

Town of Landis – Scope of Work: Water & Sewer Rate Study

Project Overview

Centralina Regional Council will provide professional technical assistance to the Town of Landis to perform a comprehensive Water and Sewer Rate Study Fee analysis. The primary objective is to design a resilient, equitable rate and fee structure that recovers operational costs, capital improvement program (CIP) obligations, and bond debt service while maintaining user rates comparable to regional and industry benchmarks.

Services

Task 1 – Baseline Expense Calculations: Centralina shall extract actual expense data from certified financial statements (not budgeted amounts) to project a minimum of 5 years of utility expenditures matching the revenue timeline. The Town shall be responsible for providing Centralina staff with the requested data. Expenses may include Operation and Maintenance, Capital Expenses, Reserve Contributions, etc. Collect historical financial records, current rate schedules, debt service schedules, utility billing data, system capacity reports, operational budgets, and the current CIP.

Task 2 – Comprehensive Rate & Fee Structure Evaluation: Centralina shall evaluate the full cost of operating and maintaining the utility system, including current and projected O&M expenses, capital reserves, and debt service coverage ratios.

Task 3 – Rate Adjustments & Scenario Development: Centralina shall design and evaluate alternative rate structures (e.g., uniform volumetric, increasing block, or seasonal rates). Potential scenarios include:

- At least one baseline rate schedule scenario that successfully achieves full-cost pricing—with zero reliance on grant funding—by the fifth year of the projection period.
- If the 5-year benchmark creates extreme affordability issues, alternative phase-in schedules or actionable partnership/regionalization strategies.

Task 4 – Customer Impact & Affordability Analysis: Centralina shall create a matrix demonstrating the impact of the proposed rates against current rates across different customer classifications.

Task 5 – Regional Benchmarking: Centralina shall compare the Town's existing and proposed utility rates, fee structures, and connection costs against regional peer municipalities, neighboring utilities, and state industry standards.



Deliverables

- Project kick off meeting and monthly project meetings
- Draft Rate Study Submission for Town to review – include one full review process from the Town with comments to be incorporated into the final document
- Comment Incorporation
- Final Rate Study Report submitted to the Town
- Create final presentation for final use by staff

Roles & Responsibilities Matrix

Project Task	Centralina Regional Council (Lead / Support)	Town of Landis (Lead / Support)
Data & Document Gathering	Support: Provide structured data request list and review incoming files.	Lead: Extract and deliver billing records, CIP, debt schedules, and financial audits.
Kickoff & Goal Setting	Lead: Facilitate project kickoff meeting and draft timeline.	Support: Ensure key staff (Manager, Finance, Public Works) attend and define utility priorities.
Financial & Rate Modeling	Lead: Build cost-of-service models, calculate revenue needs, and draft rate options.	Support: Review draft financial assumptions and provide feedback on operational realities.
Regional Benchmarking	Lead: Conduct comparative rate and fee analysis against peer municipalities.	Support: Identify preferred regional or neighboring peers for comparison.
Public Notice & Hearings	Support: Supply required text, notices, and documentation for legal posting.	Lead: Post required 45-day notice on website, manage public comments, and schedule public hearing.
Final Presentations & Adoption	Lead: Present study findings and recommendations to the Board of Aldermen.	Lead: Formally consider, vote on, and adopt rate schedule and SDF update.