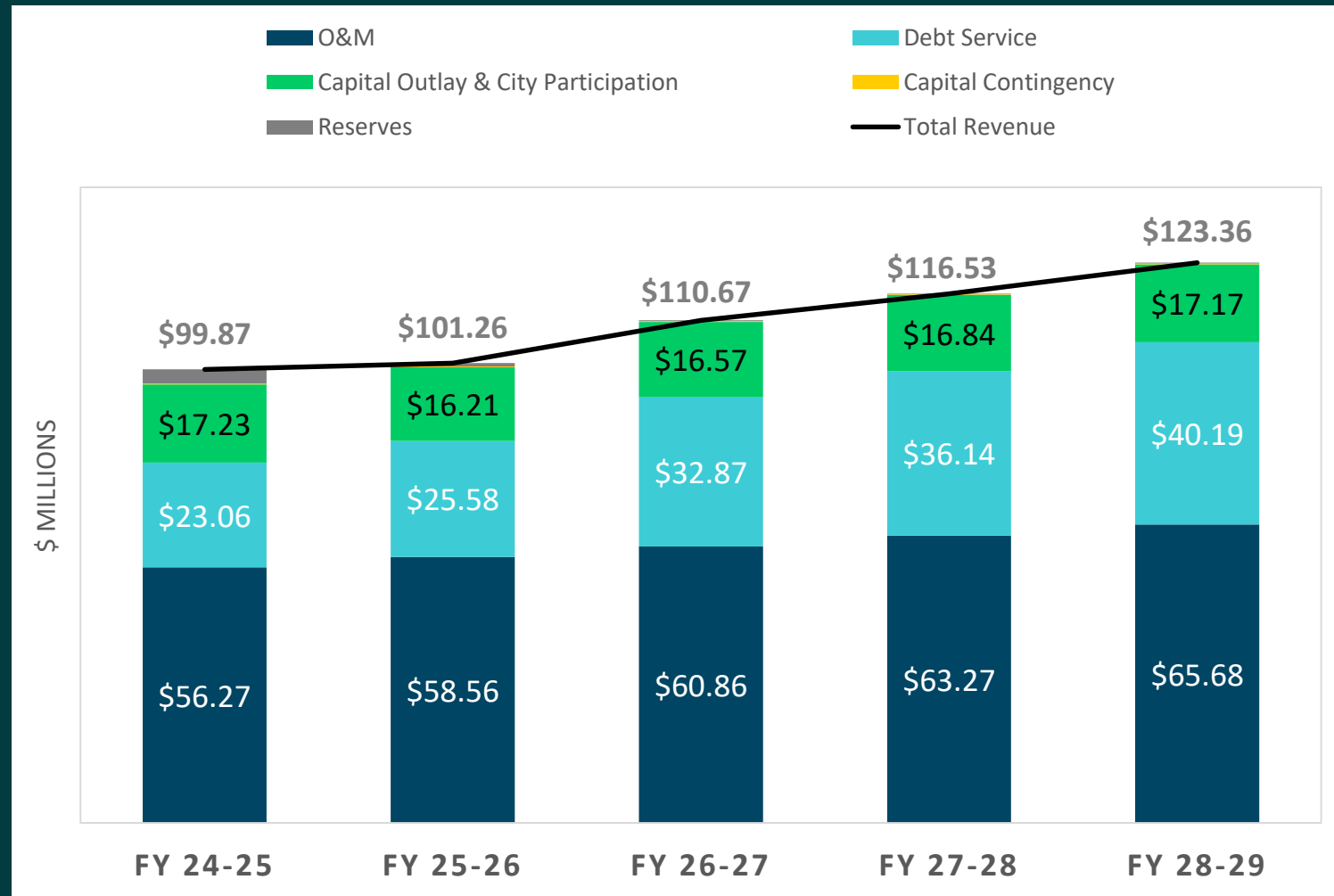


Recommended 2025 Rates



Financial Plan Summary

- \$210M issued in Bonds in 2025 and 2026
- 7.95% rate increase in 2025
- Future years assume 4.95% rate increase across the board
 - › Reviewed annually



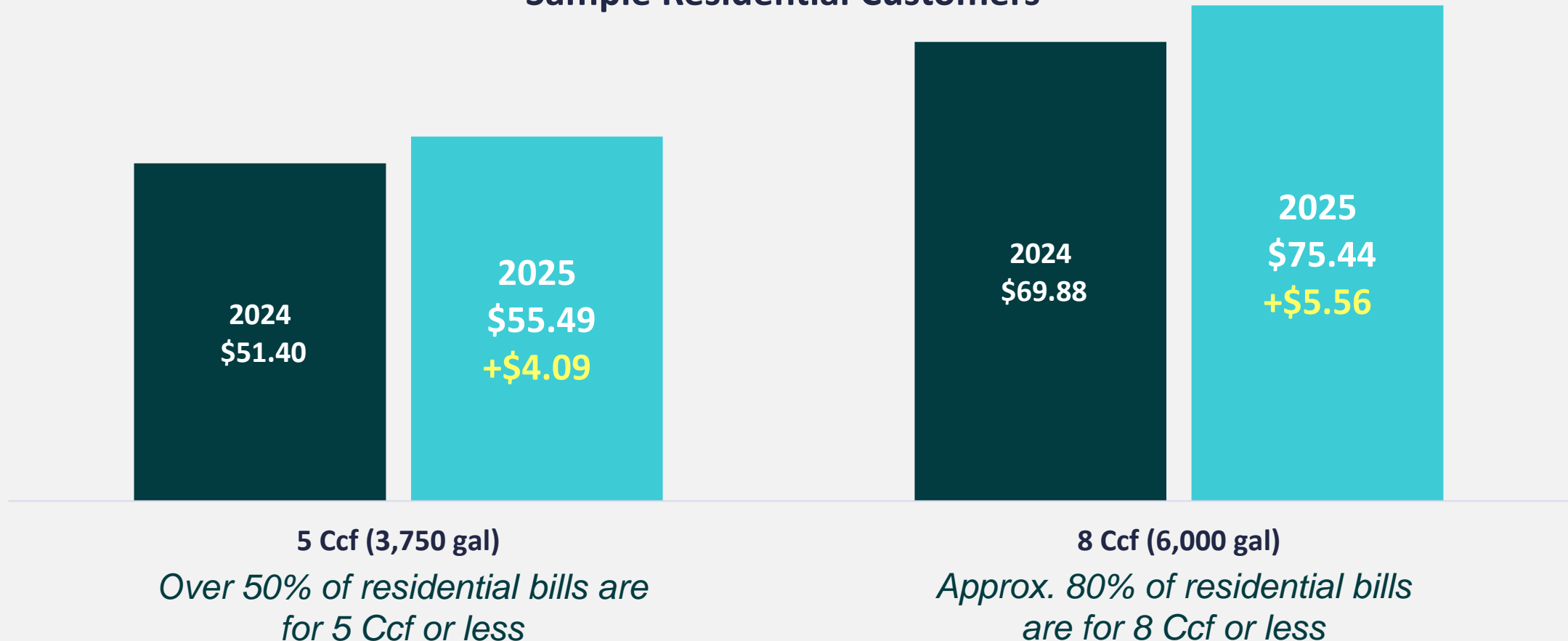
* Ft. Moore ROI payment ends in FY24-25 when corresponding debt payments finish.

Monthly Residential Customer Bills

Water, Sewer, and CSO

A monthly increase of \$4.00 to \$5.50 is expected for most residential customers.

Sample Residential Customers



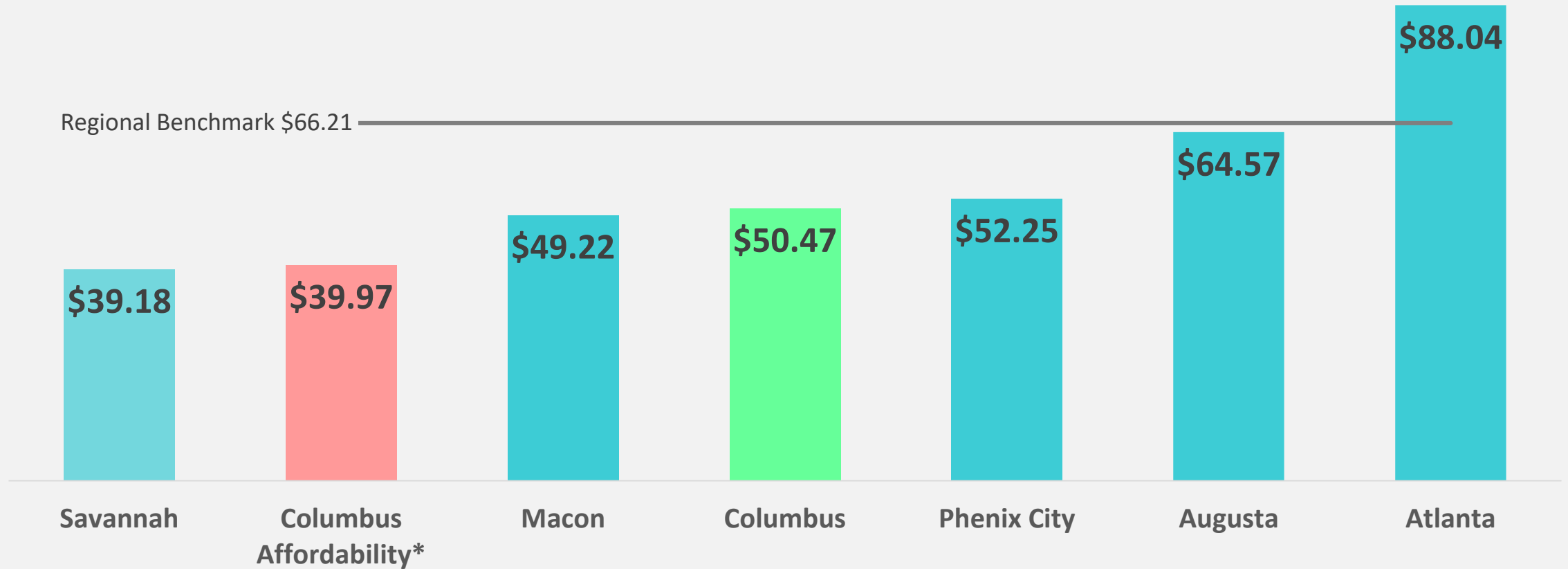
Customer Assistance Options

- Existing Low Income Credit Program
 - › Provides a monthly \$8.50 credit for qualifying residential customers (281 participants)
 - › Automatically applied for customers enrolled in City's reduced rate trash program
- **CWW will increase this credit to \$10.50 in 2025**
- Payment plans available and other flexible billing arrangements

Key Bill Comparison

Water and Sewer

5 Ccf or 3,750 gallons residential bill – Proposed
CWW Rates



Note: Rates for comparison communities are current as of September 2024, but do not include increases they may implement in 2025.

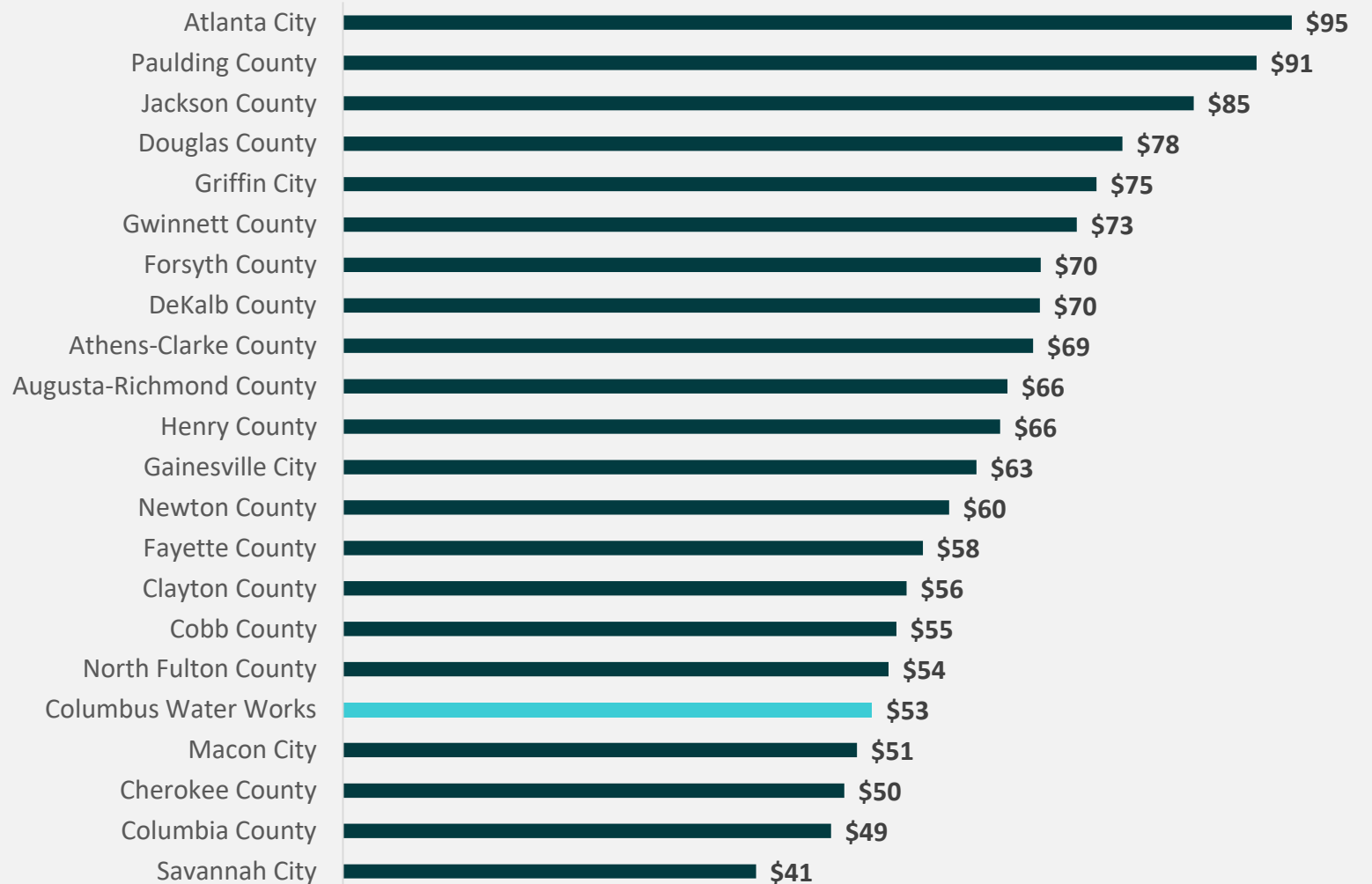
* The Low-Income Credit Program will provide a monthly \$10.50 credit for qualifying residential customers

Peer Utility Comparison - Statewide

Water & Sewer Combined Bill (4,000 gallons, 5.3 ccf)

A 4,000-gallon bill in Columbus is lower than almost all of its peers in Georgia

**Data from survey is presented in gallons which is why the total bill is slightly higher than the bill presented on slide 22.*



2025 Water Base Charges & Volume Rates

Bills Rendered as of January 1, 2025

Meter Size	Current Charge	Proposed Charge
5/8"	\$ 9.85	\$ 10.64
3/4"	\$ 9.85	\$ 10.64
1"	\$ 17.22	\$ 18.62
1-1/2"	\$ 29.50	\$ 31.92
2"	\$ 44.25	\$ 47.88
3"	\$ 83.56	\$ 90.44
4"	\$ 127.79	\$ 138.32
6"	\$ 250.63	\$ 271.32
8"	\$ 398.04	\$ 430.92
10"	\$ 570.03	\$ 617.12

Block	Current Rate (per CCF)	Proposed Rate (per CCF)
Non-Industrial		
1 (to 15 CCF)	\$2.10	\$2.27
2 (> 15 CCF)	\$2.33	\$2.52
Industrial		
1 (to 15 CCF)	\$2.10	\$2.27
2 (> 15 CCF)	\$2.03	\$2.19

2025 Wastewater & CSO Charges

Bills Rendered as of January 1, 2025

Current Base Charge	Proposed Base Charge
\$ 6.10	\$ 6.58

Block	Current Rate (per ccf)	Proposed Rate (per ccf)
1 (to 15 ccf)	\$ 4.06	\$ 4.38
2 (> 15 ccf)	\$ 3.28	\$ 3.54

CSO Block	Current Charge	Proposed Charge
0 to 4 ccf	\$ 0.00	\$ 0.00
5-15 ccf	\$ 4.65	\$ 5.02
16-204 ccf	\$ 9.31	\$ 10.05
205-1004 ccf	\$ 93.07	\$ 100.47
Over 1004 ccf	\$ 265.95	\$ 287.09

Changes Ahead for Your Water Bill

- 7.95% rate increase needed to provide safe and reliable drinking water
- A monthly increase of \$4.00 to \$5.50 is expected for most residential customers
- Increase to the Low-Income Credit from \$8.50 to \$10.50

Q&A

Thank you!

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