

Area Water and Wastewater Rates

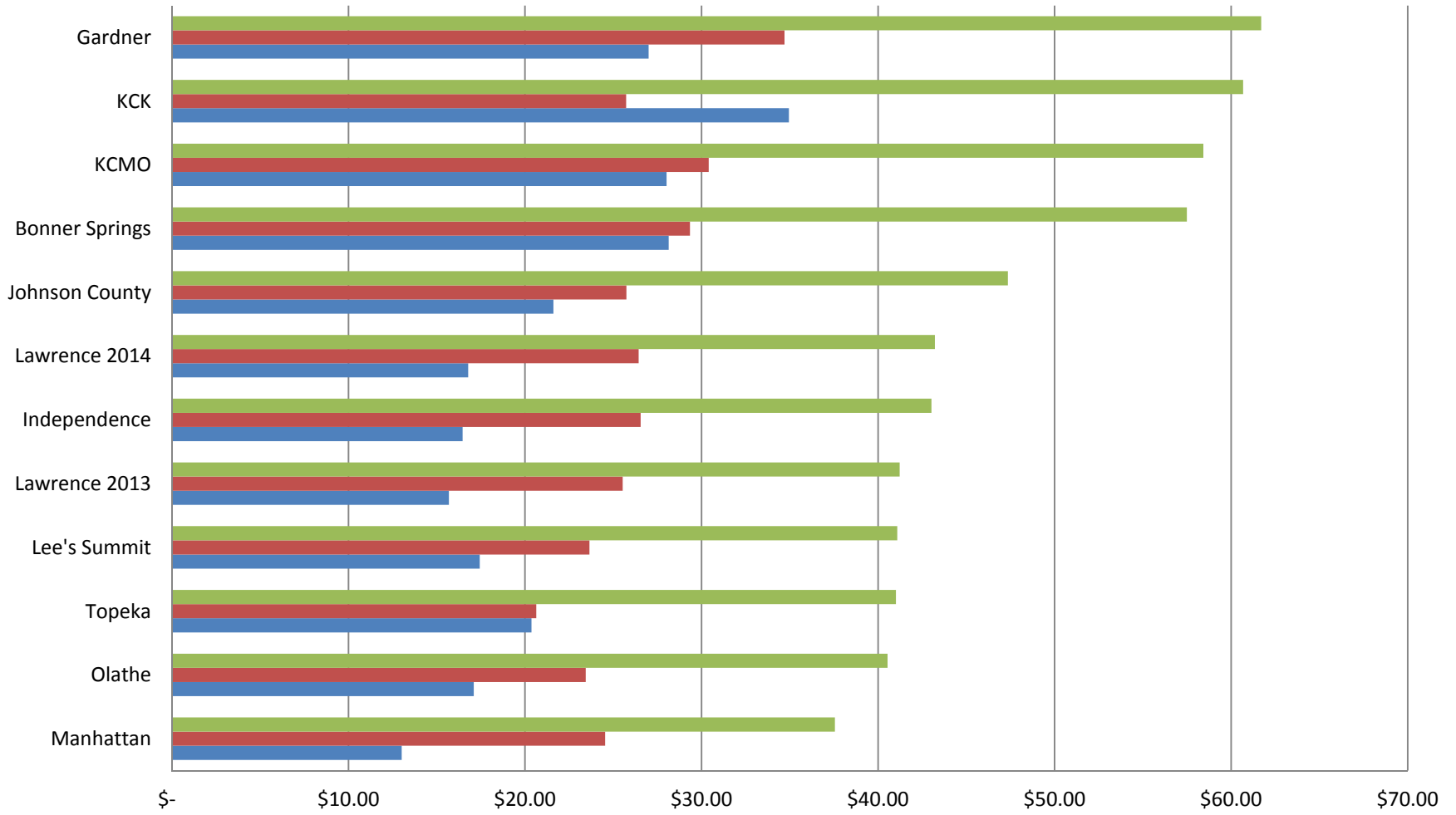
Utilities staff surveyed other area utilities to determine the rate changes anticipated in 2014 or their next budget cycle. A summary of utility rate changes follows:

- Johnson County WaterOne anticipates an increase of 4.2%.
- Bonner Springs will be requesting a 2% increase for water and a 5% increase for wastewater. Any changes to their rates will be effective in April 2014.
- Independence, MO plans to increase the minimum charge for water by 7% for 2014. Wastewater revenues will increase by 4.5% annually until 2015. In addition to these increases there is a special charge funding work mandated by the EPA wet weather consent order. This charge will increase from \$6 per month in 2013 to \$9 per month in 2014.
- Olathe will request a 5% increase in water and 8% increase in sewer charges for 2014.
- Topeka is currently going through a comprehensive rate and fee study, as well as determining their revenue needs to meet asset management requirements. Last year prior to the study, they requested 7% for water and 6% for wastewater, which were declined by their City Commission until the results of the rate study were available. Although they have not yet applied their expected revenue needs to rates, they are anticipating a similar rate adjustment request as last year to meet their needs.
- Manhattan is in approximately year 4 of a 5 year rate restructuring, which is moving their rates to a more conservation method. Overall they are planning for an average revenue increase of 4% for water. However it includes only a slight increase to small water users, a 7% increase to the 21-400 unit (1000 cfs) block, and 11% increase for those over 400 units. The wastewater rates are expected to increase by 3% for 2014.
- Kansas City Board of Public Utilities (BPU) is currently completing a cost of service study with Black & Veatch, which will have an impact on the rates they request for 2014. They operate on a fiscal year and will begin discussing rate adjustments in early 2014. They just increased their rates by approximately 7%.
- Lee's Summit is anticipating a request of 6% increase for water and 3% increase for wastewater.

All other utilities that are normally included in comparisons were either not available to respond at this time or have not yet begun discussions on rate changes for 2014.

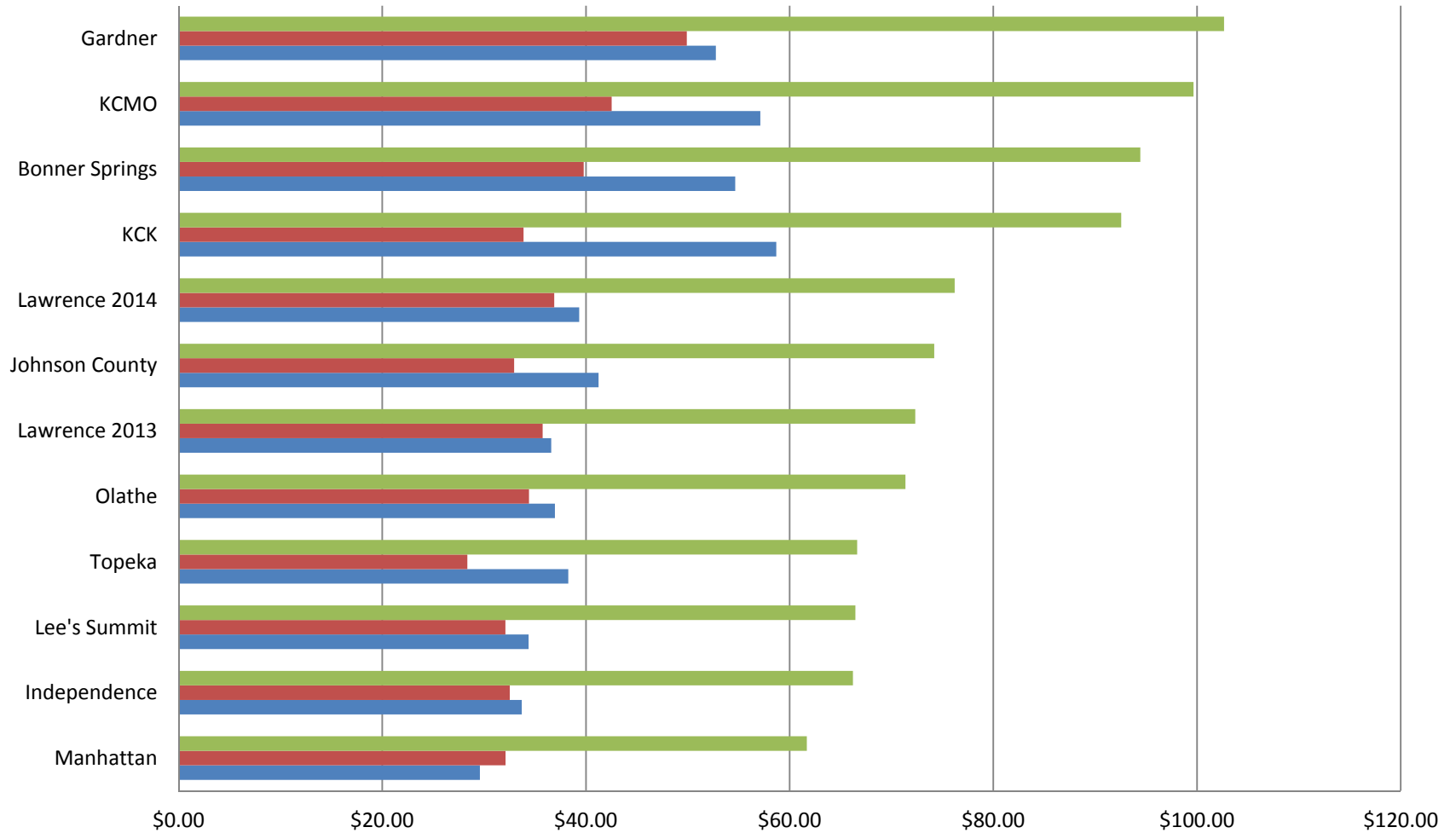
The graphs on the following pages compare the area's residential bills for 8,000 gallon and 3,000-gallon usage in 2013, including Lawrence current rates and the proposed rates for 2014.

2013 Typical Residential Monthly Utility Bill Comparison (3000 gallon)



	Manhattan	Olathe	Topeka	Lee's Summit	Lawrence 2013	Independence	Lawrence 2014	Johnson County	Bonner Springs	KCMO	KCK	Gardner
■ Monthly Bill	\$37.56	\$40.54	\$41.01	\$41.09	\$41.22	\$43.02	\$43.22	\$47.36	\$57.49	\$58.43	\$60.68	\$61.70
■ Sewer (3,000 gal.)	\$24.54	\$23.44	\$20.64	\$23.65	\$25.53	\$26.55	\$26.44	\$25.74	\$29.35	\$30.41	\$25.73	\$34.70
■ Water (3,000 gal.)	\$13.01	\$17.10	\$20.37	\$17.44	\$15.69	\$16.47	\$16.78	\$21.61	\$28.14	\$28.02	\$34.95	\$27.00

2013 Typical Residential Monthly Utility Bill Comparison (8000 gallon)



	Manhattan	Independence	Lee's Summit	Topeka	Olathe	Lawrence 2013	Johnson County	Lawrence 2014	KCK	Bonner Springs	KCMO	Gardner
■ 2013 Monthly Bill	\$61.69	\$66.22	\$66.46	\$66.63	\$71.37	\$72.34	\$74.19	\$76.21	\$92.56	\$94.44	\$99.65	\$102.65
■ 2013 Sewer (5000 gal.)	\$32.11	\$32.52	\$32.09	\$28.36	\$34.41	\$35.75	\$32.95	\$36.88	\$33.87	\$39.78	\$42.53	\$49.90
■ 2013 Water (8000 gal.)	\$29.58	\$33.70	\$34.37	\$38.27	\$36.95	\$36.59	\$41.24	\$39.33	\$58.68	\$54.65	\$57.13	\$52.75