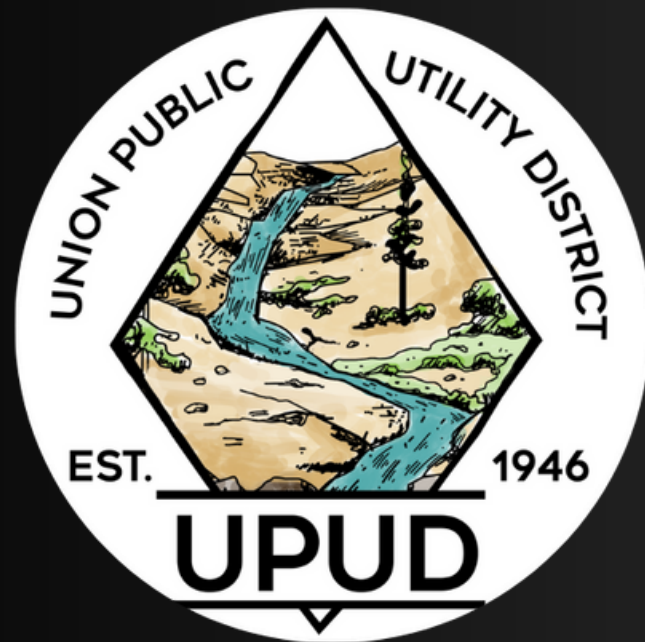


Capital Improvement Program



November 15, 2023

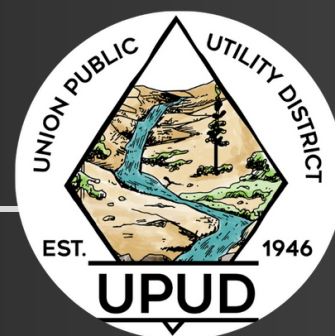


Overview

UPUD adopted a CIP in September, 2021 and was used for the rate study conducted shortly after.

Financial Sustainability

As the CIP outlines capital projects aimed at improving and maintaining our water infrastructure, it is crucial to ensure that the revenue generated through water rates is sufficient to cover the associated costs

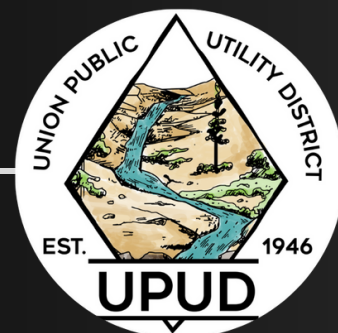


Engineering News-Record

Weber Ghio & Associates staff used the ENR to update project costs.

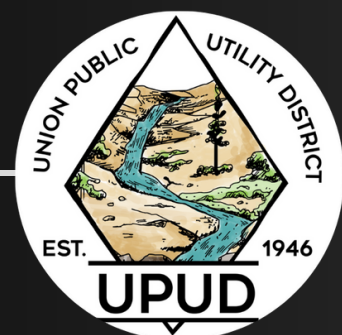
- Widely recognized and respected publication in the construction industry

- Comprehensive coverage of various construction projects, including their costs, timelines, and other relevant details



Engineers Estimate

- ENR cost value increased 1.084
- Assumed a 5% yearly inflation increase.



37.37	558.52
38.29	557.16
545.5	557.07
01	559.71
	558.35

What changed

- Total CIP estimates increase 16% from 2021
- Most of the drastic increases occurred for treatment plant projects



Next Steps

Financial Planning

Board approval of updated CIP in order to make budget modifications.

Reprioritize Projects

Complete before we adopt the next FY Budget

Communication

Keep Community and partners informed about the implications of inflation on our projects

Regular Updates

Ensure our CIP is subject to periodic updates and adjustments, as needed