

EXHIBIT C — FY 2026–2027 PROJECTED SEWER COST

Watertown Water & Sewer Authority (Budget Projection)

1. Purpose

This exhibit presents a FY 2026–2027 projection of **sewer disposal cost payable to the City of Waterbury** based on historical system data, standardized utility conversions, and the current rate.

This exhibit addresses **cost (expense)** only. Projected sewer **revenue** is presented separately in **Exhibit D**.

2. Rate and Conversion Standards

Rate (FY 2026–2027 planning assumption)

- Sewer disposal charge: **\$5.285 per 1,000 gallons**

Utility Conversion Standard

- 1 unit of 100 cubic feet (CCF) = **748 gallons**
 - 1,000 gallons = **1 billing unit** for rate application
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3. Historical Basis for Projection

For transparency, the table below summarizes actual annual sewage flows based on aggregated monthly metered data. These annual totals provide context for the multi-year averaging used to develop the FY 2026–2027 planning baseline.

YEAR	TOTAL AMOUNT BILLED	USAGE 100CU.FT.
2025	\$3,066,714.69	779,650
2024	\$4,021,722.92	1,018,340
2023	\$4,624,555.42	1,170,751
2022	\$2,515,885.37	806,845
2021	\$2,886,245.39	1,168,541
2020	\$2,435,515.75	956,634
2019	\$2,497,164.96	1,011,024

Water and sewer projections rely on multi-year historical averages. Differences in averaging periods reflect data availability and system characteristics rather than policy differences.

The figure **6,132,135 CCF** represents a **six-year average of system flow (2019–2024)** — not a single year.

To create a one-year FY 26–27 budget baseline:

$$6,132,135 \div 6 = \mathbf{1,022,022.5 \text{ CCF (annual baseline)}}$$

This corrected baseline is used for all subsequent calculations.

A six-year averaging period is used for sewer cost projections due to data availability and system reporting structure and is consistent with the multi-year planning methodology applied across all water and sewer exhibits.

4. System Baseline Calculation (One-Year Equivalent)

Step 1 — Convert to gallons

$$1,022,022.5 \text{ CCF} \times 748 = \mathbf{764,468,830 \text{ gallons}}$$

Step 2 — Convert to 1,000-gallon units

$$764,468,830 \div 1,000 = \mathbf{764,468.83 \text{ units}}$$

Step 3 — Apply rate

$$764,468.83 \times \$5.285 = \mathbf{\$4,040,218 \text{ (approx.) total system cost baseline}}$$

(Rounded for presentation.)

5. Customer Allocation

The system baseline is allocated between:

- **WSA Retail Customers** — the primary cost base for the Authority
- **Watertown Fire District (WFD)** treated as one wholesale customer

WFD Contextual Baseline (Single Customer)

- Historical seven-year average flow: **262,313,414 gallons**
- Convert to CCF: $262,313,414 \div 748 \approx \mathbf{350,686 \text{ CCF}}$
- Convert to units: 262,313.414
- Projected WFD cost at \$5.285: $\approx \mathbf{\$1,386,326}$

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WSA Retail Customers (System Less WFD)

Step 1 — Remove WFD from system baseline

$1,022,022.5 \text{ CCF} - 350,686 \text{ CCF} = 671,336.5 \text{ CCF (retail)}$

Step 2 — Convert to gallons

$671,336.5 \times 748 = 502,172,942 \text{ gallons}$

Step 3 — Convert to units

$502,172.942 \div 1,000 = 502,172.94 \text{ units}$

Step 4 — Apply rate

$502,172.94 \times \$5.285 = \approx \$2,653,984, \text{ (approx.) retail share of cost}$

6. FY 2026–2027 Sewer Cost Allocation Summary

Item	Usage (CCF)	Equivalent gallons	1,000-gal units	Rate	Projected FY 26–27 Cost
WSA Retail Customers	671,336.5	502,172,942	502,172.94	\$5.285	≈ \$2.65M
WFD (Single Customer)	350,686	262,313,414	262,313.41	\$5.285	≈ \$1.39M
Total System	1,022,022.5	764,468,830	764,468.83	Mixed	≈ \$4.04M

(Totals may not sum exactly due to rounding.)

7. Budget Interpretation

- The projection is based on a **one-year equivalent of a six-year historical average (2019–2024)**.
- This cost baseline represents a planning estimate rather than a guaranteed annual expense and is intended to support budget development using normalized historical system flow.
- WSA retail customers represent the majority of the system baseline.
- WFD is treated as a single wholesale customer at the current contract rate.

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- *Actual FY 26–27 cost will vary with realized flow*; this exhibit represents a reasonable planning estimate grounded in historical data.
- All projections presented herein exclude fixed charges, adjustments, credits, penalties, reconciliations, or extraordinary events.

(Usage charge only; excludes fixed charges, adjustments, credits, penalties, or reconciliations.)

Prepared for:

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