

**HIGHLINE WATER DISTRICT  
King County, Washington**

**RESOLUTION 17-12-20A**

**RESOLUTION ADOPTING THE 2018 OPERATING BUDGET**

**WHEREAS**, Staff and the Board of Commissioners hold annual workshop meetings to establish a Budget, a Capital Improvement Program and set Goals for the upcoming year; and

**WHEREAS**, the Highline Water District 2018 Operating Budget and Rate Schedule are necessary to meet operating expenses and maintain service within the Highline Water District, including, but not limited to: 1) payment of debt service for capital projects; 2) manage capital improvement program; 3) continue preventive maintenance programs; 4) meet water conservation and regional planning goals; and 5) maintain prudent reserves; and

**WHEREAS**, the Board of Commissioners are satisfied with the 2018 Operating Budget developed by the General Manager and Staff.

**NOW, THEREFORE, BE IT RESOLVED:**

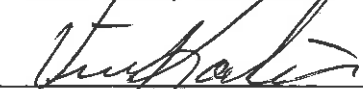
The Board of Commissioners hereby approves the 2018 Operating Budget attached as Exhibit A and incorporated herein by this reference.

**ADOPTED BY THE BOARD OF COMMISSIONERS** of Highline Water District, King County, Washington, at an open public meeting held this **20th** day of **December 2017**.

**BOARD OF COMMISSIONERS**



**Todd Fultz**, President



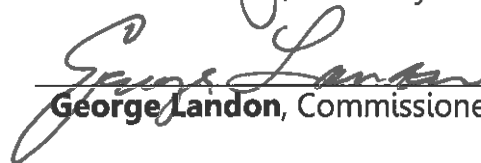
**Vince Koester**, Commissioner



**Kathleen Quong-Vermeire**, Commissioner



**Daniel Johnson**, Secretary

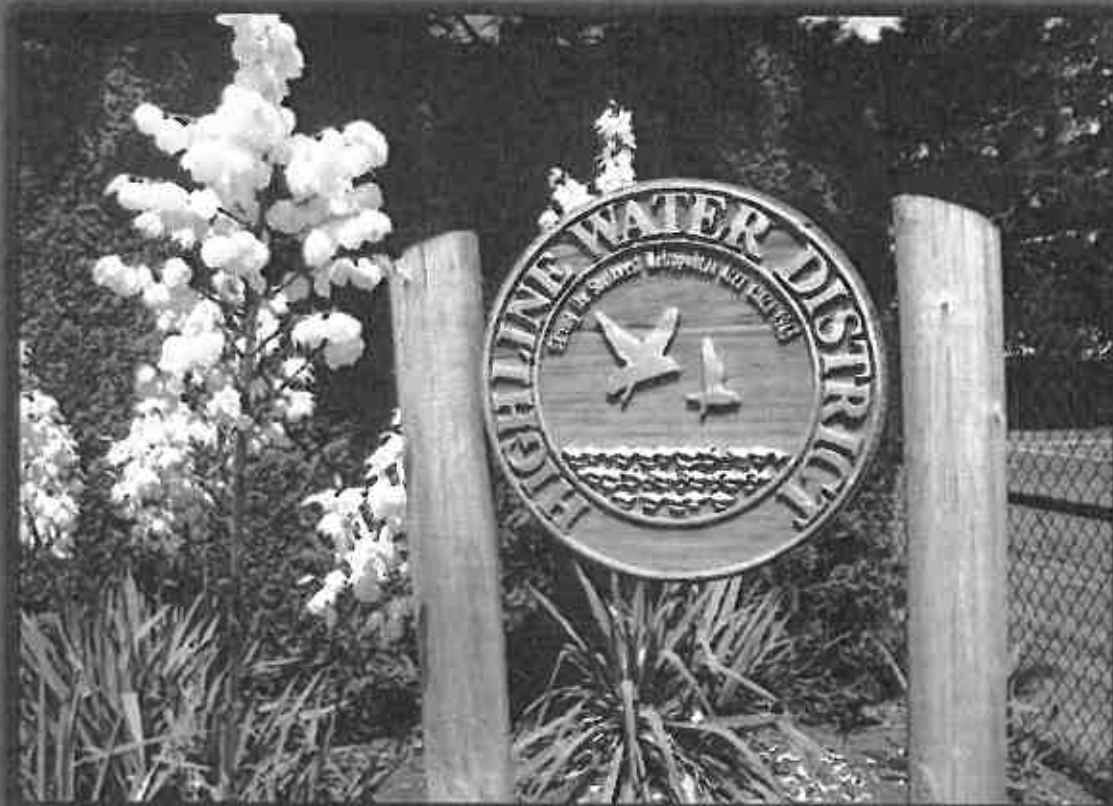


**George Landon**, Commissioner

2018

EXHIBIT A

# BUDGET



*Our mission is to provide high quality water and excellent customer service while effectively managing District infrastructure for a reliable water system today and for future generations.*

## Board of Commissioners

Todd Fultz | Dan Johnson | Vince Koester  
George Landon | Kathleen Quong-Vermeire

## Staff

Matt Everett, General Manager 206-592-8902  
Jeremy DelMar P.E., Engineering Manager 206-592-8904  
Debbie Prior, Administrative Manager 206-592-8906

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**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2018 Budget**

|  | Budget<br>2018      | 2019                | Projected<br>2020   | 2021                |
|--|---------------------|---------------------|---------------------|---------------------|
| <b>SOURCES OF FUNDS</b>  |                     |                     |                     |                     |
| <b>Rate Revenues</b>   |                     |                     |                     |                     |
| Residential  | \$7,747,179         | \$7,948,605         | \$8,155,289         | \$8,367,306         |
| Commercial   | 8,357,839           | 8,575,143           | 8,798,096           | 9,026,847           |
| Stand-By Fire Service  | 218,357             | 224,035             | 229,859             | 235,836             |
| <b>Total Rate Revenues (detail pages 6-7)</b>                        | <b>\$16,323,375</b> | <b>\$16,747,783</b> | <b>\$17,183,225</b> | <b>\$17,629,989</b> |
| <b>Other Revenues</b>  |                     |                     |                     |                     |
| Hydrant Meter Sales  | \$36,000            | \$36,720            | \$37,454            | \$38,203            |
| Street Lights - (Puget Sound Energy)                                 | 129,500             | 132,090             | 132,090             | 134,732             |
| City Franchise Fees  | 439,099             | 509,937             | 523,195             | 536,798             |
| Wholesale Water Sales  | 3,000               | 3,000               | 3,000               | 3,000               |
| Discounts and Adjustments  | (30,600)            | (31,396)            | (32,212)            | (33,049)            |
| Meter Applications   | 75,000              | 76,500              | 78,030              | 79,591              |
| Surcharges   | 19,000              | -                   | -                   | -                   |
| Other Customer Charges (detail page 8) #1                            | 293,520             | 301,152             | 308,981             | 317,015             |
| Interest Income (maintenance fund)                                   | 83,000              | 81,000              | 83,000              | 79,000              |
| Lease Income   | 256,904             | 261,253             | 274,870             | 281,127             |
| Other Fees (DE, gain/loss assets, scrap metal, US Bank rebate, etc.) | 80,000              | 80,000              | 80,000              | 80,000              |
| <b>Total Other Revenues</b>  | <b>\$1,384,423</b>  | <b>\$1,450,256</b>  | <b>\$1,488,409</b>  | <b>\$1,516,417</b>  |
| <b>Total Sources of Funds</b>  | <b>\$17,707,798</b> | <b>\$18,198,039</b> | <b>\$18,671,634</b> | <b>\$19,146,406</b> |
| <b>APPLICATIONS OF FUNDS</b>   |                     |                     |                     |                     |
| <b>OPERATION &amp; MAINTENANCE EXPENSES</b>                          |                     |                     |                     |                     |
| <b>Wholesale Water Supply</b>  |                     |                     |                     |                     |
| Salary & Wages   | \$9,873             | \$10,070            | \$10,271            | \$10,477            |
| Retirement   | 1,254               | 1,279               | 1,304               | 1,331               |
| Medical, Dental  | 2,033               | 2,114               | 2,199               | 2,286               |
| Payroll Taxes  | 986                 | 1,018               | 1,038               | 1,059               |
| Water Purchased - Seattle (detail page 9)                            | 4,548,900           | 4,618,400           | 4,867,500           | 5,013,525           |
| Water Purchased - Other  | 2,000               | 2,000               | 2,000               | 2,000               |
| Field Services - Water Quality & Sampling (detail page 15)           | 5,000               | 5,100               | 5,202               | 5,306               |
| Utilities (detail page 28)   | 97,685              | 99,639              | 101,631             | 103,664             |
| Maintenance (detail page 10)   | 35,000              | 35,700              | 36,414              | 37,142              |
| Fuel   | 1,400               | 1,428               | 1,457               | 1,486               |
| <b>Total Supply</b>  | <b>\$4,704,142</b>  | <b>\$4,776,748</b>  | <b>\$5,029,017</b>  | <b>\$5,178,276</b>  |
| <b>Pumps, Reservoirs &amp; Telemetry</b>                             |                     |                     |                     |                     |
| Salary & Wages   | \$118,433           | \$120,601           | \$123,217           | \$125,882           |
| Retirement   | 15,041              | 15,342              | 15,649              | 15,962              |
| Medical, Dental  | 19,241              | 20,011              | 20,811              | 21,644              |
| Payroll Taxes  | 11,778              | 12,014              | 12,254              | 12,499              |
| Uniforms (detail page 11)  | 1,350               | 1,350               | 1,350               | 1,350               |
| Maintenance (detail page 10)   | 52,300              | 53,346              | 54,413              | 55,501              |
| Utilities (detail page 28)   | 39,180              | 39,964              | 40,763              | 41,578              |
| Telephone & Wireless Communication (detail page 22)                  | 34,500              | 35,190              | 35,894              | 36,612              |
| Fuel   | 4,200               | 4,284               | 4,370               | 4,457               |
| <b>Total Pumps, Reservoirs &amp; Telemetry</b>                       | <b>\$296,023</b>    | <b>\$302,301</b>    | <b>\$308,720</b>    | <b>\$315,284</b>    |

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2018 Budget**

|   | Budget<br>2018     | 2019               | Projected<br>2020  | 2021               |
|---|--------------------|--------------------|--------------------|--------------------|
| <b><i>Wells &amp; Water Treatment</i></b>             |                    |                    |                    |                    |
| Salary & Wages  | \$184,871          | \$188,364          | \$192,132          | \$195,974          |
| Retirement  | 22,999             | 23,459             | 23,928             | 24,407             |
| Medical, Dental                                       | 35,746             | 37,176             | 38,663             | 40,209             |
| Payroll Taxes   | 18,749             | 19,124             | 19,507             | 19,897             |
| Chemicals   | 80,000             | 80,000             | 81,600             | 83,232             |
| Maintenance (detail page 10)                          | 86,975             | 80,000             | 61,200             | 62,424             |
| Utilities (detail page 28)                            | 251,300            | 307,000            | 313,140            | 319,403            |
| Fuel  | 2,700              | 2,754              | 2,809              | 2,865              |
| <b>Total Wells &amp; Water Treatment</b>              | <b>\$683,140</b>   | <b>\$717,877</b>   | <b>\$732,976</b>   | <b>\$748,411</b>   |
| <b><i>Transmission &amp; Distribution</i></b>         |                    |                    |                    |                    |
| Salary & Wages  | \$1,132,121        | \$977,645          | \$997,197          | \$1,027,886        |
| Retirement  | 140,309            | 143,115            | 145,977            | 148,897            |
| Medical, Dental                                       | 225,782            | 234,814            | 244,206            | 253,974            |
| Payroll Taxes   | 107,298            | 109,442            | 111,631            | 113,863            |
| Uniforms (detail page 11)                             | 7,950              | 7,950              | 7,950              | 7,950              |
| Supplies (detail page 12)                             | 47,000             | 47,940             | 48,899             | 49,877             |
| Materials (detail page 14)                            | 201,500            | 205,530            | 209,641            | 213,833            |
| Field Services (detail page 15)                       | 58,800             | 57,732             | 58,887             | 60,064             |
| Equipment Maintenance (detail page 10)                | 63,000             | 64,260             | 65,545             | 66,856             |
| Fuel  | 19,500             | 19,890             | 20,288             | 20,694             |
| Other Outside Services (detail page 28)               | 10,000             | 10,000             | 10,000             | 10,000             |
| Books Manuals   | 1,000              | 1,020              | 1,040              | 1,061              |
| Travel (detail page 16)                               | 16,000             | 17,000             | 17,340             | 17,887             |
| Registration, Tuition (detail page 16)                | 15,000             | 16,000             | 16,320             | 16,646             |
| Permits, Inspections, Licenses, Fees (detail page 17) | 87,716             | 89,470             | 91,260             | 93,085             |
| <b>Total Transmission &amp; Distribution</b>          | <b>\$2,130,773</b> | <b>\$2,001,807</b> | <b>\$2,046,180</b> | <b>\$2,102,374</b> |
| <b><i>Customer Accounts</i></b>                       |                    |                    |                    |                    |
| Salary & Wages  | \$812,780          | \$825,035          | \$837,536          | \$853,887          |
| Retirement  | 74,651             | 76,144             | 77,667             | 79,220             |
| Medical, Dental                                       | 178,588            | 183,851            | 190,998            | 198,837            |
| Payroll Taxes   | 56,956             | 58,096             | 59,257             | 60,443             |
| Uniforms (detail page 11)                             | 1,800              | 1,800              | 1,800              | 1,800              |
| Fuel  | 12,000             | 12,240             | 12,485             | 12,734             |
| Printing (detail page 18)                             | 44,000             | 44,880             | 45,778             | 46,693             |
| Postage (detail page 17)                              | 56,000             | 57,120             | 58,262             | 59,426             |
| Other Outside Services (detail page 26)               | 37,000             | 37,740             | 38,495             | 39,265             |
| <b>Total Customer Accounts</b>                        | <b>\$1,071,775</b> | <b>\$1,096,706</b> | <b>\$1,122,277</b> | <b>\$1,151,907</b> |
| <b>Total O&amp;M Expenses Before A&amp;G</b>          | <b>\$8,865,853</b> | <b>\$8,895,439</b> | <b>\$9,239,173</b> | <b>\$9,496,252</b> |

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2018 Budget**

|   | Budget<br>2018      | 2019                | Projected<br>2020   | 2021                |
|---|---------------------|---------------------|---------------------|---------------------|
| <b>Administration &amp; General</b>                     |                     |                     |                     |                     |
| Salary & Wages  | \$664,880           | \$652,399           | \$665,447           | \$678,756           |
| Retirement  | 82,205              | 83,849              | 85,526              | 87,236              |
| Medical, Dental   | 196,588             | 204,462             | 212,640             | 221,146             |
| Payroll Taxes   | 50,391              | 51,399              | 52,427              | 53,475              |
| Uniforms (detail page 11)                               | 450                 | 450                 | 450                 | 450                 |
| Employee Relations (detail page 20)                     | 10,100              | 10,302              | 10,508              | 10,718              |
| Street Light Cost (Puget Sound Energy)                  | 121,200             | 123,624             | 126,096             | 128,618             |
| Des Moines Franchise Fee                                | 281,000             | 288,306             | 295,802             | 303,493             |
| Normandy Park Franchise Fee                             | 55,000              | 84,000              | 86,184              | 88,425              |
| City of Kent Franchise Fee                              | 81,788              | 112,490             | 115,415             | 118,416             |
| Fuel  | 1,800               | 1,836               | 1,873               | 1,910               |
| Postage (detail page 19)                                | 7,000               | 7,140               | 7,283               | 7,428               |
| Dues & Subscriptions (detail page 21)                   | 28,600              | 29,172              | 29,756              | 30,351              |
| Community Relations & Conservation (detail page 13)     | 6,700               | 6,834               | 6,971               | 7,110               |
| Supplies (detail page 12)                               | 28,000              | 29,580              | 30,172              | 30,775              |
| Printing (detail page 18)                               | 12,100              | 12,342              | 12,589              | 12,841              |
| Telephone & Wireless Communication (detail page 22)     | 32,600              | 33,252              | 33,917              | 34,595              |
| Answering Service                                       | 3,200               | 3,264               | 3,329               | 3,398               |
| Hardware/Software/Internet (detail page 23)             | #3 206,550          | 276,681             | 222,215             | 228,659             |
| Legal Fees (detail page 24)                             | 80,000              | 80,000              | 80,000              | 80,000              |
| Auditing and Accounting Fees                            | 25,000              | 25,000              | 25,000              | 25,000              |
| Engineering Services (detail page 25)                   | 65,000              | 65,000              | 65,000              | 65,000              |
| Other Outside Services (detail page 26)                 | #4 235,480          | 170,500             | 227,500             | 157,000             |
| Insurance Expense                                       | 146,500             | 149,430             | 152,419             | 155,487             |
| Damages   | 45,000              | 45,000              | 45,000              | 45,000              |
| Office Equipment (detail page 27)                       | 9,705               | 9,899               | 10,097              | 10,299              |
| Communications  | 11,300              | 11,526              | 11,757              | 11,992              |
| Utilities (detail page 28)                              | 51,875              | 52,913              | 53,971              | 55,050              |
| Building Maintenance (detail page 10)                   | 215,800             | 65,000              | 70,000              | 70,000              |
| Travel (detail page 16)                                 | 30,000              | 30,600              | 31,212              | 31,836              |
| Registration, Tuition (detail page 16)                  | 18,700              | 19,074              | 19,455              | 19,845              |
| Permits, Licenses, Fees, Miscellaneous (detail page 17) | 117,800             | 120,156             | 122,559             | 125,010             |
| Books, Manuals, etc.                                    | 1,000               | 1,000               | 1,000               | 1,000               |
| Election Costs  | 0                   | 70,000              | 0                   | 70,000              |
| B&O Tax   | 950,977             | 988,190             | 920,684             | 962,952             |
| <b>Total Administration &amp; General</b>               | <b>\$3,875,298</b>  | <b>\$3,894,669</b>  | <b>\$3,834,252</b>  | <b>\$3,931,249</b>  |
| <b>Total Operation &amp; Maintenance Expense</b>        | <b>\$12,741,151</b> | <b>\$12,790,168</b> | <b>\$13,073,425</b> | <b>\$13,427,501</b> |

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2018 Budget**

|                                      |   | Budget              | Projected           |                    |                    |
|--------------------------------------|---|---------------------|---------------------|--------------------|--------------------|
|                                      |   | 2018                | 2019                | 2020               | 2021               |
| <b>CAPITAL PROJECTS</b>              |   |                     |                     |                    |                    |
| 14-2                                 | 580 Zone (LUD) South Supply                                       | \$25,000            | \$50,000            | \$515,000          |                    |
| 16-2                                 | Pump Station No. 8 (Crestview)                                    | 1,439,587           | 2,090,700           |                    |                    |
| 16-3                                 | Mansion Hill Reservoir Relocation                                 | 3,286,300           | 5,421,300           |                    |                    |
| 16-4                                 | Mansion Hill 30" Transmission Main Relocation - Sound Transit     | 4,028,300           |                     |                    |                    |
| 17-1                                 | 2017 Water Main Replacement Project                               | 1,065,000           |                     |                    |                    |
| 17-3                                 | 2018 Water Main Replacement (SeaTac 12th Pl S-13th Ave S/S 200th) | 1,411,500           |                     |                    |                    |
| 18-1                                 | S 223rd St Water Main Replacement (Des Moines 16th Ave-24th Ave)  | 1,000,660           |                     |                    |                    |
| 18-2                                 | International Blvd at SR509 Road Improvements (Budget Allocation) | 75,000              | 380,000             | 400,000            |                    |
| 18-3                                 | Mansion Hill 600 Pressure Zone Improvements (Budget Allocation)   | 150,000             | 200,000             | 3,300,000          |                    |
| 18-4                                 | McMicken Well Repair  | 275,000             |                     |                    |                    |
|                                      | McMicken Tank Upgrades  |                     | 400,000             | 2,500,000          |                    |
|                                      | Mansion Hill Pump Station Project                                 |                     | 200,000             | 550,000            | \$1,810,000        |
|                                      | 2020 AC Water Main Replacement Project (Budget Allocation)        |                     |                     | 200,000            | 4,000,000          |
|                                      | Asset Management Plan Update                                      |                     |                     | 50,000             |                    |
|                                      | Emergency Power-Angle Lake Well & DM Treatment Plant              |                     |                     |                    | 100,000            |
|                                      | Small Works/Emergency Projects                                    | 350,000             | 350,000             | 350,000            | 350,000            |
|                                      | Mitigation Improvements #5  | 55,000              | 40,000              | 40,000             | 40,000             |
|                                      | Meters/Hydrants/Services  | 1,245,000           | 1,245,000           | 950,000            | 400,000            |
|                                      | Capital Asset Purchases (detail page 28) #6                       | 251,545             | 225,000             | 230,000            | 230,000            |
| <b>Total Capital Additions</b>       |   | <b>\$14,857,792</b> | <b>\$10,602,000</b> | <b>\$9,085,000</b> | <b>\$6,930,000</b> |
| <b>Less: Outside Funding Sources</b> |   |                     |                     |                    |                    |
|                                      | General Facility (GFC) Charges                                    | \$700,000           | \$500,000           | \$500,000          | \$500,000          |
|                                      | Developer Reimbursement   | 5,554,134           | 5,246,300           | 550,000            | 1,810,000          |
|                                      | Operating Reserves  | 4,000,000           | 3,000,000           | 3,000,000          | 4,500,000          |
|                                      | Construction Fund Reserves  | 2,631,804           | 22,020              | 3,540,400          | (760,400)          |
| <b>Total Outside Funding</b>         |   | <b>\$12,885,738</b> | <b>\$8,768,320</b>  | <b>\$7,590,400</b> | <b>\$6,049,600</b> |
| <b>Total C.I.P From Rates</b>        |   | <b>1,772,054</b>    | <b>\$1,833,680</b>  | <b>\$1,494,600</b> | <b>\$880,400</b>   |
| <b>DEBT SERVICE</b>                  |   |                     |                     |                    |                    |
| <b>Existing Debt</b>                 |   |                     |                     |                    |                    |
| 1998 PWTF - 98-025                   | 99-1 30" Distribution main  | \$253,829           | \$0                 | \$0                | \$0                |
| 1998 PWTF - 98-026                   | 98-1 & 98-2 Main replacements                                     | 41,508              | 0                   | 0                  | 0                  |
| 2000 PWTF - 00-025                   | 00-1 Normandy Park watermain replacements                         | 125,174             | 122,812             | 120,451            | 0                  |
| 2001 PWTF - 01-029                   | 01-1 Various watermain replacements                               | 94,262              | 93,800              | 93,338             | 92,876             |
| 2002 PWTF - 02-023                   | 02-2 Three Tree Pt WM Repic/N Hill Booster                        | 73,765              | 73,405              | 73,046             | 72,686             |
| 2003 PWTF - 03-113                   | 03-4 600 Zone & main replacement                                  | 44,688              | 44,471              | 44,254             | 44,037             |
| 2004 DWSRF                           | 03-4 600 Zone & main replacement                                  | 7,531               | 7,428               | 7,324              | 7,220              |
| 2004 PWTF - 04-034                   | 02-4 SW Suburban WM replacement                                   | 44,768              | 44,551              | 44,335             | 44,119             |
| 2006 PWTF - 06-117                   | 07-1 490 Zone & Pressure Reducing                                 | 37,099              | 36,922              | 36,744             | 36,567             |
| 2008 PWTF - 08-951                   | 07-1 490 Zone & Pressure Reducing                                 | 160,983             | 160,220             | 159,457            | 158,694            |
| 2012 PWTF - 13-861                   | 13-1 Angle Lake Water Main Replacement                            | 129,783             | 129,451             | 129,138            | 128,825            |
| <b>Total Existing Debt</b>           |   | <b>\$1,013,370</b>  | <b>\$713,060</b>    | <b>\$708,087</b>   | <b>\$585,024</b>   |
| <b>Total Debt Service</b>            |   | <b>\$1,013,370</b>  | <b>\$713,060</b>    | <b>\$708,087</b>   | <b>\$585,024</b>   |

**HIGHLINE WATER DISTRICT**  
**Sources and Applications of Funds**  
**2018 Budget**

|   | Budget<br>2018      | 2019                | Projected<br>2020   | 2021                |
|---|---------------------|---------------------|---------------------|---------------------|
| <b>TOTAL REVENUE REQUIREMENTS</b>                   | <b>\$15,526,575</b> | <b>\$15,338,848</b> | <b>\$15,276,112</b> | <b>\$14,892,925</b> |
| <b>Total Operating Reserves (decrease) increase</b> | <b>\$2,181,223</b>  | <b>\$2,861,191</b>  | <b>\$3,395,523</b>  | <b>\$4,253,481</b>  |
| <b>Operating Reserves:</b>                          |                     |                     |                     |                     |
| Beginning Balance                                   | \$9,322,976         | \$7,504,199         | \$7,365,390         | \$7,760,913         |
| Plus: Year End Increase (Decrease)                  | 2,181,223           | 2,861,191           | 3,395,523           | 4,253,481           |
| Less: Uses of Funds Capital                         | (4,000,000)         | (3,000,000)         | (3,000,000)         | (4,500,000)         |
| Ending Balance                                      | \$7,504,199         | \$7,365,390         | \$7,760,913         | \$7,514,393         |
| <b>Construction Fund:</b>                           |                     |                     |                     |                     |
| Beginning Balance                                   | \$11,809,230        | \$9,303,547         | \$9,393,038         | \$5,944,112         |
| Plus: Additional Funds                              | 12,026,188          | 10,579,980          | 5,544,600           | 7,690,400           |
| Plus: Interest                                      | 125,921             | 111,510             | 91,474              | 75,892              |
| Less: Uses of Funds                                 | (14,857,792)        | (10,602,000)        | (9,085,000)         | (6,930,000)         |
| Ending Balance                                      | \$9,303,547         | \$9,393,038         | \$5,944,112         | \$6,780,403         |
| <b>Financial Reserve Policy Targets:</b>            |                     |                     |                     |                     |
| Operating Fund                                      | \$6,370,575         | \$6,395,054         | \$6,536,712         | \$6,713,751         |
| Construction Fund                                   | \$3,000,000         | \$3,000,000         | \$3,000,000         | \$3,000,000         |
| Total Policy/Target Reserves                        | \$9,370,575         | \$9,395,054         | \$9,536,712         | \$9,713,751         |
| <b>Total Funds Projected Ending Balance:</b>        | <b>\$16,807,746</b> | <b>\$16,758,427</b> | <b>\$13,705,024</b> | <b>\$14,294,797</b> |



HIGHLINE WATER DISTRICT

Water Revenues

RATE INCREASE 2.0%

2018

|   |            | Jan-18    | Feb-18    | Mar-18    | Apr-18    | May-18    | Jun-18    | Jul-18      | Aug-18      | Sep-18    | Oct-18    | Nov-18    | Dec-18    | Annual Total |
|---|------------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|-------------|-----------|-----------|-----------|-----------|--------------|
| <b>RESIDENTIAL</b>                        |            |           |           |           |           |           |           |             |             |           |           |           |           |              |
| Meter Size                                | Rate       |           |           |           |           |           |           |             |             |           |           |           |           |              |
| 5/8" - Discounted                         | \$9.85     | 263       | 263       | 263       | 263       | 263       | 263       | 263         | 263         | 263       | 263       | 263       | 263       | 263          |
| 3/4" - Discounted                         | \$9.85     | 21        | 21        | 21        | 21        | 21        | 21        | 21          | 21          | 21        | 21        | 21        | 21        | 21           |
| 5/8"                                      | \$15.15    | 11,783    | 11,783    | 11,783    | 11,783    | 11,783    | 11,783    | 11,783      | 11,783      | 11,783    | 11,783    | 11,783    | 11,783    | 11,783       |
| 3/4"                                      | \$15.15    | 2,901     | 2,901     | 2,901     | 2,901     | 2,901     | 2,901     | 2,901       | 2,901       | 2,901     | 2,901     | 2,901     | 2,901     | 2,901        |
| 1"  | \$26.98    | 891       | 891       | 891       | 891       | 891       | 891       | 891         | 891         | 891       | 891       | 891       | 891       | 891          |
| 1 1/2"                                    | \$45.76    | 26        | 26        | 26        | 26        | 26        | 26        | 26          | 26          | 26        | 26        | 26        | 26        | 26           |
| 2"  | \$70.23    | 5         | 5         | 5         | 5         | 5         | 5         | 5           | 5           | 5         | 5         | 5         | 5         | 5            |
| Meter Count                               |            | 15,870    | 15,870    | 15,870    | 15,870    | 15,870    | 15,870    | 15,870      | 15,870      | 15,870    | 15,870    | 15,870    | 15,870    | 15,870       |
| Total Residential Meter Revenue           |            | \$250,319 | \$250,519 | \$250,519 | \$250,519 | \$250,519 | \$250,519 | \$250,519   | \$250,519   | \$250,519 | \$250,519 | \$250,519 | \$250,519 | \$3,006,231  |
| Usage-Winter (ccf)                        | \$3.73     | 73,814    | 100,853   | 70,968    | 111,302   | 80,419    | 0         | 0           | 0           | 0         | 118,434   | 70,310    | 82,355    | 708,248      |
| UsageSummer (5 ccf)                       | \$3.73     |           |           |           |           |           | 79,350    | 79,350      | 79,350      | 79,350    |           |           |           | 317,400      |
| UsageSummer (6+ ccf)                      | \$4.42     | 0         | 0         | 0         |           |           | 47,057    | 27,894      | 107,185     | 24,842    | 0         | 0         | 0         | 207,076      |
| Total Residential Usage Revenue           |            | \$275,327 | \$375,437 | \$284,675 | \$415,155 | \$299,864 | \$503,867 | \$418,708   | \$769,739   | \$405,775 | \$441,759 | \$262,257 | \$307,185 | \$4,740,948  |
| Total Residential Revenue                 |            | \$525,646 | \$625,956 | \$515,194 | \$665,674 | \$550,483 | \$754,486 | \$870,228   | \$1,020,258 | \$856,294 | \$692,279 | \$512,776 | \$557,704 | \$7,747,179  |
| <b>COMMERCIAL (includes multi-family)</b> |            |           |           |           |           |           |           |             |             |           |           |           |           |              |
| 5/8"                                      | \$23.05    | 188       | 188       | 188       | 188       | 188       | 188       | 188         | 188         | 188       | 188       | 188       | 188       | 188          |
| 3/4"                                      | \$23.05    | 142       | 142       | 142       | 142       | 142       | 142       | 142         | 142         | 142       | 142       | 142       | 142       | 142          |
| 1"  | \$48.58    | 483       | 483       | 483       | 483       | 483       | 483       | 483         | 483         | 483       | 483       | 483       | 483       | 483          |
| 1 1/2"                                    | \$84.92    | 672       | 672       | 672       | 672       | 672       | 672       | 672         | 672         | 672       | 672       | 672       | 672       | 672          |
| 2"  | \$132.82   | 322       | 322       | 322       | 322       | 322       | 322       | 322         | 322         | 322       | 322       | 322       | 322       | 322          |
| 3"  | \$277.15   | 76        | 76        | 76        | 76        | 76        | 76        | 76          | 76          | 76        | 76        | 76        | 76        | 76           |
| 4"  | \$420.18   | 26        | 26        | 26        | 26        | 26        | 26        | 26          | 26          | 26        | 26        | 26        | 26        | 26           |
| 6"  | \$813.18   | 8         | 8         | 8         | 8         | 8         | 8         | 8           | 8           | 8         | 8         | 8         | 8         | 8            |
| 8"  | \$1,283.51 | 2         | 2         | 2         | 2         | 2         | 2         | 2           | 2           | 2         | 2         | 2         | 2         | 2            |
| Meter Count                               |            | 1,821     | 1,821     | 1,821     | 1,821     | 1,821     | 1,821     | 1,821       | 1,821       | 1,821     | 1,821     | 1,821     | 1,821     | 1,821        |
| Total Comm. Meter Revenue                 |            | \$171,872 | \$171,872 | \$171,872 | \$171,872 | \$171,872 | \$171,872 | \$171,872   | \$171,872   | \$171,872 | \$171,872 | \$171,872 | \$171,872 | \$2,082,464  |
| Usage-Winter (ccf)                        | \$3.73     | 123,885   | 79,047    | 122,212   | 90,868    | 130,281   | 0         | 0           | 0           | 0         | 95,566    | 130,990   | 119,846   | 892,594      |
| UsageSummer (5 ccf)                       | \$3.73     |           |           |           |           |           | 9,605     | 9,605       | 9,605       | 9,605     |           |           |           | 38,420       |
| UsageSummer (6+ ccf)                      | \$4.42     | 0         | 0         | 0         | 0         | 0         | 83,988    | 181,051     | 114,858     | 151,203   | 0         | 0         | 0         | 541,102      |
| Total Comm. Usage Revenue                 |            | \$462,094 | \$294,844 | \$455,849 | \$338,939 | \$485,947 | \$451,255 | \$836,073   | \$543,503   | \$704,146 | \$356,461 | \$488,582 | \$447,021 | \$5,864,723  |
| Total Commercial Revenue                  |            | \$633,966 | \$466,716 | \$627,721 | \$510,811 | \$657,819 | \$623,127 | \$1,007,945 | \$715,375   | \$878,018 | \$528,333 | \$660,464 | \$618,893 | \$7,927,187  |
| Total Comm & MF Residential Meter Revenue |            | \$171,872 | \$171,872 | \$171,872 | \$171,872 | \$171,872 | \$171,872 | \$171,872   | \$171,872   | \$171,872 | \$171,872 | \$171,872 | \$171,872 | \$2,082,464  |
| Total Comm & MF Residential Usage Revenue |            | \$462,094 | \$294,844 | \$455,849 | \$338,939 | \$485,947 | \$451,255 | \$836,073   | \$543,503   | \$704,146 | \$356,461 | \$488,582 | \$447,021 | \$5,864,723  |
| Total Comm & MF Residential Revenue       |            | \$633,966 | \$466,716 | \$627,721 | \$510,811 | \$657,819 | \$623,127 | \$1,007,945 | \$715,375   | \$878,018 | \$528,333 | \$660,464 | \$618,893 | \$7,927,187  |

**HIGHLINE WATER DISTRICT**

Water Revenues

RATE INCREASE 2.6%

2018

**Irrigation - (Commercial)**

|  |               | Jan-18           | Feb-18           | Mar-18           | Apr-18           | May-18           | Jun-18           | Jul-18             | Aug-18           | Sep-18           | Oct-18           | Nov-18           | Dec-18           | Annual Total       |
|--|---------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| <b>Meter Size</b>  | <b>Rate</b>   |                  |                  |                  |                  |                  |                  |                    |                  |                  |                  |                  |                  |                    |
| 5/8"   | \$23.05       | 22               | 22               | 22               | 22               | 22               | 22               | 22                 | 22               | 22               | 22               | 22               | 22               | 22                 |
| 3/4"   | \$23.05       | 38               | 38               | 38               | 38               | 38               | 38               | 38                 | 38               | 38               | 38               | 38               | 38               | 38                 |
| 1"   | \$48.58       | 95               | 95               | 95               | 95               | 95               | 95               | 95                 | 95               | 95               | 95               | 95               | 95               | 95                 |
| 1 1/2"   | \$84.62       | 71               | 71               | 71               | 71               | 71               | 71               | 71                 | 71               | 71               | 71               | 71               | 71               | 71                 |
| 2"   | \$132.92      | 63               | 63               | 63               | 63               | 63               | 63               | 63                 | 63               | 63               | 63               | 63               | 63               | 63                 |
| <b>Meter Count</b>   |               | <b>289</b>       | <b>289</b>       | <b>289</b>       | <b>289</b>       | <b>289</b>       | <b>289</b>       | <b>289</b>         | <b>289</b>       | <b>289</b>       | <b>289</b>       | <b>289</b>       | <b>289</b>       | <b>289</b>         |
| <b>Total Irrigation Meter Revenue</b>                          |               | <b>\$20,211</b>  | <b>\$20,211</b>  | <b>\$20,211</b>  | <b>\$20,211</b>  | <b>\$20,211</b>  | <b>\$20,211</b>  | <b>\$20,211</b>    | <b>\$20,211</b>  | <b>\$20,211</b>  | <b>\$20,211</b>  | <b>\$20,211</b>  | <b>\$20,211</b>  | <b>\$242,537</b>   |
| <b>Usage - (ccf)</b>   | <b>\$4.42</b> | <b>300</b>       | <b>300</b>       | <b>330</b>       | <b>330</b>       | <b>600</b>       | <b>2,000</b>     | <b>8,000</b>       | <b>13,000</b>    | <b>14,000</b>    | <b>2,000</b>     | <b>1,200</b>     | <b>300</b>       | <b>42,560</b>      |
| <b>Total Irrigation Usage Revenue</b>                          |               | <b>\$1,326</b>   | <b>\$1,326</b>   | <b>\$1,459</b>   | <b>\$1,459</b>   | <b>\$3,536</b>   | <b>\$8,840</b>   | <b>\$35,360</b>    | <b>\$57,460</b>  | <b>\$61,880</b>  | <b>\$8,840</b>   | <b>\$5,304</b>   | <b>\$1,326</b>   | <b>\$188,116</b>   |
| <b>Total Irrigation Revenue</b>                                |               | <b>\$21,537</b>  | <b>\$21,537</b>  | <b>\$21,670</b>  | <b>\$21,670</b>  | <b>\$23,747</b>  | <b>\$29,051</b>  | <b>\$55,571</b>    | <b>\$77,671</b>  | <b>\$82,091</b>  | <b>\$28,051</b>  | <b>\$25,515</b>  | <b>\$21,537</b>  | <b>\$430,652</b>   |
| <b>Total Commercial Includes Multi-family &amp; Irrigation</b> |               | <b>\$655,503</b> | <b>\$488,253</b> | <b>\$649,391</b> | <b>\$532,481</b> | <b>\$681,597</b> | <b>\$652,178</b> | <b>\$1,063,516</b> | <b>\$793,046</b> | <b>\$958,109</b> | <b>\$557,384</b> | <b>\$685,979</b> | <b>\$840,431</b> | <b>\$8,367,839</b> |

**STAND-BY FIRE SERVICE**

|                                     |               | Jan-18             | Feb-18             | Mar-18             | Apr-18             | May-18             | Jun-18             | Jul-18             | Aug-18             | Sep-18             | Oct-18             | Nov-18             | Dec-18             | Annual Total        |
|-------------------------------------|---------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| <b>Meter Size</b>                   | <b>Rate</b>   |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                     |
| 1 1/2"                              | \$9.77        | 44                 | 44                 | 44                 | 44                 | 44                 | 44                 | 44                 | 44                 | 44                 | 44                 | 44                 | 44                 | 44                  |
| 2"                                  | \$12.95       | 59                 | 59                 | 59                 | 59                 | 59                 | 59                 | 59                 | 59                 | 59                 | 59                 | 59                 | 59                 | 59                  |
| 2 1/2"                              | \$19.01       | 14                 | 14                 | 14                 | 14                 | 14                 | 14                 | 14                 | 14                 | 14                 | 14                 | 14                 | 14                 | 14                  |
| 3"                                  | \$38.27       | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                  | 1                   |
| 4"                                  | \$44.95       | 76                 | 76                 | 76                 | 76                 | 76                 | 76                 | 76                 | 76                 | 76                 | 76                 | 76                 | 76                 | 76                  |
| 6"                                  | \$65.11       | 95                 | 95                 | 95                 | 95                 | 95                 | 95                 | 95                 | 95                 | 95                 | 95                 | 95                 | 95                 | 95                  |
| 8"                                  | \$89.16       | 67                 | 67                 | 67                 | 67                 | 67                 | 67                 | 67                 | 67                 | 67                 | 67                 | 67                 | 67                 | 67                  |
| 10"                                 | \$114.04      | 9                  | 9                  | 9                  | 9                  | 9                  | 9                  | 9                  | 9                  | 9                  | 9                  | 9                  | 9                  | 9                   |
| <b>Meter Count</b>                  |               | <b>385</b>         | <b>385</b>         | <b>385</b>         | <b>385</b>         | <b>385</b>         | <b>385</b>         | <b>385</b>         | <b>385</b>         | <b>385</b>         | <b>385</b>         | <b>385</b>         | <b>385</b>         | <b>385</b>          |
| <b>Total SBF Meter Revenue</b>      |               | <b>\$18,031</b>    | <b>\$18,031</b>    | <b>\$18,031</b>    | <b>\$18,031</b>    | <b>\$18,031</b>    | <b>\$18,031</b>    | <b>\$18,031</b>    | <b>\$18,031</b>    | <b>\$18,031</b>    | <b>\$18,031</b>    | <b>\$18,031</b>    | <b>\$18,031</b>    | <b>\$216,373</b>    |
| <b>Usage-Winter</b>                 | <b>\$3.73</b> | <b>5</b>           | <b>9</b>           | <b>14</b>          | <b>14</b>          | <b>12</b>          | <b>13</b>          | <b>8</b>           | <b>4</b>           | <b>13</b>          | <b>13</b>          | <b>95</b>          | <b>325</b>         | <b>497</b>          |
| <b>Usage-Summer</b>                 | <b>\$4.42</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    | <b>38</b>           |
| <b>Total SBF Usage Revenue</b>      |               | <b>\$19</b>        | <b>\$34</b>        | <b>\$62</b>        | <b>\$52</b>        | <b>\$45</b>        | <b>\$57</b>        | <b>\$35</b>        | <b>\$18</b>        | <b>\$57</b>        | <b>\$48</b>        | <b>\$364</b>       | <b>\$1,212</b>     | <b>\$1,984</b>      |
| <b>Total Stand-by Fire Revenue</b>  |               | <b>\$18,050</b>    | <b>\$18,065</b>    | <b>\$18,093</b>    | <b>\$18,083</b>    | <b>\$18,076</b>    | <b>\$18,088</b>    | <b>\$18,066</b>    | <b>\$18,049</b>    | <b>\$18,088</b>    | <b>\$18,080</b>    | <b>\$18,395</b>    | <b>\$19,243</b>    | <b>\$218,357</b>    |
| <b>Total Meters</b>                 |               | <b>18,445</b>      | <b>18,445</b>      | <b>18,445</b>      | <b>18,445</b>      | <b>18,445</b>      | <b>18,445</b>      | <b>18,445</b>      | <b>18,445</b>      | <b>18,445</b>      | <b>18,445</b>      | <b>18,445</b>      | <b>18,445</b>      | <b>18,445</b>       |
| <b>Total Usage</b>                  |               | <b>198,005</b>     | <b>180,009</b>     | <b>193,514</b>     | <b>202,614</b>     | <b>211,612</b>     | <b>232,013</b>     | <b>306,008</b>     | <b>324,004</b>     | <b>279,013</b>     | <b>216,013</b>     | <b>202,995</b>     | <b>202,825</b>     | <b>2,748,025</b>    |
| <b>Total Meter Charges</b>          |               | <b>\$480,634</b>   | <b>\$480,634</b>   | <b>\$480,634</b>   | <b>\$480,634</b>   | <b>\$480,634</b>   | <b>\$480,634</b>   | <b>\$480,634</b>   | <b>\$480,634</b>   | <b>\$480,634</b>   | <b>\$480,634</b>   | <b>\$480,634</b>   | <b>\$480,634</b>   | <b>\$5,527,805</b>  |
| <b>Total Usage Charges</b>          |               | <b>\$736,766</b>   | <b>\$671,841</b>   | <b>\$722,035</b>   | <b>\$755,605</b>   | <b>\$789,492</b>   | <b>\$884,119</b>   | <b>\$1,291,176</b> | <b>\$1,370,718</b> | <b>\$1,171,859</b> | <b>\$807,108</b>   | <b>\$788,507</b>   | <b>\$756,744</b>   | <b>\$10,785,770</b> |
| <b>Total Revenues - All Classes</b> |               | <b>\$1,199,399</b> | <b>\$1,132,274</b> | <b>\$1,182,869</b> | <b>\$1,216,239</b> | <b>\$1,260,126</b> | <b>\$1,424,762</b> | <b>\$1,751,810</b> | <b>\$1,831,352</b> | <b>\$1,632,492</b> | <b>\$1,287,742</b> | <b>\$1,217,141</b> | <b>\$1,217,378</b> | <b>\$16,323,379</b> |

2018

**Other Customer Charges**

| Description                                 |                   |
|---|-------------------|
| Delinquent lock/unlock revenue              | \$ 40,000         |
| NSF charges                                 | 2,500             |
| Lien interest charges                       | 3,500             |
| Late charges                                | 130,000           |
| *Miscellaneous customer service revenue     | 75,000            |
| Final bill fees                             | 40,000            |
| Write-off of bad debts                      | 0                 |
| Embezzlement recovery - (1997 Audit Report) | 2,520             |
|   | <u>\$ 293,520</u> |

\*Miscellaneous customer service revenue

- Water availability certificates
- Plans & specifications
- Meter upgrades
- Lien filing fees
- Meter tampering
- Requested locks

**HIGHLINE WATER DISTRICT**  
**Purchased Water Costs**  
**CY 2018 Projection**

|   | Jan-18    | Feb-18    | Mar-18    | Apr-18    | May-18    | Jun-18                       | Jul-18    | Aug-18    | Sep-18    | Oct-18    | Nov-18    | Dec-18    | Total       |
|---|-----------|-----------|-----------|-----------|-----------|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|
| <b>Projected Water Supply Purchases</b> |           |           |           |           |           |                              |           |           |           |           |           |           |             |
| Total Production & Purchases CCF        | 220,000   | 200,000   | 215,000   | 225,000   | 235,000   | 290,000                      | 340,000   | 360,000   | 310,000   | 240,000   | 225,000   | 225,000   | 3,085,000   |
| District Wells & Other                  | 50,000    | 45,000    | 50,000    | 50,000    | 50,000    | 75,000                       | 75,000    | 75,000    | 75,000    | 75,000    | 75,000    | 70,000    | 765,000     |
| Seattle Water Purchases                 | 170,000   | 155,000   | 165,000   | 175,000   | 185,000   | 215,000                      | 265,000   | 285,000   | 235,000   | 165,000   | 150,000   | 155,000   | 2,320,000   |
| Total Sales                             | 220,000   | 200,000   | 215,000   | 225,000   | 235,000   | 290,000                      | 340,000   | 360,000   | 310,000   | 240,000   | 225,000   | 225,000   | 3,085,000   |
| <b>Seattle Water Contract</b>           |           |           |           |           |           |                              |           |           |           |           |           |           |             |
| <b>Rates:</b>                           |           |           |           |           |           | On-Peak (May 15th-Sep. 15th) |           |           |           |           |           |           |             |
| System Base Rates (per ccf)             |           |           |           |           | avg       |                              |           |           | avg       |           |           |           |             |
| Supply                                  | \$1.66    | \$1.66    | \$1.66    | \$1.66    | \$1.73    | \$2.38                       | \$2.38    | \$2.38    | \$2.23    | \$1.66    | \$1.66    | \$1.66    |             |
| <b>Total Seattle Water Charges</b>      |           |           |           |           |           |                              |           |           |           |           |           |           |             |
| Supply                                  | \$282,200 | \$257,300 | \$273,900 | \$290,500 | \$320,050 | \$511,700                    | \$630,700 | \$678,300 | \$524,050 | \$273,900 | \$249,000 | \$257,300 | \$4,548,800 |

**Highline Water District  
2018 Budget  
Maintenance**

|   | <b>Wholesale<br/>Water Supply</b> | <b>Pumps<br/>Reservoirs &amp;<br/>Telemetry</b> | <b>Wells &amp; Water<br/>Treatment</b> | <b>Transmission<br/>&amp; Distribution</b> | <b>Administration</b> | <b>Total</b>      |
|---|-----------------------------------|---|--|--|-----------------------|-------------------|
| <u>Maintenance</u>                      |                                   |   |  |  |                       |                   |
| Maintenance of office building          |                                   |   |  |  | \$ 165,000            | \$ 165,000        |
| Building janitorial service             |                                   |   |  |  | 20,200                | 20,200            |
| Emergency generators maintenance        | \$ 10,000                         | \$ 6,500  | \$ 3,500                               |  | 3,300                 | 23,300            |
| Facility Repair-Walls, Pumps, Treatment |                                   | 8,500   | 40,000                                 |  |                       | 48,500            |
| Security maintenance                    |                                   | 1,000   | 2,500                                  |  | 5,500                 | 9,000             |
| Equipment Rental & Lease                |                                   |   |  | \$ 8,000                                   | 2,500                 | 10,500            |
| Equipment Maintenance & Repair          | 25,000                            | 26,000  | 38,500                                 | 5,000                                      | 5,000                 | 99,500            |
| Vehicle Repair & Maintenance            |                                   |   |  | 50,000                                     |                       | 50,000            |
| Supplies - Minor Assets and Other       |                                   |   | 2,000                                  |  |                       | 2,000             |
|   | <u>\$ 35,000</u>                  | <u>\$ 42,000</u>                                | <u>\$ 86,500</u>                       | <u>\$ 63,000</u>                           | <u>\$ 201,500</u>     | <u>\$ 428,000</u> |
| <u>Landscaping</u>                      |                                   | <u>\$ 10,300</u>                                |  |  | <u>\$ 9,500</u>       | <u>\$ 19,800</u>  |
| <u>Building Alarm monitoring</u>        |                                   |   | <u>\$ 475</u>                          |  | <u>\$ 1,500</u>       | <u>\$ 1,975</u>   |
| <u>Facility Preventive Maintenance</u>  |                                   |   |  |  |                       |                   |
| Annual maintenance - HVAC system        |                                   |   |  |  | \$ 3,300              | \$ 3,300          |
| <b>Total Maintenance</b>                | <u>\$ 35,000</u>                  | <u>\$ 52,300</u>                                | <u>\$ 86,975</u>                       | <u>\$ 63,000</u>                           | <u>\$ 215,800</u>     | <u>\$ 453,075</u> |

**Highline Water District  
2018 Budget  
Uniforms**

|                           | <u>Pumps,<br/>Reservoirs<br/>&amp; Telemetry</u> | <u>Transmission<br/>&amp; Distribution</u> | <u>Customer<br/>Service</u> | <u>Administration</u> | <u>Total</u>     |
|---------------------------|--|--|-----------------------------|-----------------------|------------------|
| 3 Employees @ \$450 each  | \$ 1,350   |  |                             |                       | \$ 1,350         |
| 11 Employees @ \$450 each |  | \$ 4,950                                   |                             |                       | 4,950            |
| 4 Employees @ \$450 each  |  |  | \$ 1,800                    |                       | 1,800            |
| 1 Employee @ \$450 each   |  |  |                             | \$ 450                | 450              |
| Miscellaneous             |  | 3,000                                      |                             |                       | 3,000            |
| <b>Total Uniforms</b>     | <u>\$ 1,350</u>                                  | <u>\$ 7,950</u>                            | <u>\$ 1,800</u>             | <u>\$ 450</u>         | <u>\$ 11,550</u> |

**Highline Water District  
2018 Budget  
Supplies**

|                                    | <u>Administration</u> | <u>Transmission<br/>&amp; Distribution</u> | <u>Total</u>     |
|------------------------------------|-----------------------|--|------------------|
| Safety Supplies/First Aid Supplies | \$ 1,000              | \$ 7,000                                   | \$ 8,000         |
| Field Tools & Minor Equipment      |                       | 25,000                                     | 25,000           |
| Other Field Supplies               |                       | 15,000                                     | 15,000           |
| Janitorial Supplies                | 4,000                 |  | 4,000            |
| Office Supplies-Consumables        | 10,000                |  | 10,000           |
| Office Supplies-Minor Assets       | 5,000                 |  | 5,000            |
| Supplies-Minor Assets              | 5,000                 |  | 5,000            |
| Supplies-Other                     | 3,000                 |  | 3,000            |
| Emergency Management Supplies      | 1,000                 |  | 1,000            |
| <b>Total Supplies</b>              | <u>\$ 29,000</u>      | <u>\$ 47,000</u>                           | <u>\$ 76,000</u> |

Field Tools & Equip includes: all electronic & manual tools used by the field & operation crews that are not capital assets

Other Field Supplies includes: hoses, solvents, propane & other gas refills, brass meter tags, regs, label machine tape, bug killer, paint & painting tools, tapping team supplies & other items that don't fall into the tool category

Safety Supplies includes: medical supplies, traffic signs, cones, respirators, safety glasses, gloves & safety vests (see uniforms for other outdoor gear), etc.

**Highline Water District  
2018 Budget  
Community Relations & Conservation**

|  | <u>Administration</u> |
|--|-----------------------|
| <u>Conservation/Community Relations</u>  |                       |
| Supplies                                 | \$ 1,500              |
| Calendar Contest (printing & gift cards) | 1,200                 |
| Other events                             | 4,000                 |
| Total Community Relations & Conservation | <u>\$ 6,700</u>       |



**Highline Water District  
2018 Budget  
Materials**

|                             | <u><b>Transmission<br/>&amp; Distribution</b></u> |
|-----------------------------|---|
| Chemicals                   | \$ 1,500  |
| Asphalting/Concrete         | 100,000   |
| Parts & other supplies      | 50,000  |
| Meters, hydrants & hardware | 20,000  |
| Rock, Gravel etc            | 30,000  |
| Total Materials             | <u><u>\$ 201,500</u></u>                          |

**Highline Water District  
2018 Budget  
Field Services**

|   | <b>Transmission<br/>&amp; Distribution</b> | <b>Wholesale<br/>Water Supply</b> | <b>Total</b>     |
|---|--|-----------------------------------|------------------|
| <u>Field Services</u>                   |  |                                   |                  |
| Field Services-Dumping & Recycling      | \$ 20,000                                  |                                   | \$ 20,000        |
| Field Services-Leak Detection           | 3,000                                      |                                   | 3,000            |
| Field Services-Locating/Potholing       | 5,000                                      |                                   | 5,000            |
| Field Services-Tapping                  | 10,000                                     |                                   | 10,000           |
| Field Services-Water Quality & Sampling | 10,600                                     | \$ 5,000                          | 15,600           |
| Field Services-Other                    | 8,000                                      |                                   | 8,000            |
| <b>Total Field Services</b>             | <b>\$ 56,600</b>                           | <b>\$ 5,000</b>                   | <b>\$ 61,600</b> |

**Highline Water District  
2018 Budget  
Training/Travel & Meals**

|                             | <u>Administration</u> | <u>Transmission &amp;<br/>Distribution</u> | <u>Total</u>     |
|-----------------------------|-----------------------|--|------------------|
| Travel & Meals for Training | \$ 30,000             | \$ 16,000                                  | \$ 46,000        |
| Tuition & Registration Fees | 18,700                | 15,000                                     | 33,700           |
| Total Training and Travel   | <u>\$ 48,700</u>      | <u>\$ 31,000</u>                           | <u>\$ 79,700</u> |

**Conferences**

**National**

- AWWA Conference
- AWWA Distribution Conference
- AWWA Customer Conference
- Harris Users Conference
- Lucity Users Conference
- Government Finance Officers (GFOA)
- Other

**Local**

- WASWD Spring Conference
- WASWD Fall Conference
- PNWS-AWWA Conference
- WOW Conference
- Rural Water Association Conference
- Washington Finance Officers (WFOA)

**Highline Water District  
2018 Budget  
Permits, Licenses, Fees & Misc**

|  | <u>Administration</u>    | <u>Transmission &amp;<br/>Distribution</u> | <u>Total</u>             |
|--|--------------------------|--|--------------------------|
| <u>Permits</u>   |                          |  |                          |
| Various Construction Permits                           |                          | \$ 34,500                                  | \$ 34,500                |
| King County Operating Permit                           |                          | 500  | 500                      |
| Dept. of Health Permit                                 |                          | 30,000                                     | 30,000                   |
| Permits & Inspections-Developer Extensions             |                          | 15,000                                     | 15,000                   |
| Other Miscellaneous Permits                            | \$ 1,600                 | 300  | 1,900                    |
|  | <u>\$ 1,600</u>          | <u>\$ 80,300</u>                           | <u>\$ 81,900</u>         |
| <u>Licenses &amp; Certifications</u>                   |                          |  |                          |
| DOH certifications.                                    |                          | \$ 1,100                                   | \$ 1,100                 |
| Certification exam fees                                |                          | 500  | 500                      |
| CDL fees   |                          | 500  | 500                      |
| Other Licenses & Certifications                        |                          | 316  | 316                      |
|  |                          | <u>\$ 2,416</u>                            | <u>\$ 2,416</u>          |
| <u>Inspections</u>                                     |                          | <u>\$ 5,000</u>                            | <u>\$ 5,000</u>          |
| <u>Fees-Other</u>                                      |                          |  |                          |
| Retrospective Rating Program fee (L & I)               | \$ 2,300                 |  | \$ 2,300                 |
| Post office box fees (PO boxes and safe deposit boxes) | 2,000                    |  | 2,000                    |
| Bank fees  | 90,000                   |  | 90,000                   |
| Other Fees   | 10,500                   |  | 10,500                   |
| Misc. minor fees                                       | 950                      |  | 950                      |
| Midway Parking Fee                                     | 1,200                    |  | 1,200                    |
| Title Reports/Property Research                        | 1,000                    |  | 1,000                    |
|  | <u>\$ 107,950</u>        |  | <u>\$ 107,950</u>        |
| <u>Miscellaneous</u>                                   | <u>\$ 200</u>            |  | <u>\$ 200</u>            |
| <u>Vehicle Licensing</u>                               | <u>\$ 100</u>            |  | <u>\$ 100</u>            |
| <u>Fees - Liens &amp; Easements</u>                    | <u>\$ 8,000</u>          |  | <u>\$ 8,000</u>          |
| <b>Total Permits, Licenses, Fees and Misc.</b>         | <u><u>\$ 117,850</u></u> | <u><u>\$ 87,716</u></u>                    | <u><u>\$ 205,566</u></u> |

**Highline Water District  
2018 Budget  
Printing**

|                         | <u>Administration</u> | <u>Customer<br/>Accounts</u> | <u>Total</u>     |
|-------------------------|-----------------------|------------------------------|------------------|
| Billing statements      |                       | \$ 42,000                    | \$ 42,000        |
| Billing related inserts |                       | 2,000                        | 2,000            |
| Newsletters             | \$ 5,000              |                              | 5,000            |
| CCR report              | 1,700                 |                              | 1,700            |
| Consumables             | 1,600                 |                              | 1,600            |
| Other printing          | 600                   |                              | 600              |
| Engineering printing    | 3,200                 |                              | 3,200            |
| Total Printing          | <u>\$ 12,100</u>      | <u>\$ 44,000</u>             | <u>\$ 56,100</u> |

**Highline Water District  
2018 Budget  
Postage**

|   | <u>Administration</u> | <u>Customer<br/>Accounts</u> | <u>Total</u>     |
|---|-----------------------|------------------------------|------------------|
| Billing Statements                          |                       | \$ 52,000                    | \$ 52,000        |
| Rate increase newsletter, & other bulk mail |                       | 4,000                        | 4,000            |
| CCR   | \$ 2,200              |                              | 2,200            |
| General                                     | 4,500                 |                              | 4,500            |
| Overnight Charges                           | 300                   |                              | 300              |
| Total Postage                               | <u>\$ 7,000</u>       | <u>\$ 56,000</u>             | <u>\$ 63,000</u> |

**Highline Water District  
2018 Budget  
Employee Relations**

|  | <u>Administration</u> |
|--|-----------------------|
| Employee awards/incentives               | \$ 3,000              |
| Employee Assistance-Far West Family Svcs | 3,600                 |
| Miscellaneous                            | <u>3,500</u>          |
| Total Employee Relations                 | <u>\$ 10,100</u>      |

**Miscellaneous =**

Plaques-committee members etc  
 B-Days  
 Christmas Party  
 Meeting exp -donuts etc  
 Misc employee lunches  
 Illness new baby marriage etc  
 Popcorn, coffee  
 Retirement, going away etc. parties  
 Holiday candy, etc  
 Etc

**Highline Water District  
2018 Budget  
Dues & Subscriptions**

|  | <u>Administration</u>   |
|--|-------------------------|
| <u>Subscriptions</u>                         |                         |
| Keep Up-to-Date on Payroll                   | \$ 350                  |
| Daily Journal of Commerce                    | 220                     |
| Seattle Times                                | 435                     |
| Top Health                                   | 320                     |
| Other Miscellaneous Subscriptions            | 320                     |
| Total Subscriptions                          | <u>\$ 1,645</u>         |
| <br><u>Dues WASWD</u>                        |                         |
| WASWD  | <u>\$ 18,500</u>        |
| <br><u>Dues-other</u>                        |                         |
| AWWA-Membership                              | \$ 3,695                |
| Washington Water Utilities Council/PNWS-AWWA | 1,500                   |
| SW King County Chamber of Commerce           | 400                     |
| Kent Chamber of Commerce                     | 475                     |
| Highline Water District - GMPC               | 1,000                   |
| Evergreen Rural Membership                   | 700                     |
| Miscellaneous Dues                           | 685                     |
| Total Dues other                             | <u>\$ 8,455</u>         |
| Total Dues & Subscriptions                   | <u><u>\$ 28,600</u></u> |



**Highline Water District  
 2018 Budget  
 Telephone**

|                            | <b>Administration</b> | <b>Pumps<br/>Reservoirs<br/>&amp; Telemetry</b> | <b>Total</b>     |
|----------------------------|-----------------------|---|------------------|
| Cellular                   | \$ 12,900             |   | \$ 12,900        |
| Wireless                   | 4,350                 | \$ 4,200  | 8,550            |
| Phone Service (land lines) | 15,300                | 30,300  | 45,600           |
| Total Telephone            | <u>\$ 32,550</u>      | <u>\$ 34,500</u>                                | <u>\$ 67,050</u> |

**Highline Water District  
2018 Budget  
Hardware/Software/Internet**

|   | <u>Administration</u>    |
|---|--------------------------|
| <b><u>Computers-Software Maintenance Support</u></b>          |                          |
| Annual support on Harris Northstar                            | \$ 57,920                |
| Beacon Badger system annual maintenance                       | 4,800                    |
| Annual support - GEMS Financials & HRMS                       | 47,500                   |
| Annual support - Unisys Corp (3rd party GEMS)                 | 2,555                    |
| Annual support on Lucity (GBA)                                | 18,520                   |
| Annual support on Innovyze H2O Net Hydraulic Model            | 2,190                    |
| Sensus support  | 2,725                    |
| DLT Solutions Autocad renewal/support                         | 2,500                    |
| SiteProtector server anti-virus service & backup licenses     | 7,524                    |
| SiteProtector workstations & mobile device anti-virus service | 8,237                    |
| Remote backup service (OBM)                                   | 2,400                    |
| SonicWall-NSA3600 secure upgrade 3yrs of services 2016-2018   | 2,652                    |
| Sonic Wall - SRA 4600 Dynamic Support                         | 989                      |
| Teleworks - annual fee outbound notification system           | 3,860                    |
| Miscellaneous software maintenance & support                  | 2,960                    |
|   | <u>\$ 167,332</u>        |
| <br>  |                          |
| <b><u>Computer Hardware - Minor Assets</u></b>                |                          |
| Replacement PC's (6) & 1-laptop replacement                   | \$ 7,150                 |
| Monitors & video cards  | 2,000                    |
| Miscellaneous Minor Hardware                                  | 5,000                    |
|   | <u>\$ 14,150</u>         |
| <br>  |                          |
| <b><u>Miscellaneous</u></b>                                   |                          |
| Internet fees   | \$ 1,920                 |
| Hardware Preventive Maintenance                               | 600                      |
| Hardware Repairs  | 1,000                    |
| Enterprise Content Management (ECM)                           | 0                        |
| Software - Office 365 subscription                            | 7,548                    |
| Software - ESRI subscription                                  | 7,500                    |
| Other software & miscellaneous computer related               | 6,500                    |
|   | <u>\$ 25,068</u>         |
|   | <u><u>\$ 206,550</u></u> |

Total Hardware/Software/Internet \$ 206,550

**Highline Water District  
2018 Budget  
Legal Fees**

|                           | <u>Administration</u> |
|---------------------------|-----------------------|
| General District Business | \$ 60,000             |
| Human Resources           | 5,000                 |
| Water Issues              | 15,000                |
| Total Legal Fees          | <u>\$ 80,000</u>      |

**Highline Water District  
2018 Budget  
Engineering Services**

**Administration**

|  |                  |
|--|------------------|
| Studies - supply, water rights, hydraulic analysis | \$ 50,000        |
| Misc-legal descriptions, easements, etc.           | 15,000           |
| Total Engineering Services                         | <u>\$ 65,000</u> |

**Highline Water District  
2018 Budget  
Outside Services**

|   | <b>Administration</b>    | <b>Customer<br/>Accounts</b> | <b>Transmission<br/>&amp; Distribution</b> | <b>Total</b>             |
|---|--------------------------|------------------------------|--|--------------------------|
| <b><u>Consulting Services</u></b>                 |                          |                              |  |                          |
| General computer consulting                       | \$ 70,000                |                              |  | \$ 70,000                |
| Miscellaneous                                     | 10,000                   |                              |  | 10,000                   |
| Core software consulting/training                 | 21,500                   |                              |  | 21,500                   |
| Records Management                                | 99,000                   |                              |  | 99,000                   |
| Public Outreach                                   | 15,000                   |                              |  | 15,000                   |
|   | <u>\$ 215,500</u>        |                              |  | <u>\$ 215,500</u>        |
| <b><u>Human Resource Services</u></b>             |                          |                              |  |                          |
| Archbright Employers Service                      | \$ 2,630                 |                              |  | \$ 2,630                 |
| HR Services-Other                                 | 250                      |                              |  | 250                      |
| HR Services-Medical                               | 3,600                    |                              |  | 3,600                    |
|   | <u>\$ 6,480</u>          |                              |  | <u>\$ 6,480</u>          |
| <b><u>Other Services</u></b>                      |                          |                              |  |                          |
| Teleworks - Hosted vCARE NorthStar IVR            |                          | \$ 15,300                    |  | \$ 15,300                |
| Badger Meter - Mobile Hosting Service (endpoints) |                          | 7,200                        |  | 7,200                    |
| Lockbox Payment Processing                        |                          | 14,500                       |  | 14,500                   |
| Courier Service                                   | \$ 5,200                 |                              |  | 5,200                    |
| Advertising                                       | 2,300                    |                              |  | 2,300                    |
| Document Imaging (archives)                       | 3,000                    |                              |  | 3,000                    |
| Other Services                                    | 3,000                    |                              | \$ 10,000                                  | 13,000                   |
|   | <u>\$ 13,500</u>         | <u>\$ 37,000</u>             | <u>\$ 10,000</u>                           | <u>\$ 60,500</u>         |
| <b>Total Outside Services</b>                     | <u><u>\$ 235,480</u></u> | <u><u>\$ 37,000</u></u>      | <u><u>\$ 10,000</u></u>                    | <u><u>\$ 282,480</u></u> |

**Highline Water District  
2018 Budget  
Office Equipment**

|  | <u>Administration</u>      |
|--|----------------------------|
| <u>Office Equipment Preventive Maintenance</u>     |                            |
| Annual maintenance on main copier                  | \$ 2,700                   |
| Annual maintenance on Pitney Bowes folder/inserter | 545                        |
| Maintenance for Altura telephone system            | 3,060                      |
| Annual maint on Const Svc copier-Konica Minolta    | 1,400                      |
|  | <u>\$ 7,705</u>            |
| <br><u>Office Equipment Rental &amp; Lease</u>     | <br><u>\$ 1,000</u>        |
| <br><u>Office Equipment Repair</u>                 | <br><u>\$ 1,000</u>        |
| <br>Total Office Equipment                         | <br><u><u>\$ 9,705</u></u> |

**Highline Water District  
2018 Budget  
Utilities**

|                                | <u>Wholesale<br/>Water<br/>Supply</u> | <u>Pumps,<br/>Reservoirs &amp;<br/>Telemetry</u> | <u>Wells<br/>&amp; Water<br/>Treatment</u> | <u>Administration</u> | <u>Total</u>      |
|--------------------------------|---------------------------------------|--|--|-----------------------|-------------------|
| Garbage & Recycling            |                                       |  |  | \$ 5,500              | \$ 5,500          |
| Natural Gas                    |                                       |  |  | 10,000                | 10,000            |
| Real Estate Tax                |                                       |  |  | 6,675                 | 6,675             |
| Storm/Surface Water Management |                                       | \$ 180   |  | 6,650                 | 6,830             |
| Power                          | \$ 96,150                             | 38,500   | \$ 233,000                                 | 22,500                | 390,150           |
| Sewer                          | 1,535                                 | 500  |  | 550                   | 2,585             |
| Sewer - Backwash               |                                       |  | 18,300                                     |                       | 18,300            |
| <b>Total Utilities</b>         | <u>\$ 97,685</u>                      | <u>\$ 39,180</u>                                 | <u>\$ 251,300</u>                          | <u>\$ 51,875</u>      | <u>\$ 440,040</u> |

\*Power - Supply=Pump stations #'s 2, 3 & 6

- Pumps Reservoirs & Telemetry = Pump stations #'s 1, 4, 7 & reservoirs

**Highline Water District**  
**2018 Capital Asset Purchase Budget**  
 Individual budget amounts do not include sales tax

| Line | Asset                                       | Cost    |
|------|---|---------|
| 1    | Pick up truck - replacement                 | 35,000  |
| 2    | Vehicle - replace Ford Explorer             | 30,000  |
| 3    | Pneumatic boring tool (Mole)                | 6,000   |
| 4    | Air conditioner - server room               | 15,000  |
| 5    | GEMS - Server                               | 5,500   |
| 6    | Valve actuator                              | 10,000  |
| 7    | SCADA RTU's for offsite locations - Phase 1 | 100,000 |
| 8    | Office remodel                              | 15,000  |
| 9    | Portable Smart Board (carry over from 2017) | 12,000  |

|                                      |                          |
|--------------------------------------|--------------------------|
| <b>Subtotal</b>                      | <u>\$ 228,500</u>        |
| <b>Plus: Sales tax</b>               | <u>\$ 23,045</u>         |
| <b>Total Capital Asset purchases</b> | <u><u>\$ 251,545</u></u> |



**Agenda Item No.:** 5.1  
**Agenda Date:** 12/20/17  
**Reviewed By:** M.E.

**Subject:** Adopt 2018 Operating Budget

| CATEGORY                      |                                     |
|-------------------------------|-------------------------------------|
| <i>Executive</i>              | <input type="checkbox"/>            |
| <i>Administrative</i>         | <input checked="" type="checkbox"/> |
| <i>Engineering/Operations</i> | <input checked="" type="checkbox"/> |

| FINANCIAL            |                              |                             |                              |
|----------------------|------------------------------|-----------------------------|------------------------------|
| <i>Expenditures?</i> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| <i>Budgeted?</i>     | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| <i>Amount:</i> \$    |                              | <u>                    </u> |                              |
| <i>Plus WSST</i>     |                              |                             |                              |

- Attachments
1. Resolution #17-12-20A
  2. Exhibit A – 2018 Operating Budget

**COMMENTS:**

Each year staff and the Commissioners review the needs of the District and establish an Operating Budget (attached to the resolution as Exhibit A).

Staff recommends approval of this resolution.