THE CITY OF LYNCHBURG

CITY COUNCIL WORK SESSION

Tuesday, April 8, 2025 | 4:00 PM
2nd Floor Training Room- City Hall
900 Church Street
Lynchburg, VA 24504

AGENDA

I. Welcome — *Larry Taylor, Mayor*

II. Work Session Agenda Overview — *Wynter C. Benda, City Manager*

III. Work Session Agenda Items — *Wynter C. Benda, City Manager*

- **III.1.** FY 2026 Budget Work Session

IV. Business Item Briefing(s)

- **IV.2.** FY26 Community Development Advisory Committee recommendations for Community Development Block Grant and HOME Program Entitlement funds.
- **IV.3.** 2025 School Board Appointment Process
- **IV.4.** New Hillcats Baseball Franchise and Amendment to Local Amusement Tax Exceptions
- **IV.5.** FY 2025 Third Quarter Adjustments
- **IV.6.** CertainTeed Water and Sewer Contract

V. Roll Call

VI. Closed Session

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WORK SESSION

FIRE DEPARTMENT UPDATE

April 8, 2025

PRIORITIZING PUBLIC SAFETY

FY 2018

LFD BUDGET

$15.8M

FIRE DEPARTMENT'S
% OF CITY BUDGET

7%

FY 2025

LFD BUDGET

$25.1M

FIRE DEPARTMENT'S
% OF CITY BUDGET

10.5%

THE CITY OF LYNCHBURG

OUR PEOPLE

THE CITY OF LYNCHBURG

INVESTMENT IN OUR PEOPLE

- Average Firefighter pay has increased more than 40% over past 4 years
  - From $44,576 to $62,950
- Average Master Firefighter pay has increased more than 42% over 4 years
  - From $52,905 to $75,734
- Starting salary has increased by 25% over 4 years
  - From $38,001 to $47,507

THE CITY OF LYNCHBURG

STEP PAY PLAN

- Increased transparency
- Targeted approach to more consistent progression
- Built flexibility for the future
- Move from more than 100 pay points to 80 pay points

New Scales

Rank	Step A	Step B	Step C	Step D	Step E	Step F	Step G	Step H	Step I	Step J	Step K	Step L
Firefighter Recruit	$ 47,507											
BLS Firefighter	$ 47,507	$ 48,693	$ 49,920	$ 52,416	$ 53,726	$ 55,058	$ 57,824	$ 59,259	$ 60,736	$ 62,254	$ 63,814	$ 65,416
ALS Firefighter	$ 54,517	$ 55,869	$ 57,262	$ 60,133	$ 61,630	$ 63,170	$ 66,331	$ 67,995	$ 69,701	$ 71,427	$ 73,216	$ 75,046
Master Firefighter	$ 57,512	$ 58,947	$ 60,424	$ 63,440	$ 65,021	$ 66,643	$ 69,992	$ 71,739	$ 73,528	$ 75,358	$ 77,251	$ 79,186
Captain (Lieutenant)	$ 70,013	$ 71,760	$ 73,549	$ 77,230	$ 79,165	$ 81,141	$ 85,197	$ 87,318	$ 89,502	$ 91,749		
Captain I (Station Captain)	$ 86,008	$ 88,150	$ 92,560	$ 94,890	$ 97,261	$ 102,107	$ 104,666	$ 107,286				
Battalion Chief	$ 96,013	$ 98,405	$ 103,334	$ 105,914	$ 108,555	$ 113,984	$ 116,834	$ 119,766				
Assistant Chief (Future)	$ 115,003	$ 117,894	$ 123,781	$ 126,880	$ 130,042	$ 136,552	$ 139,963	$ 143,458				
Deputy Chief	$ 125,008	$ 128,128	$ 134,534	$ 137,904	$ 141,357	$ 148,429	$ 152,131	$ 155,938				

INVESTING IN OUR PEOPLE

- Total training hours increased from 7,131 in 2019 to 36,000 in 2024
  - Average 204 training hours per firefighter annually
- Completely fund paramedic school
- Increased mental health services
- Addition of athletic trainer; gyms in each station

OUR EQUIPMENT

THE CITY OF LYNCHBURG

ADDRESSING EQUIPMENT NEEDS

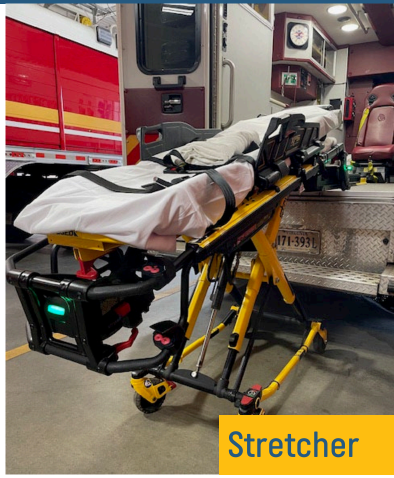
Vehicles
- 8 Fire Trucks
- 2 Ladder Trucks
- 6 Ambulances
- 1 Heavy Rescue
- 2 Battalion Chiefs
- 1 EMS Supervisor

Some Other Equipment
- Boats
- Gas Monitors
- Hydraulic Tools
- Ultra Sound
- Thermal Cameras
- Drones
- Stryker

- Items like Stryker equipment are on a schedule for maintenance and replacement
  - Maintenance saves money
  - Ensure equipment meets or exceeds its useful life

Stair Chair

Compression Device


Stretcher


Cardiac Monitor

THE CITY OF LYNCHBURG

OUR BUILDINGS

THE CITY OF LYNCHBURG

FIRE STATION OVERVIEW

- Lynchburg has 8 fire stations across the city
- All 8 fire stations are safe
- A 9th fire station will be built near Liberty

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STATE OF THE BUILDINGS

- Facilities Modernization Study*
  - Evaluated all 8 stations
  - Included 3rd-party evaluations
  - Staff Engagement
- Three Focus Areas
  - Cardiac impact
  - Human factors
  - Cancer risk reduction
- Modernization Investment Plan

*Short Elliott Hendrickson (S.E.H.)

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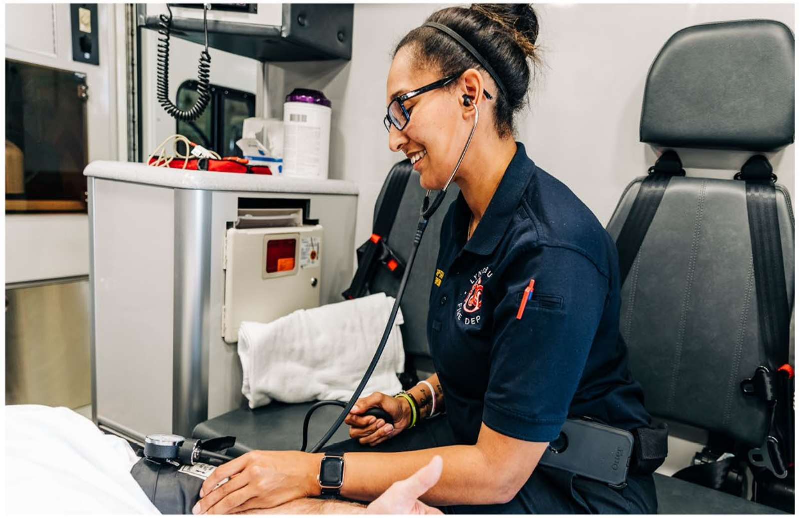
LYNCHBURG
FIRE
H. GUILL




LYNCHBURG
1
FIRE DEPT.


6
FIRE DEPT


LYNCHBURG
FIRE DEPT.

THE CITY OF
LYNCHBURG

STRUCTURE INVENTORY

Tuesday, April 8, 2025

PROCESS AND BACKGROUND

Existing inventories

- Work Management System
- GIS and Mapping

Goals

- Consolidate and review existing inventories
- Categorize structures by fund, type, use, and facility type
- Review any vacant or underutilized structures

OVERVIEW

General Fund

180

Water/Sewer/Storm

80

Total

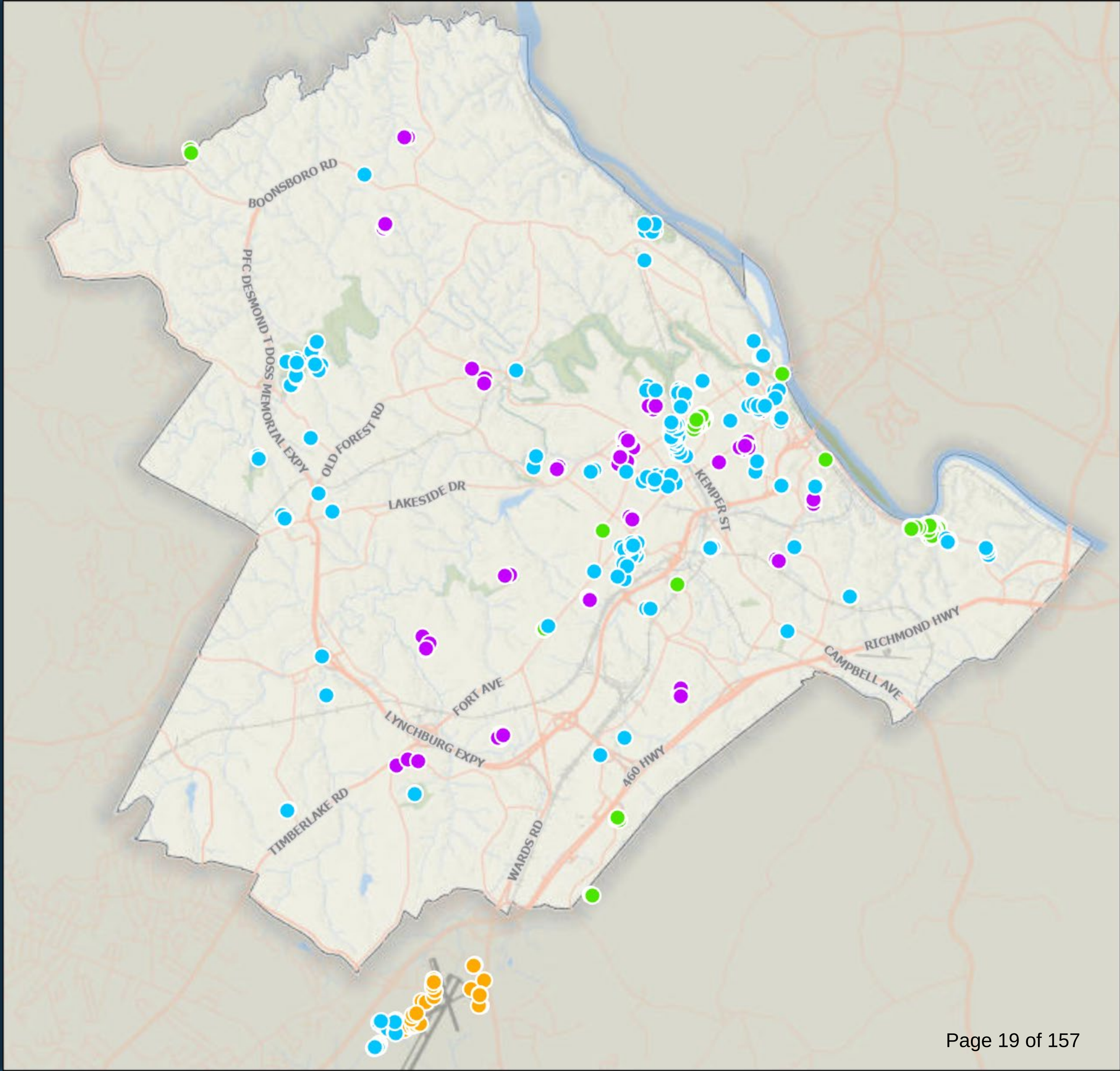
362

Schools

72

Airport

29



GENERAL FUND

BY TYPE

180

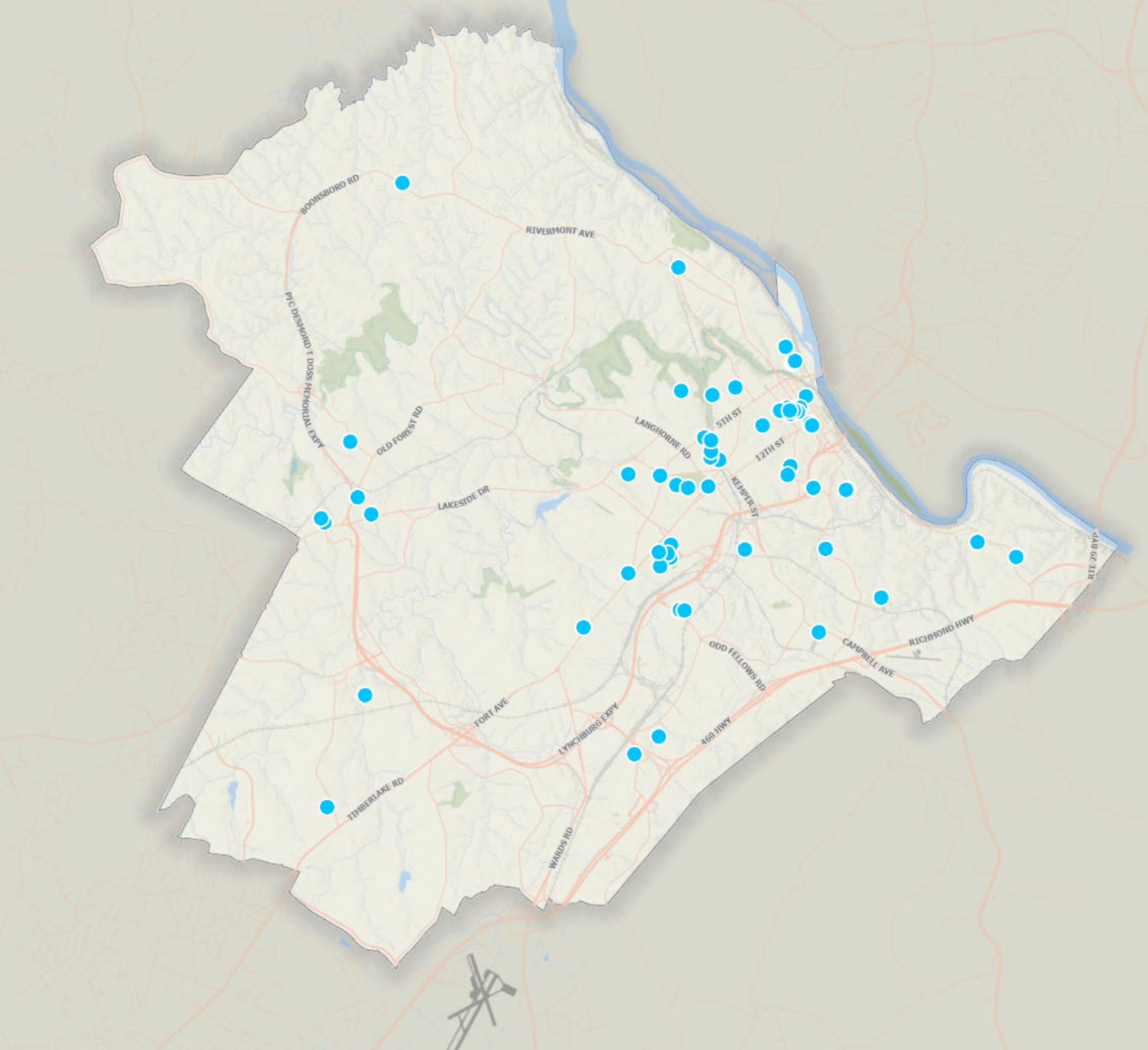
Type	Count
Building	112
Pavilion / Canopy	33
Shed	20
Open Bay Garage	7
Other	4
Parking Deck	3
Elevator	1

CONDITIONED BUILDINGS

GENERAL FUND

65

Type	Count
General Office	12
Neighborhood Center	9
Fire Station	8
Museum	6
Vacant / Vacancy Expected	6
Other	4
Stadium	4
Workshop / Maintenance	4
Court	2
Library	2
Police Station	2
Storage	2
Residential	1
School	1
Community Market and City Armory	1
Garage	1



GENERAL OFFICE USE

GENERAL FUND

12

Building	Address
Buildings & Grounds	1900 8TH ST
City Hall	900 CHURCH ST
Community Corrections and Pretrial Services	925 CHURCH ST
Emergency Services	3621 CANDLERS MOUNTAIN RD
Human Services	99 9TH ST
Information Technology	3550 YOUNG PL
Lynchburg Health Department (VDH)	307 ALLEGHANY AVE
Monument Terrace Building	901 CHURCH ST
Public Works Administration	1700 MEMORIAL AVE
Refuse Headquarters	2505 CONCORD TPKE
Small Business Incubator	147 MILL RIDGE RD
Virginia Cooperative Extension	2704 CONCORD TPKE

VACANT / UNDERUTILIZED

GENERAL FUND

6

Building	Address
Opportunity House	1517 JACKSON ST
VA Amateur Sports	2348 LAKESIDE DR
Old Forest Rd Commercial	3813 OLD FOREST RD
White Rock School (x2)	400 BUENA VISTA ST
PD West Building	805 COURT ST

DISPOSITION PLAN

Location	Address	Position
Opportunity House	1517 JACKSON ST	Recommend consideration for sale.
VA Amateur Sports	2348 LAKESIDE DR	Expected to be vacant in 2025.
Old Forest Rd Commercial	3813 OLD FOREST RD	Continue leasing. Subject to the progress of the 501/221 interchange project.
White Rock School (x2)	400 BUENA VISTA ST	Approved Community Hub.
PD West Building	805 COURT ST	Under current negotiation.

OVERVIEW

General Fund

180

Water/Sewer/Storm

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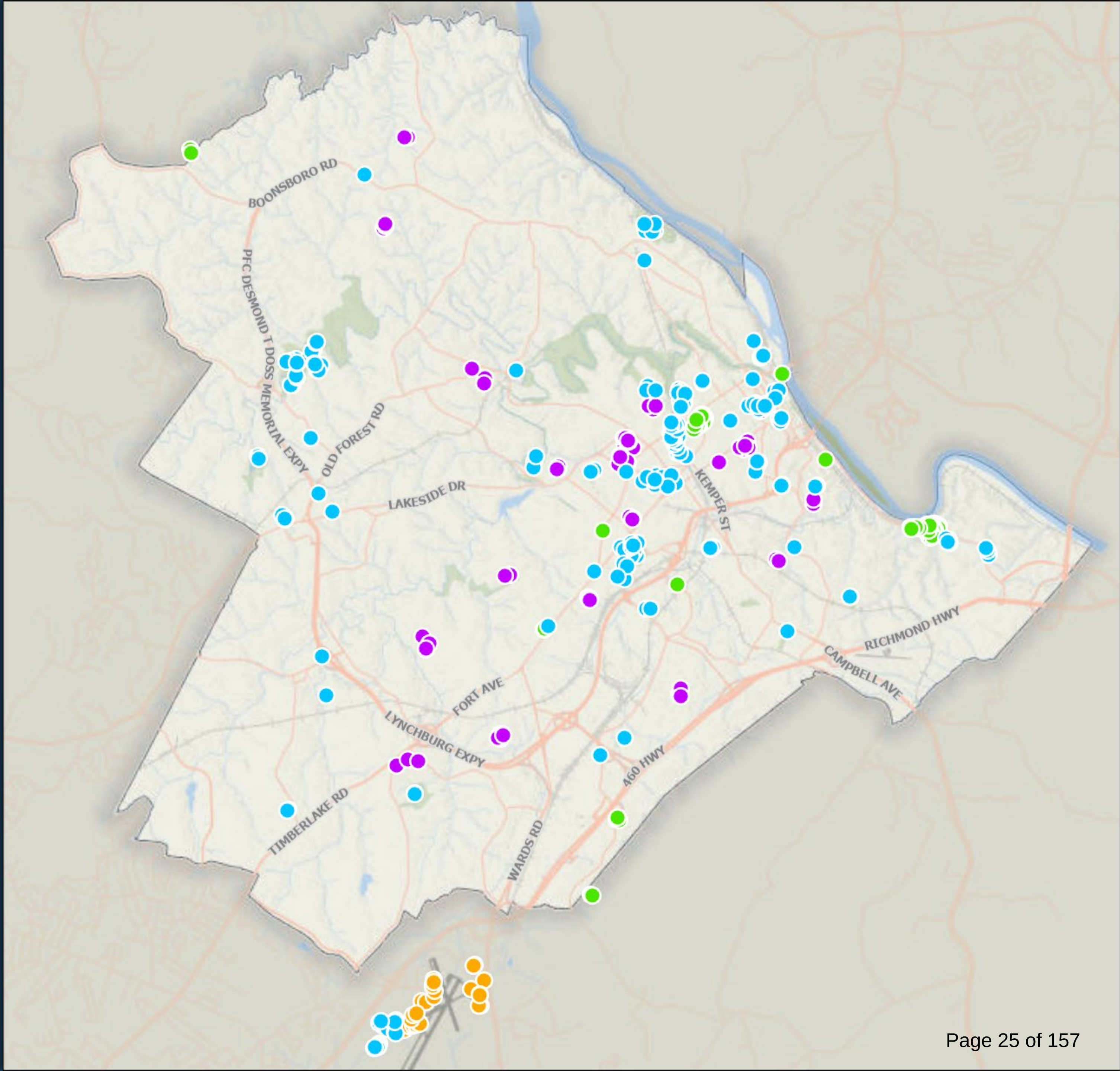


THE CITY OF LYNCHBURG

LYNCHBURG IS A GREAT VALUE

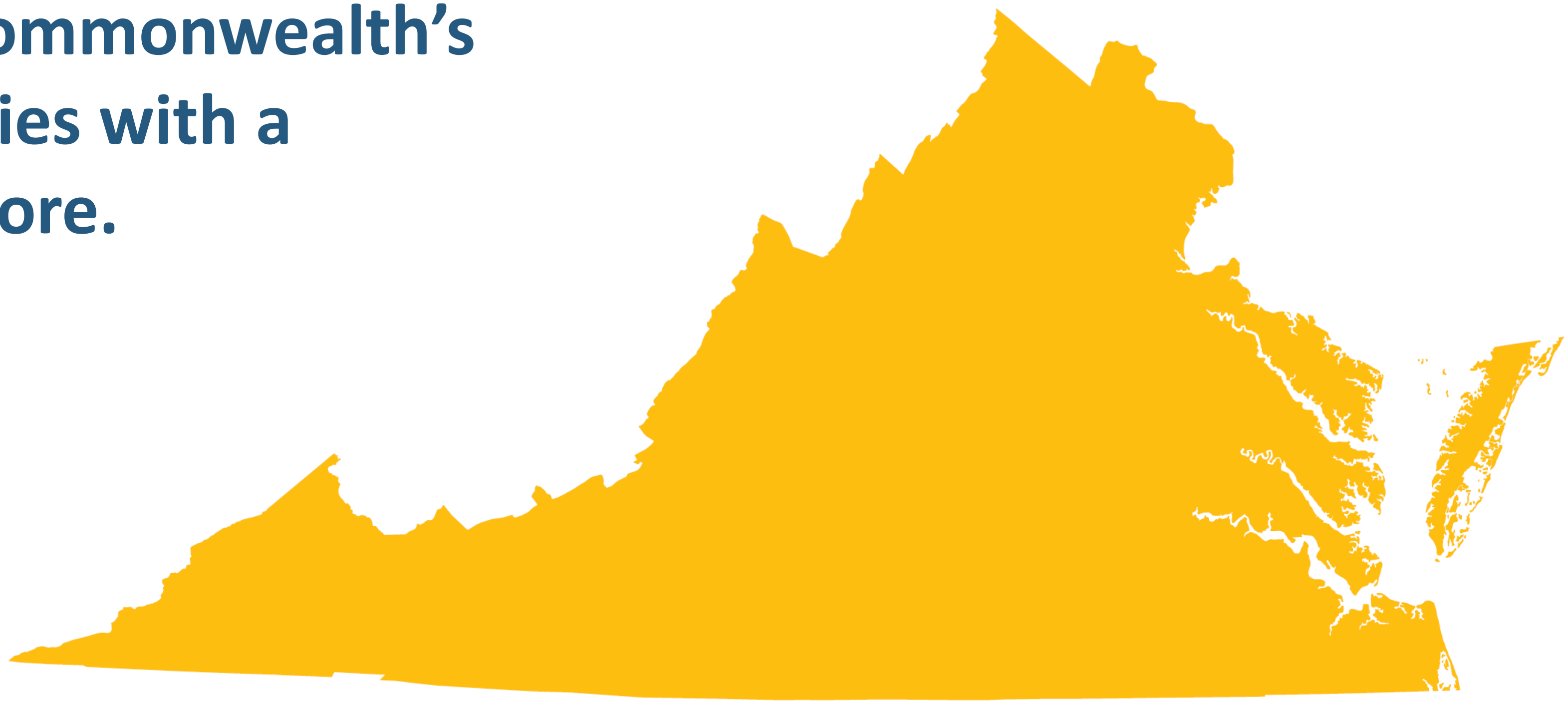
April 8, 2025

‘THE VIRGINIA 15’

The ‘Virginia 15’ are the commonwealth’s 15 largest independent cities with a population of 40,000 or more.

Virginia Beach
Chesapeake
Norfolk
Richmond
Newport News
Alexandria
Hampton
Suffolk

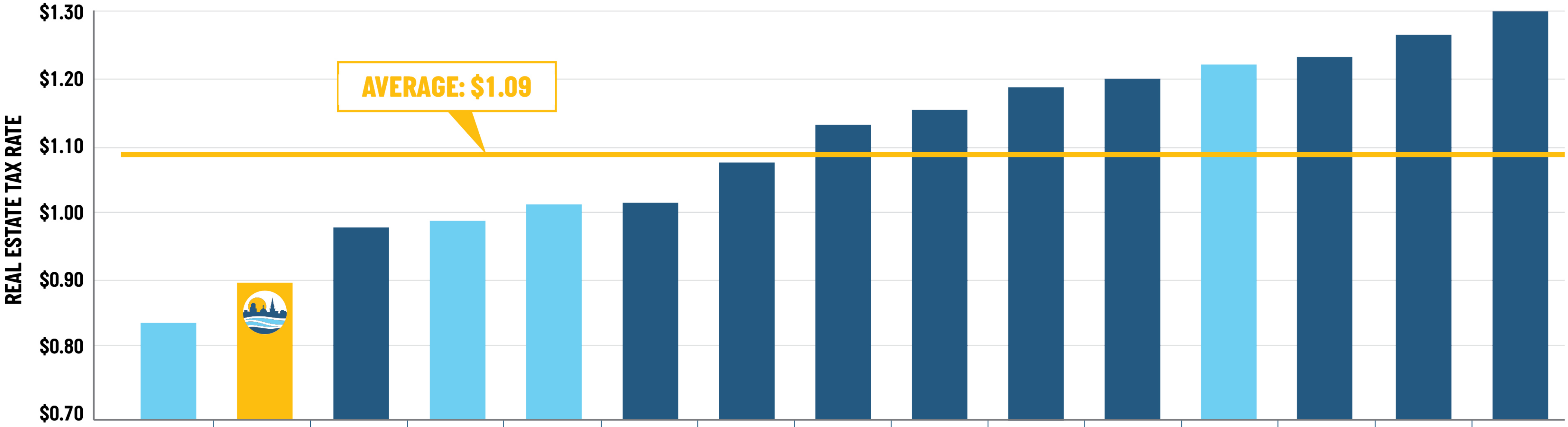
Roanoke
Portsmouth
Lynchburg
Harrisonburg
Charlottesville
Manassas
Danville



THE CITY OF LYNCHBURG

HOW WE COMPARE: ‘THE VIRGINIA 15’

REAL ESTATE TAX RATES FOR ‘THE VIRGINIA 15’ CITIES



	Danville	Lynchburg	Va. Beach	Charlot-tesville	Harrison-burg	Chesa-peake	Suffolk	Alexandria	Hampton	Newport News	Richmond	Roanoke	Norfolk	Manassas	Ports-mouth
RATE BY LOCALITY	$0.83	$0.89	$0.97	$0.98	$1.01	$1.01	$1.07	$1.13	$1.15	$1.18	$1.20	$1.22	$1.23	$1.26	$1.30

HOW WE COMPARE: 'THE VIRGINIA 15'

How much real estate tax is owed per month on a $219,100 property:

Portsmouth	$237.36
Manassas	$230.06
Norfolk	$224.58
Roanoke	$222.75
Richmond	$219.10
Newport News	$215.45
Hampton	$209.97
Alexandria	$207.23
Suffolk	$195.36
Chesapeake	$184.41
Harrisonburg	$184.41
Charlottesville	$178.93
Virginia Beach	$177.11
------ **LYNCHBURG ($162.50)** ------	
Danville	$151.54

LYNCHBURG

$162.50 per month

'VIRGINIA 15' CITIES AVERAGE

$200.05 per month

Average of 4 most comparable cities (Roanoke, Harrisonburg, Charlottesville & Danville)

$184.41 per month

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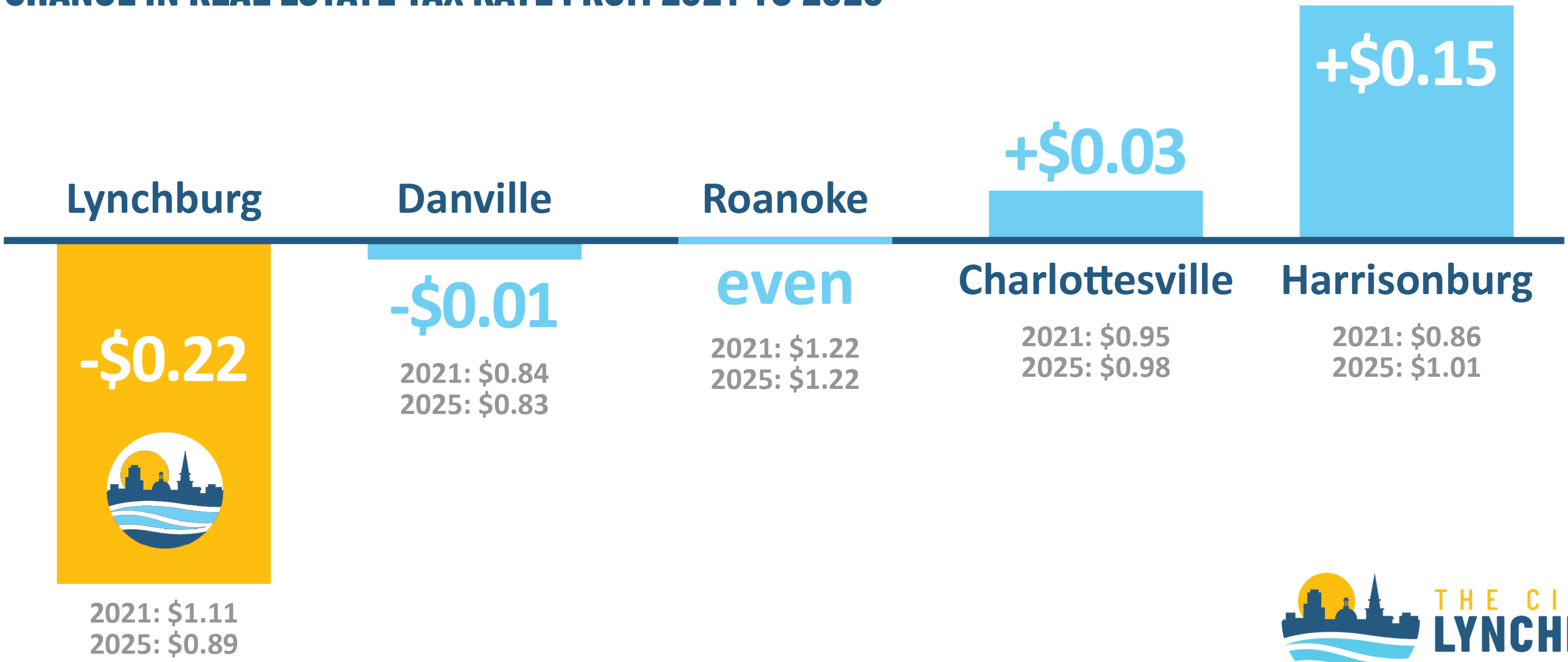
HOW WE COMPARE: 2021 VS. 2025

CHANGE IN REAL ESTATE TAX RATE FROM 2021 TO 2025



Source: Published adopted budgets for localities

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HOW WE COMPARE: EXPENDITURES

PER CAPITA

	HUMAN SERVICES	PUBLIC SAFETY	PUBLIC WORKS	PARKS/REC/ CULTURE	COMMUNITY DEVELOPMENT	LIBRARIES	EDUCATION
1	Charlottesville	Richmond	Richmond	Charlottesville	Richmond	Alexandria	Manassas
2	Richmond	Danville	Danville	Alexandria	Danville	Norfolk	Roanoke
3	Roanoke	Alexandria	Hampton	Norfolk	Virginia Beach	Chesapeake	Chesapeake
4	Alexandria	Newport News	Suffolk	Richmond	Norfolk	Roanoke	Danville
5	Lynchburg	Manassas	Manassas	Newport News	Alexandria	Charlottesville	Newport News
6	Danville	Suffolk	Norfolk	Virginia Beach	Charlottesville	Virginia Beach	Hampton
7	Hampton	Lynchburg	Lynchburg	Hampton	Newport News	Suffolk	Suffolk
8	Newport News	Roanoke	Roanoke	Danville	Hampton	Newport News	Alexandria
9	Suffolk	Charlottesville	Chesapeake	Roanoke	Roanoke	Richmond	Virginia Beach
10	Norfolk	Norfolk	Alexandria	Manassas	Suffolk	Manassas	Richmond
11	Harrisonburg	Hampton	Harrisonburg	Suffolk	Harrisonburg	Danville	Charlottesville
12	Virginia Beach	Chesapeake	Virginia Beach	Lynchburg	Manassas	Hampton	Harrisonburg
13	Manassas	Harrisonburg	Charlottesville	Harrisonburg	Lynchburg	Lynchburg	Norfolk
14	Chesapeake	Virginia Beach	Newport News	Chesapeake	Chesapeake	Harrisonburg	Lynchburg

Source: Virginia Auditor of Public Accounts (APA) for year ending 2023; Portsmouth data not reported

HOW WE COMPARE

Combined taxes and fees (monthly):

	Danville	Lynchburg	Harrisonburg	Charlottesville	Roanoke
Real estate	$151.54	$162.50	$184.41	$178.93	$222.75
Personal property (2)	$33.92	$43.92	$46.80	$51.34	$33.26
Motor vehicle license (2)	$4.16	$5.34	$0.00	$0.00	$4.83
Trash collection	$17.50	$10.00	$24.00	$15.75	$9.10
Consumer utility	$9.23	$10.43	$4.00	$16.89	$19.54
	$216.35	**$232.19**	**$259.21**	**$262.90**	**$289.48**

Includes real estate tax (based on median single-family), personal property tax (2 vehicles @ $10,000 value each), motor vehicle license fees, trash collection fee, consumer utility taxes (electric & gas)

ELECTRIC BILL VS. TAX-SUPPORTED SERVICES

A typical electric bill

$250

1,500 square-foot home
Built in 1986
3-person household
Average of 1,443 kWh/month

POLICE
FIRE
EMERGENCY COMMS CENTER
K-12 SCHOOLS
HUMAN SERVICES
ROADS & BRIDGES
ELECTIONS
TRASH COLLECTION
BULK & BRUSH
RECYCLE CENTERS
TRASH CONVENIENCE CENTER
PARKS/ ATHLETIC FIELDS
TRAILS
REC ACTIVITIES
COMMUNITY MARKET
NEIGH-BORHOOD CENTERS
SENIOR CENTER
LIBRARIES
MUSEUM/ HISTORIC RESOURCES
HAZARDOUS WASTE COLLECTION
ALERTS & COMMS
CITIZENS FIRST

THE CITY OF LYNCHBURG

$232

Combined taxes & fees

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FY 2026 BUDGET UPDATE

April 8, 2025

OVERVIEW

Response to Questions

- Transportation Projects Update
- Greenview Drive

TRANSPORTATION PROJECTS UPDATE

Additional work has been completed by staff regarding the Wiggington Road Improvements project.

The revised scope and project estimate is as follows:

- Wiggington Road improvements, including the signal at Old Forest Road
- Five-year plan estimate is $2,625,382 ($2,255,203 local; $370,179 developer contribution)
- If funded, the appropriation is needed in FY 2026 with cash flow in FY 2026 and FY 2027

Improvements to the area of Wiggington Road and Desmond T. Doss Memorial Expressway are not an immediate need and likely will be scheduled beyond the five-year plan.

- A traffic signal would not qualify for Smart Scale or Revenue Share funding; however, if a roundabout is constructed it may qualify for one of these funding streams.

The Bedford Avenue Improvements project and the Peaks View Park Athletic Field Lighting project currently remain in the Proposed FY 2026 CIP budget.

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GREENVIEW DRIVE

Also, regarding Greenview Drive funding, I asked who paid for the road expansion, not the curb, gutter, or sidewalks. To clarify: What was the funding source for expanding Phase 1 of Greenview Drive from a two-lane road to four lanes between Timberlake and Hermitage, and why was this prioritized in 2007? (Misjuns)

- Phase I – Frederick Drive to Hermitage Road
  - Included beginning in the FY 2008 – 2012 CIP as the Greenview Drive Improvements project (would split into two projects in FY 2009 – Phase I and Phase II)
  - The CIP project page states, “This project was originally the Timberlake/Logans Lane Project. Due to a shift in City-wide priorities funds from this project were changed to the Greenview Project” and “Improve traffic conditions on Greenview Drive from the City limits to existing 4-lane. This project also includes improving the intersection of Leesville Road and Greenview Drive. This project supports additional traffic from the Wards Crossing West and Cornerstone projects.”
  - Originally intended to have a variety of funding sources; once the project split into two phases, only local funds were used for Phase I.

- Phase II – Hermitage Road to Leesville Road
  - Included beginning in the FY 2009 – 2013 CIP
  - VDOT managed the project – local, State Revenue Share, VDOT Urban Allocation funds

- Cornerstone on Greenview Drive is a mixed-use project and the Village at WestPoint on Wiggington Road is residential only.

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BUSINESS ITEM BRIEFINGS

FISCAL YEAR (FY) 2026 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME PROGRAM CDAC RECOMMENDATIONS - PROJECT ALLOCATIONS

April 8, 2025

FY 2026 ANNUAL ACTION PLAN ENTITLEMENT AMOUNTS

Community Development Block Grant (CDBG) - $722,622*

HOME Program -	$302,774*
Reprogrammed Funds**	100,000
	$402,774

*Fiscal Year 2025 Entitlement Amounts (FY 2026 Projected)

**(FARRR Foundation/Lighthouse Beloved Community Land Trust)

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CDAC RECOMMENDATIONS
CDBG FY 2026 PROJECT ALLOCATIONS

NAME	Amount Requested FY 2026	CDAC Recommendations FY 2026	City Council Amount Awarded FY 2026
City Administration	$137,537	$137,537	
Diamond Hill Neighborhood Plan - Phase 2 Improvements (Dunbar Community Schoolyard)	500,000	476,692	
Miriam's House / CVCoC* -Coordinated Homeless Intake and Access (CHIA)	65,000	65,000	
Miriam's House - Extreme Weather Center	42,000	30,000	
Blue Ridge Mountains Council, Inc. Boy Scouts of America – Scoutreach (Parks & Recreation Department)	19,160	13,393	
Total CDBG	$763,697	$722,622	

*CVCoC - Central Virginia Continuum of Care

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CDAC RECOMMENDATIONS
HOME PROGRAM - FY 2026 PROJECT ALLOCATIONS

NAME	Amount Requested FY 2026	CDAC Recommendations FY 2026	City Council Amount Awarded FY 2026
City Administration	$ 30,000	$ 30,000	
Rush Homes - Carolyn's Place - Rental Housing (CHDO*)	100,000	97,774	
Greater Lynchburg Habitat for Humanity - Homeownership Program	175,000	175,000	
Lyn-CAG - First Time Homebuyer Down Payment Assistance	100,000	100,000	
Total HOME	$405,000	402,774	

*CHDO - Community Housing Development Organization

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CDAC RECOMMENDATIONS

City Council

Public Hearing – May 13, 2025

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2025 SCHOOL BOARD APPOINTMENT PROCESS

April 8, 2025

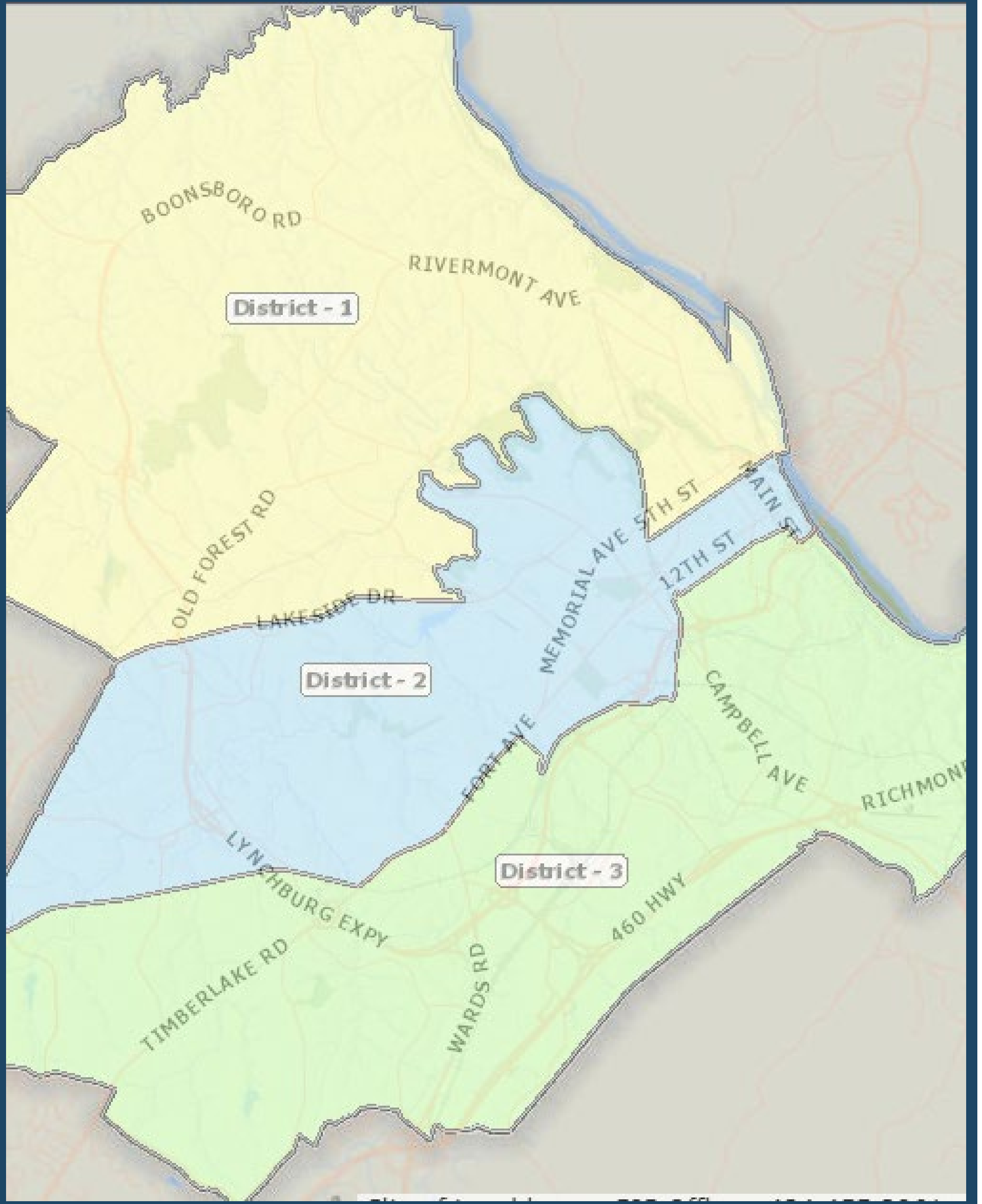
PURPOSE & ACTION

Purpose:

Provide City Council and citizens with an outline of the 2025 School Board Appointment Process

Action:

Receive City Council feedback on the overall process and garner input on the current School Board application



https://www.lcsedu.net/schoolboard/school-board-districts-map

EXPIRING TERMS

- District 1 – Anthony Andrews
- District 2 – Dr. Martin Day
- District 3 – Gloria Preston

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SCHEDULE

- April 8th — BIB'd during Work Session
- May 6th — Presentation to the School Board
- May 13th — Conduct first public hearing
- May 27th — Conduct second public hearing (close) – begin selection of candidates
- June 10th — Conclusion of candidate selection during General Business
- June 11th–23rd — Conduct interviews, held in an open meeting
- June 24th — Appointments made during General Business, contingent upon background check

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WHAT TO EXPECT

- Accepting applications through the close of the second public hearing
    - Applicants are encouraged to appear before City Council during public hearings
    - Parents and community members are encouraged to appear before City Council during public hearings
- Interviews will be held in an open meeting
- Council deliberations and appointments will be held in an open meeting
- State and national criminal background checks for the selected

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APPLICATION:

SCAN ME

https://lynchburg.seamlessdocs.com/f/colschoolboardapp

SCHOOL BOARD APPLICATION

- Contact information, Ward and District
- “What experience do you offer as a candidate for the Lynchburg School Board?”
- “What do you feel you would contribute to the Lynchburg School Board and to the community if appointed?”
- Upload resume – *optional, strongly encouraged*
- Not made available to the public – *personnel information*

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FEEDBACK & INPUT

Hear from City Council on their process for appointing School Board members.

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HILLCATS FRANCHISE AGREEMENT AND AMUSEMENT TAX CODE CHANGE

Tuesday, April 8, 2025

PROPOSED ACTIONS

- City Staff has negotiated new 15 year franchise agreement with the Lynchburg Hillcats Baseball Team
- Staff Recommends City Council Approve the proposed Franchise Agreement
- Approval Requires three actions by City Council
  - Approval of the Franchise Agreement
  - Removal of existing amusement tax exemption from City Code that is unique to the Hillcats
  - Amendment of the FY 2025 – FY 2029 Capital Improvement Plan to add new project to improve fan amenities at the city owned baseball stadium

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PRIOR ACTIONS

- 1886 – Lynchburg's first professional baseball team "The Lynchburgs" begin playing
- 1940 - City Stadium – now Bank of the James Stadium – constructed
  - One of the oldest active ballparks in minor league baseball with 85 years of continuous operation.
- February 2016 – City Council granted 10-year franchise to Lynchburg Baseball Corp to allow the Lynchburg Hillcats Baseball Team to continue to play it's games at Bank of the James Stadium
- Fall 2024 - Hillcats Baseball LLC, led by Mr. Dylan Narang, purchased the Lynchburg Hillcats Baseball Team
- October 2024 – City Council adopts resolution consenting to sale and allowing the assignment of the current franchise agreement to the new ownership group
  - Current Franchise expires at the end of the 2025 baseball season
- Current – City Staff has negotiated new franchise agreement with the Hillcats to keep professional Baseball in Lynchburg for another 15 years

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FRANCHISE OVERVIEW

- **Allows Hillcats to use public infrastructure (Bank of the James Stadium) to operate a minor league baseball team**
  - Existing franchise expires after current 2025 baseball season
  - New franchise will replace final year of current agreement
  - Proposed 15 year term through 2039 baseball season
- **City will collect annual rent, parking rights fee, naming rights fee, and local taxes (sales, meals, amusement) as a result of operations**
- **Revenue will support $5.25M in up front investment for improvements to the Stadium**
  - Primarily fan experience amenities and alignment with MLB stadium requirements
- **Continues annual maintenance reserve to ensure completion of basic maintenance needs and on-going compliance with MLB stadium requirements**
  - $150K annually up from $100K
- **Early termination penalties**
  - $100K cash payment for each year remaining on agreement
  - Payment of unamortized amount of the initial $5.25M capital improvements

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FINANCIAL DETAILS

Revenue Projections - Baseline

Revenue Type	Year One	15-Year Total
Rent - Base	$132,500	$2,375,980
Rent - Naming Rights	$25,000	$375,000
Rent - Parking	$25,000	$375,000
Sales / Meals Tax	$100,000	$1,793,193
Amusement Tax	$136,500	$2,447,708
Total	**$419,000**	**$7,366,881**

- Rent – Base, Sales / Meals Tax, Amusement Tax adjusted for inflation at 2.5% per year

Revenue Projections - Pessimistic

Revenue Type	Year One	15 Year Total
Rent - Base	$132,500	$2,375,980
Rent - Naming Rights	$25,000	$375,000
Rent - Parking	$25,000	$375,000
Sales / Meals Tax	$75,000	$1,344,894
Amusement Tax	$102,375	$1,835,781
Total	**$359,875**	**$6,306,655**

Revenue Projections - Optimistic

Revenue Type	Year One	15 Year Total
Rent - Base	$132,500	$2,375,980
Rent - Naming Rights	$25,000	$375,000
Rent - Parking	$25,000	$375,000
Sales / Meals Tax	$125,000	$2,241,491
Amusement Tax	$170,625	$3,059,635
Total	**$478,125**	**$8,427,106**

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CHANGE TO LOCAL AMUSEMENT TAX EXCEPTION

- Currently the Hillcats pay no amusement tax on ticket sales based on an exception in the local code

- Proposed investment in the city owned stadium in the new franchise is significantly funded by amusement tax revenue

- Current Exception Language:

  "No tax shall be payable under this division for admission to the following amusements or entertainments:
  [b] Athletic events that are held at a municipal facility or any amusement or entertainment that is sponsored by the city

- Proposed Exception Language

  "No tax shall be payable under this division for admission to the following amusements or entertainments:
  [b] Youth athletic events that are held at a municipal facility or any amusement or entertainment that is sponsored by the city.
  "Youth athletic events" shall mean athletic events involving players under 18 years of age."

- Additional admissions tax will only be paid by those who attend Hillcats games.

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REQUIRED CAPITAL BUDGET AMENDMENT

- Approval of Franchise requires amendment to FY 2025 – FY 2029 Capital Improvement Plan Budget
- Will add $5.25M project "Improve City Stadium Baseball Complex" to FY 2025 Capital Budget and appropriate funds
- Revenue from franchise and baseball operations projected to fund principal and interests costs of the project

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NEXT STEPS

- May 13th:
    - Public Hearing and City Council vote to approve Franchise
    - Public Hearing and City Council vote to change amusement tax exception
    - First reading of budget amendment to add $5.25M Project "Improve City Stadium Baseball Complex" to FY 2025 Capital Budget
- May 27th:
    - Second reading of budget amendment

THE CITY OF LYNCHBURG

THE CITY OF

LYNCHBURG

FY 2025
THIRD QUARTER ADJUSTMENTS

April 8, 2025 - Business Item Briefing

May 13, 2025 - Public Hearing

FY 2025 THIRD QUARTER ADJUSTMENTS

- Appropriate additional dedicated revenue in the General Fund
- Appropriate additional projected non-dedicated revenue utilized for additional funding needs in the General Fund
- True up grant funds
- Appropriate additional revenues and rescind grants in other funds

FY 2025 THIRD QUARTER ADJUSTMENTS

Additional General Fund Non-Dedicated Revenue:

- Personal Property Tax – Local portion ($500,000)
- Interest on Investments ($749,464)

Uses of General Fund Non-Dedicated Revenue:

- Regional Juvenile Detention Center per diem due to increased usage ($525,000)
- Children Services Act contribution to cover expenditures above State funds received ($610,000)
- Transfer from General Fund Operating Budget to City/Federal/State Aid Fund
    - Social Services Grants - appropriate funds for the local match for Foster Parent ($1,505) and Safe and Stable Families ($2,438)
    - Police - appropriate funds for the local match for the COPS Hiring Grant year two ($33,229) and year three ($42,290) as well as the Bullet Proof Vest Grant ($27,809)

THE CITY OF LYNCHBURG

FY 2025 THIRD QUARTER ADJUSTMENTS

Additional General Fund Dedicated Revenue:

- Human Services – Social Services
  - Adoption Subsidy mandated maintenance payments ($659,522)
  - Child Welfare ($15,125)
    - Requires use of Additional General Fund Non-Dedicated Revenues ($1,384)
  - Family Partnership Meeting Facilitation ($38,000)
  - Family Preservation ($529)
    - Requires use of Additional General Fund Non-Dedicated Revenues ($82)
  - IV-E Prevention Services ($20,000)
  - KinGAP ($32,824)
  - Kinship ($15,000)
  - VIEW Purchased Service ($36,949)
    - Requires use of Additional General Non-Dedicated Revenues ($5,727)

THE CITY OF LYNCHBURG

FY 2025 THIRD QUARTER ADJUSTMENTS

Additional General Fund Dedicated Revenue *(continued)*:

- Community Corrections and Pretrial Services partially rescind transfer to City/Federal/State Aid Fund (-$14,438) these funds will be returned to the Community Corrections and Pretrial Services Reserve
- Library additional State Aid from the Library of Virginia ($5,861)

General Fund Use of Reserves:

- Fire Training Center Reserve - appropriate funds for landscaping the Fire Fighter's Memorial Fountain ($5,400)
- Partners in Emergency Response (PIER) Reserve - appropriate funds for spec packs, training related to TRT/PIER: rescue challenge, drone training, and Structural Collapse Specialist school ($31,200)

THE CITY OF LYNCHBURG

FY 2025 THIRD QUARTER ADJUSTMENTS

Other Funds:

- City/Federal/State Aid Fund - grant true-up
- Forfeited Assets Fund - appropriate funds received
- Children's Services Act (CSA) Fund - appropriate additional funding and use of CSA Fund balance
- City Capital Projects Fund - appropriate additional funding for projects
- Water and Sewer Operating Funds - appropriate additional funds for self-insurance
- Stormwater Capital Projects Fund - rescind grant award, project no longer required
- Airport Fund - appropriate additional revenues to fund increased expenditures related to inflation and Air Service Development efforts
- Airport Capital/Grant Projects Fund - appropriate additional funding for projects
- Risk Management Fund - appropriate additional funds for self-insurance

THE CITY OF LYNCHBURG

THE CITY OF

LYNCHBURG

CERTAINTEED WATER AND SEWER CONTRACT

April 8, 2025

PURPOSE & ACTION

Purpose:

Enter into a long term industrial water and sewer contract with CertainTeed

Why:

CertainTeed is our largest water and sewer customer. Revenues from them help stabilize City-wide water and sewer rates and helps to minimize future increases. The contract also establishes certain high strength waste parameters to help optimize our wastewater treatment process while maintaining permit compliance.

THE CITY OF LYNCHBURG

CONTRACT INFORMATION

- Historically the industry at this location has had an industrial water and sewer contract
- The City's largest water user
- Rates based on an independent cost of service study
- Excludes facilities that the industry does not use. For example: CertainTeed pumps their wastewater directly to the Water Resource Recovery Facility so they do not pay sewage collection costs
- Methodology is consistent with certain industrial contract requirements in our CSO Consent Order

THE CITY OF LYNCHBURG

INDUSTRIAL RATES

CITY CURRENT RATES:

- Water volume (HCF) = $3.29
- Sewer volume (HCF) = $8.30
- Excess BOD = $26.30
- Excess TSS = $28.50

CURRENT CONTRACT RATES:

- Water volume (HCF): $1.80
- Sewer volume (HCF): $2.42
- Excess BOD = $35.16
- Excess TSS = $31.98

Usage Rates					
	2025	2026	2027	2028	2029
Water Rate/HCF	$1.79	$1.85	$1.89	$1.95	$1.98
Water Rate/1000 gallons	$2.39	$2.47	$2.53	$2.61	$2.65
Sewer Rate/HCF	$2.64	$2.88	$3.01	$3.03	$3.05
Sewer Rate/1000 gallons	$3.53	$3.85	$4.02	$4.05	$4.08
Excess BOD Per 100/lbs. over 300 mg/l	$38.82	$42.85	$46.01	$46.25	$46.41
Excess TSS Per 100/lbs. over 400 mg/l	$35.29	$39.05	$40.50	$40.65	$40.95

Note: As part of the rate negotiations we provided options to phase in rate increases which resulted in lower rates in the initial years but higher rates in the outer years. The overall result is the same calculated revenue over the 5 year period.

THE CITY OF LYNCHBURG

SUMMARY

Industrial contracts for the very largest industries provide rate stability for the industry, while recognizing the importance of the industries' large base revenue stream in minimizing city-wide rates increases.

For this reason and those previously discussed, Water Resources supports entering into an industrial water and sewer contract with CertainTeed.

THE CITY OF
LYNCHBURG

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
April 8, 2025	Melva Walker, Grants Manager

AGENDA ITEM # IV.2

FY26 Community Development Advisory Committee recommendations for Community Development Block Grant and HOME Program Entitlement funds.

RECOMMENDATION

This item will appear for a City Council vote on the May 13, 2025, Public Hearing agenda. Approval of the FY 2026 (PY 2025) Allocation of Community Development Block Grant (CDBG) and HOME Program Entitlement funds.

SUMMARY

The Community Development Advisory Committee (CDAC) met on April 3, 2025 and reviewed the applications that were submitted. The attached worksheets provide the project requests and CDAC recommendations.

PRIOR ACTION(S)

April 3, 2025: Community Development Advisory Committee Meeting

FISCAL IMPACT

Projected FY 2026 Entitlements (based on FY 2025 Entitlement Amounts):
CDBG - $722,622
HOME Program - $302,774

FY 2025 Reprogrammed Funds
HOME Funds - $100,000, (FARR/Lighthouse Beloved Community Trust)

CONTACT(S)

Melva Walker, Grants Manager

ATTACHMENT(S)

1. FY 2026 CDBG HOME CDAC Recommendations
2. Attachment A - CDAC Recommendations (CDBG)
3. Attachment B - CDAC Recommendations (HOME)

REVIEWED BY

William Martin, Community Development Director

Date: March 31, 2025

Kent White, Assistant City Manager

Date: April 03, 2025

Alicia Finney, Clerk of Council

Date: April 03, 2025

FISCAL YEAR (FY) 2026 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) AND HOME PROGRAM CDAC RECOMMENDATIONS - PROJECT ALLOCATIONS

April 8, 2025

FY 2026 ANNUAL ACTION PLAN ENTITLEMENT AMOUNTS

Community Development Block Grant (CDBG) - $722,622*

HOME Program -	$302,774*
Reprogrammed Funds**	100,000
	$402,774

*Fiscal Year 2025 Entitlement Amounts (FY 2026 Projected)

**(FARRR Foundation/Lighthouse Beloved Community Land Trust)

THE CITY OF LYNCHBURG

CDAC RECOMMENDATIONS
CDBG FY 2026 PROJECT ALLOCATIONS

NAME	Amount Requested FY 2026	CDAC Recommendations FY 2026	City Council Amount Awarded FY 2026
City Administration	$137,537	$137,537	
Diamond Hill Neighborhood Plan - Phase 2 Improvements (Dunbar Community Schoolyard)	500,000	476,692	
Miriam's House / CVCoC* -Coordinated Homeless Intake and Access (CHIA)	65,000	65,000	
Miriam's House - Extreme Weather Center	42,000	30,000	
Blue Ridge Mountains Coucil, Inc. Boy Scouts of America – Scoutreach (Parks & Recreation Department)	19,160	13,393	
Total CDBG	$763,697	$722,622	

*CVCoC - Central Virginia Continuum of Care

THE CITY OF LYNCHBURG

CDAC RECOMMENDATIONS
HOME PROGRAM - FY 2026 PROJECT ALLOCATIONS

NAME	Amount Requested FY 2026	CDAC Recommendations FY 2026	City Council Amount Awarded FY 2026
City Administration	$ 30,000	$ 30,000	
Rush Homes - Carolyn's Place - Rental Housing (CHDO*)	100,000	97,774	
Greater Lynchburg Habitat for Humanity - Homeownership Program	175,000	175,000	
Lyn-CAG - First Time Homebuyer Down Payment Assistance	100,000	100,000	
Total HOME	$405,000	402,774	

*CHDO - Community Housing Development Organization

THE CITY OF LYNCHBURG

CDAC RECOMMENDATIONS

City Council

Public Hearing – June 10, 2025

THE CITY OF LYNCHBURG

CDBG and HOME Allocations Worksheet 2025-2026 - Page 1 Fiscal Year (FY) 2026				
.				
	Total CDBG Available		$ 722,622.00	
NAME	Prior Year FY2025 Award	Amount Requested FY 2026	CDAC Recommendation FY 2026	City Council Amount Awarded FY 2026
City Administration	$ 137,537.00	$ 137,537.00	$ 137,537.00	
Diamond Hill Neighborhood Plan - Phase 1 Improvements	478,105.00			
Diamond Hill Neighborhood Plan - Phase 2 Improvements (Dunbar Community Schoolyard)		500,000.00	476,691.70	
Totals	$ 615,642.00	$ 637,537.00	$ 614,228.70	$ -
CDBG - Public Service 15% Allocation of Entitlement Funds	$ 108,393.30			
NAME	Prior Year FY2025 Award	Amount Requested FY 2026	CDAC Recommendation FY 2026	City Council Amount Awarded FY 2026
Miriam's House / CVCoC -Coordinated Homeless Intake and Access	$ 65,000.00	$ 65,000.00	$ 65,000.00	
Miriam's House - Extreme Weather Center	42,000.00	42,000.00	$ 30,000.00	
Blue Ridge Mountains Coucil, Inc. Boy Scouts of America - Scoutreach		19,160.00	13,393.30	
Totals	$ 107,000.00	$ 126,160.00	$ 108,393.30	$ -
Total CDBG	$ 722,642.00	$ 763,697.00	$ 722,622.00	$ -
*CHDO - Community Housing Development Organization				
CVCoC - Central Virginia Continuum of Care				
Habitat for Humanity- Greater Lynchburg Habitat for Humanity				

CDBG and HOME Allocations Worksheet 2025-2026 - Page 2 Fiscal Year (FY) 2026				
	CHDO* Requirement		$ 45,416.16	
HOME				
Amount Available				City Council
$ 402,774.40	Prior Year	Amount	CDAC	Amount
	FY2025	Requested	Recommendation	Awarded
NAME	Award	FY 2026	FY 2026	FY 2026
City Administration	$ 30,000.00	$ 30,000.00	$ 30,000.00	
Rush Homes - Carolyn's Place - Rental Housing (CHDO)	75,000.00	100,000.00	97,774.40	
Habitat for Humanity - Homeownership Program	114,304.00	175,000.00	175,000.00	
Lyn-CAG - First Time Homebuyer Down Payment Assistance	89,304.00	100,000.00	100,000.00	
Total HOME	$ 308,608.00	$ 405,000.00	$ 402,774.40	$ -
	FY 2025	FY 2026	Difference	%
CDBG				
Entitlement	$722,622.00	$722,622.00	$0.00	0.00%
Reprogrammed Funds	20.00	0.00	(20.00)	-100.00%
Program Income	0.00	0.00	0.00	0.00%
TOTAL	$722,642.00	$722,622.00	($20.00)	0.00%
Administration CAP	$144,524.40	$144,524.40	$0.00	0.00%
Public Service CAP	$108,393.30	$108,393.30	$0.00	0.00%
HOME				
Entitlement	$302,774.40	$302,774.40	$0.00	0.00%
Reprogrammed	5,834.00	100,000.00	94,166.00	1614.09%
Administration CAP	$30,277.44	$30,277.44	$0.00	0.00%
CHDO Required	$45,416.16	$45,416.16	$0.00	0.00%

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
April 8, 2025	Alicia Finney, Clerk of Council

AGENDA ITEM # IV.3

2025 School Board Appointment Process

RECOMMENDATION

Review the process for School Board appointments, or reappointments, to vacancies that will exist June 30, 2025, in School Board Districts I, II, III and receive Council input on the overall process.

SUMMARY

Outlined below is the 2025 proposed schedule:

- May 13, 2025 - Conduct a public hearing to receive citizen input regarding potential candidates
- May 27, 2025 - Continuation of a public hearing to receive citizen input regarding potential candidates. At the close of the public hearing and while remaining in open session, Council will review and discuss applications filed with the Clerk of Council to determine those individuals to interview.
- June 10, 2025 - Finalization of choosing candidates during General Business
- June 11 - June 23, 2025 - Hold a slate of special meetings for the purpose of conducting interviews with candidates. These will be live-streamed as well as open to the public.
- June 24, 2025 - City Council will discuss candidates during General Business and appoint three members to the School Board for new terms commencing July 1, 2025 and expiring June 30, 2028.

PRIOR ACTION(S)

N/A

FISCAL IMPACT

TBD - cose of legal notice advertised in the News & Advance

CONTACT(S)

Alicia Finney, Clerk of Council

ATTACHMENT(S)

1. Board Roster 2025

2. 2025_School Board Appointment Presentation

REVIEWED BY

Alicia L. Finney

Alicia Finney, Clerk of Council

Date: April 03, 2025

School Board Roster

Expiring June 30, 2025

Name	No. of Terms Served	Term Expiration Date
Anthony Andrews (District 1)(Ward 1)	1	06/30/2025
Martin Day (District 2)(Ward 4)	1	06/30/2025
Gloria Preston(District 3)(Ward 3)	1	06/30/2025
Christian Depaul (District 1)(Ward 1)	1	06/30/2026
Letitia Lowery (District 2)(Ward 4)	1	06/30/2026
Farid Jalil (District 3)(Ward 3)	1	06/30/2026
Daryl Conner (District 1)(Ward 4)	1	06/30/2027
Mark Tinsley (District 2)(Ward 1)	1	06/30/2027
Atul Gupta (District 3)(Ward 3)	3	06/30/2027

2025 SCHOOL BOARD APPOINTMENT PROCESS

April 8, 2025

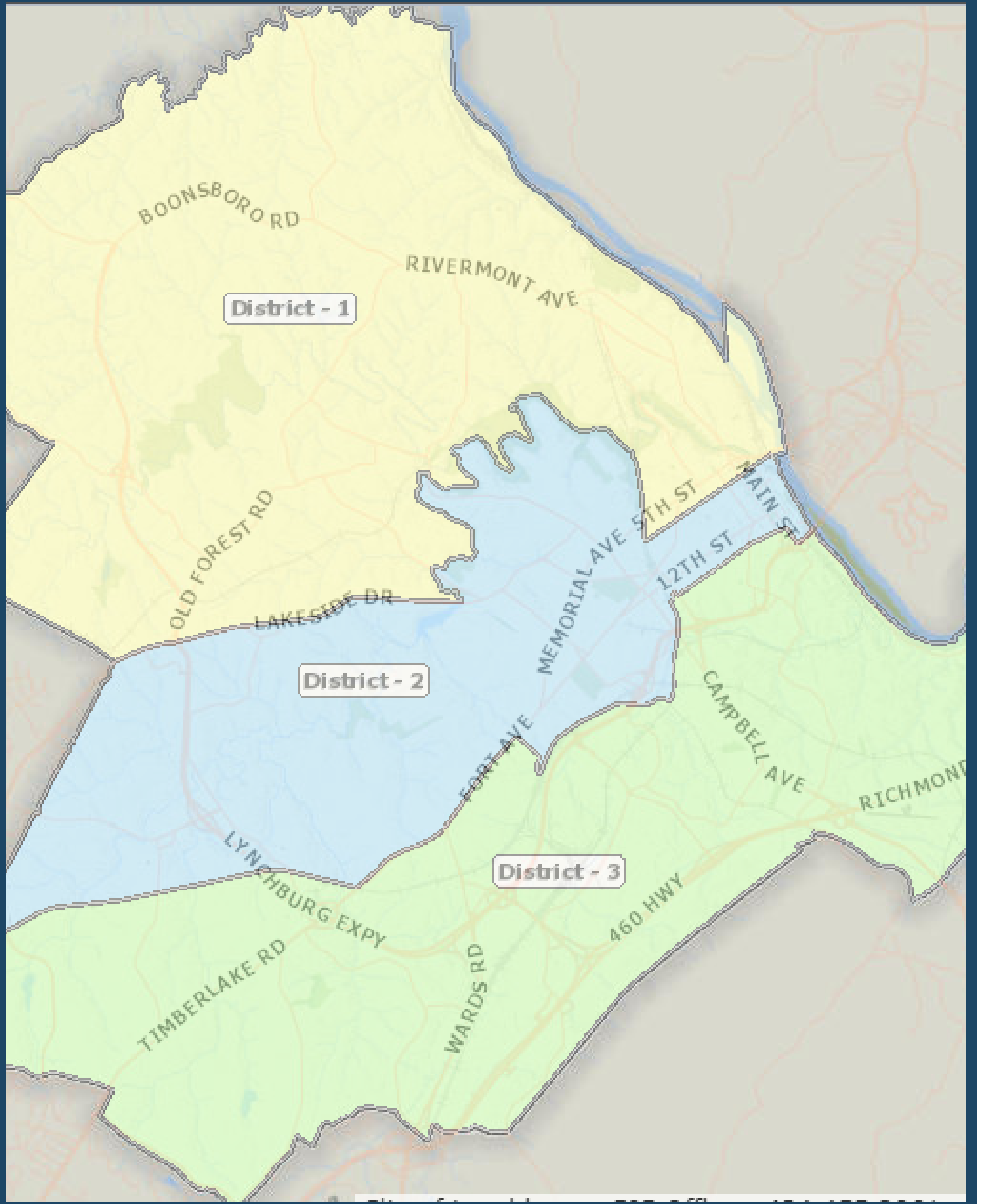
PURPOSE & ACTION

Purpose:

Provide City Council and citizens with an outline of the 2025 School Board Appointment Process

Action:

Receive City Council feedback on the overall process and garner input on the current School Board application



https://www.lcsedu.net/schoolboard/school-board-districts-m

EXPIRING TERMS

- District 1 – Anthony Andrews
- District 2 – Dr. Martin Day
- District 3 – Gloria Preston

THE CITY OF LYNCHBURG

SCHEDULE

- April 8th BIB'd during Work Session
- May 6th Presentation to the School Board
- May 13th Conduct first public hearing
- May 27th Conduct second public hearing (close) – begin selection of candidates
- June 10th Conclusion of candidate selection during General Business
- June 11th–23rd Conduct interviews, held in an open meeting
- June 24th Appointments made during General Business, contingent upon background check

THE CITY OF LYNCHBURG

WHAT TO EXPECT

- Accepting applications through the close of the second public hearing
    - Applicants are encouraged to appear before City Council during public hearings
    - Parents and community members are encouraged to appear before City Council during public hearings
- Interviews will be held in an open meeting
- Council deliberations and appointments will be held in an open meeting
- State and national criminal background checks for the selected

THE CITY OF LYNCHBURG

SCHOOL BOARD APPLICATION

APPLICATION:

SCAN ME

https://lynchburg.seamlessdocs.com/f/colschoolboardapp

- Contact information, Ward and District
- “What experience do you offer as a candidate for the Lynchburg School Board?”
- “What do you feel you would contribute to the Lynchburg School Board and to the community if appointed?”
- Upload resume – *optional, strongly encouraged*
- Not made available to the public – *personnel information*

THE CITY OF LYNCHBURG

FEEDBACK & INPUT

Hear from City Council on their process for appointing School Board members.

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
April 8, 2025	Gregory Patrick, Deputy City Manager, Mitchell Nuckles, Commissioner of the Revenue

AGENDA ITEM # IV.4

New Hillcats Baseball Franchise and Amendment to Local Amusement Tax Exceptions

RECOMMENDATION

Amend amusement tax exception and accept franchise offer from the Lynchburg Hillcats

SUMMARY

The City administration and the new ownership group of the Lynchburg Hillcats have been negotiating a new franchise agreement for the use of the city-owned Bank of the James baseball stadium. The proposed franchise will see the future of baseball in Lynchburg secured for the next 15 years. The agreement will see the city make a $5.2 capital investment in the stadium facility. This investment is based on the expected local revenue the Hillcats will generate for the city over the next 15 years through, rent payments, sales and meals tax, and admissions tax.

Currently the Hillcats do not pay admissions tax based on local code exemption for sporting events that take place in a city owned facility. The new franchise will requires that this exemption be removed so that the expected admissions tax revenue will help fund the improvements to the facility.

PRIOR ACTION(S)

Previous franchise agreement adopted February 2026

FISCAL IMPACT

$5.25 Million investment into City owned Bank of the James ball park

CONTACT(S)

Gregory Patrick, Deputy City Manager
Mitchell Nuckles, Commissioner of the Revenue

ATTACHMENT(S)

1. Proposed Ordinance - Amending LCC Section 36-270 (Exceptions to the Amusement Tax)
2. Proposed Ordinance - Baseball Franchise for Hillcats Baseball, LLC

REVIEWED BY

Date: April 03, 2025

Gregory Patrick, Deputy City Manager

Date: April 03, 2025

Alicia Finney, Clerk of Council

AN ORDINANCE TO AMEND AND REENACT THE CODE OF THE CITY OF LYNCHBURG, 1981, BY AMENDING SECTION 36-270 OF DIVISION 5 OF ARTICLE V OF CHAPTER 36; SUCH AMENDMENT CHANGING SUBSECTION (B) OF THE EXCEPTIONS FROM THE AMUSEMENT TAX TO REFLECT YOUTH ATHLETIC EVENTS INSTEAD OF ATHLETIC EVENTS

ORDINANCE: **#O-25-___**

WHEREAS, prior to the adoption of this Ordinance, a public hearing was held before the Lynchburg City Council in order to receive public feedback on the proposed amendment after such public hearing was duly advertised in accordance with the requirements of § 58.1-3007 of the Code of Virginia.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That the Code of City of Lynchburg, 1981, be and the same is hereby amended and reenacted by amending Section 36-270 of Division 5 of Article V of Chapter 36 of such code as follows:

Sec. 36-270. Exceptions.

No tax shall be payable under this division for admission to the following amusements or entertainments:

(a) Athletic events held by a college or university for teams or athletes that regularly participate in such college's or university's athletic programs and dances held by a college or university.

(b) ~~Athletic events that are~~ Youth athletic events held at a municipal facility or any amusement or entertainment event that is sponsored by the city. “Youth athletic events” shall mean athletic events involving players under eighteen (18) years of age.

(c) Dances or any athletic or cultural event conducted by an elementary or secondary school, public or private. Fundraising activities such as carnivals and other amusement or entertainment events shall be subject to the tax provided for in section 36-262 of this division.

(d) Any athletic event that is held as part of the Virginia High School League All-Star Games.

(e) Amateur participants in sports tournaments. For purposes of this exemption a sports tournament shall be defined as a series of sports or athletic contests taking place during a limited period of time rather than throughout a regular season, where all the participants or teams are amateur, includes teams or participants from outside the region 2000 area and which has been sanctioned by an appropriate sanctioning body. Examples of sports tournaments include but shall not be limited to, bowling tournaments, miniature golf tournaments, softball tournaments, basketball tournaments, skating tournaments and similar sport activities.

2. That this Ordinance shall become effective upon its adoption.

Adopted:____________________

Certified:____________________
Clerk of Council

AN ORDINANCE GRANTING HILLCATS BASEBALL, LLC, AN EXCLUSIVE FRANCHISE RIGHT TO USE THE CITY OF LYNCHBURG'S / BANK OF THE JAMES STADIUM (3180 FORT AVENUE, LYNCHBURG, VA 24501) FOR ITS BASEBALL GAMES, EVENTS, AND RELATED USES

ORDINANCE: **#O-25-_____**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

ARTICLE I. AUTHORIZATION TO GRANT
A BASEBALL STADIUM FRANCHISE

1. That a franchise, as shown in that certain document entitled "A Baseball Stadium Franchise Agreement by and between the City of Lynchburg and Hillcats Baseball, LLC", dated April 1, 2025, is hereby approved, and Hillcats Baseball, LLC is granted an exclusive franchise right to use the City of Lynchburg's / Bank of the James Stadium (3180 Fort Avenue, Lynchburg, VA 24501) for its baseball games, events, and related uses as provided in the said agreement. Said agreement is expressly incorporated herein by reference.

2. That the City Manager, on behalf of the City of Lynchburg, is hereby authorized to execute all documents and take all actions necessary to effectuate the said franchise and agreement for the City of Lynchburg.

ARTICLE II. ADOPTION OF ORDINANCE

This Ordinance was duly adopted by the Council of the City of Lynchburg, Virginia on the _______ day of ______________________________, 20_________, and shall be effective upon adoption.

Certified:_______________________
Clerk of Council

ARTICLE III. ACCEPTANCE

By joining in this Ordinance through signature of its duly authorized representative, Hillcats Baseball, LLC hereby agrees to the entirety of the same as of its adoption date.

HILLCATS BASEBALL, LLC

By:______________________________

Printed Name:_____________________

Its:______________________________

State/Commonwealth/___________ of __________________, }
City/County of ___________________, *to - wit:* }

The foregoing instrument was acknowledged before me on behalf of Hillcats Baseball, LLC, by __________________, its ____________________, on this ______ day of ____________, 2025.

____
Notary Public

My Commission Expires:___________________
My Registration No.______________________

Affix Notary Seal:

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
April 8, 2025	Donna Witt, Chief Financial Officer

AGENDA ITEM # IV.5

FY 2025 Third Quarter Adjustments

RECOMMENDATION

City Council will consider this item at its regular meeting on May 13, 2025 following a Public Hearing. Following a public hearing, adopt an ordinance amending the FY 2025 Operating and Capital Budgets and appropriating or rescinding funds to reflect the FY 2025 Third Quarter Adjustments as listed in Attachment A.

SUMMARY

The General, City/Federal/State Aid, Forfeited Assets, Children's Services Act (CSA), Water, Sewer, Airport, Risk Management, City Capital Projects, Stormwater Capital Projects, and Airport Capital/Grant Projects Fund are amended to reflect the FY 2025 Third Quarter Adjustments.

PRIOR ACTION(S)

May 28, 2024: City Council, Adoption of the FY 2025 Operating and Capital Budgets
June 11, 2024: City Council, Adoption of the FY 2025 Schools Operating Budget
November 12, 2024: City Council, FY 2025 First Quarter Adjustments adoption

FISCAL IMPACT

As noted on Attachment A.

CONTACT(S)

Donna Witt, Chief Financial Officer

ATTACHMENT(S)

1. FY 2025 Third Quarter Adjustments Presentation 040825
2. Attachment A - FY 2025 Third Quarter Adjustments Summary and Detail
3. Ordinance, FY 2025 Third Quarter Adjustments

REVIEWED BY

Donna Witt, Chief Financial Officer

Date: April 03, 2025

Gregory Patrick, Deputy City Manager

Date: April 03, 2025

Alicia Finney, Clerk of Council

Date: April 03, 2025

FY 2025
THIRD QUARTER ADJUSTMENTS

April 8, 2025 - Business Item Briefing

May 13, 2025 - Public Hearing

FY 2025 THIRD QUARTER ADJUSTMENTS

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- Appropriate additional projected non-dedicated revenue utilized for additional funding needs in the General Fund
- True up grant funds
- Appropriate additional revenues and rescind grants in other funds

THE CITY OF LYNCHBURG

FY 2025 THIRD QUARTER ADJUSTMENTS

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- Personal Property Tax – Local portion ($500,000)
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Uses of General Fund Non-Dedicated Revenue:

- Regional Juvenile Detention Center per diem due to increased usage ($525,000)
- Children Services Act contribution to cover expenditures above State funds received ($610,000)
- Transfer from General Fund Operating Budget to City/Federal/State Aid Fund
    - Social Services Grants - appropriate funds for the local match for Foster Parent ($1,505) and Safe and Stable Families ($2,438)
    - Police - appropriate funds for the local match for the COPS Hiring Grant year two ($33,229) and year three ($42,290) as well as the Bullet Proof Vest Grant ($27,809)

THE CITY OF LYNCHBURG

FY 2025 THIRD QUARTER ADJUSTMENTS

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THE CITY OF LYNCHBURG

FY 2025 THIRD QUARTER ADJUSTMENTS

Additional General Fund Dedicated Revenue *(continued)*:

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THE CITY OF LYNCHBURG

FY 2025 THIRD QUARTER ADJUSTMENTS

Other Funds:

- City/Federal/State Aid Fund - grant true-up
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- Airport Capital/Grant Projects Fund - appropriate additional funding for projects
- Risk Management Fund - appropriate additional funds for self-insurance

THE CITY OF LYNCHBURG

ATTACHMENT A

FY 2025 Third Quarter Adjustment
SUMMARY BY FUND

	Expenditures	Additional Revenues	Transfer or Use of Committed/ Assigned/ Unassigned Fund Balance
GENERAL FUND	$3,352,145	$2,066,081	$1,286,064
CITY/FEDERAL/STATE AID FUND	89,628	87,190	2,438
FORFEITED ASSETS FUND	74,949	74,949	0
CHILDREN'S SERVICES ACT (CSA) FUND	3,000,000	2,800,000	200,000
CITY CAPITAL PROJECTS FUND	326,453	326,453	0
WATER FUND	200,000	0	200,000
SEWER FUND	200,000	0	200,000
STORMWATER CAPITAL PROJECTS FUND	(70,494)	(70,494)	0
AIRPORT FUND	527,000	527,000	0
AIRPORT CAPITAL/GRANT PROJECTS FUND	517,000	280,000	237,000
RISK MANAGEMENT FUND	400,000	400,000	0
TOTALS	**$8,616,681**	**$6,491,179**	**$2,125,502**

Department/Division	Amount	Source of Funding: Additional Revenues	Source of Funding: Transfer or Use of Committed/ Assigned/ Unassigned Fund Balance	Purpose
GENERAL FUND				
Personal Property Tax - Local portion	500,000	500,000		Appropriate additional revenues for Personal Property Tax - Local portion.
Interest on Investments	749,464	749,464		Appropriate additional revenues for Interest on Investments.
Community Corrections and Pretrial Services	(14,438)	(14,438)		Partially rescind the adopted transfer from the General Fund to the City/Federal/State Aid Fund.
Community Corrections and Pretrial Services	14,438	14,438		Return the rescinded funds to the Community Corrections and Pretrial Services Reserve.
Fire	5,400		5,400	Appropriate funds from the Fire Training Center Reserve for landscaping the Firefighter's Memorial Fountain.
Fire	31,200		31,200	Appropriate funds from the Partners in Emergency Response (PIER) Reserve for spec packs, training related to TRT/PIER: rescue challenge, drone training, and Structural Collapse Specialist school.
Human Services - Juvenile Services	525,000		525,000	Appropriate additional funds for the Regional Juvenile Detention Center per diem due to increased usage.
Human Services - Social Services	659,522	659,522		Appropriate funds for additional Adoption Subsidy mandated maintenance payments fully reimbursable by State and federal, no local match.
Human Services - Social Services	15,125	13,741	1,384	Appropriate additional State revenue and local funds for Child Welfare.
Human Services - Social Services	610,000		610,000	Appropriate additional funds for the General Fund Children's Services Act contribution to cover expenditures above State funds received.
Human Services - Social Services	38,000	38,000		Appropriate additional State and federal revenue for Family Partnership Meeting Faciliation.
Human Services - Social Services	529	447	82	Appropriate additional State and federal revenue and local funds for Family Preservation.
Human Services - Social Services	20,000	20,000		Appropriate additional State and federal revenue for IV-E Prevention Services.
Human Services - Social Services	32,824	32,824		Appropriate additional State and federal revenue awarded by the State for KinGAP: Basic Maintenance, Enhanced Maintenance for ADA, and Clothing/Other.
Human Services - Social Services	15,000	15,000		Appropriate additional State and federal revenue for Kinship.

Department/Division	Amount	Source of Funding: Additional Revenues	Source of Funding: Transfer or Use of Committed/ Assigned/ Unassigned Fund Balance	Purpose
Human Services - Social Services	36,949	31,222	5,727	Appropriate additional State and federal revenue and local funds for VIEW Purchased Service.
Library	5,861	5,861		Appropriate additional State Aid revenue from the Library of Virginia.
TRANSFERS				
Transfer from General Fund Operating Budget to Social Services Grants - City/Federal/State Aid Fund	1,505		1,505	*Transfer from General Fund Operating Budget to Social Services Grants - City/Federal/State Aid Fund* to appropriate funds for the local match for Foster Parent Recruiting and Training.
Transfer from General Fund Operating Budget to Social Services Grants - City/Federal/State Aid Fund	2,438		2,438	*Transfer from General Fund Operating Budget to Social Services Grants - City/Federal/State Aid Fund* to appropriate funds for the local match for Safe and Stable Families.
Transfer from General Fund Operating Budget to Police Grants - City/Federal/State Aid Fund	75,519		75,519	*Transfer from General Fund Operating Budget to Police - Grants - City/Federal/State Aid Fund* to appropriate funds for the COPS Hiring Grant local match for year two ($33,229) and year three ($42,290). Grant originally adopted on 02/13/2024 with Resolution R-24-009.
Transfer from General Fund Operating Budget to Police Grants - City/Federal/State Aid Fund	27,809		27,809	*Transfer from General Fund Operating Budget to Police - Grants - City/Federal/State Aid Fund* to appropriate funds for the Bullet Proof Vest Grant local match. Grant originally adopted on 11/28/2023 with Resolution R-23-093.
GENERAL FUND Total	**3,352,145**	**2,066,081**	**1,286,064**	

Department/Division	Amount	Source of Funding: Additional Revenues	Source of Funding: Transfer or Use of Committed/ Assigned/ Unassigned Fund Balance	Purpose
CITY/FEDERAL/STATE AID FUND				
Circuit Court Clerk	21,938	21,938		Appropriate revenue from the Library of Virginia Circuit Court Records Preservation Grant to preserve and reformat
Circuit Court Clerk - Lynchburg Adult Recovery Court Program (24th Judicial Circuit)	139,139	139,139		Appropriate additional opioid settlement funds.
Community Corrections and Pretrial Services	24,618	24,618		Appropriate additional funds received from the Department of Criminal Justice Services (DCJS); total award $855,622.
Community Corrections and Pretrial Services	(14,438)	(14,438)		Partially rescind the *Transfer from the General Fund to the City/Federal/State Aid Fund* and return those funds to the Community Corrections and Pretrial Services Reserve.
Human Services - Social Services	3,747	3,747		Appropriate funds awarded by the State for the Virginia Driver's Licensing Program for Foster Youth.
Human Services - Social Services Transfer to Social Services Grants - City/Federal/State Aid Fund from General Fund Operating Budget	3,500	3,500		Appropriate funds awarded by the State for Foster Parent Recruiting and Training. *Transfer to Social Services Grants - City/Federal/State Aid Fund from General Fund Operating Budget* to appropriate funds for the local match ($1,505) for Foster Parent Recruiting and Training.
Human Services - Social Services Transfer to Social Services Grants - City/Federal/State Aid Fund from General Fund Operating Budget	16,251	13,813	2,438	Appropriate additional State and federal revenue awarded by the State for Safe and Stable Families. *Transfer to Social Services Grants - City/Federal/State Aid Fund from General Fund Operating Budget* to appropriate funds for the local match ($2,438) for Safe and Stable Families.
Human Services - Social Services	51,412	51,412		Appropriate additional opioid settlement funds.
Parks and Recreation	(322,000)	(322,000)		*Transfer Perrymont Park grant appropriations from the City/Federal/State Aid Fund to the City Capital Projects Fund* . Grants originally adopted on 9/24/2024 with Resolution R-24-063.
Police Transfer to Police Grants - City/Federal/State Aid Fund from General Fund Operating Budget	55,618	55,618		Appropriate funds awarded in FY 2024 for the 2023 Bullet Proof Vest Grant. Grant originally adopted on 11/28/2023 with Resolution R-23-093. *Transfer to Police - Grants - City/Federal/State Aid Fund from General Fund Operating Budget* to appropriate funds for the Bullet Proof Vest Grant local match ($27,809).

Department/Division	Amount	Source of Funding: Additional Revenues	Source of Funding: Transfer or Use of Committed/ Assigned/ Unassigned Fund Balance	Purpose
Police Transfer to Police Grants - City/Federal/State Aid Fund from General Fund Operating Budget	75,519	75,519		Appropriate funds awarded by the COPS Hiring Grant for year two and year three. Grant originally adopted on 02/13/2024 with Resolution R-24-009. *Transfer to Police - Grants - City/Federal/State Aid Fund from General Fund Operating Budget* to appropriate funds for the COPS Hiring Grant local match for year two ($33,229) and year three ($42,290).
Police - Emergency Communications	(4,000)	(4,000)		Rescind funds not obtained for the FY 2025 PSAP PEP grant.
Public Works	25,824	25,824		Appropriate funds received for the non-competitive grant award from the Virginia Department of Environmental Quality for litter prevention and recycling activities.
Public Works	12,500	12,500		Appropriate funds awarded from the Virginia Sustainability Fund.
CITY/FEDERAL/STATE AID FUND Total	**89,628**	**87,190**	**2,438**	

FORFEITED ASSETS FUND

Department/Division	Amount	Additional Revenues	Transfer or Use of Committed/ Assigned/ Unassigned Fund Balance	Purpose
Police Department	74,949	74,949		Appropriate Asset Forfeiture revenues received.
FORFEITED ASSETS FUND Total	**74,949**	**74,949**	**-**	

CHILDREN'S SERVICES ACT (CSA) FUND

Department/Division	Amount	Additional Revenues	Transfer or Use of Committed/ Assigned/ Unassigned Fund Balance	Purpose
Children's Services Act (CSA)	3,000,000	2,800,000	200,000	Appropriate funds received for Residential Care, Educational Services, Foster Care Maintenance, Enhanced Maintenance, Childcare, Clothing, Mentoring, Counseling, Educational Private Day Schools, as well as, additional funds from the General Fund contribution and use of fund balance to cover expenditures.
CHILDREN'S SERVICES ACT (CSA) FUND Total	**3,000,000**	**2,800,000**	**200,000**	

Department/Division	Amount	Source of Funding: Additional Revenues	Source of Funding: Transfer or Use of Committed/ Assigned/ Unassigned Fund Balance	Purpose
CITY CAPITAL PROJECTS FUND				
Parks and Recreation	322,000	322,000		*Transfer Perrymont Park grant appropriations from the City/Federal/State Aid Fund to the City Capital Projects Fund* . Grants originally adopted on 9/24/2024 with Resolution R-24-063.
Police	4,453	4,453		Appropriate Series 2023 Bond Proceeds SNAP interest earnings to the Police Headquarters projects.
CITY CAPITAL PROJECTS FUND Total	**326,453**	**326,453**	**-**	
WATER FUND				
Water	200,000		200,000	Appropriate additional funds for the self-insurance payment due to an increase in claim expenses.
WATER FUND Total	**200,000**	**-**	**200,000**	
SEWER FUND				
Sewer	200,000		200,000	Appropriate additional funds for the self-insurance payment due to an increase in claim expenses.
SEWER FUND Total	**200,000**	**-**	**200,000**	
STORMWATER CAPITAL PROJECTS FUND				
Stormwater	(70,494)	(70,494)		Rescind funds awarded by the State for a Stormwater Local Assistance Fund (SLAF) Grant to reimburse costs associated with the Fire Station Number 8 Water Quality Improvement Project. It was determined that construction of this project would not be required to help achieve Municipal Separate Storm Sewer System (MS4) permit compliance.
STORMWATER CAPITAL PROJECTS FUND Total	**(70,494)**	**(70,494)**	**-**	

Department/Division	Amount	Source of Funding: Additional Revenues	Source of Funding: Transfer or Use of Committed/ Assigned/ Unassigned Fund Balance	Purpose
AIRPORT FUND				
Airport	527,000	527,000		Appropriate funds for inflationary increases in contractual services, electricity, and Air Service Development efforts (50% State reimbursed); as well as additional funds for police and fire personnel due to extended hours for airline flight schedules, and snow removal equipment maintenance and chemicals due to heavy use this winter. Also adjusting budgeted revenues. *Transfer to Airport Operating Fund from Airport Capital/Grant Projects Fund Budget* to appropriate funds for 80% State funding for eligible small projects and equipment; $167,000.
AIRPORT FUND Total	**527,000**	**527,000**	**-**	
AIRPORT CAPITAL/GRANT PROJECTS FUND				
Airport Capital/Grant Projects	350,000	280,000	70,000	Appropriate additional State and local funds to complete the Airport Terminal Electric Upgrade project.
Transfer from Airport Capital/Grant Projects Fund to Airport Operating Fund Budget	167,000		167,000	*Transfer from Airport Capital/Grant Projects Fund to Airport Operating Fund Budget* to appropriate funds for 80% State funding for eligible small projects and equipment.
AIRPORT CAPITAL/GRANT PROJECTS FUND Total	**517,000**	**280,000**	**237,000**	
RISK MANAGEMENT FUND				
Self-Insurance	400,000	400,000		Appropriate additional funds for the Risk Management Fund due to an increase in claim expenses.
RISK MANAGEMENT FUND Total	**400,000**	**400,000**	**-**	

ORDINANCE: **#O-25-___**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG that the FY 2025 Adopted Budget is hereby amended and funds are appropriated or rescinded to reflect the Third Quarter Adjustments in the General, City/Federal/State Aid, Forfeited Assets, Children's Services Act (CSA), Water, Sewer, Airport, Risk Management, as well as the City Capital Projects, Stormwater Capital Projects, and Airport Capital/Grant Projects Funds as reflected in Attachment A.

BE IT FURTHER ORDAINED that the said funds shall be used as identified in Attachment A.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

AGENDA ITEM SUMMARY

MEETING DATE	PRESENTED BY
April 8, 2025	Timothy Mitchell, Director of Water Resources

AGENDA ITEM # IV.6

CertainTeed Water and Sewer Contract

RECOMMENDATION

Conduct a Public Hearing at the May 13th Regular Council Meeting for the purpose of authorizing the City Manager to enter into a Water and Sewer Contract with CertainTeed.

SUMMARY

Historically, the City of Lynchburg has entered into Water and Sewer Contracts with very large industrial water users. For the past several decades, there has been a contract in place for the industry located at 1801 Concord Turnpike. Previous contracts were with RockTenn and Westrock. Currently, CertainTeed, a subsidiary of Saint-Gobain North America, owns and operates the facility specializing in a specific building product. CertainTeed is Lynchburg's single largest water and sewer user, providing critical revenues to the Water and Sewer Funds. Our Water and Sewer contracts are based on a cost of service methodology that looks at the specific infrastructure that provides service to the facility and the specific treatment costs for the volume of water purchased and volume of sewer used including high-strength waste in the form of Total Suspended Solids (TSS) and Biological Oxygen Demand (BOD). The methodology is also consistent with the terms of our CSO Consent Order which includes certain financial requirements associated with contract customers. This cost of service study is performed by an independent outside consultant and is updated every five years.

PRIOR ACTION(S)

None

FISCAL IMPACT

Revenues associated with Water and Sewer use.

CONTACT(S)

Timothy Mitchell, Director of Water Resources

ATTACHMENT(S)

1. CertainTeed Water and Sewer Contract Presentation 4-8-25
2. Proposed Ordinance - City & CertainTeed Water and Sewer Rates

3. Proposed Contract - City & CertainTeed Water and Sewer Rates
4. CertainTeed Contract - Water and Sewer Appendix A

REVIEWED BY

Timothy Mitchell, Director of Water Resources — Date: February 27, 2025

Gregory Patrick, Deputy City Manager — Date: April 03, 2025

Alicia Finney, Clerk of Council — Date: April 03, 2025

CERTAINTEED WATER AND SEWER CONTRACT

April 8, 2025

PURPOSE & ACTION

Purpose:

Enter into a long term industrial water and sewer contract with CertainTeed

Why:

CertainTeed is our largest water and sewer customer. Revenues from them help stabilize City-wide water and sewer rates and helps to minimize future increases. The contract also establishes certain high strength waste parameters to help optimize our wastewater treatment process while maintaining permit compliance.

THE CITY OF LYNCHBURG

CONTRACT INFORMATION

- Historically the industry at this location has had an industrial water and sewer contract
- The City's largest water user
- Rates based on an independent cost of service study
- Excludes facilities that the industry does not use. For example: CertainTeed pumps their wastewater directly to the Water Resource Recovery Facility so they do not pay sewage collection costs
- Methodology is consistent with certain industrial contract requirements in our CSO Consent Order

THE CITY OF LYNCHBURG

INDUSTRIAL RATES

CITY CURRENT RATES:

- Water volume (HCF) = $3.29
- Sewer volume (HCF) = $8.30
- Excess BOD = $26.30
- Excess TSS = $28.50

CURRENT CONTRACT RATES:

- Water volume (HCF): $1.80
- Sewer volume (HCF): $2.42
- Excess BOD = $35.16
- Excess TSS = $31.98

Usage Rates					
	2025	2026	2027	2028	2029
Water Rate/HCF	$1.79	$1.85	$1.89	$1.95	$1.98
Water Rate/1000 gallons	$2.39	$2.47	$2.53	$2.61	$2.65
Sewer Rate/HCF	$2.64	$2.88	$3.01	$3.03	$3.05
Sewer Rate/1000 gallons	$3.53	$3.85	$4.02	$4.05	$4.08
Excess BOD Per 100/lbs. over 300 mg/l	$38.82	$42.85	$46.01	$46.25	$46.41
Excess TSS Per 100/lbs. over 400 mg/l	$35.29	$39.05	$40.50	$40.65	$40.95

Note: As part of the rate negotiations we provided options to phase in rate increases which resulted in lower rates in the initial years but higher rates in the outer years. The overall result is the same calculated revenue over the 5 year period.

THE CITY OF LYNCHBURG

SUMMARY

Industrial contracts for the very largest industries provide rate stability for the industry, while recognizing the importance of the industries' large base revenue stream in minimizing city-wide rates increases.

For this reason and those previously discussed, Water Resources supports entering into an industrial water and sewer contract with CertainTeed.

ORDINANCE: **#O-25-____**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LYNCHBURG:

1. That the Water & Sewer Contract, dated May 13, 2025, between the City of Lynchburg and CertainTeed, LLC is hereby approved, and expressly incorporated herein by reference. Such contract, among other terms, sets fixed rates for water and wastewater services that will equal the City's cost of providing water and wastewater services to CertainTeed. The Water & Sewer Contract is designed to be long-term in nature and the rates described therein are to be adjusted every five (5) years until the contract terminates as provided therein. The proposed "usage rates" for water and wastewater services for CertainTeed for the first five (5) years of the contract (January 1, 2025 to December 31, 2029) are as follows:

Usage Rates					
	2025	2026	2027	2028	2029
Water Rate/HCF	$1.79	$1.85	$1.89	$1.95	$1.98
Water Rate/1000 gallons	$2.39	$2.47	$2.53	$2.61	$2.65
Sewer Rate/HCF	$2.64	$2.88	$3.01	$3.03	$3.05
Sewer Rate/1000 gallons	$3.53	$3.85	$4.02	$4.05	$4.08
Excess BOD Per 100/lbs. over 300 mg/l	$38.82	$42.85	$46.01	$46.25	$46.41
Excess TSS Per 100/lbs. over 400 mg/l	$35.29	$39.05	$40.50	$40.65	$40.95

A monthly Non-Process Charge will be billed. The Non-Process Charge is intended to recover the cost for treating wastewater from water sources at the Mill that are unrelated to the Company's manufacturing process. The formula to calculate the monthly Non-Process Charge shall be as follows: Number of Employees x Days/Month Basis x Gallons/Day Basis x Current Sewer Rate.

2. That the City Manager is authorized to execute the said contract on behalf of the City, and take any further actions necessary to finalize the same.

3. That this Ordinance shall become effective upon its adoption.

Adopted:

Certified: ________________________________
Clerk of Council

WATER & SEWER CONTRACT

THIS CONTRACT, is made and entered into on this 13th day of May, 2025, by and between **CertainTeed**, **LLC**, a company duly authorized to engage in business in the Commonwealth of Virginia, hereinafter referred to as the "Company", and the **City of Lynchburg**, a municipal corporation of the Commonwealth of Virginia, hereinafter referred to as the "City", who are the sole parties to this Contract.

RECITALS

A. The Company's production facilities located on Concord Turnpike, hereinafter referred to as the "Mill", pump wastewater directly to the City of Lynchburg's Regional Water Resource Recovery Facility, hereinafter referred to as the "WRRF", and does not benefit from the City's wastewater collection and conveyance lines. The costs of the City's wastewater collection and conveyance lines are not included in the stated sewer rates.

B. It is the intent of the parties to have fixed rates for water and wastewater services that will equal the City's cost of providing water and wastewater services to the Company. It is also the intent of both parties to have a long-term renewable contract that can be adjusted every five (5) years for changes in cost until such time as the Contract is terminated as provided herein. The initial contract period for this Contract will be from <u>January 1, 2025, through December 31, 2029</u>.

C. The rate methodology used in this Contract is consistent with the requirements of that certain Special Consent Order between the City and the VA-DEQ, dated July 15, 2015, and the authority described under Code of Virginia §§ 15.2-2119 and 15.2-2143.

NOW, THEREFORE, WITNESSETH: that for and in consideration of the terms, conditions, and provisions hereof, the Company and the City agree as follows:

ARTICLE I. OPERATION OF THE WATER AND WASTEWATER FACILITIES

A. The City will operate the water and wastewater facilities that it owns or controls in compliance with all applicable statutes, ordinances, rules, and regulations, present and future, and meet all applicable standards and requirements, present and future, of the Commonwealth of Virginia Department of Environmental Quality (VA-DEQ), the Virginia Department of Health (VDH), and other applicable regulatory agencies.

B. The City will maintain the water and wastewater facilities in good working order and condition, will make necessary repairs thereto, and shall operate the facilities at all times properly and at a capacity that will permit the Company to meet its water needs and to dispose of wastewater from the Mill as provided in Article II and III of this Contract, except as provided for in Article VI (Force Majeure).

C. The Company agrees that the operation and maintenance of the pump station and force main is the responsibility of the Company.

ARTICLE II. COMPANY WATER USE

A. The Company agrees to draw all of its water needs at the Mill from the City and the City agrees to supply the Company with all of its water supply needs.

B. The quality of water delivered to the Company under this Contract shall be the same as that furnished to domestic customers and shall meet the requirements of the VDH and/or the U.S. Environmental Protection Agency (USEPA) and other State and Federal agencies which have jurisdiction over public water supplies.

ARTICLE III. TREATMENT OF COMPANY'S WASTEWATER

A. The Company will pre-treat its wastewater in accordance with the City's ordinances and regulations, its Wastewater Discharge Permit, and shall not discharge to the WRRF any wastewater that would be harmful to the operation of the WRRF. Nor shall the Company cause the City to be in violation of its permit with VA-DEQ or any federal or state regulatory agency.

B. Beginning January 1, 2025, the City agrees to provide the Company with wastewater treatment up to the levels shown below at the "Usage Rates" described in Article IV(A):

Daily Wastewater Flow Limit	1.0 mgd
Daily TSS Limit	15,000 lbs/day (TSS = Total Suspended Solids)
Daily TSS Exceedance Limit	20,000 lbs/day
Daily BOD Limit	15,000 lbs/day (BOD = Biological Oxygen Demand)
Daily BOD Exceedance Limit	17,000 lbs/day

C. Should flows and/or loadings exceed these limits, then the City will proceed with action on the following events:

(1) When levels are above Peak Daily Limits a Corrective Action Required Letter will be generated.

(2) When levels are above Exceedance Limits a Notice of Violation Letter will be generated.

D. Effective January 1, 2025, the Company agrees to comply with a modified Wastewater Discharge Permit with the limits as stated above.

ARTICLE IV. SERVICE CHARGES (EFF. JANUARY 1, 2025 TO DECEMBER 31, 2029)

A. The City will charge the Company the following "Usage Rates" for water and sewer services:

Usage Rates					
	2025	2026	2027	2028	2029
Water Rate/HCF	$1.79	$1.85	$1.89	$1.95	$1.98
Water Rate/1000 gallons	$2.39	$2.47	$2.53	$2.61	$2.65
Sewer Rate/HCF	$2.64	$2.88	$3.01	$3.03	$3.05
Sewer Rate/1000 gallons	$3.53	$3.85	$4.02	$4.05	$4.08
Excess BOD Per 100/lbs. over 300 mg/l	$38.82	$42.85	$46.01	$46.25	$46.41
Excess TSS Per 100/lbs. over 400 mg/l	$35.29	$39.05	$40.50	$40.65	$40.95

B. A monthly Non-Process Charge will be billed. The Non-Process Charge is intended to recover the cost for treating wastewater from water sources at the Mill that are unrelated to the Company's manufacturing process. The formula to calculate the monthly Non-Process Charge shall be as follows: Number of Employees x Days/Month Basis x Gallons/Day Basis x Current Sewer Rate.

Non-Process Monthly Charge Calculation Example

# Employees as of January 1	Days/Month Basis	Gallons/Day Basis	Current City Sewer Rate/HCF*	Non-Process Monthly Charge
90	29.25	25	$8.30	$730.27

(*748 gallons per HCF)

(1) The Company will provide the actual number of full-time employees as of January 1st each year.

(2) Day/Month Basis is based on the following: (365 days/year – 14 days for holiday shutdown)/12 months.

(3) City Sewer Rates typically update July 1st of every year. Regardless when sewer rate changes incur, the current City sewer rates will be used.

C. The methodology used to determine the rates shown in paragraph A of this Article IV is based on the Company's Water and Sewer Contract Rate Calculations prepared by PJ SUN LLC, dated December 27, 2023 (see Appendix A).

D. To continue to receive the contract rates described above, the Company shall guarantee a minimum annual water consumption of 149,600,000 gallons or 200,000 hcf and a minimum annual wastewater flow of 149,600,000 gallons or 200,000 hcf. The minimum annual water consumption and the minimum annual wastewater flow shall be the total volume consumed or discharged respectively from January 1st to December 31st of each year. Should the annual total for either fall below the respective amount, the Company's contract volume rate shall be recalculated for the water consumption and/or wastewater discharge so that the combined total bill from January 1st to December 31st will be equivalent to 200,000 hcf. The Company shall then be billed for the difference. The Contract volume rate shall then revert to the Contract rates established in the Usage Rate table above beginning January 1st immediately following the period of low consumption.

E. The amount of water drawn by the Company will be determined based on monthly readings performed by the City of all water meters at the Company's Plant.

F. The City shall be responsible for the accuracy of water meters and will provide the Company with a certification, upon request, as to the accuracy of the meters. The accuracy of the meters will be maintained to the standards of the American Water Works Association (AWWA) Standards for Water Meters.

G. Wastewater flows shall be measured by an in-line magnetic flow meter located at the WRRF dedicated to flow only from the Mill's pump station. The WRRF shall have the meter calibrated as recommended by the manufacturer at least once per calendar year. The flow meter shall have a totalizer that shall record at least once per day to use for the calculation of daily flows.

H. In the event the device identified in Article IV(G) fails or is otherwise deemed incorrect in measuring daily flows, for billing purposes, flows will be estimated based on other available data to include but not be limited to the current or previous month's daily average, fresh water usage or other agreeable methods. If the Mill believes the flow to be incorrect due to malfunction of their equipment (such as a check valve), the Mill must notify the industrial monitoring coordinator in writing about the malfunctions as soon as known and before the bill is generated (on or about the 10th of the month). The information should include the date of the equipment malfunction, cause, corrective action, and date of correction. On a case by case circumstance, the City will consider a reasonable adjustment to the flow for each day if deemed appropriate.

I. TSS and BOD shall be sampled and analyzed at the WRRF in accordance with procedures specified in the latest version of "Standard Methods for the Examination of Water and Wastewater" as published jointly by the American Public Health Association, the AWWA and the Water Environment Federation, or any other method mutually acceptable to the City and the Company. Charges for BOD and TSS will be calculated using actual measured sewer flow, measured as described herein. Calculations from these tests along with the totalized flow from the Wastewater flow measuring device described herein shall be used to calculate the monthly invoice, excess flow, excess loadings, permitted loadings, and any other parameters included herein or in the discharge permit. BOD and TSS charges shall be calculated based on the total calculated BOD and TSS minus the amount of normal strength domestic wastewater, which is defined as 300 mg/l for BOD and 400 mg/l for TSS as indicated below and as provided for in City Code.

lbs. of BOD = Total BOD, lbs. – ((monthly sewer flow, MG) x avg. BOD (300 mg/l) x 8.34)

lbs. of TSS = Total TSS, lbs. – ((monthly sewer flow, MG) x avg. TSS (400, mg/l) x 8.34)

J. For wastewater related charges, the City will issue a monthly miscellaneous invoice which includes all wastewater charges to the Company. Undisputed wastewater bills unpaid within five (5) days after due date as shown on the bill will be subject to a five percent (5%) penalty.

K. For water related charges, the City will read the water meters and issue an automated system bill for monthly water use to the Company. Undisputed water bills unpaid within five (5) days after due date as shown on the bill will be subject to a five percent (5%) penalty.

L. The City will bill the Company for water and sewer services based on the provisions described in this Article IV. The Company must notify the City in writing within twenty (20) days of receipt of any bill for which there are questions to avoid potential penalties.

ARTICLE V. CONTRACT EXTENSION

A. Effective January 1, 2030, and every five-year increment thereafter, the water and sewer rates will be adjusted to reflect changes in cost unless the contract is terminated as described herein. However, should any of the City's calculated cost of service rates increase by more than five percent (5%) in any year due to events that were not known or were indeterminable as of the date the water and sewer rates were revised per this section of the Contract, the Contract water and sewer rates will be adjusted to reflect changes in cost of service prior to the end of the five-year increment period. Costs associated with any additional evaluation(s) shall be divided equally between the City and the Company.

B. The intent of the City and the Company is to adjust the rates to cost of service levels every five (5) years based on the same methodology included in Appendix A to this Contract.

C. The City reserves the right to reevaluate this Contract and circumstances prior to renewal and reserves the right to terminate this Contract upon giving the Company two (2) years prior written notice should the evaluation indicate that it is not in the City's best interest to continue this Contract.

D. The Company may terminate this Contract by giving the City two (2) years prior written notice.

E. The City agrees to contract with an independent rate consultant every five (5) years to perform the analysis required to adjust the water and sewer rates to cost of service levels for the ensuing five (5) years. As part of the consultant's analysis, the methodology for calculating the water and sewer rates will be evaluated and agreed upon by the City and the Company as to its applicability to prevailing conditions. In the event both parties cannot agree on changes that may be proposed by either party, the methodology in Appendix A of this Contract shall prevail.

F. The City will provide the Company with the rate analysis described in this Contract six months before the effective date of the renewal provision specified in this Article V. If the City and the Company cannot agree on what the rates should be by the effective date of the renewal provision, and if the Company notes objections in writing to the consultant's analysis regarding the new rates no later than sixty (60) days prior to the effective date of the renewal provision, then a provisional rate equal to one hundred ten percent (110%) of the rates in effect prior to such effective date will be used to bill the Company for services until such time that agreement on the rates is reached, which agreement shall be reached within six (6) months of the City's receipt of the Company's objections. If agreement is not reached by such date, the City and the Company shall agree as to the identity of a third-party consultant, which shall be a recognized consulting firm with experience in municipal water and sewer rate analyses, and such third-party consultant shall be employed to provide, within ninety (90) days of its employment, a separate analysis of rates which shall be binding on both parties. The City and the Company shall share equally in the costs for such third-party consultant. The rates resulting from such analysis shall become effective, and the City will retroactively adjust all bills submitted to the Company for the difference between the provisional and actual rates agreed upon.

ARTICLE VI. FORCE MAJEURE

A. The City will not be liable for its failure to provide any of the services under this Contract if such failure to provide services is the result of an act of God, war or public enemy, seizure of legal process, strikes, lockouts, labor disputes, work stoppages, riots or civil disturbances, equipment or system failures, power failures or any other event beyond the City's control.

B. Neither the Company nor the City shall be liable for damages to the other for any act, omission, or circumstances occasioned by or in consequence of any act of God, strikes, lockouts, acts of public enemies, wars, blockades, insurrections, riots, epidemics, landslides, lightning, civil disturbances, explosions, breakage or accident to machinery or lines or pipe, the binding order of any court or government authority which has been resisted in good faith by all reasonable legal means, and any other cause, whether of the kind herein enumerated or otherwise, not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. Failure to prevent or settle a strike or strikes shall not be considered to be a matter within the control of the party claiming suspension. Such causes or contingencies affecting the performance hereunder by either the Company or the City, however, shall not relieve it of liability in the event of its negligence or in the event of its failure to use due diligence, nor shall such causes or contingencies affecting such performance relieve either party from its obligation to make payments of amounts then due with respect to water and sewer services therefore delivered.

ARTICLE VII. MISCELLANEOUS

A. For information purposes only, the Company will provide the City with estimates of its future water demands, wastewater flows, and loads annually and the City will inform the Company of any events or circumstances that it becomes aware of that could cause the water and wastewater rates described herein to be materially different than the cost of providing water and wastewater services to the Company.

B. Appendix A is incorporated herein and made a part of this Contract.

C. If any part, provision, or portion of this Contract is deemed unenforceable by a Court of competent jurisdiction, then the parties agree all remaining parts, provisions, and portions of this Contract shall remain in full force and effect.

D. This Contract embodies the entire understanding of the parties hereto, and, except for attached appendices, there are no future or other agreements or understandings, written or oral in effect between the parties related to the subject matter hereof. Further, this Contract supersedes all previous agreements that may have existed between the parties hereto with respect to the subject of equal formality signed by the parties hereto or by their duly authorized officers or representatives.

E. Modifications, additions, amendments, and/or alternations to any of the provisions of this Contract shall be in writing and signed by duly authorized representatives of the parties.

F. This Contract shall be governed in its entirety by the laws of the Commonwealth of Virginia. Any litigation arising between the parties hereto, in relation to this Contract, shall be filed in the courts of the City of Lynchburg, Virginia.

G. The Company shall not discriminate, nor permit discrimination, against any person in its employment practices, in any of its contractual arrangements, in any services or accommodations it offers the public, or in any of its other business operations on the grounds of race, color, sex, national origin, or any other basis prohibited by state or federal law, nor exclude any person from participation in, deny the benefits of, or otherwise subject any person to discrimination in providing services on the grounds of race, color, sex, national origin, or any other basis prohibited by state or federal law. Additionally, the Company shall not discriminate against and will make all reasonable efforts to accommodate persons with disabilities as required by Americans with Disabilities Act (ADA).

H. The Company shall pay promptly when due any and all taxes related to its operations. Further, the Company shall maintain all necessary licenses, permits, approvals, and the like connected to its operations, this Contract, or both.

I. All notices or other writings required to be given under this Contract shall be given by date-and-time stamped facsimile, hand delivery with signed receipt, overnight or other courier with signed receipt, or by return receipt certified or registered mail, addressed to the proper party to the following addresses, or at such other address as may be subsequently given pursuant to this Section, and shall be deemed given within seven (7) days of being sent or provided:

<u>If to the City:</u>
City of Lynchburg, Virginia
Attn: Director of Water Resources
525 Taylor Street
Lynchburg, VA 24504

<u>If to the Company:</u>
Ryan Long
Plant Manager
CertainTeed Interior Products Group
1801 Concord Turnpike
Lynchburg, VA 24504

J. The titles of articles, sections, paragraphs, etc. of this Contract are for reference purposes only and shall be of no binding effect.

K. The parties hereto shall be deemed and construed as independent contractors with respect to one another for all purposes and nothing contained in this Contract shall be determined to create a partnership or joint venture between the Company and the City with respect to the parties' activities under this Contract. The Company and the City are each responsible for their own respective liabilities under this Contract.

L. The waiver by either the Company or the City of any default or breach by the other party of any of the provisions of this Contract shall not be deemed a continuing waiver or waiver of any other breach by the other party of the same or another provision hereof.

M. This Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Further, this Contract, nor any part thereof, may not be assigned without the written consent of the non-assigning party.

N. No third-party beneficiaries are intended by this Contract.

O. The parties hereto agree to abide by all laws, regulations, and industry standards which may be applicable to their operations under this Contract.

P. Prior to this Contract's execution, this Contract shall be approved by an Ordinance adopted by the Lynchburg City Council after a public hearing has been advertised and held pursuant to the requirements of Va. Code Sec. 15.2-107.

Q. The parties agree this Contract may be executed by electronic signature. Without limitation, "electronic signature" shall include faxed versions of an original signature or electronically scanned and transmitted versions (e.g., via pdf) of an original signature. This Contract may be executed in counterparts. Each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one document.

IN WITNESS WHEREOF, the parties hereto, or authorized agents on their behalf, do hereby execute this Contract as of the date first above written.

(Remainder of Page Intentionally Left Blank)

CERTAINTEED, LLC

Signature: ____

Printed Name: ____

Title: ____

(SEAL)

ATTEST:

Signature: ____

Printed Name: ____

Title: ____

CITY OF LYNCHBURG

Signature: ____

Printed Name: ____

Title: ____

(SEAL)

ATTEST:

Signature: ____

Printed Name: ____

Title: ____

APPROVED AS TO FORM:

____

City Attorney / Designee

APPENDIX A

CertainTeed Water & Sewer Contract Rate Calculations
December 27, 2023

Schedule

1	Estimated Annual Billings at Proposed Rates
2	Estimated Annual Billings at Cost of Service Rates
3	Water Rate Calculations
4	Water - Applicable %
5	Water System Capital Cost Activity
6	Sewer Rate Calculation
7	Sewer - Applicable %
8	Sewer System Capital Cost Activity
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11	BOD / TSS Allocations
12	Wastewater Treatment Plant Capital Cost Activity
13	Wastewater Treatment Allocations to Unit Processes
14	Wastewater Treatment Cost Allocation %'s to Unit Processes
15	Wastewater Treatment Staff Allocation
16	Wastewater Treatment Staff Allocation %'s

Cost of Service Calculations Prepared by PJ Sun, LLC

Schedule 1
Estimated Annual Billings at Proposed Rates

	Actual	Projection			Projection			FY 2024 - FY 2029 Revenue w/Proposed Rates	FY 2024 - FY 2029 Revenue Per Cost of Service Calculations
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029		
1. Water									
Flow in hcf	422,064	415,000	420,000	420,000	420,000	420,000	420,000		
Rate per hcf	1.77	1.80	1.79	1.85	1.89	1.95	1.98		
	$747,053	**$747,000**	**$750,192**	**$776,999**	**$792,409**	**$817,820**	**$832,788**	**$3,970,208**	**3,970,208**
2. Sewer			-0.8%	3.6%	2.0%	3.2%	1.8%		
Flow in hcf	362,847	350,000	350,000	350,000	350,000	350,000	350,000		
Rate in hcf	2.32	2.42	2.64	2.88	3.01	3.03	3.05		
	$842,641	**$847,000**	**$924,000**	**$1,008,000**	**$1,053,500**	**$1,060,500**	**$1,067,495**	**$5,113,495**	**$5,115,101**
3. BOD			9.1%	9.1%	4.5%	0.7%	0.7%		
100 lbs.	24,984	20,000	20,000	20,000	20,000	20,000	20,000		
Rate per 100 lbs.	$35.16	$35.16	$38.82	$42.85	$46.01	$46.25	$46.41		
	$878,414	**$703,181**	**$776,400**	**$857,000**	**$920,200**	**$925,000**	**$928,270**	**$4,406,870**	**$4,406,824**
4. TSS			10.4%	10.4%	7.4%	0.5%	0.4%		
100 lbs.	29,888	30,000	30,000	30,000	30,000	30,000	30,000		
Rate per 100 lbs.	$31.98	$31.98	$35.29	$39.05	$40.50	$40.65	$40.95		
	$955,933	**$959,515**	**$1,058,700**	**$1,171,500**	**$1,215,000**	**$1,219,500**	**$1,228,611**	**$5,893,311**	**$5,891,768**
			10.3%	10.7%	3.7%	0.4%	0.7%		
5. Non Process	**$ 5,940**	**$ 6,190**	**$ 6,753**	**$ 7,366**	**$ 7,699**	**$ 7,750**	**$ 7,801**	**$37,369**	**$37,381**
			9.1%	9.1%	4.5%	0.7%	0.7%		
Peak Charges	**$ 91,616**	**$ 91,616**	**$ 106,275**	**$ 109,038**	**$ 111,873**	**$ 114,781**	**$ 117,766**	**$559,732**	**$559,732**
			16.0%	2.6%	2.6%	2.6%	2.6%		
Adjustments	**$ (126,648)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**		
Total	**$3,394,949**	**$3,354,502**	**$3,622,320**	**$3,929,903**	**$4,100,681**	**$4,145,351**	**$4,182,732**	**$19,980,986**	**$19,981,014**
% increase			8.0%	8.5%	4.3%	1.1%	0.9%		

Schedule 2
Estimated Annual Billings at Cost of Service Rates

	Actual	Projection			Projection			Sewer Revenue Per Cost of Service Calculations
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
1. Water								
Flow in hcf	422,064	415,000	420,000	420,000	420,000	420,000	420,000	
Rate per hcf	1.77	1.80	1.79	1.85	1.89	1.95	1.98	
	$747,053	**$747,000**	**$750,192**	**$776,999**	**$792,409**	**$817,820**	**$832,788**	**$3,970,208**
2. Sewer			-0.8%	3.6%	2.0%	3.2%	1.8%	
Flow in hcf	362,847	350,000	350,000	350,000	350,000	350,000	350,000	
Rate in hcf	2.32	2.42	2.80	2.86	2.92	2.98	3.05	
	$842,641	**$847,000**	**$981,032**	**$1,000,305**	**$1,021,940**	**$1,044,329**	**$1,067,495**	**$5,115,101**
3. BOD			15.8%	2.0%	2.2%	2.2%	2.2%	
100 lbs.	24,984	20,000	20,000	20,000	20,000	20,000	20,000	
Rate per 100 lbs.	$35.16	$35.16	$41.83	$42.88	$44.02	$45.20	$46.41	
	$878,414	**$703,181**	**$836,685**	**$857,534**	**$880,382**	**$903,953**	**$928,270**	**$4,406,824**
4. TSS			19.0%	2.5%	2.7%	2.7%	2.7%	
100 lbs.	29,888	30,000	30,000	30,000	30,000	30,000	30,000	
Rate per 100 lbs.	$31.98	$31.98	$37.57	$38.49	$39.28	$40.10	$40.95	
	$955,933	**$959,515**	**$1,127,129**	**$1,154,561**	**$1,178,396**	**$1,203,071**	**$1,228,611**	**$5,891,768**
			17.5%	2.4%	2.1%	2.1%	2.1%	
5. Non Process	**$ 5,940**	**$ 6,190**	**$ 7,169**	**$ 7,310**	**$ 7,468**	**$ 7,632**	**$ 7,801**	**$37,381**
			16%	2%	2%	2%	2%	
Peak Charges	**$ 91,616**	**$ 91,616**	**$ 106,275**	**$ 109,038**	**$ 111,873**	**$ 114,781**	**$ 117,766**	**$559,732**
			16.0%	2.6%	2.6%	2.6%	2.6%	
Adjustments	**$ (126,648)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	
Total	**$3,394,949**	**$3,354,502**	**$3,808,483**	**$3,905,747**	**$3,992,468**	**$4,091,586**	**$4,182,732**	**$19,981,014**
% increase			13.5%	2.6%	2.2%	2.5%	2.2%	

Notes:
1. FY2023 and FY 24 water and sewer rates are based on weighted avg. of first 3 months and last 9 months.
2. Adjustments is related to a water leak that impacted sewer flows and BOD and TSS measurments.

Schedule 3
Water Rate Calculation

	Projection FY 2025	Projection FY 2026	Projection FY 2027	Projection FY 2028	Projection FY 2029
1. O&M Components					
Water treatment	4,405,833	4,538,008	4,674,148	4,814,373	4,958,804
Water line maintenance	3,022,672	3,113,352	3,206,753	3,302,955	3,402,044
Meter reading	932,138	995,102	1,059,955	1,126,754	1,165,556
Adm.	5,377,644	5,538,973	5,705,143	5,876,297	6,052,586
Non-departmental	318,600	326,638	333,887	341,355	349,046
Capitalized cost	-130,000	-133,900	-137,917	-142,055	-146,316
Total costs	13,926,887	14,378,173	14,841,968	15,319,679	15,781,719
Applicable %	52%	52%	52%	52%	52%
Applicable costs	7,232,971	7,467,348	7,708,221	7,956,322	8,196,284
Hydrant & Fire Protection charges	-933,820	-961,677	-990,371	-1,019,925	-1,050,366
Net contract costs	6,299,151	6,505,671	6,717,850	6,936,397	7,145,918
Estimated annual flow in hcf	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000
O&M rate	**$ 1.37**	**$ 1.41**	**$ 1.46**	**$ 1.51**	**$ 1.55**
2. Capital Component					
Net asset value	44,299,873	46,356,939	43,991,715	45,130,083	42,687,517
Rate of return	6.0%	6.0%	6.0%	6.0%	6.0%
Return amount	2,657,992	2,781,416	2,639,503	2,707,805	2,561,251
Depreciation expense	2,626,358	2,742,934	2,765,224	2,861,633	2,882,566
Total capital costs	5,284,350	5,524,350	5,404,727	5,569,438	5,443,817
Annual plant capacity in hcf	12,678,640	12,678,640	12,678,640	12,678,640	12,678,640
Capital rate	**$ 0.42**	**$ 0.44**	**$ 0.43**	**$ 0.44**	**$ 0.43**
3. Contract Water Rate / hcf	**$ 1.79**	**$ 1.85**	**$ 1.89**	**$ 1.95**	**$ 1.98**
4. Conversion to 1,000 gallons	**$ 2.39**	**$ 2.47**	**$ 2.52**	**$ 2.60**	**$ 2.65**

Notes;
1. O&M expenses in FY 2025 are based on FY 2024 budget submission plus annual cost increases of about 3%
2. Estimated annual flow based on analysis of historical water use and best estimates of futures use.
3. Annual plant capacity based on 26 MGD assumed system capacity.(26 MGD x .001336 x 365 days) = 12,678,640

Schedule 4
Water - Applicable %

	$'s	%	$'s
Water treatment	4,405,833	100%	4,405,833
Water line maintenance	3,022,672	30%	906,802
Meter reading	932,138	0%	0
Adm.	5,377,644	33%	1,774,623
Non-departmental	318,600	49%	156,114
Capitalized cost	-130,000	8%	-10,400
	13,926,887		7,232,971

Applicable % = 7,088,565 / 13,179,489	52%

Notes:
1. Water treatment is 100% related to service provided to all customers
2. Water line maintenance includes activities to operate and maintain the entire water network. 30% of the network activity is related to transmission mains.
3. Meter reading costs are billed as part of the monthly fixed charge. Thus 0% allocated to contract customers.
4. Adm. includes costs related to water, sewer and stormwater activities. The estimated cost related to sewer and stormwater activites,$2,750,000 is deducted from the total Adm. cost. 33% of the remainder ($2,495,051) is related to water treatment and transmission activities.
5. Non-departmental includes charges for financial audit, payments for retirees insurance and estimated pay increases for staff. The non-departmental cost % is based on the # of employees involved in water treatment and transmission activities.
5. Capitalized cost related to water treatment and transmission projects is based on the FY 2024 CAPEX additions per schedule 5 (1,153,588 / 14,957,959) = 8%

Schedule 5
Water System Capital Cost Activity

	Budget FY 2024	Projection FY 2025	Projection FY 2026	Projection FY 2027	Projection FY 2028	Projection FY 2029
Beginning Book Value (1)						
Small mains (<12") (2)	36,920,567	28,347,106	41,298,790	48,506,544	55,741,759	60,650,193
All other fixed assets	49,091,151	44,466,231	44,299,873	46,356,939	43,991,715	45,130,083
	86,011,718	72,813,337	85,598,663	94,863,484	99,733,474	105,780,276
Additions						
Small mains (<12")	13,804,371	14,482,590	8,917,000	9,127,000	6,939,000	7,649,000
All other fixed assets (3)	1,153,588	2,460,000	4,800,000	400,000	4,000,000	440,000
	14,957,959	16,942,590	13,717,000	9,527,000	10,939,000	8,089,000
Depreciation (4)						
Small mains (<12")	1,241,254	1,530,906	1,709,246	1,891,786	2,030,566	2,183,546
All other fixed assets	2,551,744	2,626,358	2,742,934	2,765,224	2,861,633	2,882,566
	3,792,998	4,157,264	4,452,179	4,657,010	4,892,198	5,066,112
Ending Book Value						
Small mains (<12")	49,483,684	41,298,790	48,506,544	55,741,759	60,650,193	66,115,647
All other fixed assets	47,692,995	44,299,873	46,356,939	43,991,715	45,130,083	42,687,517
	97,176,679	85,598,663	94,863,484	99,733,474	105,780,276	108,803,164
FY 2023 Depreciation (1)						
Small mains (<12")	944,460					
All other fixed assets	2,526,942					
	3,471,402					

Notes:
1. Beginning book value based and deprecation based on June 30, 2023 audited CAFR amounts.
2. Small main information based on an analysis of City asset register and CWIP data.
3. Other asset additions include tank rehabilitation, plant and pump station improvements and Pedlar Dam improvements.
4. Depreciation in FY 2023 equals FY 2023 depreciation plus 2.15% of additions.

Schedule 6
Sewer Rate Calculation

	Projection FY 2025	Projection FY 2026	Projection FY 2027	Projection FY 2028	Projection FY 2029
1. O&M Components					
Wastewater treatment	14,284,997	14,694,297	15,136,476	15,591,921	16,061,030
Sewer line maintenance	4,924,546	5,072,282	5,224,451	5,381,184	5,542,620
Non-departmental	327,847	337,682	347,813	358,247	368,994
Capitalized cost	-166,000	-170,980	-176,109	-181,393	-186,834
Total costs	19,371,390	19,933,281	20,532,631	21,149,959	21,785,810
Applicable %	74%	74%	74%	74%	74%
Applicable costs	14,422,461	14,840,802	15,287,032	15,746,648	16,220,054
Offsets	-7,000,000	-7,210,000	-7,426,300	-7,649,089	-7,878,562
Net contract costs	7,422,461	7,630,802	7,860,732	8,097,559	8,341,492
Estimated annual flow in hcf	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000
O&M rate	**$ 2.32**	**$ 2.38**	**$ 2.46**	**$ 2.53**	**$ 2.61**
2. Capital Component					
Net asset value	66,464,666	62,750,421	59,036,177	55,321,932	51,607,688
Rate of return	2.9%	2.9%	2.9%	2.9%	2.9%
Return amount	1,927,475	1,819,762	1,712,049	1,604,336	1,496,623
Depreciation expense	3,258,798	3,258,798	3,258,798	3,258,798	3,258,798
Total capital costs	5,186,274	5,078,561	4,970,848	4,863,135	4,755,421
Annual plant capacity in hcf	10,728,080	10,728,080	10,728,080	10,728,080	10,728,080
Capital rate	**$ 0.48**	**$ 0.47**	**$ 0.46**	**$ 0.45**	**$ 0.44**
3. Contract Sewer Rate / hcf	**$ 2.80**	**$ 2.86**	**$ 2.92**	**$ 2.98**	**$ 3.05**
4. Conversion to 1,000 gallons	**$ 3.75**	**$ 3.82**	**$ 3.90**	**$ 3.99**	**$ 4.08**

Notes:
1. O&M expenses assumed to increase 3% per year.
2. Estimated annual flow based on best available data.
3. Rate of return based on continuation of low interest financing from VRLF.
4. Annual plant capacity based on 22 MGD assumed system capacity.

Schedule 7
Sewer - applicable %

	$'s	%	$'s
Wastewater treatment	14,284,997	100%	14,284,997
Sewer line maintenance	4,924,546	0%	0
Non-departmental	327,847	63%	205,524
Capitalized cost	-166,000	41%	-68,060
	19,371,390		14,422,461

Applicable % = 14,038,246 / 18,782,365 — 74%

Notes:
1. Wastewater treatment is 100% related to service provided to contract customers.
2. No sewer line maintenance cost is applicable to West Rock due to its close proximity to the WWTP.
3. Non-departmental includes charges for financial audit, payments for retirees insurance and estimated pay increases for staff. The non-departmental cost % is based on the # of employees involved in WWTP activities.
4. Capitalized cost related to WWTP and Conveyance is based on the FY 2024 CAPEX additions per schedule 8 (2,701,701 / 6,610,570) = 41%

Schedule 8
Sewer System Capital Cost Activity

	Budget 2024	Projection FY 2025	Projection FY 2026	Projection FY 2027	Projection FY 2028	Projection FY 2029
Beginning Book Value						
Small mains & WW	128,346,225	128,261,214	127,637,177	128,263,369	128,970,269	130,842,536
Conveyance	117,290,015	116,469,853	116,133,594	117,054,385	115,223,275	116,104,166
All other fixed assets	59,653,352	56,460,643	54,601,844	51,343,046	48,084,247	44,825,449
	305,289,592	301,191,710	298,372,615	296,660,799	292,277,792	291,772,151
Additions						
Small mains & WW	3,908,869	3,438,615	4,784,534	4,964,534	6,255,000	6,450,000
Conveyance	2,663,612	3,211,750	4,560,000	1,845,000	4,650,000	3,025,000
All other fixed assets	38,089	1,400,000	-	-	-	-
	6,610,570	8,050,365	9,344,534	6,809,534	10,905,000	9,475,000
Depreciation						
Small mains & WW	3,993,880	4,062,652	4,158,343	4,257,633	4,382,733	4,511,733
Conveyance	3,483,774	3,548,009	3,639,209	3,676,109	3,769,109	3,829,609
All other fixed assets	3,230,798	3,258,798	3,258,798	3,258,798	3,258,798	3,258,798
	7,224,678	7,412,252	7,629,979	7,788,641	8,042,728	8,263,495
Ending Book Value						
Small mains & WW	128,261,214	127,637,177	128,263,369	128,970,269	130,842,536	132,780,803
Conveyance	116,469,853	116,133,594	117,054,385	115,223,275	116,104,166	115,299,557
All other fixed assets	56,460,643	54,601,844	51,343,046	48,084,247	44,825,449	41,566,650
	301,191,710	298,372,615	296,660,799	292,277,792	291,772,151	289,647,010

FY 2023 depreciation	
Small mains & WW	3,902,803
Conveyance	3,421,712
All other fixed assets	3,229,911
	10,554,426

Notes:
1. Beginning book value depreciation of $7,898,587 based on June 30, 2023 audited CAFR amounts.
2. Small main information based on analysis of City asset register and CWIP data.
3. Other asset additions include interceptor projects and upgrades to the WWTP.
4. Depreciation in FY 2023 equals FY 2023 depreciation plus 2.33% of additions.

Schedule 9
BOD Rate Calculation

	Projection FY 2025	Projection FY 2026	Projection FY 2027	Projection FY 2028	Projection FY 2029
1. O&M Components					
WWTP O&M	12,023,700	12,365,161	12,737,466	13,120,941	13,515,920
Applicable %	34.0%	34.0%	34.0%	34.0%	34.0%
Applicable costs	4,090,606	4,206,775	4,333,437	4,463,900	4,598,277
Est. annual BOD loading in 100 lbs.	105,000	105,000	105,000	105,000	105,000
O&M rate	**$38.96**	**$40.06**	**$41.27**	**$42.51**	**$43.79**
2. Capital Component					
Net asset value	4,951,655	4,480,641	4,009,627	3,538,613	3,067,599
Rate of return	2.9%	2.9%	2.9%	2.9%	2.9%
Return amount	143,598	129,939	116,279	102,620	88,960
Depreciation expense	471,014	471,014	471,014	471,014	471,014
Total capital costs	614,612	600,953	587,293	573,634	559,974
Annual capacity in 100 lbs.	213,697	213,697	213,697	213,697	213,697
Capital rate	**$2.88**	**$2.81**	**$2.75**	**$2.68**	**$2.62**
3. Contract BOD rate / 100 lbs.	**$41.83**	**$42.88**	**$44.02**	**$45.20**	**$46.41**

Notes;
1. WWTP O&M in 2025 based on budget less indirect costs and self insurance ($2,261,297).
2. WWTP O&M assumed to increase 3% per year.
3. Applicable % based on analysis of wastewater treatment plant processes. See Schedule 11.

Schedule 10
TSS Rate Calculation

	Projection FY 2025	Projection FY 2026	Projection FY 2027	Projection FY 2028	Projection FY 2029
1. O&M Components					
WWTP O&M	12,023,700	12,365,161	12,737,466	13,120,941	13,515,920
Applicable %	30.8%	30.8%	30.8%	30.8%	30.8%
Applicable costs	3,705,861	3,811,104	3,925,853	4,044,045	4,165,783
Est. annual TSS loading in 100 lbs.	123,000	123,000	123,000	123,000	123,000
O&M rate	**$30.13**	**$30.98**	**$31.92**	**$32.88**	**$33.87**
2. Capital Component					
Net asset value	18,956,251	19,373,371	18,390,490	17,407,610	16,424,729
Rate of return	2.9%	2.9%	2.9%	2.9%	2.9%
Return amount	549,731	561,828	533,324	504,821	476,317
Depreciation expense	982,881	982,881	982,881	982,881	982,881
Total capital costs	1,532,612	1,544,708	1,516,205	1,487,701	1,459,198
Annual capacity in 100 lbs.	205,940	205,940	205,940	205,940	205,940
Capital rate	**$7.44**	**$7.50**	**$7.36**	**$7.22**	**$7.09**
3. Contract TSS rate / 100 lbs.	**$37.57**	**$38.49**	**$39.28**	**$40.10**	**$40.95**

Notes;
1. WWTP O&M in 2025 based on budget less indirect costs and self insurance ($2,261,297).
2. WWTP O&M assumed to increase 3% per year.
3. Applicable % based on analysis of wastewater treatment plant processes. See Schedule 11.

Schedule 11
BOD / TSS Allocations

O&M Unit Process Cost	(1) %	$'s	BOD %	TSS %	BOD $'s	TSS $'s
01. WR Monitoring	0.3%	37,999	0%	0%	-	-
02. Wet Weather Ops.	5.4%	729,329	0%	0%	-	-
03. Headworks	7.1%	962,254	0.0%	1.5%	-	14,434
04. Primary Clarifiers	2.2%	304,125	34.0%	56.0%	103,403	170,310
05. Aeration Basins	13.8%	1,868,358	60.0%	30.0%	1,121,015	560,507
06. Secondary Clarifiers	2.9%	391,257	60.0%	30.0%	234,754	117,377
07. Effluent Disinfection	19.1%	2,588,968	1.0%	1.0%	25,890	25,890
08. Holding Tank 2	0.9%	120,727	47.0%	53.0%	56,742	63,985
09. Belt Thickeners	1.6%	219,409	99.0%	1.0%	217,215	2,194
10. Sludge Holding	0.9%	119,972	47.0%	53.0%	56,387	63,585
11. Sludge Processing	23.5%	3,177,348	47.0%	53.0%	1,493,354	1,683,995
12. Sludge Disposal	19.0%	2,577,205	47.0%	53.0%	1,211,286	1,365,919
13. Odor Control	1.3%	182,122	47.0%	53.0%	85,597	96,525
14. FL Odor control	1.8%	239,160	0%	0%	-	-
15. Grit Screen Waste	0.1%	19,337	0%	40%	-	7,735
16. Adm. / Misc.	0.0%	-	0%	0%	-	-
	100.0%	13,537,570			4,605,642	4,172,455
				% of total	34.0%	30.8%

Notes:
1. %'s based on analysis of WWTP costs per Schedule 13.

Schedule 12
Wastewater Treatment Plant Capital Cost Activity

	Budget FY 2024	Projection FY 2025	Projection FY 2026	Projection FY 2027	Projection FY 2028	Projection FY 2029
Beginning Book Value						
BOD related	5,366,669	4,951,655	4,480,641	4,009,627	3,538,613	3,067,599
TSS related	19,845,043	18,956,251	19,373,371	18,390,490	17,407,610	16,424,729
Other	47,131,354	44,871,004	42,610,654	40,350,304	38,089,954	35,829,604
	72,343,066	68,778,910	66,464,666	62,750,421	59,036,177	55,321,932
Additions						
BOD related	0	0	0	0	0	0
TSS related	38,089	1,400,000	0	0	0	0
Other	0	0	0	0	0	0
	38,089	1,400,000	0	0	0	0
Depreciation						
BOD related	415,014	471,014	471,014	471,014	471,014	471,014
TSS related	926,881	982,881	982,881	982,881	982,881	982,881
Other	2,260,350	2,260,350	2,260,350	2,260,350	2,260,350	2,260,350
	3,602,245	3,714,245	3,714,245	3,714,245	3,714,245	3,714,245
Ending Book Value						
BOD related	4,951,655	4,480,641	4,009,627	3,538,613	3,067,599	2,596,585
TSS related	18,956,251	19,373,371	18,390,490	17,407,610	16,424,729	15,441,849
Other	44,871,004	42,610,654	40,350,304	38,089,954	35,829,604	33,569,254
	68,778,910	66,464,666	62,750,421	59,036,177	55,321,932	51,607,688
FY 2023 Depreciation						
BOD related	415,014					
TSS related	925,357					
Other	2,260,350					
	3,600,721					

Notes:
1. Beginning book values and depreciation based on analysis of fixed asset register data.
2. Additions based on best estimate of future CAPEX.
3. Depreciation is based on the estimated useful life of WWTP assets that range from 7 to 50 years.

Schedule 13
Wastewater Treatment Allocations to Unit Processes

	Budget	1. WR Monitoring	2. Wet Weather OPS	3. Headworks	4. Primary Clarifier	5. Aeration Basins	6. Secondary Clarifier	7. Effluent Disinfection	8. Holding Tank 2	9. Belt Thickener	10. Sludge Holding	11. Sludge Process	12. Sludge Disposal	13. Odor Control	14. FL Odor Control	15. Grit Screen Waste	16. Adm. & Misc.	Net
Personal Services	3,166,614	23,812	67,524	312,079	105,376	399,781	106,926	311,964	41,402	79,415	40,929	643,978	109,317	46,704	6,366	12,117	858,923	-
Contractual Services																		
Software maintenance	105,200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	105,200	-
Communications	30,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000	-
Building M&R	245,000	-	-	24,500	-	-	-	-	-	12,250	-	-	24,500	-	-	-	183,750	-
Grounds maintenance	120,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	120,000	-
Janitorial services	45,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45,000	-
Mechanical M&R	400,000	-	28,000	28,000	36,000	88,000	16,000	40,000	4,000	4,000	4,000	132,000	-	10,000	4,000	-	6,000	-
Legal	30,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,000	-
Architectural / Eng.	200,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200,000	-
Environmental Lab.	50,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,000	-
Temporary services	350,000	-	28,000	-	-	-	-	-	-	-	-	-	-	-	-	-	322,000	-
Public relations	25,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,000	-
Refuse disposal	315,000	-	-	-	-	-	-	-	-	-	-	-	299,250	-	-	-	15,750	-
Uniform rental services	31,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	31,000	-
Refuse disposal - Hauling	35,000	-	-	-	-	-	-	-	-	-	-	-	35,000	-	-	-	-	-
Lab equipment repair	19,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,000	-
Safety related services	62,000	-		-	-	-	-	-	-	-	-	-	-	-	-	-	62,000	-
Sludge land applications	300,000	-	-	-	-	-	-	-	-	-	-	-	300,000	-	-	-	-	-
All other	43,771	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43,771	-
	2,405,971	-	56,000.00	**52,500**	**36,000**	**88,000**	**16,000**	**40,000**	**4,000**	**16,250**	**4,000**	**132,000**	**658,750**	**10,000**	**4,000**	-	**1,288,471**	-
Chemicals																		
Disinfection - NaOCl	1,300,000	-	260,000	-	-	-	-	1,040,000	-	-	-	-	-	-	-	-	-	-
Defomer	30,000	-	-	-	-	1,500	-	28,500	-	-	-	-	-	-	-	-	-	-
Sludge conditioning	400,000	-	-	-	-	12,000	-	-	-	-	-	388,000	-	-	-	-	-	-
Declorination	200,000	-	30,000	-	-	-	-	170,000	-	-	-	-	-	-	-	-	-	-
Solids thickening	30,000	-	10,500	-	-	15,000	-	-	-	-	-	4,500	-	-	-	-	-	-
Sludge stabilization	275,000	-	-	-	-	-	-	-	-	-	-	275,000	-	-	-	-	-	-
Odor control	70,000	-	-	-	-	-	-	-	7,000	7,000	7,000	49,000	-	-	-	-	-	-
Miscellaneous	155,000	-	-	-	-	-	-	-	-	-	-	-	-	-	139,500	-	15,500	-
	2,460,000	-	**300,500**	-	-	**28,500**	**0**	**1,238,500**	**7,000**	**7,000**	**7,000**	**716,500**	-	-	**139,500**	-	**15,500**	-

Schedule 13
Wastewater Treatment Allocations to Unit Processes

	Budget	1. WR Monitoring	2. Wet Weather OPS	3. Headworks	4. Primary Clarifier	5. Aeration Basins	6. Secondary Clarifier	7. Effluent Disinfection	8. Holding Tank 2	9. Belt Thickener	10. Sludge Holding	11. Sludge Process	12. Sludge Disposal	13. Odor Control	14. FL Odor Control	15. Grit Screen Waste	16. Adm. & Misc.	Net
All Other																		
Fleet services	385,688	-	-	-	-	-	-	-	-	-	-	-	366,404	-	-	-	19,284	
Electricity	1,200,000	-	12,000	156,000	7,200	564,000	96,000	4,800	18,000	7,200	18,000	276,000	-	24,000	-	-	16,800	-
Water & sewer	48,000	-	-	-	-	-	-	-	-	-	-	33,600	-	-	-	-	14,400	-
Natural gas	82,800	-	-	14,904	-	-	-	828	-	6,624	-	31,464	-	12,420	-	-	16,560	-
Landfill fee	450,000	-	-	4,500	-	-	-	-	-	-	-	-	445,500	-	-	-	-	-
Water Adm. Services	1,501,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,501,500	-
Indirect costs	595,614	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	595,614	-
Self insurance	164,183	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	164,183	-
Training & conference	36,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36,000	-
Custodial services	15,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,000	-
Protective apparel	35,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	35,000	-
Safety supplies	44,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	44,000	-
Lab room M&S	95,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	95,000	-
Ground maintenance	15,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,000	-
Minor equipment / tools	95,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	95,000	-
Building M&R	40,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,000	-
Mechanical M&R materials	525,000	-	21,000	63,000	42,000	115,500	26,250	26,250	5,250	21,000	5,250	157,500	-	21,000	-	-	21,000	-
Computer peripherals	42,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42,000	-
Nutrient trading	-25,000	-	-	-	-	(25,000)	-	-	-	-	-	-	-	-	-	-	-	-
Rents & leases	85,000	-	-	-	-	-	-	-	-	-	-	-	35,000	-	-	-	50,000	-
Communications	19,400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19,400	
All other	55,800	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55,800	-
	5,504,985	-	**33,000.00**	**238,404**	**49,200**	**654,500**	**122,250**	**31,878**	**23,250.00**	**34,824**	**23,250**	**498,564**	**846,904**	**57,420**	-	-	**2,891,541**	-
Total	**13,537,570**	**23,812**	**457,024**	**602,983**	**190,576**	**1,170,781**	**245,176**	**1,622,342**	**75,652**	**137,489**	**75,179**	**1,991,042**	**1,614,970**	**114,124**	**149,866**	**12,117**	**5,054,435**	-
Adm. & Misc. allocation	-	14,188	272,305	359,270	113,549	697,577	146,081	966,626	45,075	81,919	44,793	1,186,306	962,234	67,998	89,294	7,220	(5,054,435)	-
Total after allocation	**13,537,570**	**37,999**	**729,329**	**962,254**	**304,125**	**1,868,358**	**391,257**	**2,588,968**	**120,727**	**219,409**	**119,972**	**3,177,348**	**2,577,205**	**182,122**	**239,160**	**19,337**	-	(0)
%		0.3%	5.4%	7.1%	2.2%	13.8%	2.9%	19.1%	0.9%	1.6%	0.9%	23.5%	19.0%	1.3%	1.8%	0.1%		

Schedule 14
Wastewater Treatment Cost Allocation %'s to Unit Processes

	Budget	1. WR Monitoring	2. Wet Weather OPS	3. Headworks	4. Primary Clarifier	5. Aeration Basins	6. Secondary Clarifier	7. Effluent Disinjection	8. Holding Tank 2	9. Belt Thickener	10. Sludge Holding	11. Sludge Process	12.Sludge Disposal	13. Odor Control	14. FL Odor Control	15. Grit Screen Waste	16. Adm. & Misc.	Total
Personal Services	3,166,614	0.8%	2.1%	9.9%	3.3%	12.6%	3.4%	9.9%	1.3%	2.5%	1.3%	20.3%	3.5%	1.5%	0.2%	0.4%	27.1%	0.0%
Contractual Services																		
Software maintenance	105,200																100%	100%
Communications	30,000																100%	100%
Building M&R	245,000			10.0%						5.0%			10.0%				75%	100%
Grounds maintenance	120,000																100%	100%
Janitorial services	45,000																100%	100%
Mechanical M&R	400,000		7.0%	7.0%	9.0%	22.0%	4.0%	10.0%	1.0%	1.0%	1.0%	33.0%		2.5%	1.0%		1.5%	100%
Legal	30,000																100%	100%
Architectural / Eng.	200,000																100%	100%
Environmental Lab.	50,000																100%	100%
Temporary services	350,000		8.0%														92%	100%
Public relations	25,000							0.0%									100%	100%
Refuse disposal	315,000												95%				5%	100%
Uniform rental services	31,000																100%	100%
Refuse disposal - hauling	35,000												100%				0%	100%
Lab equipment repair	19,000																100%	100%
Safety related services	62,000																100%	100%
Sludge land applications	300,000												100%					100%
All other	43,771																100%	100%
	2,405,971																	
Chemicals																		
Disinfection - NaOCl	1,300,000		20.0%			0%		80%										100%
Defomer	30,000					5%		95%										100%
Sludge conditioning	400,000					3%						97%						100%
Declorination	200,000		15.0%					85%										100%
Solids thickening	30,000		35.0%	0.0%	0.0%	50.0%	0%	0.0%	0.0%	0%	0.0%	15%	0.0%	0.0%	0.0%	0.0%	0.0%	100%
Sludge stabilization	275,000											100%						100%
Odor control	70,000								10%	10%	10%	70%						100%
Miscellaneous	155,000														90.0%		10.0%	100%
	2,460,000																	

Schedule 14
Wastewater Treatment Cost Allocation %'s to Unit Processes

	Budget	1. WR Monitoring	2. Wet Weather OPS	3. Headworks	4. Primary Clarifier	5. Aeration Basins	6. Secondary Clarifier	7. Effluent Disinjection	8. Holding Tank 2	9. Belt Thickener	10. Sludge Holding	11. Sludge Process	12.Sludge Disposal	13. Odor Control	14. FL Odor Control	15. Grit Screen Waste	16. Adm. & Misc.	Total
All Other																		
Fleet services	385,688												95%				5%	100%
Electricity	1,200,000		1.0%	13.0%	0.6%	47.0%	8.0%	0.4%	1.5%	0.6%	1.5%	23.0%		2.0%			1.4%	100%
Water & sewer	48,000											70%					30%	100%
Natural gas	82,800			18%				1%		8%		38%		15%			20%	100%
Landfill fee	450,000			1%									99%					100%
Water Adm. Services	1,501,500																100%	100%
Indirect costs	595,614																100%	100%
Self insurance	164,183																100%	100%
Training & conference	36,000																100%	100%
Custodial services	15,000																100%	100%
Protective apparel	35,000																100%	100%
Safety supplies	44,000																100%	100%
Lab room M&S	95,000																100%	100%
Ground maintenance	15,000																100%	100%
Minor equipment / tools	95,000																100%	100%
Building M&R	40,000																100%	100%
Mechanical M&R materials	525,000		4.0%	12.0%	8.0%	22.0%	5.0%	5.0%	1.0%	4.0%	1.0%	30.0%		4.0%			4%	100%
Computer peripherals	42,000																100%	100%
Nutrient trading	-25,000					100%												100%
Rents & leases	85,000																100%	100%
Communications	19,400																100%	100%
All other	55,800																100%	100%
	5,504,985																	
Total	**13,537,570**																	

Schedule 15
Wastewater Treatment Personal Services $'s to Unit Processes

Title	Total	1. WR Monitoring	2. Wet Weather OPS	3. Headworks	4. Primary Clarifier	5. Aeration Basins	6. Secondary Clarifier	7. Effluent Disinfection	8. Holding Tank 2	9. Belt Thickener	10. Sludge Holding	11. Sludge Process	12.Sludge Disposal	13. Odor Control	14. FL Odor Control	15. Grit Screen Waste	16. Adm. & Misc.	Total
Plant Super. & Asst. Super	265,423	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	265,423	265,423.00
Adm. Service Assocs. (2)	124,163	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	124,163	124,163.00
Lab. Manager	98,819	2,470	-	1,976	494	9,882	988	13,835	124	247	124	-	-	-	-	-	68,679	98,819.00
Asst. Chemists (2)	131,537	3,288	-	2,631	658	13,154	1,315	18,415	164	329	164	-	-	-	-	-	91,418	131,537.00
Industrial Monitoring Cords.	156,024	3,120	-	-	-	-	-	-	-	-	-	-	-	-	-	-	152,904	156,024.00
Custodial Tech Sr.	57,475	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	57,475	57,475.00
Electrician	87,466	437	875	7,872	5,248	17,493	4,373	11,371	437	6,123	-	24,490	-	2,624	-	-	6,123	87,466.00
Plant Mechanic Supv.	89,528	-	1,791	4,476	895	10,743	2,954	7,162	4,029	8,058	4,029	39,124	-	4,476	-	-	1,791	89,528.00
Plant Mechanics (6)	414,615	-	12,438	62,192	12,438	24,877	8,292	37,315	20,731	20,731	20,731	165,846	-	20,731	5,390	-	2,902	414,615.00
Plant Instr. Tech	81,060	811	4,053	5,674	2,432	16,212	5,674	12,159	405	4,053	405	19,454	-	1,621	-	-	8,106	81,060.00
Plant Operator Supv.	98,684	-	4,934	10,855	3,947	21,710	3,947	9,868	493	1,480	493	9,868	14,803	493	493	493	14,803	98,684.00
Plant Operators (17)	1,187,870	11,879	35,636	190,059	71,272	255,392	71,272	178,181	11,879	29,697	11,879	302,907	5,939	11,879	-	-	-	1,187,870.00
Driver/Operators (2)	133,808	-	2,676	2,676	-	-	-	-	-	2,676	-	33,452	80,285	1,338	-	10,705	-	133,808.00
Sub Total	2,926,472	22,006	62,403	288,413	97,385	369,464	98,817	288,306	38,262	73,393	37,825	595,142	101,027	43,163	5,883	11,198	793,786	2,926,472.00
Progressive pay	45,483	342	970	4,482	1,514	5,742	1,536	4,481	595	1,141	588	9,250	1,570	671	91	174	12,337	45,483.00
Overtime WWTP	172,240	1,295	3,673	16,975	5,732	21,745	5,816	16,968	2,252	4,320	2,226	35,028	5,946	2,540	346	659	46,719	172,240.00
Hourly WWTP	22,392	168	477	2,207	745	2,827	756	2,206	293	562	289	4,554	773	330	45	86	6,074	22,392.00
Total	3,166,587	23,812	67,523	312,077	105,375	399,778	106,925	311,961	41,402	79,415	40,928	643,973	109,316	46,704	6,366	12,117	858,916	3,166,587.00
%		0.8%	2.1%	9.9%	3.3%	12.6%	3.4%	9.9%	1.3%	2.5%	1.3%	20.3%	3.5%	1.5%	0.2%	0.4%	27.1%	

Schedule 16
Wastewater Treatment Personal Services Cost Allocation %'s to Unit Processes

Title	Total	1. WR Monitoring	2. Wet Weather OPS	3. Headworks	4. Primary Clarifier	5. Aeration Basins	6. Secondary Clarifier	7. Effluent Disinfection	8. Holding Tank 2	9. Belt Thickener	10. Sludge Holding	11. Sludge Process	12.Sludge Disposal	13. Odor Control	14. FL Odor Control	15. Grit Screen Waste	16. Adm. & Misc.	Total
Plant Super. & Asst. Super	265,423	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
Adm. Service Assocs. (2)	124,163	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
Lab. Manager	98,819	2.5%	0.0%	2.0%	0.5%	10.0%	1.0%	14.0%	0.13%	0.25%	0.13%	0.0%	0.0%	0.0%	0.0%	0.0%	69.5%	100.0%
Asst. Chemists (2)	131,537	3.0%	1.0%	5.0%	3.0%	11.0%	6.0%	30.0%	0.5%	1.0%	0.5%	10.0%	8.0%	0.0%	0.0%	0.0%	21.0%	100.0%
Industrial Monitoring Cords. (2)	156,024	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	98.0%	100.0%
Custodial Tech Sr.	57,475	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	100.0%
Electrician	87,466	0.5%	1.0%	9.0%	6.0%	20.0%	5.0%	13.0%	0.5%	7.0%	0.0%	28.0%	0.0%	3.0%	0.0%	0.0%	7.0%	100.0%
Plant Mechanic Supv.	89,528	0.0%	2.0%	5.0%	1.0%	12.0%	3.3%	8.0%	4.5%	9.0%	4.5%	43.7%	0.0%	5.0%	0.0%	0.0%	2.0%	100.0%
Plant Mechanics (6)	414,615	0.0%	3.0%	15.0%	3.0%	6.0%	2.0%	9.0%	5.0%	5.0%	5.0%	40.0%	0.0%	5.0%	1.3%	0.0%	0.7%	100.0%
Plant Instr. Tech	81,060	1.0%	5.0%	7.0%	3.0%	20.0%	7.0%	15.0%	0.5%	5.0%	0.5%	24.0%	0.0%	2.0%	0.0%	0.0%	10.0%	100.0%
Plant Operator Supv.	98,684	0.0%	5.0%	11.0%	4.0%	22.0%	4.0%	10.0%	0.5%	1.5%	0.5%	10.0%	15.0%	0.5%	0.5%	0.5%	15.0%	100.0%
Plant Operators (17)	1,187,870	1.0%	3.0%	16.0%	6.0%	21.5%	6.0%	15.0%	1.0%	2.5%	1.0%	25.5%	0.5%	1.0%	0.0%	0.0%	0.0%	100.0%
Driver/Operators (2)	133,808	0.0%	2.0%	2.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.0%	0.0%	25.0%	60.0%	1.0%	0.0%	8.0%	0.0%	100.0%
Progression pay	45,483																	
OT	172,240																	
Hourly employees	22,392																	
Totals / Avgs.	3,166,587																	