

Strategic Financial Plan Summary

Lower East Fork Interceptor System

Key Drivers

General

- The Strategic Financial Plans (SFPs) were prepared with reasonable assumptions on all current and future costs and factor in items such as inflation, future staffing, project timelines and financing costs.
- Participant Cities: Mesquite and Seagoville

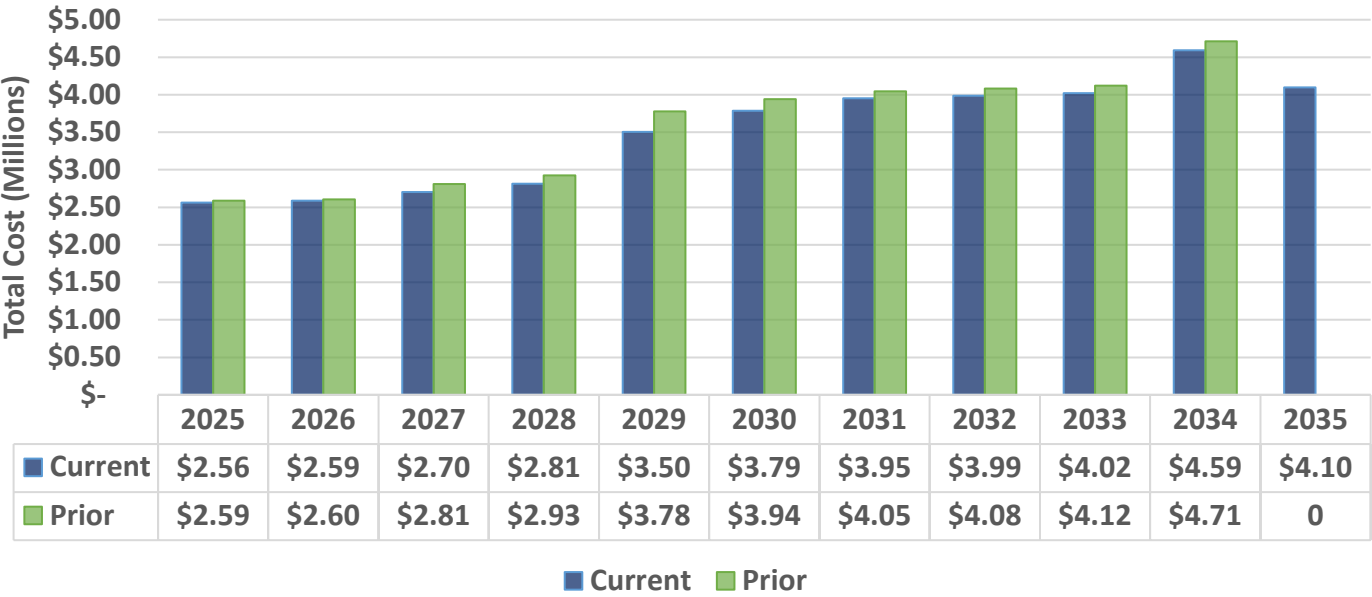
Long-Term Capital

- Planned city funding of \$1.8M in projects between 2025 – 2026
- 2027 – LEFIS Force Main, Lift Station, Other Improvements - \$12M
- 2028 – Mustang Creek Interceptor Parallel – \$24M

Preventative Maintenance Escrow

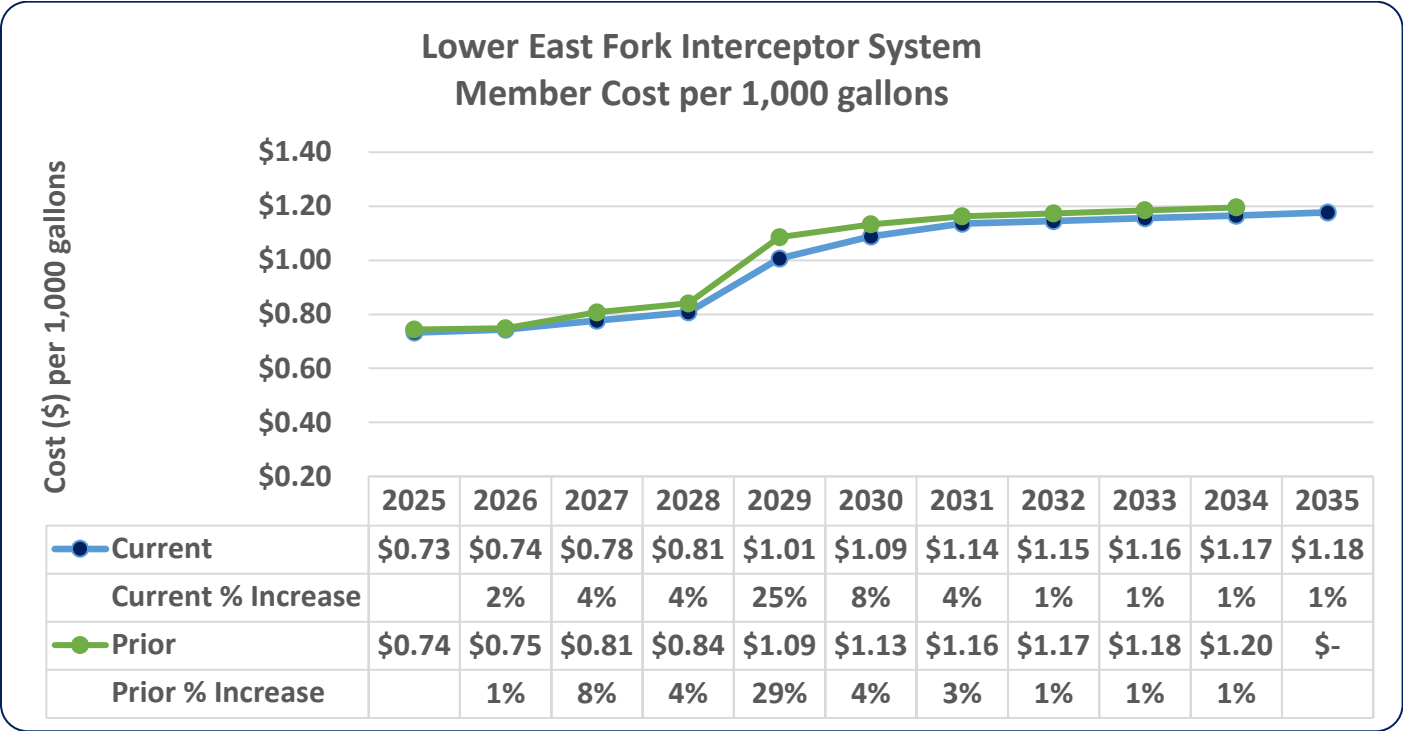
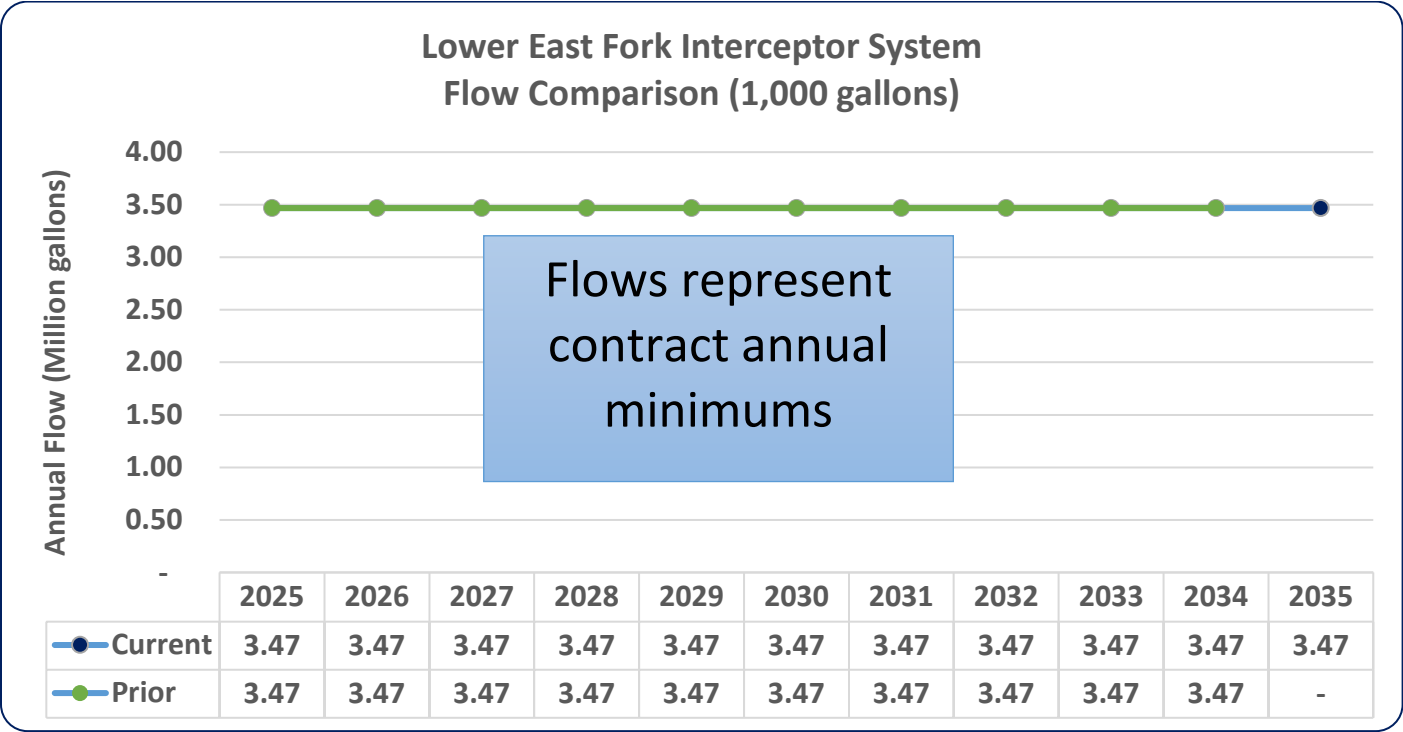
- Pipeline inspections are planned in 2034 (\$410,000)
 - Expenses are expected to be paid for via transfers from the PM Escrow Fund

Lower East Fork Interceptor System
Total Cost Comparison



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* The cost per 1,000 gallons is an estimate only which takes into consideration the budgeted and/or contracted flows along with future growth rates. Actual system costs are shared by system participations based on proportional or contracted flows.

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| Participant Costs | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Mesquite | \$1,986,860 | \$2,017,849 | \$2,107,279 | \$2,192,094 | \$2,730,600 | \$2,951,579 | \$3,081,108 | \$3,107,639 | \$3,135,153 | \$3,162,295 | \$3,193,292 |
| Seagoville | \$ 553,540 | \$ 562,173 | \$ 587,089 | \$ 610,718 | \$ 760,746 | \$ 822,311 | \$ 858,397 | \$ 865,789 | \$ 873,454 | \$ 881,016 | \$ 889,652 |
| Total | \$2,540,400 | \$2,580,022 | \$2,694,368 | \$2,802,812 | \$3,491,346 | \$3,773,890 | \$3,939,505 | \$3,973,428 | \$4,008,607 | \$4,043,311 | \$4,082,944 |

| Participant Flows (1,000 gallons) | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Mesquite | 2,711,950 | 2,711,950 | 2,711,950 | 2,711,950 | 2,711,950 | 2,711,950 | 2,711,950 | 2,711,950 | 2,711,950 | 2,711,950 | 2,711,950 |
| Seagoville | 755,550 | 755,550 | 755,550 | 755,550 | 755,550 | 755,550 | 755,550 | 755,550 | 755,550 | 755,550 | 755,550 |
| Total | 3,467,500 | 3,467,500 | 3,467,500 | 3,467,500 | 3,467,500 | 3,467,500 | 3,467,500 | 3,467,500 | 3,467,500 | 3,467,500 | 3,467,500 |