

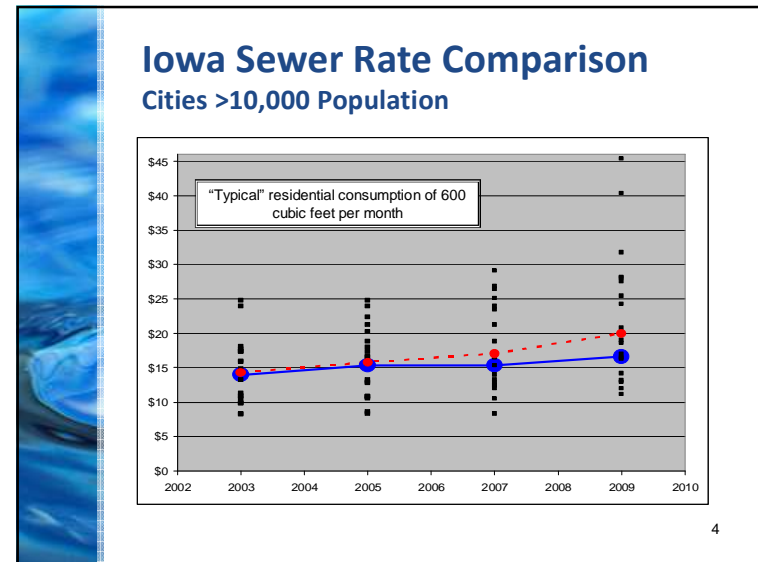
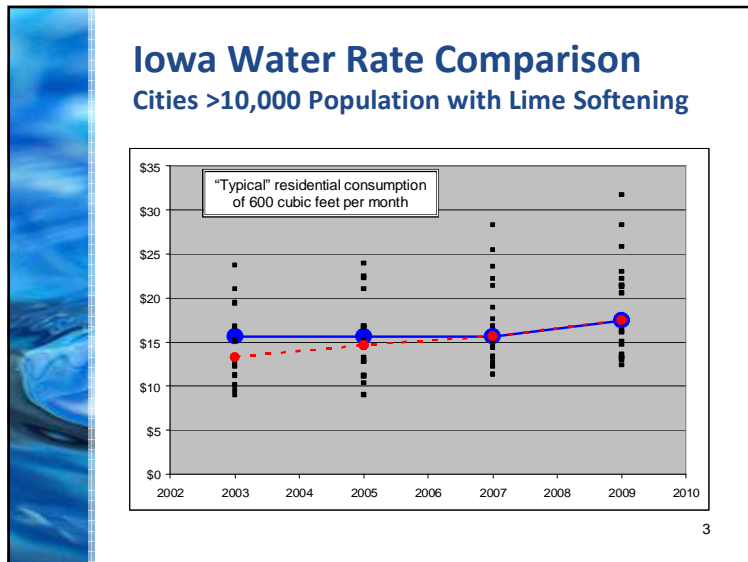


2010 Rate Presentation Recap

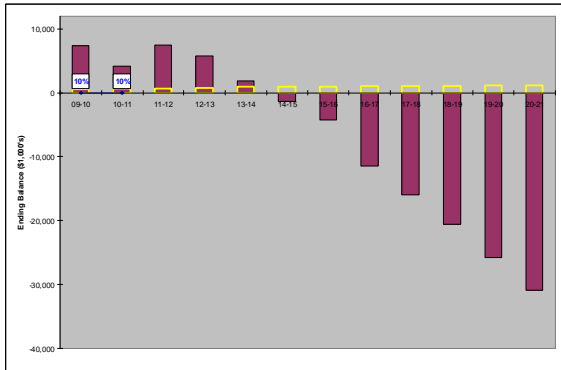
National Trend in Drinking Water Rates: 2002 to 2008	
Average Increase in Rates:	4.68%
Average Increase in Consumer Price Index:	3.33%
Iowa Trend in Drinking Water Rates: 2003 to 2009	
Average Increase in Rates:	5.28%
National Trend in Sewer Rates: 2003 to 2008	
Average Increase in Rates:	6.63%
Average Increase in Consumer Price Index:	3.05%
Iowa Trend in Sewer Rates: 2003 to 2009	
Average Increase in Rates:	7.48%

Sources: 2008 Water and Wastewater Rate Survey – American Water Works Association
2008 Financial Survey Summary – National Association of Clean Water Agencies
2009 Water Rates and Sewer Service Charges Survey – City of Ames, Iowa

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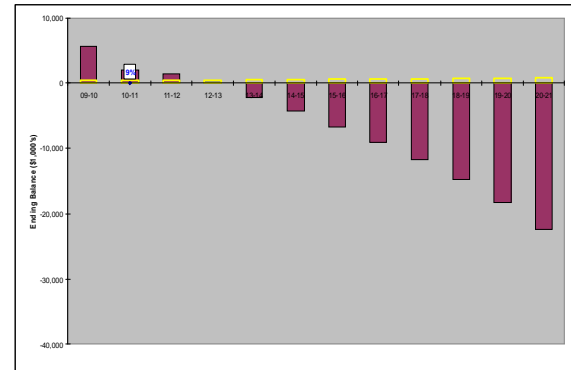


Water Fund Projection – No Revenue Adjustments



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Sewer Fund Projection – No Revenue Adjustments



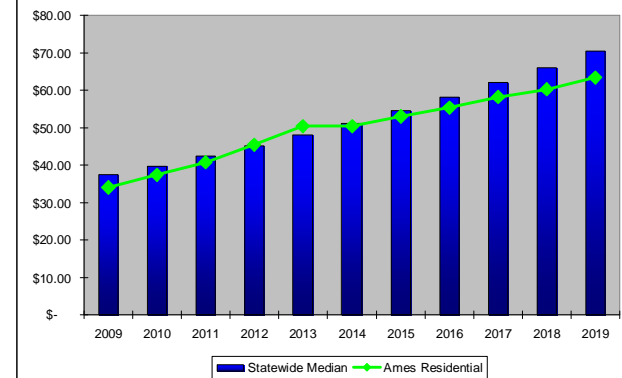
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March 2010 Rate Projections

Year	10-11	11-12	12-13	13-14
Water	10%	10%	12%	12%
Sewer	9%	9%	10%	10%

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Projected Monthly Water and Sewer Bill 600 cubic feet per month



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Notable Changes from 2010 Projections

Drinking Water

- Flatter projections for operating expenses
- Delay in timing of Water Plant project due to land acquisition challenges

Waste Water

- Acceleration of the Sanitary Sewer Evaluation
- Addition of WPC Long-Range Facility Plan

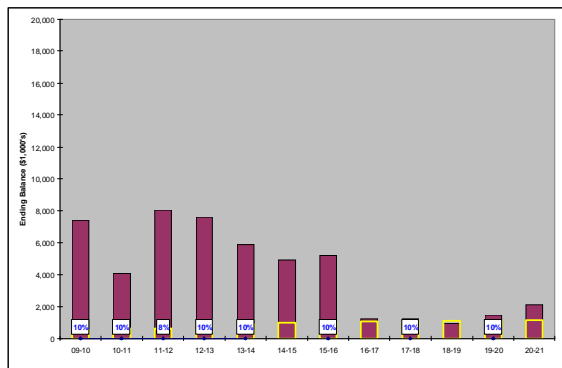
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March 2010 ~~2011~~ Rate Projections

Year	11-12	12-13	13-14	14-15
Water	10% 8%	12% 10%	12% 10%	0%
Sewer	9% 10%	9% 10%	10%	6%

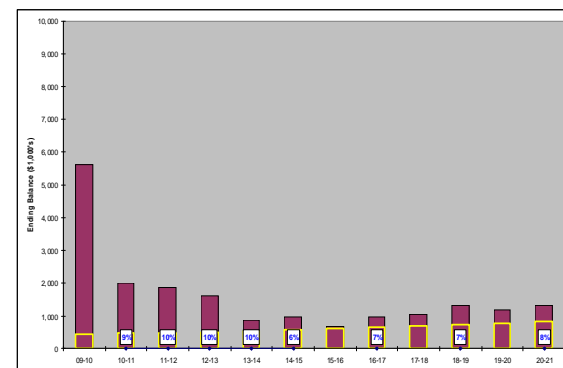
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Water Fund Projections – Recommended Revenue Increases

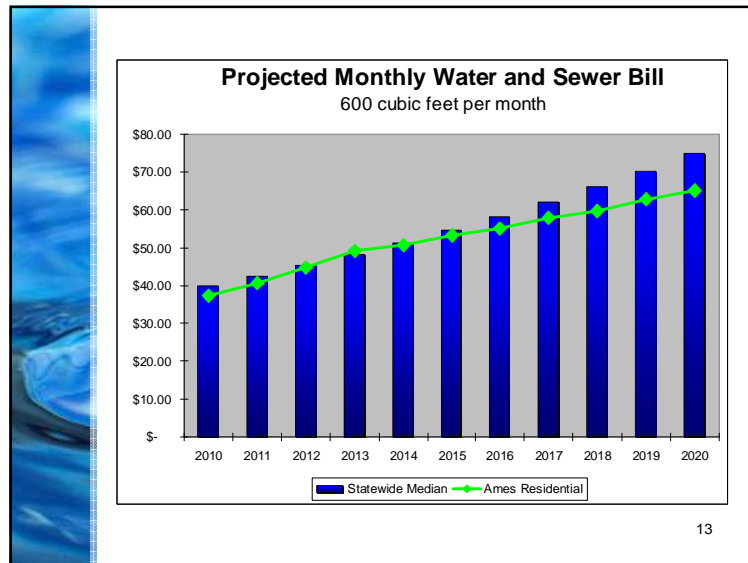


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Sewer Fund Projections – Recommended Revenue Increases



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- ### Next Steps
- Revised ordinances offered for first reading on April 12
 - 8% increase in water across the board
 - 10% increase in sewer across the board
 - Second reading on April 26
 - Third reading and adoption on May 10
 - New rates effective for consumption beginning June 1 (bills mailed beginning July 1)
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