WWMDC Users' Hearing for 8 June 2011

Time	Item		
7:30	Loan for new Waste Water Treatment Facility (WWTF) Status of WWMD funds Factors affecting next year's budget FY2012 budget Users' fees and surcharge for FY2012		
7:45	Public comment		
8:20	Look ahead to FY2013-FY2015 Future		
8:30	Continue hearing at a later date to be determined		

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Loan for new Waste Water Treatment Facility

- 20-year bond was issued in January 2011 to pay for new WWTF
- Takes advantage of good interest rate First payment will be needed in FY2012 (July 2011-June

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Status of WWMDC Funds

- WWMDC has large retained earnings but only a portion is certified to be spent in next fiscal year
 - Current balance as of May 2011 of \$250k
 ~\$600k to be certified on 1 July 2011
- Retained earnings will be used to offset betterments for new Waste Water Treatment Facility (WWTF) over the next few years

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Factors Affecting FY2012 WWMDC Budget

- Operating costs continue to be less with new contractor (Whitewater)
 - Savings of 10% over last year
- Original betterments continue
- Borrowing for new Waste Water Treatment Facility completed
 - Finance Director deemed the borrowing climate best
 WWMDC agrees to borrow for 20 years

 - New betterments cannot be charged until WWTF completed Certified retained earnings applied as budget offset
 - Surcharge for FY2012 required
- Bottom line
- Operating cost will be greater for FY2012
- Operating cost will be greater for F12012
 Effectively, payments for the new WWTF start in FY2012
- Mitigation
 - For next couple years, more retained earnings will be used to offset betterment cost
- Town Meeting passed budget for FY2012 (see next slide)

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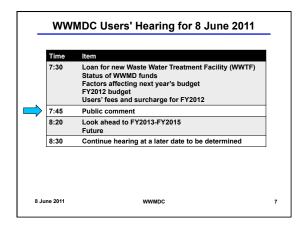
Wayland Wastewater Management District FY2012 | WAYLAND WASTEWATER MANAGEMENT DISTRICT COMMISSION F72012 BUDGET | MCOUNT | Maproved PY2011 | Request | Maproved PY2011 | Request | Maproved PY2011 | Request | Maproved PY2011 | Maproved PY20 Approved FY2011 Requested FY2012 10% decrease in operating cost 203,210.00 24,180.00 Continuing original betterments Use of certified retained earnings Required surcharge due to new loan interest and principal 1,500.00 278,340.00 561,175.00 59100 59150 25,990.00 4,350.00 23,518.00 6,657.00 First year of principal and interest for new WWTP bond 59100 59105 175,000.00 208,000.00 100,000.00 278,340.00 561,175.00 William R. Prendergast February 10, 2011 8 June 2011 WWMDC

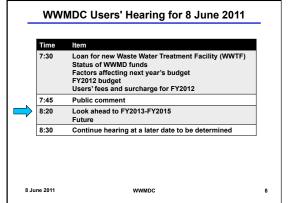
User Fees and Surcharge for FY2012

- Operating expenses will be 10% less than this year (FY2011)
- However, a surcharge is needed, so total fees for FY2012 will be more than FY2011.
 - ~60% increase
- Think of this as the beginning of payments for the new
- You are starting to pay for a a long-term upgrade of the Waste Water Management District (WWMD)

 The DEP is about to issue a permit for Twenty Wayland, the Town Center development.
- Our proposal is to continue this hearing and set rates after DEP issues the permit.
- We expect this to occur in about 2-3 weeks.

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Look ahead to FY2013-FY2015

- New betterments will start in FY2013
- Betterments can be paid over 5, 10, or 20 years
- In first few years, retained earnings will be used to offset betterments
 - Actual amounts will be determined next year
 The WWMDC will solicit input

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Future

- New Waste Water Treatment Facility will serve users for long time, certainly 30-40 years. The new WWTF is costly but an investment that was necessary.
- The WWMDC will continue to work to minimize the impact on users.

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Back-up 8 June 2011 WWMDC 11

	Treatment plant costs							
	ireatment plant costs		2008	2009	2010	Notes for 2	040	
- 4	costs due to capacity		2000	2009	2010	NOTES FOR 2	:010	
- '	Professional services		\$89.849	\$99,115	\$41.283	from WW p	rononal	
	Debt service		\$29,167	\$28,919	\$29.000	Constant	лорозаі	
	Light/heat Electricity	50%	\$10,317	\$24,858	\$11,374		6/vr inflation	f 200
	Capital	3076	\$10,317	\$15,000	\$20,000		creased amo	
	Minor Maintenance		\$4,426	\$7,171	\$1,625	from WW a		out tot pa
	Outside services		\$3,347	\$7,171	\$3.868	from WW p		
	Phone, fax, alarm		\$2,560	\$2.600	\$2.822		6/vr inflation	from 2001
	Office supplies		\$820	\$1,000	\$904		6/vr inflation	
	Interest on borrowing		\$620 \$0	\$1,000	\$50.000		wed by Mike	
	TOTAL		\$153,256		\$160.877	\$1M DOLLO	wed by mike	DIFIELLO
	TOTAL		\$100,200	\$170,003	\$100,011			
2	costs variable with flow							
-	Pumping electricity	50%	\$10.317	\$24.858	\$11.374			
	Lab supplies and service	00.10	\$13,845	\$14,000	\$1,000	from WW s	rnnneal	
	Sludge removal		\$6,375	\$7.013	\$7.714		1%/vr inflatio	n from 200
	Chemicals		\$4.875	\$5,119	\$5.375		6/vr inflation	
	TOTAL		\$35,412	\$50,989	\$25,463		.,	
	Grand Total		\$188,668	\$229,651	\$186,340			
	01010 1000		\$100,000	QEE0,001	0100,010			
	1. as % of grand total		81%	78%	86%			
	Electricity total	split	\$20,634	\$49 715	\$22 749			
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