

OWSI Capital Improvement Surcharge Worksheet

Amount To Be Recovered			
Treatment Alternatives and DOH Consultation - HDR		\$	8,869.77
Estimated Construction Cost		\$	2,200,000.00
Notification Mailing to Customers (WUTC Meeting)	.50 ea.	\$	837.00
	Sub Total	\$	2,209,706.77
	70% Customer Cost	\$	1,546,794.74
	1.50% B&O Tax	\$	23,201.92
	Total Customer Cost Principle +Tax	\$	1,569,996.66

Calculation of Lump Sum Payment *			
Customers can avoid paying loan interest by making a lump sum payment within 90 days of the surcharge effective date.			
70% of Construction Costs and DOH Consultation -HDR		\$	1,546,794.74
Tax @ 1.5%		\$	23,201.92
Total		\$	1,569,996.66
One-Time Payment per Customer	@ 1674 Customers	\$	937.87

* This lump sum payment is calculated from a construction cost estimate. Upon completion of the project the surcharge could be adjusted up or down based upon actual final costs of the plant and construction.

Calculation of Surcharge		Monthly Surcharge per Line Item	
Customers paying for the duration of the surcharge will have interest charges applied.			
70% of Construction Costs and DOH Consultation -HDR	\$ 1,546,794.74	\$	3.85
Loan Interest 2.5%	\$ 437,653.00	\$	1.09
Sub Total	\$ 1,984,447.74		
Tax 1.50%	\$ 29,766.72	\$	0.07
Total	\$ 2,014,214.46	\$	5.01
# of Customers	1,674		
Dollars per Customer Total	\$ 1,203.23		
Surcharge Per Month	\$1202.07 per customer/20 years =	\$	5.01
Surcharge Per Billing	\$5.01 x 2 per customer per month	\$	10.03

Duration of Surcharge			
Effective Date	4/24/2019		
Duration in Years	20	System Wide	Annual Customer Payments \$ 100,440.00
Ending Date	6/20/2038		

Sample of Payments per Customer			
Start	1203.23		
Per Billing (Two Month)	\$ 10.00	Rounded	

Olympic Water and Sewer Inc. (OWSI)
Water Treatment Project

Key	Date	Task	Vendor	Description	Invoice	Cost	Account Code
1	9/13/2018	Treatment Alternatives Report	HDR	First Draft	1200142954	1160.85	4-0502-6050
2	10/17/2018	Treatment Alternatives Report	HDR	First Draft	1200149061	2040.23	4-0502-6050
3	11/8/2018	Treatment Alternatives Report	HDR	Final Report	1200154768	1808.27	4-0502-6050
4	12/11/2018	Treatment Alternatives Report	HDR	Final Report, Site Visit, Meet with DOH	1200160339	3860.42	4-0502-6050

Total Expenses 8869.77