

FLORIDA GOVERNMENTAL UTILITY AUTHORITY



WATER AND WASTEWATER RATE EVALUATION LEHIGH SYSTEM

July 11, 2008



Public Resources Management Group, Inc.
Utility, Rate, Financial and Management Consultants

July 11, 2008

Mr. Robert E. Sheets
Chief Executive Officer
Florida Governmental Utility Authority
1500 Mahan Drive, Suite 250
Tallahassee, FL 32308

Subject: **Lehigh System Water and Wastewater Rate Evaluation**

Dear Mr. Sheets:

Public Resources Management Group, Inc. (PRMG) has completed the review of the water and wastewater user rates, connection fee charges (impact fees) and other miscellaneous charges for the Florida Governmental Utility Authority (the "Authority") as it relates to the Lehigh system located in Lee County (the "Lehigh System"), and presents this letter report for your consideration. This letter outlines the analyses and assumptions used to determine the proposed water and wastewater user rates, connection fee charges (impact fees) and other miscellaneous charges being recommended by PRMG for consideration by the Authority.

MAJOR ISSUES AFFECTING UTILITY SYSTEM

Based on our discussions with staff, major issues currently affecting the utility system include:

1. The cost of operating the System is anticipated to increase on average approximately 5.0% due to a variety of factors, including inflation, increases in fuel, system growth, and the increasing cost of the existing Contract Operations Agreement with Severn Trent Environmental Service, Inc. ("STES") It should be noted that the Authority received notice from its electric supplier that cost of power is expected to increase by 15% to 20% effective August 2008.
2. In addition to the above, the rate of System growth has also significantly slowed. For the first 8 months of Fiscal Year 2008 the Lehigh service area has actually experienced a decrease in approximately 300 active accounts. This is primarily the result of negative economic conditions which plague the State, which has had a direct impact on the growth-related funds received for the benefit of the System. It has been assumed for the forecast that this trend is temporary and that the system will return to a more reasonable level of system growth in future period although less than what has been historically experienced.
3. The combination of increasing operating expenses and slower to negative growth in revenues has had a negative financial impact on the operating margins of the System.

4. Over the next six (6) fiscal years, the capital improvement program identified for the Authority was estimated to approximate \$64,000,000 and includes the construction of the Mirror Lakes Water Treatment Plant No. 2 and the Wastewater Treatment Plant Phase 2 expansion, as well as System improvements.
5. The utility's existing user rates are anticipated to be insufficient to meet the debt service coverage requirements of the bond resolution (the "Bond Resolution") that authorized the issuance of the utility's outstanding senior lien bonds. The Authority needs to raise user rates to meet the rate covenant provisions as mandated by the Bond Resolution.
6. The Systems existing user rates do not adequately promote water conservation. The existing rates for monthly service were the rates charged at the time of acquisition of the System from Florida Water Services Corporation ("FWS"), subsequently adjusted for annual indexing adjustments. The existing water usage rates are the same rate per 1,000 gallons regardless of consumption level. PRMG is recommending the System implement a conservation block rate structure to promote conservation within the Lehigh service territory.
7. The current connection fees (impact fees) adopted by the Authority were the existing fees charged by Florida Water Services Corporation (FWS) at the time of acquisition of the Lehigh System service areas. The connection fees charged by FWS were based on uniform state-wide composite average of all their service areas and did not necessarily reflect the capital burden imposed by development for the specific Lehigh service area. The Authority has identified a significant amount of capital improvements to meet anticipated system capacity needs in the future due. In order to provide a funding source consistent with the anticipated capital plan for the System, PRMG is recommending adjustments to the existing connection fees charged.
8. PRMG is also recommending changes to the Miscellaneous Services Charges currently charged by the Authority to ensure the charges are designed to recover the underlying cost of service of the specific service being performed. The FGUA is unique in that all of the services performed relating to miscellaneous service charges are currently performed by either the Authority's Contract Operation and Maintenance Operator STES, or the Authority's Contract Administrator the Governmental Services Group, Inc. (GSG). As a result of these agreements a majority of the underlying direct and indirect costs incurred by the FGUA relating to specific services being performed for miscellaneous services are specifically identified in the contracts between the Authority by STES and GSG. After review of these contracts it was determined that some of the existing miscellaneous service charges do not adequately recover the cost of provide service.

MONTHLY USER RATES

During the course of the rate study, the Authority staff and PRMG established certain guidelines to be followed while evaluating the sufficiency of the user rates. These guidelines included:

1. The user rates should be sufficient to recover the cost of providing utility service. The cost of service includes System operating costs, renewal and replacement requirements, debt service requirements, accrual of funds for working capital and for pay-as-you-go capital financing that is anticipated in future years.
2. The user rates should support the overall financial condition of the System. This guideline entails the following:
 - a. Maintenance of adequate operating reserves equal to at least ninety (90) days of operations and maintenance expenses.
 - b. Compliance with the rate covenants of the Bond Resolution that authorized the issuance of the outstanding senior lien bonds.
3. The rates should adequately promote water conservation.
4. To the extent possible, the proposed user rates should be competitive with those of neighboring utility systems.

PRMG's rate study includes an evaluation of the operations and expenditure needs and financial obligations of the System for the six fiscal year period ending September 30, 2008 through 2013 and the sufficiency of the rate revenues to meet such needs. Based on the assumptions relied upon in the development of the System revenue requirements, PRMG has identified the need for additional rate adjustments for both the water system and the wastewater system.

The primary reasons for the identified rate adjustments are to:

1. Provide sufficient revenues and cash flow to fund the capital improvement program (CIP) of the Authority. The major projects in the CIP include:
 - a. Expansion of the Mirror Lakes water treatment plant facilities.
 - b. Lehigh Wastewater Phase 2 treatment plant expansion.
 - c. Expansion of reuse system in the Lehigh Service area.
 - d. Renewal / replacement projects and other projects identified by the utility staff that are critical to providing long-term reliable and sustainable utility service to System customers.
2. Meet the debt service coverage requirements associated with the System's existing and anticipated senior lien bonds and existing line of credit. The utility's existing user rates are

projected to be insufficient to meet the debt service coverage requirements and corresponding rate covenants of the Bond Resolution which authorized the issuance of the utility's outstanding senior lien bonds.

3. Continue to fund the cost of operations, which continue to increase due to, among other things, the following:
 - a. Inflationary effects on the costs of goods and services (prices of electricity and raw materials such as fuel are projected to increase substantially).
 - b. Increased cost associated with the Contract Operations Agreement with STES associated with operating the System.
4. Maintain adequate operating reserves and margins to ensure the continued creditworthiness of the System and to provide funds for emergencies (e.g., hurricane preparedness) and other purposes.

Based on the financial forecast and funding plan for the System, the following revenue adjustments are required:

Fiscal Year	Water			Wastewater		
	Index Adjustment	Add. Adjustment	Total Increase	Index Adjustment	Add. Adjustment	Total Increase
2009	2.50%	4.50%	7.00%	2.50%	4.50%	7.00%
2010	2.50%	6.50%	9.00%	2.50%	6.50%	9.00%
2011	2.50%	6.50%	9.00%	2.50%	6.50%	9.00%
2012	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
2013	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

These adjustments are representative of the anticipated increases in costs to effectively operate and maintain the System given the specific requirements of the System service area. The Authority staff plans to monitor the System on an ongoing basis to evaluate whether the assumptions outlined herein match the actual financial conditions of the System and to validate the overall cost recovery plan. Issues that could affect the financial condition of the System include, but are not limited to, customer growth and capacity demands, effects of conservation (especially as related to the rate structure changes in the proposed water and wastewater rates), the timing and amount of expenditures for capital projects, inflation and other factors.

The existing monthly user rates for the Lehigh System do not adequately promote water conservation. Therefore, PRMG is recommend the proposed water conservation rate block structure for monthly water consumption summarized as follows:

**System Conservation Rates – Water
 Usage Charges Residential Class (Per 1,000 Gallons)**

Month Usage Rate Blocks	Current Rate 2008	Calculated Rate FY 2009	Percent Increase	Percent First Block
Block 1 (0 - 6,000)	\$4.16	\$4.30	3.37%	100%
Block 2 (6,001 - 12,000)	\$4.16	\$4.95	18.99%	115%
Block 3 (12,001 - 18,000)	\$4.16	\$5.59	34.38%	130%
Above 18,000	\$4.16	\$6.45	55.05%	150%

Conservation rates have not been proposed for the Multi-Family class or the commercial class of customers. The commercial and multi-family classes of customer by nature have an incentive to conserve and therefore are not viewed as the primary conservation targets. Additionally, for these customers all water use is also billed the wastewater flow charge which provides a further water conservation incentive. (Note – single-family residential wastewater usage charges are “capped” at 6,000 gallons monthly). By focusing the water conservation pricing incentives on the single-family residential class of customers the Authority will be targeting the primary discretionary and excessive water users.

A summary of all the proposed monthly water and wastewater rates are shown on Table 1 immediately following this letter.

CONNECTION FEES (IMPACT FEES)

The current connection fees (impact fees) adopted by the Authority were the existing fees charged by Florida Water Services Corporation (FWS) at the time of acquisition of the Lehigh System service areas. The connection fees charged by FWS were based on uniform state-wide composite average of all their service areas and did not necessarily reflect the capital burden imposed by development for the specific Lehigh service area. The Authority has identified a significant amount of capital improvements to meet anticipated system capacity needs in the near future due to the continued growth of the utility service territory. In order to provide a funding source consistent with the anticipated capital plan for the System, PRMG is recommending adjustments to the existing connection fees charge. At the outset of the rate study, it was established that the proposed connection fees should meet a number of goals and objectives. These goals and objectives dealt primarily with criteria related to fee sufficiency and level. Specifically, the major objectives considered in developing the proposed connection fees included:

1. The connection fees should be based upon reasonable level of service standards that meet the needs of the Authority, should be indicative of the criteria used for long-term infrastructure planning, and should be consistent with industry standards.

2. The connection fees should be based on cost of service principles.
3. The proposed connection fees should take into consideration similar fees charged by neighboring utility systems.

The proposed water and wastewater connection fees presented in this letter have been structured to meet these objectives. Based on the Authority's estimated capital improvement plan for the Fiscal Years 2008 through 2013, the proposed connection fees are as follows:

	Water		Wastewater	
	Existing	Proposed	Existing	Proposed
Connection Fee	\$1,146.00	\$2,700.00	\$1,780.00	\$2,840.00
AFPI Charges	793.43	\$0.00	715.89	\$0.00
Total	\$1,885.43	\$2,700.00	\$2,495.89	\$2,840.00

MISCELLANEOUS SERVICE CHARGES

In our review of the existing miscellaneous charges the following factor has primarily contributed to the current charges being inadequate to recover the underlying cost of service relating to the service being performed, i) the charges for such services charged to the Authority by its Contract Operator STES have continued to increase annually as a result of an annual indexing provision contained in the Contract Operations agreement, whereas the Authority has not increased its miscellaneous service charges to accurately reflect this cost of providing service.

For the majority of the individual miscellaneous service charges the primary cost of service requirements used in the determination of the charges were, I) the direct and indirect cost charged to the Authority by either their Contract Operator STES or the Contract Administrator GSG. and ii) an allowance for FGUA overhead cost recovery.

A comparison of the existing and recommended miscellaneous service charges is included on Table 1 at the end of this letter under the Miscellaneous Service Charge Section.

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

Based on our studies, assumptions, considerations, and analyses, PRMG offers the following findings, conclusions, and recommendations for consideration by the Authority:

1. The Authority's existing user rates for water and wastewater service are not anticipated to recover the Authority's projected water and wastewater utility revenue requirements for the fiscal years ending September 30, 2008 through 2013.

2. The Town should consider adopting the Fiscal Years 2009 through 2011 water and wastewater system user rate adjustments as recommended in this letter. The adjustments are anticipated to generate the following increases in revenue:

Fiscal Year	Water			Wastewater		
	Index Adjustment	Add. Adjustment	Total Increase	Index Adjustment	Add. Adjustment	Total Increase
2009	2.50%	4.50%	7.00%	2.50%	4.50%	7.00%
2010	2.50%	6.50%	9.00%	2.50%	6.50%	9.00%
2011	2.50%	6.50%	9.00%	2.50%	6.50%	9.00%
2012	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
2013	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%

It is important to note that, due to the proposed changes to the utility rate structure and usage level of a given customer, the increase in such customer's bill may be higher or lower than the overall system-wide increases in utility System revenue anticipated to be generated from the proposed rates for Fiscal Year 2009 the recommended increases for Fiscal Years 2010 – 2011 are assumed to be applied uniformly to all rates effective October 1, of each respective year. The 2.5% increases for Fiscal Years 2012 and 2013 reflect the continuation of the annual indexing adjustment to user rates.

3. The existing monthly user rates for the Lehigh System do not adequately promote water conservation. Therefore the Authority should consider adopting the proposed water conservation rate block structure for monthly water consumption summarized as follows:

Month Usage Rate Blocks	System Conservation Rates – Water Usage Charges Residential Class (Per 1,000 Gallons)			
	Current Rate 2008	Calculated Rate FY 2009	Percent Increase	Percent First Block
Block 1 (0 - 6,000)	\$4.16	\$4.30	3.37%	100%
Block 2 (6,001 - 12,000)	\$4.16	\$4.95	18.99%	115%
Block 3 (12,001 - 18,000)	\$4.16	\$5.59	34.38%	130%
Above 18,000	\$4.16	\$6.45	55.05%	150%

4. The existing connection fees for the Lehigh System do not provide a funding source consistent with the anticipated capital plan for the System. Therefore, the Authority should consider adopting the proposed connection fees summarized as follows:

	Water		Wastewater	
	Existing	Proposed	Existing	Proposed
Connection Fee	\$1,146.00	\$2,700.00	\$1,780.00	\$2,840.00
AFPI Charges	793.43	\$0.00	715.89	\$0.00
Total	\$1,885.43	\$2,700.00	\$2,495.89	\$2,840.00

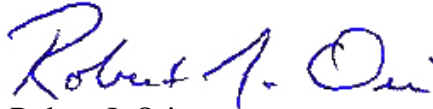
5. The existing miscellaneous charges do not adequately recover the underlying cost of provide service. Therefore, the Authority should consider adopting the proposed miscellaneous service charges.
6. The actual results achieved during the forecast period summarized in this report may vary from those projected, and such variations could be material. For example:
 - a. The utility's capital needs may be higher or lower than those projected and assumed in this report.
 - b. Incremental operating expenses associated with treatment facilities coming online may be higher or lower than projected.
 - c. Customer growth may be less than anticipated.
7. PRMG recommends that the Authority reevaluate the sufficiency of its water and wastewater user rates on at least an annual basis to reconcile actual results with those projected herein and to update the financial forecast for strategic planning
8. The proposed rates, if implemented as assumed in this report, are anticipated to be sufficient to: i) meet the rate covenants of the Bond Resolution; and ii) to meet the funding requirement of the System.

Mr. Robert Sheets
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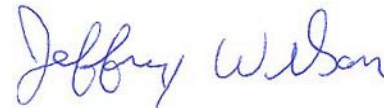
We appreciate the opportunity to be of service to the Authority and would like to thank the Authority staff for their assistance and cooperation during the course of this study.

Very truly yours,

Public Resources Management Group, Inc.



Robert J. Ori
President



Jeffrey M. Wilson
Senior Consultant

RJO/dlm
Attachments

Monthly User Rates
And Financial Forecast Schedules

Table 1
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Existing and Proposed Water and Wastewater Rates

Line No.	Description	Existing Rates	Rates Effective		
			October 1, 2008	October 1, 2009	October 1, 2010
Water System:					
All Classes of Retail Service					
Base Facility					
1	5/8" x 3/4"	\$11.01	\$11.75	\$12.81	\$13.96
2	3/4"	16.52	17.63	19.22	20.95
3	1"	27.50	29.38	32.02	34.90
4	1 1/2"	55.03	58.75	64.04	69.80
5	2"	88.04	94.00	102.46	111.68
6	3"	176.08	188.00	204.92	223.36
7	4"	275.13	293.75	320.19	349.01
8	6"	550.29	587.50	640.38	698.01
9	8"	880.44	940.00	1,024.60	1,116.81
10	10"	1,265.65	1,351.25	1,472.86	1,605.42
Consumption Charge					
Residential Class					
11	Per 1,000 Gallons	\$4.16			
12	Block 1 (0 - 6)		\$4.30	\$4.69	\$5.11
13	Block 2 (7 - 12)		\$4.95	\$5.40	\$5.89
14	Block 3 (13 - 18)		\$5.59	\$6.09	\$6.64
15	Block 4 (18 +)		\$6.45	\$7.03	\$7.66
16	General Service, Multi-Family	\$4.16	\$4.59	\$5.00	\$5.45
Private Fire Protection Service					
Base Facility					
17	2"	7.34	7.83	8.54	9.31
18	3"	14.67	15.67	17.08	18.61
19	4"	22.93	24.48	26.68	29.08
20	6"	45.84	48.96	53.37	58.17
21	8"	73.37	78.33	85.38	93.07
22	10"	105.47	112.60	122.74	133.79
Consumption Charge					
	Per 1,000 Gallons	None	None	None	None

Table 1
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Existing and Proposed Water and Wastewater Rates

Line No.	Description	Existing Rates	Rates Effective		
			October 1, 2008	October 1, 2009	October 1, 2010
Wastewater System:					
Residential					
Base Facility					
23	All Meter Sizes	\$18.67	\$19.75	21.53	23.47
33	Gallorage Charge per 1,000 gal.	6.29	6.79	7.40	8.07
34	Maximum Gallorage Charge	6,000.00	6,000.00	6,000.00	6,000.00
Wastewater Service Only					
35	Base Facility	35.65	40.12	43.73	47.67
General Service, Multi-Family					
Base Facility					
36	5/8" x 3/4"	18.67	19.75	21.53	23.47
37	3/4"	28.01	29.63	32.30	35.21
38	1"	46.69	49.38	53.82	58.66
39	1 1/2"	93.36	98.75	107.64	117.33
40	2"	149.36	158.00	172.22	187.72
41	3"	298.74	316.00	344.44	375.44
42	4"	466.76	493.75	538.19	586.63
43	6"	933.55	987.50	1,076.38	1,173.25
44	8"	1,493.68	1,580.00	1,722.20	1,877.20
45	10"	2,147.14	2,271.25	2,475.66	2,698.47
46	Gallorage Charge per 1,000 gal.	7.54	8.15	8.88	9.68
	Maximum Gallorage Charge	None	None	None	None
EFFULENT (RECLAIMED) SERVICE					
Wholesale:					
	Monthly Service Availability	None	None	None	None
47	Gallorage Charge per 1,000 gal.	0.44	0.45	0.46	0.47
Retail:					
48	Monthly Service Availability	2.56	2.63	2.69	2.76
49	Gallorage Charge per 1,000 gal.	0.47	0.48	0.49	0.50

Table 2

**Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System**

Projected Net Revenue Requirements - Combined Systems

Line No.	Description	Projected Fiscal Year Ending September 30,					
		2008	2009	2010	2011	2012	2013
Operating Expenses:							
1	Board Expenses	\$ 486,805	\$ 579,513	\$ 600,651	\$ 620,161	\$ 641,055	\$ 662,556
2	Operations & Maintenance Contract	2,673,536	2,963,258	3,312,100	3,706,177	3,912,232	4,134,010
3	Billing & Customer Service Contract	552,171	609,809	675,843	754,499	798,662	844,778
4	Management Contract	619,936	650,382	686,087	726,865	769,124	813,247
5	Other Operating Costs	630,784	729,783	785,368	827,608	870,184	914,156
6	Professional Services	400,882	392,158	423,773	415,736	428,059	440,750
7	Special Projects	118,493	97,314	117,824	98,349	98,889	99,446
8	Combined Systems Operating Expenses:	<u>\$5,482,607</u>	<u>\$6,022,217</u>	<u>\$6,601,646</u>	<u>\$7,149,394</u>	<u>\$7,518,205</u>	<u>\$7,908,943</u>
Other Revenue Requirements:							
9	Existing Debt Service	\$ 4,305,503	\$ 4,313,018	\$ 4,306,720	\$ 4,311,620	\$ 4,307,508	\$ 4,309,270
10	Proposed Debt Service	158,035	838,138	1,396,317	2,220,304	2,220,304	2,220,304
11	Capital Funded From Rates	0	0	0	754,887	785,169	747,600
12	Transfer to R&R Fund	507,473	472,111	798,384	889,215	1,009,203	1,108,456
13	Transfer to Capital Improvement Fund	0	0	0	0	0	0
14	Transfer to Operating Reserves	0	0	0	0	0	0
15	Total Other Revenue Requirements	<u>\$4,971,011</u>	<u>\$5,623,266</u>	<u>\$6,501,421</u>	<u>\$8,176,026</u>	<u>\$8,322,184</u>	<u>\$8,385,630</u>
16	Gross Revenue Requirements	<u>\$10,453,618</u>	<u>\$11,645,483</u>	<u>\$13,103,067</u>	<u>\$15,325,420</u>	<u>\$15,840,389</u>	<u>\$16,294,573</u>
Less Income and Funds from Other Sources:							
17	Other Revenues	\$ 665,518	\$ 704,359	\$ 766,644	\$ 818,806	\$ 848,159	\$ 886,117
18	Interest Income	167,300	120,500	95,600	127,100	122,800	120,900
19	Impact Fees Used to Pay Debt Service	0	0	650,000	650,000	650,000	650,000
20	Transfer From Operating Reserves	0	225,000	0	250,000	0	0
21	Net Revenue Requirements	<u>\$9,620,799</u>	<u>\$10,595,624</u>	<u>\$11,590,822</u>	<u>\$13,479,514</u>	<u>\$14,219,430</u>	<u>\$14,637,556</u>
22							
23	Revenue From Existing Water and Wastewater Rates:	\$ 9,641,900	\$ 9,921,634	\$ 10,426,927	\$ 10,772,041	\$ 11,100,302	\$ 11,419,299
Revenue Surplus/(Deficiency) Under Existing Rates:							
24	Amount	\$ 21,101	\$ (673,990)	\$ (1,163,895)	\$ (2,707,473)	\$ (3,119,127)	\$ (3,218,257)
25	Percent of Rate Revenue	<u>0.00%</u>	<u>(6.79%)</u>	<u>(11.16%)</u>	<u>(25.13%)</u>	<u>(28.10%)</u>	<u>(28.18%)</u>
RATE RECOMMENDATIONS:							
Effective Increase							
	Index Rate Increase (Water and Wastewater)	0.00%	2.50%	2.50%	2.50%	2.50%	2.50%
26	Additional Projected Increase Water Increase	0.00%	4.50%	6.50%	6.50%	0.00%	0.00%
27	Additional Projected Increase Wastewater Increase	0.00%	4.50%	6.50%	6.50%	0.00%	0.00%
28	Months Rate Increase in Effect	12	12	12	12	12	12
29	Revenue From Water and Wastewater Rates:						
30	Current Year Rate Adjustment	-	694,514	1,004,114	1,130,710	352,785	372,000
31	Prior Year Rate Adjustment	-	-	729,900	1,791,400	3,011,100	3,460,700
32	Adjusted Water and Wastewater Rate Revenue	<u>\$ 9,641,900</u>	<u>\$ 10,616,148</u>	<u>\$ 12,160,941</u>	<u>\$ 13,694,150</u>	<u>\$ 14,464,187</u>	<u>\$ 15,251,999</u>
33	Revenue Surplus Deficiency Under Proposed Rate Adjustments	21,101	20,524	570,119	214,637	244,758	614,443
34	As Percent of Existing Revenue	<u>0.22%</u>	<u>0.21%</u>	<u>5.11%</u>	<u>1.71%</u>	<u>1.73%</u>	<u>4.13%</u>

Table 3

**Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System**

Projected Net Revenue Requirements - Water System

Line No.	Description	Projected Fiscal Year Ending September 30,					
		2008	2009	2010	2011	2012	2013
Operating Expenses:							
1	Board Expenses	\$ 239,411	\$ 296,007	\$ 307,255	\$ 317,333	\$ 328,156	\$ 339,259
2	Operations & Maintenance Contract	1,525,719	1,694,937	1,905,755	2,135,377	2,253,568	2,383,652
3	Billing & Customer Service Contract	306,126	338,075	374,690	418,305	443,663	470,154
4	Management Contract	290,768	304,415	321,736	341,689	362,402	384,041
5	Other Operating Costs	301,111	344,280	369,908	389,570	409,431	429,934
6	Professional Services	207,323	202,038	219,105	214,174	220,516	227,048
7	Special Projects	74,605	59,890	71,260	60,463	60,763	61,072
8	Total Operating Expenses	\$2,945,063	\$3,239,642	\$3,569,710	\$3,876,911	\$4,078,498	\$4,295,161
Other Revenue Requirements:							
9	Existing Debt Service - Bonds	\$ 1,514,416	\$ 1,517,076	\$ 1,514,908	\$ 1,516,710	\$ 1,514,872	\$ 1,516,285
10	Existing Debt Service - SRF	0	0	0	0	0	0
11	Existing Debt Service - Loans	0	0	0	0	0	0
12	Proposed Debt - Bonds	0	0	0	1,284,814	1,284,814	1,284,814
13	Proposed Debt Service - SRF	0	0	0	0	0	0
14	Proposed Debt Service - Loans	91,450	485,002	808,001	0	0	0
15	Capital Funded From Rates	0	0	0	0	0	0
16	Transfer to R&R Fund	202,989	188,844	319,353	355,686	403,681	443,383
17	Transfer to Capital Improvement Fund	0	0	0	0	0	0
18	Transfer to Operating Reserves	0	0	0	0	0	0
19	Total Other Revenue Requirements	\$1,808,855	\$2,190,922	\$2,642,263	\$3,157,211	\$3,203,367	\$3,244,482
20	Gross Revenue Requirements	\$4,753,918	\$5,430,564	\$6,211,973	\$7,034,122	\$7,281,865	\$7,539,643
Less Income and Funds from Other Sources:							
21	Other Revenues	\$ 379,794	\$ 405,314	\$ 451,705	\$ 484,391	\$ 493,525	\$ 510,361
22	Interest Income	72,454	49,447	36,933	48,588	46,571	45,680
23	Impact Fees Used to Pay Debt Service	0	0	250,000	250,000	250,000	250,000
24	Transfer from Operating Reserves	0	0	0	0	0	0
25	Net Revenue Requirements	\$ 4,301,670	\$ 4,975,803	\$ 5,473,335	\$ 6,251,144	\$ 6,491,769	\$ 6,733,603
26	Existing Water Rate Revenue	\$ 4,566,632	\$ 4,675,688	\$ 4,933,128	\$ 5,092,796	\$ 5,253,573	\$ 5,407,548
27	Revenue Surplus Deficiency (Existing Rates)	\$ 264,962	\$ (300,114)	\$ (540,206)	\$ (1,158,348)	\$ (1,238,197)	\$ (1,326,054)
28	As Percent of Existing Revenue	5.80%	(6.42%)	(10.95%)	(22.74%)	(23.57%)	(24.52%)
Water Rate Adjustments:							
29	Indexing Rate Adjustment	0.00%	2.50%	2.50%	2.50%	2.50%	2.50%
30	Additional Rate Increase Required	0.00%	4.50%	6.50%	6.50%	0.00%	0.00%
31	Projected Rate Adjustment	0.00%	7.00%	9.00%	9.00%	2.50%	2.50%
32	Months Rate Increase in Effect	12	12	12	12	12	12
33	Current Year Rate Adjustments	-	327,298	475,059	534,573	166,967	176,159
34	Cumulative Prior Year Rate Adjustments	-	-	345,300	846,900	1,425,100	1,638,800
35	Adjusted Water Rate Revenue	\$ 4,566,632	\$ 5,002,987	\$ 5,753,487	\$ 6,474,269	\$ 6,845,640	\$ 7,222,507
36	Revenue Surplus Deficiency After Adjustments	\$ 264,962	\$ 27,184	\$ 280,152	\$ 223,125	\$ 353,870	\$ 488,904
37	As Percent of Existing Revenue	5.80%	0.54%	4.87%	3.45%	5.17%	6.77%

Table 4

**Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System**

Projected Net Revenue Requirements - Wastewater System

Line No.	Description	Projected Fiscal Year Ending September 30,					
		2008	2009	2010	2011	2012	2013
Operating Expenses:							
1	Board Expenses	\$ 247,394	\$ 283,506	\$ 293,396	\$ 302,828	\$ 312,899	\$ 323,297
2	Operations & Maintenance Contract	1,147,816	1,268,321	1,406,345	1,570,799	1,658,665	1,750,357
3	Billing & Customer Service Contract	246,045	271,734	301,153	336,194	354,999	374,624
4	Management Contract	329,168	345,967	364,351	385,176	406,722	429,206
5	Other Operating Costs	329,673	385,503	415,459	438,038	460,753	484,222
6	Professional Services	193,559	190,120	204,669	201,563	207,543	213,702
7	Special Projects	43,888	37,425	46,564	37,886	38,126	38,375
8	Total Operating Expenses	<u>\$2,537,543</u>	<u>\$2,782,575</u>	<u>\$3,031,936</u>	<u>\$3,272,483</u>	<u>\$3,439,707</u>	<u>\$3,613,782</u>
Other Revenue Requirements:							
9	Existing Debt Service - Bonds	\$ 2,791,087	\$ 2,795,942	\$ 2,791,812	\$ 2,794,910	\$ 2,792,636	\$ 2,792,985
10	Existing Debt Service - SRF	0	0	0	0	0	0
11	Existing Debt Service - Loans	0	0	0	0	0	0
12	Proposed Debt - Bonds	0	0	0	935,489	935,489	935,489
13	Proposed Debt Service - SRF	0	0	0	0	0	0
14	Proposed Debt Service - Loans	66,586	353,136	588,316	0	0	0
15	Capital Funded From Rates	0	0	0	754,887	785,169	747,600
16	Transfer to R&R Fund	304,484	283,266	479,030	533,529	605,522	665,074
17	Transfer to Capital Improvement Fund	0	0	0	0	0	0
18	Transfer to Operating Reserves	0	0	0	0	0	0
19	Total Other Revenue Requirements	<u>\$3,162,156</u>	<u>\$3,432,345</u>	<u>\$3,859,157</u>	<u>\$5,018,815</u>	<u>\$5,118,816</u>	<u>\$5,141,148</u>
20	Gross Revenue Requirements	\$5,699,699	\$6,214,920	\$6,891,094	\$8,291,298	\$8,558,524	\$8,754,930
Less Income and Funds from Other Sources:							
21	Other Revenues	\$ 285,724	\$ 299,045	\$ 314,940	\$ 334,416	\$ 354,634	\$ 375,756
22	Interest Income	94,846	71,053	58,667	78,512	76,229	75,220
23	Impact Fees Used to Pay Debt Service	0	0	400,000	400,000	400,000	400,000
24	Transfer from Operating Reserves	0	0	0	250,000	0	0
25	Net Revenue Requirements	<u>\$ 5,319,129</u>	<u>\$ 5,844,821</u>	<u>\$ 6,117,487</u>	<u>\$ 7,228,370</u>	<u>\$ 7,727,660</u>	<u>\$ 7,903,954</u>
26	Existing Wastewater Rate Revenue	\$ 5,075,267	\$ 5,245,945	\$ 5,493,798	\$ 5,679,244	\$ 5,846,730	\$ 6,011,750
27	Revenue Surplus Deficiency (Existing Rates)	<u>\$ (243,861)</u>	<u>\$ (598,876)</u>	<u>\$ (623,689)</u>	<u>\$ (1,549,125)</u>	<u>\$ (1,880,931)</u>	<u>\$ (1,892,203)</u>
28	As Percent of Existing Revenue	<u>(4.80%)</u>	<u>(11.42%)</u>	<u>(11.35%)</u>	<u>(27.28%)</u>	<u>(32.17%)</u>	<u>(31.48%)</u>
Wastewater Rate Adjustments							
29	Indexing Rate Adjustment	0.00%	2.50%	2.50%	2.50%	2.50%	2.50%
30	Additional Rate Increase Required	0.00%	4.50%	6.50%	6.50%	0.00%	0.00%
31	Projected Rate Adjustment	0.00%	7.00%	9.00%	9.00%	2.50%	2.50%
32	Months Rate Increase in Effect	12	12	12	12	12	12
33	Current Year Rate Adjustments	-	367,216	529,056	596,137	185,818	195,841
34	Cumulative Prior Year Rate Adjustments	-	-	384,600	944,500	1,586,000	1,821,900
35	Adjusted Wastewater Rate Revenue	<u>\$ 5,075,267</u>	<u>\$ 5,613,162</u>	<u>\$ 6,407,454</u>	<u>\$ 7,219,881</u>	<u>\$ 7,618,548</u>	<u>\$ 8,029,492</u>
36	Revenue Surplus Deficiency After Adjustments	<u>\$ (243,861)</u>	<u>\$ (231,660)</u>	<u>\$ 289,967</u>	<u>\$ (8,488)</u>	<u>\$ (109,112)</u>	<u>\$ 125,538</u>
37	As Percent of Existing Revenue	<u>(4.80%)</u>	<u>(4.13%)</u>	<u>4.53%</u>	<u>(0.12%)</u>	<u>(1.43%)</u>	<u>1.56%</u>

Table 5

**Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System**

Projected Debt Service Coverage Analysis - Water and Wastewater System

Line No.	Description	Fiscal Year Ending September 30,					
		2008	2009	2010	2011	2012	2013
System Revenues:							
1	Water and Wastewater Rate Revenue	\$9,641,900	\$10,616,148	\$12,160,941	\$13,694,150	\$14,464,187	\$15,251,999
2	Other Operating Revenue	665,518	704,359	766,644	818,806	848,159	886,117
3	Unrestricted Interest Income	167,300	120,500	95,600	127,100	122,800	120,900
4	Total Gross System Revenues	\$10,474,718	\$11,441,007	\$13,023,186	\$14,640,057	\$15,435,147	\$16,259,015
Operating Expenses:							
5		\$5,482,607	\$6,022,217	\$6,601,646	\$7,149,394	\$7,518,205	\$7,908,943
6	Net Revenues - Without Connection	\$4,992,112	\$5,418,790	\$6,421,540	\$7,490,662	\$7,916,941	\$8,350,073
7	Connection Fees	945,300	1,139,978	1,351,001	1,519,803	1,453,676	1,453,676
8	Net Revenues - With Connection	5,937,411	6,558,768	7,772,541	9,010,466	9,370,617	9,803,749
Annual Debt Service - Senior Lien Debt:							
9	Existing Debt Payments	\$4,305,503	\$4,313,018	\$4,306,720	\$4,311,620	\$4,307,508	\$4,309,270
10	Proposed Debt Payments	0	0	0	2,220,304	2,220,304	2,220,304
11	Total Senior Lien Indebtedness	\$4,305,503	\$4,313,018	\$4,306,720	\$6,531,924	\$6,527,811	\$6,529,574
Senior Lien Coverage - Without Connection Fees							
12	Coverage Ratio - Calculated	116%	126%	149%	115%	121%	128%
13	Coverage Ratio - Required	110%	110%	110%	110%	110%	110%
14	Net Available for Subordinate Lien Coverage - Without Connection Fees	\$686,609	\$1,105,773	\$2,114,820	\$958,739	\$1,389,130	\$1,820,499
Senior Lien Coverage - With Connection Fees							
15	Coverage Ratio - Calculated	138%	152%	180%	138%	144%	150%
16	Coverage Ratio - Required	120%	120%	120%	120%	120%	120%
17	Net Available for Subordinate Lien Coverage - With Connection Fees	\$1,201,358	\$1,814,449	\$3,035,149	\$1,825,349	\$2,190,025	\$2,621,218
Annual Debt Service - Subordinate Lien Debt:							
18	Existing Debt Payments	\$0	\$0	\$0	\$0	\$0	\$0
19	Proposed Debt Payments	158,035	838,138	1,396,317	0	0	0
20	Total Subordinate Lien Indebtedness	\$158,035	\$838,138	\$1,396,317	\$0	\$0	\$0
Subordinate Lien Coverage							
21	Coverage Ratio - Calculated	434%	132%	151%	N/A	N/A	N/A
22	Coverage Ratio - Required	120%	120%	120%	120%	120%	120%
23	Net Revenue Available after Payment of Debt Service	\$528,574	\$267,635	\$718,503	\$958,739	\$1,389,130	\$1,820,499
Required Transfers							
24	Renewal and Replacement Fund	507,473	472,111	515,371	566,025	646,379	725,648
25	Other Required Transfers	0	0	0	0	0	0
26	Available for Other System Purposes	\$21,101	(\$204,476)	\$203,132	\$392,713	\$742,751	\$1,094,851
Reconciliation to Cash Flow							
27	Capital Funded From Rates	0	0	0	754,887	785,169	747,600
28	Additional Transfers to R&R Fund	0	0	283,013	323,190	362,824	382,809
29	Transfers to Capital Improvement Fund	0	0	0	0	0	0
30	Transfer to Operating Reserves	0	0	0	0	0	0
31	Transfer (From) Operating Reserves	0	(225,000)	0	(250,000)	0	0
32	Impact Fees Used to Debt Service	0	0	650,000	650,000	650,000	650,000
33	Net Revenue Surplus / (Deficiency)	\$21,101	\$20,524	\$570,119	\$214,637	\$244,758	\$614,443
34	Net Revenue Surplus / (Deficiency) - From Combined Revreq	\$21,101	\$20,524	\$570,119	\$214,637	\$244,758	\$614,443

Table 6
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Five Year Estimated Capital Improvement Program

Line No.	Description	Project Number	Funding Source	Adjusted 2008	Projected Fiscal Year Ending September 30,					6-Year Total
					2009	2010	2011	2012	2013	
WATER SYSTEM										
Utilities Capital Contrib. Improvements										
1	Miscellaneous Projects Water R & R		RR	\$0	\$1,100,000	\$301,739	\$315,798	\$330,939	347,486	2,395,961
2	Fire Hydrant Replacement Program		RR	0	23,000	22,712	24,875	24,875	26,118	121,579
3	Water Meter Replacement Program		RR	0	48,000	49,749	51,912	55,157	57,914	262,732
4	High Service Bldg. Panels and Aluminum Wiring		RR	0	54,000	0	0	0	0	54,000
5	Rehab Filters 1,2,5&7		RR	0	108,000	0	0	0	0	108,000
6	Well Rehabilitation New Wells		RR	0	162,000	100,580	104,906	110,313	115,829	593,627
7	Install New Fire Hydrants		RR	0	23,000	22,712	22,712	22,712	23,847	114,982
8	Relocate Meters to Property Line		RR	0	22,000	22,712	23,793	24,875	25,956	119,335
9	Design & Install Water Distribution Isolation Valves		RR	0	12,000	12,600	13,650	13,650	14,333	66,233
10	Equipment Purchase		RR	0	162,000	120,047	125,454	131,943	138,540	677,984
11	Mirror Lakes Water Treatment Plant No. 2 Phase II		Series 2007	0	5,230,000	757,050	0	0	0	5,987,050
12	Mirror Lakes Water Treatment Plant No. 2 Phase II		W- CF	0	0	0	746,750	540,750	567,788	1,855,288
13	Deep Disposal Well- Mirror Lakes WTP No.2		Series 2007	0	3,948,000	0	0	0	0	3,948,000
14	Raw Water Supply Wells, Mirror Lakes Phase 2		Series 2007	0	2,799,000	0	0	0	0	2,799,000
15	Lehigh WTP No. 2 Exploratory Well Evaluation		Series 2007	0	2,147,000	0	0	0	0	2,147,000
16	Water Distribution Automatic Flushing		Series 2007	0	27,000	0	0	0	0	27,000
17	Mirror Lakes Water Treatment Plant No. 2 Phase II		Series 2005	0	509,000	0	0	0	0	509,000
14	2008 Projects RR Fund		RR	1,329,821	0	0	0	0	0	1,329,821
18	2008 Projects 2003 Proceeds		Series 2003	247,882	0	0	0	0	0	247,882
19	2008 Projects 2005 Proceeds		Series 2005	1,000,000	0	0	0	0	0	1,000,000
19	2008 Projects 2007 Proceeds		Series 2007	3,511,897	0	0	0	0	0	3,511,897
20	2008 Projects WC Fund		W- CF	1,519,381	0	0	0	0	0	1,519,381
21	Other		RR	0	0	0	0	0	0	0
22	TOTAL WATER SYSTEM			\$7,608,981	\$16,374,000	\$1,409,898	\$1,429,849	\$1,255,212	\$1,317,810	\$29,395,749

Table 6
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Five Year Estimated Capital Improvement Program

Line No.	Description	Project Number	Funding Source	Adjusted 2008	Projected Fiscal Year Ending September 30,					6-Year Total
					2009	2010	2011	2012	2013	
WASTEWATER SYSTEM										
Utilities Capital Contrib. Improvements										
23	Lehigh Acres I&I Rehab and Monitoring Program		RR	0	283,000	283,353	283,353	283,353	297,521	1,430,580
24	Miscellaneous Projects Wastewater R & R		RR	0	160,000	0	0	0	0	160,000
25	Manhole Rehabilitation		RR	0	108,000	146,003	151,410	151,410	158,981	715,803
26	Security Upgrades, Gate, Fencing and Cameras		RR	0	54,000	0	0	0	0	54,000
27	Correct Existing Reuse Main Defamation		RR	0	81,000	0	0	0	0	81,000
28	Reuse Expansion Project		Series 2007	0	2,444,000	0	0	0	0	2,444,000
29	WW Lift Station Telemetry		Series 2007	0	233,000	121,128	0	0	0	354,128
30	WW Lift Station Telemetry		RR	0	0	0	125,454	130,862	137,550	393,866
30	Wastewater Lift Station Rehabilitation		Series 2007	0	712,000	726,768	0	0	0	1,438,768
31	Wastewater Lift Station Rehabilitation		Rev	0	0	0	754,887	785,169	747,600	2,287,656
31	Lehigh Acres WWTP Phase 2 Expansion Project		Series 2007	0	5,278,000	0	0	0	0	5,278,000
32	Force Main Replacement along Beth Stacey Blvd		Series 2007	0	385,000	0	0	0	0	385,000
33	Lehigh Acres WWTP Biological Monitoring		RR	0	54,000	45,423	45,423	50,831	53,372	249,049
34	Lehigh Acres WWTP Reclaim System		WW- CF	0	1,170,000	0	0	0	0	1,170,000
35	Reuse Pipeline Expansion		Series 2005	0	3,015,000	3,544,000	3,239,000	0	0	9,798,000
36	Reuse Pipeline Expansion		Series 2007	0	0	0	0	0	0	0
37	DOT Miscellaneous Relocations		Series 2005	0	151,000	0	0	0	0	151,000
38	2008 Projects RR Fund		RR	1,329,821	0	0	0	0	0	1,329,821
39	2008 Projects 2003 Proceeds		Series 2003	247,882	0	0	0	0	0	247,882
40	2008 Projects 2005 Proceeds		Series 2005	1,000,000	0	0	0	0	0	1,000,000
41	2008 Projects 2007 Proceeds		Series 2007	3,511,897	0	0	0	0	0	3,511,897
42	2008 Projects WC Fund		WW- CF	2,907,260	0	0	0	0	0	2,907,260
43	Other		RR	0	0	0	0	0	0	0
44	TOTAL WASTEWATER SYSTEM			\$8,996,860	\$14,128,000	\$4,866,675	\$4,599,527	\$1,401,624	\$1,395,023	\$35,387,708
45	TOTAL WATER AND WASTEWATER SYSTEM			\$16,605,840	\$30,502,000	\$6,276,573	\$6,029,376	\$2,656,836	\$2,712,834	\$64,783,458

Table 6
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Five Year Estimated Capital Improvement Program

Line No.	Description	Project Number	Funding Source	Adjusted 2008	Projected Fiscal Year Ending September 30,					6-Year Total
					2009	2010	2011	2012	2013	
FUNDING SOURCES										
WATER SYSTEM										
46	Operating Reserves		Op	\$0	\$0	\$0	\$0	\$0	\$0	\$0
47	Renewal and Replacement Fund		RR	1,329,821	1,714,000	652,848	683,099	714,462	750,023	5,844,252
48	Series 2003 Bond Proceeds		Series 2003	247,882	0	0	0	0	0	247,882
49	Series 2005 Bond Proceeds		Series 2005	1,000,000	509,000	0	0	0	0	1,509,000
50	Water Impact Fees		W- CF	1,519,381	0	0	746,750	540,750	567,788	3,374,669
51	Rate Revenue		Rev	0	0	0	0	0	0	0
52	Capital Improvements Fund		Cont	0	0	0	0	0	0	0
53	Grants and Other Contributions		Cont	0	0	0	0	0	0	0
54	New Debt 1 - Expansion		Series 2007	3,511,897	14,151,000	757,050	0	0	0	18,419,947
55	New Debt 1 - Non-Expansion		D1-NE	0	0	0	0	0	0	0
56	New Debt 2 - Expansion		D2-E	0	0	0	0	0	0	0
57	New Debt 2 - Non-Expansion		D2-NE	0	0	0	0	0	0	0
58	New Debt 3 - Expansion		D3-E	0	0	0	0	0	0	0
59	New Debt 3 - Non-Expansion		D3-NE	0	0	0	0	0	0	0
60	Total Water System			\$ 7,608,981	\$ 16,374,000	\$ 1,409,898	\$ 1,429,849	\$ 1,255,212	\$ 1,317,810	\$ 29,395,749
WASTEWATER SYSTEM										
61	Operating Reserves		Op	\$0	\$0	\$0	\$0	\$0	\$0	\$0
62	Renewal and Replacement Fund		RR	1,329,821	740,000	474,779	605,640	616,455	647,423	4,414,117
63	Series 2003 Bond Proceeds		Series 2003	247,882	0	0	0	0	0	247,882
64	Series 2005 Bond Proceeds		Series 2005	1,000,000	3,166,000	3,544,000	3,239,000	0	0	10,949,000
65	Wastewater Impact Fees		WW- CF	2,907,260	1,170,000	0	0	0	0	4,077,260
66	Rate Revenue		Rev	0	0	0	754,887	785,169	747,600	2,287,656
67	Capital Improvements Fund		Cont	0	0	0	0	0	0	0
68	Grants and Other Contributions		Cont	0	0	0	0	0	0	0
69	New Debt 1 - Expansion		Series 2007	3,511,897	9,052,000	847,896	0	0	0	13,411,793
70	New Debt 1 - Non-Expansion		D1-NE	0	0	0	0	0	0	0
71	New Debt 2 - Expansion		D2-E	0	0	0	0	0	0	0
72	New Debt 2 - Non-Expansion		D2-NE	0	0	0	0	0	0	0
73	New Debt 3 - Expansion		D3-E	0	0	0	0	0	0	0
74	New Debt 3 - Non-Expansion		D3-NE	0	0	0	0	0	0	0
75	Total Wastewater System			\$8,996,860	\$14,128,000	\$4,866,675	\$4,599,527	\$1,401,624	\$1,395,023	\$35,387,708
COMBINED SYSTEMS										
76	Operating Reserves			\$0	\$0	\$0	\$0	\$0	\$0	\$0
77	Renewal and Replacement Fund			2,659,641	2,454,000	1,127,627	1,288,739	1,330,917	1,397,446	10,258,369
78	Series 2003 Bond Proceeds			495,764	0	0	0	0	0	495,764
79	Series 2005 Bond Proceeds			2,000,000	3,675,000	3,544,000	3,239,000	0	0	12,458,000
80	Impact Fees Fund			4,426,641	1,170,000	0	746,750	540,750	567,788	7,451,929
81	Rate Revenue			0	0	0	754,887	785,169	747,600	2,287,656
82	Capital Improvements Fund			0	0	0	0	0	0	0
83	Grants and Other Contributions			0	0	0	0	0	0	0
84	New Debt 1 - Expansion			7,023,794	23,203,000	1,604,946	0	0	0	31,831,740
85	New Debt 1 - Non-Expansion			0	0	0	0	0	0	0
86	New Debt 2 - Expansion			0	0	0	0	0	0	0
87	New Debt 2 - Non-Expansion			0	0	0	0	0	0	0
88	New Debt 3 - Expansion			0	0	0	0	0	0	0
89	New Debt 3 - Non-Expansion			0	0	0	0	0	0	0
90	Total Capital Projects Funding			\$ 16,605,840	\$ 30,502,000	\$ 6,276,573	\$ 6,029,376	\$ 2,656,836	\$ 2,712,834	\$ 64,783,458

Table 7
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Analysis of Cash and Investments and Development of Interest Income

Line No.	Description	Investment Reference	Fiscal Year Ending September 30,					
			2008	2009	2010	2011	2012	2013
ENDING CASH BALANCE SUMMARY:								
1	OPERATING RESERVE FUND		\$1,856,734	\$1,877,258	\$2,147,378	\$2,062,014	\$2,006,772	\$2,321,214
2	CUSTOMER DEPOSITS		393,962	393,962	393,962	393,962	393,962	393,962
3	RENEWAL AND REPLACEMENT FUND		2,275,002	293,113	263,870	164,347	142,633	153,643
4	DEBT SERVICE RESERVE SUBACCOUNT		0	0	0	0	0	0
5	CAPITAL IMPROVEMENT FUND (Less Impact Fee Account)		0	0	0	0	0	0
6	WATER CAPTIAL CONTRIBUTION FEE ACCOUNT		64,905	602,651	1,084,680	924,879	936,403	920,789
7	WASTEWATER CAPITAL CONTRIBUTION FEE ACCOUNT		1,502,903	973,935	1,241,006	1,595,460	1,926,363	2,267,265
8	CONSTRUCTION FUND		10,230,364	6,765,164	3,345,964	158,764	163,564	168,464
9	TOTAL PROJECTED END OF YEAR BALANCES		<u>\$16,323,870</u>	<u>\$10,906,083</u>	<u>\$8,476,860</u>	<u>\$5,299,426</u>	<u>\$5,569,696</u>	<u>\$6,225,337</u>
OPERATING RESERVE FUND								
10	Beginning Balance	(U)	\$5,335,634	\$1,856,734	\$1,877,258	\$2,147,378	\$2,062,014	\$2,006,772
11	Transfers In - Operations		0	0	0	0	0	0
12	Transfers In - Debt Defeasance/Maturity		0	0	0	0	0	0
13	Total Funds Available		5,335,634	1,856,734	1,877,258	2,147,378	2,062,014	2,006,772
14	Transfers Out - CIP		0	0	0	0	0	0
15	Transfers Out - Capital Improvement Fund		0	0	0	0	0	0
16	Transfers Out - R&R Fund		3,500,000	0	300,000	300,000	300,000	300,000
17	Total Transfers Out of Funds		3,500,000	0	300,000	300,000	300,000	300,000
18	Transfers In - End of Year Surplus		21,101	20,524	570,119	214,637	244,758	614,443
19	Transfers Out - End of Year Deficiency		0	0	0	0	0	0
20	Interest Rate		2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
21	Interest Income on Fund		89,600	46,400	43,200	59,900	57,400	55,700
22	Ending Balance		1,856,734	1,877,258	2,147,378	2,062,014	2,006,772	2,321,214
23	Target - Days of Operating Expenses		90	90	90	90	90	90
24	Target Minimum Available Cash		1,351,876	1,484,930	1,627,803	1,762,864	1,853,804	1,950,150
	Target Minimum Cash Balance Met - Yes or No		Yes	Yes	Yes	Yes	Yes	Yes
25	Percent Allocable to Water System		46.90%	46.90%	46.90%	46.90%	46.90%	46.90%
26	Amount Allocable to Water System		42,025	21,763	20,262	28,095	26,922	26,125
27	Amount Allocable to Wastewater System		47,575	24,637	22,938	31,805	30,478	29,575
CUSTOMER DEPOSITS								
28	Beginning Balance		\$393,962	\$393,962	\$393,962	\$393,962	\$393,962	\$393,962
29	Transfers In		0	0	0	0	0	0
30	Transfers Out		0	0	0	0	0	0
31	Interest Rate		2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
32	Interest Income on Fund		9,800	9,800	9,800	11,800	11,800	11,800
33	Use of Interest Income to Fund Revenue Requiriements	<input checked="" type="checkbox"/> (U) #	9,800	9,800	9,800	11,800	11,800	11,800
34	Ending Balance		393,962	393,962	393,962	393,962	393,962	393,962
35	Percent Allocable to Water System		55.44%	55.44%	55.44%	55.44%	55.44%	55.44%
36	Amount Allocable to Water System		5,433	5,433	5,433	6,542	6,542	6,542
37	Amount Allocable to Wastewater System		\$4,367	\$4,367	\$4,367	\$5,258	\$5,258	\$5,258

**Table 7
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System**

Analysis of Cash and Investments and Development of Interest Income

Line No.	Description	Investment Reference	Fiscal Year Ending September 30,					
			2008	2009	2010	2011	2012	2013
RENEWAL AND REPLACEMENT FUND								
38	Beginning Balance		\$927,170	\$2,275,002	\$293,113	\$263,870	\$164,347	\$142,633
39	Transfers In - Operations		507,473	472,111	798,384	889,215	1,009,203	1,108,456
	Transfers In - Operating Reserves		3,500,000	0	300,000	300,000	300,000	300,000
40	Transfers Out - CIP		2,659,641	2,454,000	1,127,627	1,288,739	1,330,917	1,397,446
41	Interest Rate		2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
42	Interest Income on Fund		40,000	32,100	7,000	6,400	4,600	4,400
43	Use of Interest Income to Fund Revenue Requiements	<input checked="" type="checkbox"/> (U) #	40,000	32,100	7,000	6,400	4,600	4,400
44	Ending Balance		\$ 2,275,002	\$ 293,113	\$ 263,870	\$ 164,347	\$ 142,633	\$ 153,643
45	Percent Allocable to Water System		46.90%	46.90%	46.90%	46.90%	46.90%	46.90%
46	Amount Allocable to Water System		18,761	15,056	3,283	3,002	2,158	2,064
47	Amount Allocable to Wastewater System		\$21,239	\$17,044	\$3,717	\$3,398	\$2,442	\$2,336
DEBT SERVICE RESERVE SUBACCOUNT								
48	Beginning Balance		\$0	\$0	\$0	\$0	\$0	\$0
49	Transfers In - Senior Lien Bond Proceed Funded Reserve		0	0	0	0	0	0
50	Transfers Out - Debt 1	2040	0	0	0	0	0	0
51	Transfers Out - Debt 2	2037	0	0	0	0	0	0
52	Transfers Out - Debt 3	2046	0	0	0	0	0	0
53	Interest Rate		2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
54	Interest Income on Fund		0	0	0	0	0	0
55	Use of Interest Income to Fund Revenue Requiements	<input checked="" type="checkbox"/> (U) #	0	0	0	0	0	0
56	Ending Balance		0	0	0	0	0	0
57	Percent Allocable to Water System		22.34%	22.34%	22.34%	22.34%	22.34%	22.34%
58	Amount Allocable to Water System		0	0	0	0	0	0
59	Amount Allocable to Wastewater System		\$0	\$0	\$0	\$0	\$0	\$0
CAPITAL IMPROVEMENT FUND (Less Impact Fee Account)								
60	Beginning Balance		\$0	\$0	\$0	\$0	\$0	\$0
61	Transfers In - Operations		0	0	0	0	0	0
	Transfers In - General Reserves		0	0	0	0	0	0
62	Transfers Out - CIP		0	0	0	0	0	0
63	Interest Rate		2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
64	Interest Income on Fund		0	0	0	0	0	0
65	Use of Interest Income to Fund Revenue Requiements	<input checked="" type="checkbox"/> (U) #	0	0	0	0	0	0
66	Ending Balance		0	0	0	0	0	0
67	Percent Allocable to Water System		43.59%	43.59%	43.59%	43.59%	43.59%	43.59%
68	Amount Allocable to Water System		0	0	0	0	0	0
69	Amount Allocable to Wastewater System		\$0	\$0	\$0	\$0	\$0	\$0
WATER CAPTIAL CONTRIBUTION FEE ACCOUNT								
70	Beginning Balance		\$1,125,987	\$64,905	\$602,651	\$1,084,680	\$924,879	\$936,403
71	Transfers In - Capital Contribution Fee Revenue		443,599	529,546	711,229	807,249	774,774	774,774
72	Transfers Out -CIP		1,519,381	0	0	746,750	540,750	567,788
73	Transfers Out -Payment of Debt Service		0	0	250,000	250,000	250,000	250,000
74	Interest Rate		2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
75	Interest Income on Fund		14,700	8,200	20,800	29,700	27,500	27,400
76	Use of Interest Income to Fund Revenue Requiements	<input type="checkbox"/> (R) #	0	0	0	0	0	0
77	Ending Balance		64,905	602,651	1,084,680	924,879	936,403	920,789
78	Percent Allocable to Water System		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
79	Amount Allocable to Water System		14,700	8,200	20,800	29,700	27,500	27,400
80	Amount Allocable to Wastewater System		\$0	\$0	\$0	\$0	\$0	\$0

**Table 7
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System**

Analysis of Cash and Investments and Development of Interest Income

Line No.	Description	Investment Reference	Fiscal Year Ending September 30,					
			2008	2009	2010	2011	2012	2013
WASTEWATER CAPITAL CONTRIBUTION FEE ACCOUNT								
81	Beginning Balance		\$3,842,462	\$1,502,903	\$973,935	\$1,241,006	\$1,595,460	\$1,926,363
82	Transfers In - Capital Contribution Fee Revenue		501,701	610,432	639,772	712,554	678,902	678,902
83	Transfers In - Other		0	0	0	0	0	0
84	Transfers Out - Capital Improvements		2,907,260	1,170,000	0	0	0	0
85	Transfers Out -Payment of Debt Service		0	0	400,000	400,000	400,000	400,000
86	Interest Rate		2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
87	Interest Income on Fund		66,000	30,600	27,300	41,900	52,000	62,000
88	Use of Interest Income to Fund Revenue Requiements	<input type="checkbox"/> (R) #	0	0	0	0	0	0
89	Ending Balance		1,502,903	973,935	1,241,006	1,595,460	1,926,363	2,267,265
90	Percent Allocable to Water System		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
91	Amount Allocable to Water System		0	0	0	0	0	0
92	Amount Allocable to Wastewater System		\$66,000	\$30,600	\$27,300	\$41,900	\$52,000	\$62,000
CONSTRUCTION FUND								
93	Beginning Balance		\$12,446,128	\$10,230,364	\$6,765,164	\$3,345,964	\$158,764	\$163,564
94	Transfers In - New Debt Proceeds		7,023,794	23,203,000	1,604,946	0	0	0
95	Transfer Out - CIP Draw Down		9,519,558	26,878,000	5,148,946	3,239,000	0	0
96	Interest Rate		2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
97	Interest Income on Fund		280,000	209,800	124,800	51,800	4,800	4,900
98	Use of Interest Income to Fund Revenue Requiements	<input type="checkbox"/> (R) #	0	0	0	0	0	0
99	Ending Balance		10,230,364	6,765,164	3,345,964	158,764	163,564	168,464
100	Percent Allocable to Water System		20.29%	19.77%	23.34%	28.09%	27.67%	27.67%
101	Amount Allocable to Water System		56,812	41,477	29,128	14,551	1,328	1,356
102	Amount Allocable to Wastewater System		\$223,188	\$168,323	\$95,672	\$37,249	\$3,472	\$3,544
SINKING FUND ACCOUNT								
103	Sinking Fund Deposit		\$4,463,538	\$5,151,156	\$5,703,037	\$6,531,924	\$6,527,811	\$6,529,574
104	Average Balance (25% of Annual Debt Service)		1,115,884	1,287,789	1,425,759	1,632,981	1,631,953	1,632,393
105	Interest Rate		2.50%	2.50%	2.50%	3.00%	3.00%	3.00%
106	Interest Income on Fund		27,900	32,200	35,600	49,000	49,000	49,000
107	Use of Interest Income to Fund Revenue Requiements	<input checked="" type="checkbox"/> (U) #	27,900	32,200	35,600	49,000	49,000	49,000
108	Percent Allocable to Water System		22.345%	22.345%	22.345%	22.345%	22.345%	22.345%
109	Amount Allocable to Water System		6,234	7,195	7,955	10,949	10,949	10,949
110	Amount Allocable to Wastewater System		\$21,666	\$25,005	\$27,645	\$38,051	\$38,051	\$38,051
INTEREST INCOME SUMMARY								
Unrestricted Interest Income								
111	Allocated To Water System		\$72,454	\$49,447	\$36,933	\$48,588	\$46,571	\$45,680
112	Allocated To Wastewater System		94,846	71,053	58,667	78,512	76,229	75,220
113	Total		\$167,300	\$120,500	\$95,600	\$127,100	\$122,800	\$120,900
Restricted Interest Income								
114	Allocated To Water System		\$71,512	\$49,677	\$49,928	\$44,251	\$28,828	\$28,756
115	Allocated To Wastewater System		289,188	198,923	122,972	79,149	55,472	65,544
116	Total		\$360,700	\$248,600	\$172,900	\$123,400	\$84,300	\$94,300
Total Interest Income								
117	Allocated To Water System		\$143,966	\$99,124	\$86,862	\$92,838	\$75,399	\$74,435
118	Allocated To Wastewater System		384,034	269,976	181,638	157,662	131,701	140,765
119	Total		\$528,000	\$369,100	\$268,500	\$250,500	\$207,100	\$215,200

Table 8
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Allocation of Operating Expenses and Other Revenue Requirements to Individual Systems

Line No.	Description	Budget		Adjusted 2008	Basis	Allocation Percentages		Adjusted 2008		
		2008	Adjustments			Water System	Wastewater System	Water System	Wastewater System	
	Board Expenses									
			Recognize FY 08 Adj. Budget >	\$2,060	Yes					
1	Board Meetings	\$2,060	\$0	\$2,060	Equal	50.00%	50.00%	\$1,030	\$1,030	
2	Copy/Delivery Charges	28,000	0	28,000	Accounts	55.44%	44.56%	15,523	12,477	
3	Postage	4,000	0	4,000	Accounts	55.44%	44.56%	2,218	1,782	
4	Insurance	171,130	0	171,130	Assets	43.59%	56.41%	74,598	96,532	
5	Bad Debts	59,410	0	59,410	Revenues	46.90%	53.10%	27,865	31,545	
6	Customer Outreach/Marketing	44,652	0	44,652	Accounts	55.44%	44.56%	24,755	19,897	
7	Regulatory/Permit Fees	3,218	0	3,218	Accounts	55.44%	44.56%	1,784	1,434	
8	Newspaper Legal Ads	6,685	0	6,685	Accounts	55.44%	44.56%	3,706	2,979	
9	Miscellaneous	12,698	0	12,698	Accounts	55.44%	44.56%	7,040	5,658	
10	Office Supplies	488	0	488	Accounts	55.44%	44.56%	271	217	
11	Dues and Subscriptions	3,419	0	3,419	Accounts	55.44%	44.56%	1,896	1,523	
12	Travel	297	0	297	Accounts	55.44%	44.56%	165	132	
13	Bank Fees	29,182	0	29,182	Revenues	46.90%	53.10%	13,687	15,495	
14	Cash Coverage/Shortage	500	0	500	Revenues	46.90%	53.10%	235	265	
15	Property Taxes (Pending Resolution of Litigation)	14,494	0	14,494	Assets	43.59%	56.41%	6,318	8,176	
16	Reserve for Contingencies	0	28,944	15,309	44,253	Expenses	53.72%	46.28%	23,771	20,482
17	Rent and Leases	62,319	0	62,319	Accounts	55.44%	44.56%	34,550	27,769	
18	Total Board Expenses	\$471,496	\$15,309	\$486,805				\$239,411	\$247,394	
	Operating and Management Services									
19	Operations & Maintenance Contract	\$2,596,618	\$0	\$2,596,618	Contract	55.80%	44.20%	\$1,448,802	\$1,147,816	
20	Additional O&M	279,226	(202,308)	76,918	Direct-W	100.00%	0.00%	76,918	0	
21	Billing & Customer Service Contract	546,291	0	546,291	Accounts	55.44%	44.56%	302,866	243,425	
22	Additional Billing & Customer Service	5,880	0	5,880	Accounts	55.44%	44.56%	3,260	2,620	
23	Management Contract	669,936	(50,000)	619,936	Revenues	46.90%	53.10%	290,768	329,168	
24	Plan Review & Inspection Services	35,494	0	35,494	Accounts	55.44%	44.56%	19,678	15,816	
25	Vehicle	1,798	0	1,798	Accounts	55.44%	44.56%	997	801	
26	Fuel	6,751	0	6,751	Accounts	55.44%	44.56%	3,743	3,008	
27	Electric Power	566,103	(50,000)	516,103	Assets	43.59%	56.41%	224,978	291,125	
28	Interest Paid on Customer Deposits Refunds	35,638	0	35,638	Revenues	46.90%	53.10%	16,715	18,923	
29	Purchased Water/Wastewater	562,110	(527,110)	35,000	Direct-W	100.00%	0.00%	35,000	0	
30	Total Operating and Management Service	5,305,845	(829,418)	4,476,427				2,423,724	2,052,702	

Table 8
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Allocation of Operating Expenses and Other Revenue Requirements to Individual Systems

Line No.	Description	Budget 2008	Adjustments	Adjusted 2008	Basis	Allocation Percentages		Adjusted 2008	
						Water System	Wastewater System	Water System	Wastewater System
Professional Services									
31	Legal - General Counsel	74,671	150,000	224,671	Accounts	55.44%	44.56%	124,559	100,112
32	Legal - Utility Counsel	11,888	0	11,888	Accounts	55.44%	44.56%	6,591	5,297
33	Utility Rate Consultant	20,000	0	20,000	Accounts	55.44%	44.56%	11,088	8,912
34	Engineering Services	103,842	0	103,842	Assets	43.59%	56.41%	45,266	58,576
35	Other Contractual Services	0	0	0	Accounts	55.44%	44.56%	0	0
36	Financial Advisor	5,520	0	5,520	Accounts	55.44%	44.56%	3,060	2,460
37	Accounting	9,837	0	9,837	Revenues	46.90%	53.10%	4,614	5,223
38	Audit Fees	18,124	0	18,124	Revenues	46.90%	53.10%	8,501	9,623
39	Lab Services	0	0	0	Accounts	55.44%	44.56%	0	0
40	Construction Services	2,000	0	2,000	Assets	43.59%	56.41%	872	1,128
41	Software Support	5,000	0	5,000	Accounts	55.44%	44.56%	2,772	2,228
42	Other	0	0	0	Accounts	55.44%	44.56%	0	0
43	Total Professional Services	250,882	150,000	400,882				207,323	193,559
Special Projects									
44	Litigation Reserve	10,000	0	10,000	Accounts	55.44%	44.56%	\$5,544	\$4,456
45	RFQ for Operations & Billing	0	0	0	Accounts	55.44%	44.56%	\$0	\$0
46	Integrated Water Resource Management Plan	15,000	(5,000)	10,000	Direct-W	100.00%	0.00%	\$10,000	\$0
47	Environmental Assessment	10,000	0	10,000	Accounts	55.44%	44.56%	\$5,544	\$4,456
48	Disaster Recovery Plan	7,000	0	7,000	Accounts	55.44%	44.56%	\$3,881	\$3,119
49	Vulnerability Assessment	5,000	0	5,000	Accounts	55.44%	44.56%	\$2,772	\$2,228
50	Performance Audit - Customer Billing	20,000	(5,000)	15,000	Accounts	55.44%	44.56%	\$8,316	\$6,684
51	Connection Incentive Program	0	0	0	Accounts	55.44%	44.56%	\$0	\$0
52	Web Page Enhancements	6,493	0	6,493	Accounts	55.44%	44.56%	\$3,600	\$2,893
53	New Customer Expansion Analysis	35,000	0	35,000	Accounts	55.44%	44.56%	\$19,404	\$15,596
54	Cross Connection Control Policy and Implementing	10,000	0	10,000	Direct-W	100.00%	0.00%	\$10,000	\$0
55	Web Interface Electronic Payments	15,000	(5,000)	10,000	Accounts	55.44%	44.56%	\$5,544	\$4,456
56	Other	0	0	0	Accounts	55.44%	44.56%	0	0
57	Total Special Projects	133,493	(15,000)	118,493				74,605	43,888
58	TOTAL OPERATING EXPENSES	<u>\$6,161,716</u>	<u>(\$679,109)</u>	<u>\$5,482,607</u>				<u>\$2,945,063</u>	<u>\$2,537,543</u>

Table 9
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Projected Operating Expenses - Water System

Line No.	Description	Adjusted 2008	Escalation Reference	2009	2010	2011	2012	2013
Board Expenses								
1	Board Meetings	\$1,030	Inflation	\$1,061	\$1,093	\$1,126	\$1,159	\$1,194
2	Copy/Delivery Charges	15,523	Inflation	15,989	16,469	16,963	17,472	17,996
3	Postage	2,218	Inflation	2,284	2,353	2,423	2,496	2,571
4	Insurance	74,598	Inflation	126,836	130,641	134,561	138,597	142,755
5	Bad Debts	27,865	Water Rev	28,530	30,101	31,076	32,057	32,996
6	Customer Outreach/Marketing	24,755	Cust-Water	25,917	27,392	29,091	30,854	32,696
7	Regulatory/Permit Fees	1,784	Water Rev	1,827	1,927	1,990	2,052	2,113
8	Newspaper Legal Ads	3,706	Inflation	3,817	3,932	4,050	4,171	4,296
9	Miscellaneous	7,040	Inflation	7,251	7,469	7,693	7,923	8,161
10	Office Supplies	271	Inflation	279	287	296	305	314
11	Dues and Subscriptions	1,896	Inflation	1,952	2,011	2,071	2,133	2,197
12	Travel	165	Inflation	170	175	180	185	191
13	Bank Fees	13,687	Inflation	14,098	14,521	14,956	15,405	15,867
14	Cash Overage/Shortage	235	Inflation	242	249	256	264	272
15	Property Taxes (Pending Resolution of Litigation)	6,318	Inflation	6,508	6,703	6,904	7,111	7,324
16	Reserve for Contingencies 2%	23,771	Calculated	23,659	25,280	25,946	27,084	28,262
17	Rent and Leases	34,550	Inflation	35,586	36,654	37,754	38,886	40,053
18	Total Board Expenses	\$239,411		\$296,007	\$307,255	\$317,333	\$328,156	\$339,259
Operating and Management Services								
19	Operations & Maintenance Contract	\$1,448,802	Cust-Water	\$1,600,905	\$1,775,123	\$1,982,702	2,102,893	2,228,458
20	Additional O&M	76,918	Cust-Water	94,032	130,632	152,676	150,674	155,194
21	Billing & Customer Service Contract	302,866	Cust-Water	334,662	371,083	414,474	439,600	465,849
22	Additional Billing & Customer Service	3,260	Cust-Water	3,413	3,607	3,831	4,063	4,306
23	Management Contract	290,768	Cust-Water	304,415	321,736	341,689	362,402	384,041
24	Plan Review & Inspection Services	19,678	Cust-Water	20,602	21,774	23,124	24,526	25,990
25	Vehicle	997	Cust-Water	1,044	1,103	1,171	1,242	1,317
26	Fuel	3,743	Cust-Water	3,918	4,141	4,398	4,665	4,943
27	Electric Power	224,978	Electric	266,602	288,088	303,652	319,256	335,357
28	Interest Paid on Customer Deposits Refunds	16,715	Water Rev	17,114	18,057	18,641	19,230	19,793
29	Purchased Water/Wastewater	35,000	Calculated	35,000	36,745	38,583	40,512	42,533
30	Total Operating and Management Services	\$2,423,724		\$2,681,707	\$2,972,089	\$3,284,941	\$3,469,063	\$3,667,782

Table 9
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Projected Operating Expenses - Water System

Line No.	Description	Adjusted 2008	Escalation Reference	2009	2010	2011	2012	2013
Professional Services								
31	Legal - General Counsel	\$124,559	Inflation	\$128,295	\$132,144	\$136,109	\$140,192	\$144,398
32	Legal - Utility Counsel	6,591	Inflation	6,788	6,992	7,202	7,418	7,641
33	Utility Rate Consultant	11,088	Input	0	11,088	0	0	0
34	Engineering Services	45,266	Inflation	46,624	48,023	49,464	50,948	52,476
35	Other Contractual Services	0	Inflation	0	0	0	0	0
36	Financial Advisor	3,060	Inflation	3,152	3,247	3,344	3,444	3,548
37	Accounting	4,614	Inflation	4,752	4,895	5,042	5,193	5,349
38	Audit Fees	8,501	Inflation	8,756	9,018	9,289	9,568	9,855
39	Lab Services	0	Inflation	0	0	0	0	0
40	Construction Services	872	Inflation	898	925	953	981	1,011
41	Software Support	2,772	Constant	2,772	2,772	2,772	2,772	2,772
42	Other	0	Inflation	0	0	0	0	0
43	Total Professional Services	<u>207,323</u>		<u>202,038</u>	<u>219,105</u>	<u>214,174</u>	<u>220,516</u>	<u>227,048</u>
Special Projects								
44	Litigation Reserve	\$5,544	Inflation	5,710	5,882	6,058	6,240	6,427
45	RFQ for Operations & Billing	0	Inflation	0	0	0	0	0
46	Integrated Water Resource Management Plan	10,000	Constant	10,000	10,000	10,000	10,000	10,000
47	Environmental Assessment	5,544	Constant	5,544	5,544	5,544	5,544	5,544
48	Disaster Recovery Plan	3,881	Constant	3,881	3,881	3,881	3,881	3,881
49	Vulnerability Assessment	2,772	Input	0	0	0	0	0
50	Performance Audit - Customer Billing	8,316	Input	0	11,088	0	0	0
51	Connection Incentive Program	0	Input	22,176	22,176	22,176	22,176	22,176
52	Web Page Enhancements	3,600	Inflation	3,708	3,819	3,934	4,052	4,173
53	New Customer Expansion Analysis	19,404	Input	0	0	0	0	0
54	Cross Connection Control Policy and Implementir	10,000	Input	3,326	3,326	3,326	3,326	3,326
55	Web Interface Electronic Payments	5,544	Constant	5,544	5,544	5,544	5,544	5,544
56	Other	0	Inflation	0	0	0	0	0
57	Total Special Projects	<u>74,605</u>		<u>59,890</u>	<u>71,260</u>	<u>60,463</u>	<u>60,763</u>	<u>61,072</u>
58	TOTAL OPERATING EXPENSES	<u><u>\$2,945,063</u></u>		<u><u>\$3,239,642</u></u>	<u><u>\$3,569,710</u></u>	<u><u>\$3,876,911</u></u>	<u><u>\$4,078,498</u></u>	<u><u>\$4,295,161</u></u>

Table 10
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Projected Operating Expenses - Water and Wastewater System

Line No.	Description	Adjusted 2008	Escalation Reference	2009	2010	2011	2012	2013
Board Expenses								
1	Board Meetings	\$1,030	Inflation	\$1,061	\$1,093	\$1,126	\$1,159	\$1,194
2	Copy/Delivery Charges	12,477	Inflation	12,851	13,236	13,634	14,043	14,464
3	Postage	1,782	Inflation	1,836	1,891	1,948	2,006	2,066
4	Insurance	96,532	Inflation	124,428	128,160	132,005	135,965	140,044
5	Bad Debts	31,545	Inflation	32,491	33,466	34,470	35,504	36,569
6	Customer Outreach/Marketing	19,897	Cust-Sewer	20,912	22,023	23,282	24,584	25,944
7	Regulatory/Permit Fees	1,434	Sewer Rev	1,482	1,552	1,605	1,652	1,699
8	Newspaper Legal Ads	2,979	Inflation	3,068	3,160	3,255	3,353	3,453
9	Miscellaneous	5,658	Inflation	5,828	6,003	6,183	6,368	6,559
10	Office Supplies	217	Inflation	224	231	238	245	252
11	Dues and Subscriptions	1,523	Inflation	1,569	1,616	1,665	1,715	1,766
12	Travel	132	Inflation	136	140	145	149	153
13	Bank Fees	15,495	Inflation	15,960	16,438	16,932	17,440	17,963
14	Cash Overage/Shortage	265	Inflation	273	282	290	299	308
15	Property Taxes (Pending Resolution of Litiga	8,176	Inflation	8,421	8,674	8,934	9,202	9,478
16	Reserve for Contingencies	20,482	Inflation	24,363	25,969	26,774	27,962	29,192
17	Rent and Leases	27,769	Inflation	28,602	29,460	30,344	31,254	32,192
18	Total Board Expenses	247,394		283,506	293,396	302,828	312,899	323,297
Operating and Management Services								
19	Operations & Maintenance Contract	\$1,147,816	Cust-Sewer	\$1,268,321	\$1,406,345	\$1,570,799	1,658,665	1,750,357
20	Additional O&M	0	Inflation	0	0	0	0	0
21	Billing & Customer Service Contract	243,425	Cust-Sewer	268,980	298,253	333,128	351,762	371,207
22	Additional Billing & Customer Service	2,620	Cust-Sewer	2,754	2,900	3,066	3,237	3,416
23	Management Contract	329,168	Cust-Sewer	345,967	364,351	385,176	406,722	429,206
24	Plan Review & Inspection Services	15,816	Cust-Sewer	16,623	17,506	18,507	19,542	20,623
25	Vehicle	801	Cust-Sewer	842	887	938	990	1,045
26	Fuel	3,008	Cust-Sewer	3,162	3,330	3,520	3,717	3,922
27	Electric Power	291,125	Electric	344,988	372,791	392,931	413,123	433,959
28	Interest Paid on Customer Deposits Refunds	18,923	Cust-Sewer	19,888	20,945	22,142	23,381	24,674
29	Purchased Water/Wastewater	0	Calculated	0	0	0	0	0
30	Total Operating and Management Services	2,052,702		2,271,525	2,487,308	2,730,207	2,881,139	3,038,408
Professional Services								
31	Legal - General Counsel	\$100,112	Inflation	\$103,116	\$106,209	\$109,395	\$112,677	\$116,058
32	Legal - Utility Counsel	5,297	Inflation	5,456	5,620	5,788	5,962	6,141
33	Utility Rate Consultant	8,912	Input	0	8,912	0	0	0
34	Engineering Services	58,576	Inflation	60,333	62,143	64,007	65,927	67,905
35	Other Contractual Services	0	Inflation	0	0	0	0	0
36	Financial Advisor	2,460	Inflation	2,533	2,609	2,688	2,768	2,851
37	Accounting	5,223	Inflation	5,380	5,541	5,707	5,879	6,055
38	Audit Fees	9,623	Inflation	9,912	10,209	10,516	10,831	11,156
39	Lab Services	0	Inflation	0	0	0	0	0
40	Construction Services	1,128	Inflation	1,162	1,197	1,233	1,270	1,308
41	Software Support	2,228	Constant	2,228	2,228	2,228	2,228	2,228
42	Other	0	Inflation	0	0	0	0	0
43	Total Professional Services	193,559		190,120	204,669	201,563	207,543	213,702
Special Projects								
44	Litigation Reserve	\$4,456	Inflation	\$4,590	\$4,727	\$4,869	\$5,015	\$5,166
45	RFQ for Operations & Billing	0	Inflation	0	0	0	0	0

Table 10
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Projected Operating Expenses - Water and Wastewater System

Line No.	Description	Adjusted 2008	Escalation Reference	2009	2010	2011	2012	2013
46	Integrated Water Resource Management Plan	0	Constant	0	0	0	0	0
47	Environmental Assessment	4,456	Constant	4,456	4,456	4,456	4,456	4,456
48	Disaster Recovery Plan	3,119	Constant	3,119	3,119	3,119	3,119	3,119
49	Vulnerability Assessment	2,228	Input	0	0	0	0	0
50	Performance Audit - Customer Billing	6,684	Input	0	8,912	0	0	0
51	Connection Incentive Program	0	Input	17,824	17,824	17,824	17,824	17,824
52	Web Page Enhancements	2,893	Inflation	2,980	3,069	3,162	3,256	3,354
53	New Customer Expansion Analysis	15,596	Input	0	0	0	0	0
54	Cross Connection Control Policy and Implem	0	Input	0	0	0	0	0
55	Web Interface Electronic Payments	4,456	Constant	4,456	4,456	4,456	4,456	4,456
56	Other	0	Inflation	0	0	0	0	0
57	Total Special Projects	43,888		37,425	46,564	37,886	38,126	38,375
58	TOTAL OPERATING EXPENSES	<u>\$ 2,537,543</u>		<u>\$ 2,782,575</u>	<u>\$ 3,031,936</u>	<u>\$ 3,272,483</u>	<u>\$ 3,439,707</u>	<u>\$ 3,613,782</u>

Table 11
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Bill Comparison for Existing to Proposed Residential Water Rates

		Existing Rates		Proposed Rates - FY 2009		Proposed Rates - FY 2010		Proposed Rates - FY 2011	
		\$11.01 Base Rate		\$11.75 Base Rate		\$12.81 Base Rate		\$13.96 Base Rate	
		Rate per kgal per ERU:		Rate per kgal per ERU:		Rate per kgal per ERU:		Rate per kgal per ERU:	
		\$4.16	6,000	\$4.30	6,000	\$4.69	6,000	\$5.11	6,000
		\$4.16	18,000	\$4.95	12,000	\$5.40	12,000	\$5.89	12,000
		\$4.16	N/A	\$5.59	18,000	\$6.09	18,000	\$6.64	18,000
		\$0.00	N/A	\$6.45	N/A	\$7.03	N/A	\$7.66	N/A
		\$0.00	N/A	\$0.00	N/A	\$0.00	N/A	\$0.00	N/A

Monthly Use (gal)	Existing Oct. 2007		Proposed October 2008			Proposed October 2009			Proposed October 2010		
	Total Bill		Total Bill	Increase	%	Total Bill	Increase	%	Total Bill	Increase	%
0	\$11.01		\$11.75	\$0.74	7%	\$12.81	\$1.06	9%	\$13.96	\$1.15	9%
1,000	15.17		16.05	0.88	6%	17.50	1.45	9%	19.07	1.57	9%
2,000	19.33		20.35	1.02	5%	22.19	1.84	9%	24.18	1.99	9%
3,000	23.49		24.65	1.16	5%	26.88	2.23	9%	29.29	2.41	9%
4,000	27.65		28.95	1.30	5%	31.57	2.62	9%	34.40	2.83	9%
5,000	31.81		33.25	1.44	5%	36.26	3.01	9%	39.51	3.25	9%
6,000	35.97		37.55	1.58	4%	40.95	3.40	9%	44.62	3.67	9%
7,000	40.13		42.50	2.37	6%	46.35	3.85	9%	50.51	4.16	9%
8,000	44.29		47.45	3.16	7%	51.75	4.30	9%	56.40	4.65	9%
9,000	48.45		52.40	3.95	8%	57.15	4.75	9%	62.29	5.14	9%
10,000	52.61		57.35	4.74	9%	62.55	5.20	9%	68.18	5.63	9%
11,000	56.77		62.30	5.53	10%	67.95	5.65	9%	74.07	6.12	9%
12,000	60.93		67.25	6.32	10%	73.35	6.10	9%	79.96	6.61	9%
13,000	65.09		72.84	7.75	12%	79.44	6.60	9%	86.60	7.16	9%
14,000	69.25		78.43	9.18	13%	85.53	7.10	9%	93.24	7.71	9%
15,000	73.41		84.02	10.61	14%	91.62	7.60	9%	99.88	8.26	9%
16,000	77.57		89.61	12.04	16%	97.71	8.10	9%	106.52	8.81	9%
17,000	81.73		95.20	13.47	16%	103.80	8.60	9%	113.16	9.36	9%
18,000	85.89		100.79	14.90	17%	109.89	9.10	9%	119.80	9.91	9%
19,000	90.05		107.24	17.19	19%	116.92	9.68	9%	127.46	10.54	9%
20,000	94.21		113.69	19.48	21%	123.95	10.26	9%	135.12	11.17	9%

Table 12
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Bill Comparison for Existing to Proposed Residential Wastewater Rates

		Existing Rates		Proposed Rates - FY 2009		Proposed Rates - FY 2010		Proposed Rates - FY 2011	
		\$18.67 Base Rate		\$19.75 Base Rate		\$21.53 Base Rate		\$23.47 Base Rate	
		<u>Rate per kgal per ERU:</u>		<u>Rate per kgal per ERU:</u>		<u>Rate per kgal per ERU:</u>		<u>Rate per kgal per ERU:</u>	
		\$6.29	6,000	\$6.79	6,000	\$7.40	6,000	\$8.07	6,000
		\$0.00	N/A	\$0.00	N/A	\$0.00	N/A	\$0.00	N/A
		\$0.00	N/A	\$0.00	N/A	\$0.00	N/A	\$0.00	N/A
		\$0.00	N/A	\$0.00	N/A	\$0.00	N/A	\$0.00	N/A
		\$0.00	N/A	\$0.00	N/A	\$0.00	N/A	\$0.00	N/A

Monthly Use (gal)	Existing Oct. 2007		Proposed Oct. 2008			Proposed Oct. 2009			Proposed Oct. 2010		
	Total Bill		Total Bill	Increase	%	Total Bill	Increase	%	Total Bill	Increase	%
0	\$18.67		\$19.75	\$1.08	6%	\$21.53	\$1.78	9%	\$23.47	\$1.94	9%
1,000	24.96		26.54	1.58	6%	28.93	2.39	9%	31.54	2.61	9%
2,000	31.25		33.33	2.08	7%	36.33	3.00	9%	39.61	3.28	9%
3,000	37.54		40.12	2.58	7%	43.73	3.61	9%	47.68	3.95	9%
4,000	43.83		46.91	3.08	7%	51.13	4.22	9%	55.75	4.62	9%
5,000	50.12		53.70	3.58	7%	58.53	4.83	9%	63.82	5.29	9%
6,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
7,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
8,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
9,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
10,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
11,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
12,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
13,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
14,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
15,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
16,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
17,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
18,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
19,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%
20,000	56.41		60.49	4.08	7%	65.93	5.44	9%	71.89	5.96	9%

Table 13
Florida Governmental Utility Authority
Water and Wastewater Rate Evaluation - Lehigh System

Bill Comparison for Existing to Proposed Residential Water and Wastewater Rates

Monthly Use (gal)	Existing Oct. 2007	Proposed Oct. 2008			Proposed Oct. 2009			Proposed Oct. 2010		
	Total Bill	Total Bill	Increase	%	Total Bill	Increase	%	Total Bill	Increase	%
0	\$29.68	\$31.50	\$1.82	6%	\$34.34	\$2.84	9%	\$37.43	\$3.09	9%
1,000	40.13	42.59	2.46	6%	46.43	3.84	9%	50.61	4.18	9%
2,000	50.58	53.68	3.10	6%	58.52	4.84	9%	63.79	5.27	9%
3,000	61.03	64.77	3.74	6%	70.61	5.84	9%	76.97	6.36	9%
4,000	71.48	75.86	4.38	6%	82.70	6.84	9%	90.15	7.45	9%
5,000	81.93	86.95	5.02	6%	94.79	7.84	9%	103.33	8.54	9%
6,000	92.38	98.04	5.66	6%	106.88	8.84	9%	116.51	9.63	9%
7,000	96.54	102.99	6.45	7%	112.28	9.29	9%	122.40	10.12	9%
8,000	100.70	107.94	7.24	7%	117.68	9.74	9%	128.29	10.61	9%
9,000	104.86	112.89	8.03	8%	123.08	10.19	9%	134.18	11.10	9%
10,000	109.02	117.84	8.82	8%	128.48	10.64	9%	140.07	11.59	9%
11,000	113.18	122.79	9.61	8%	133.88	11.09	9%	145.96	12.08	9%
12,000	117.34	127.74	10.40	9%	139.28	11.54	9%	151.85	12.57	9%
13,000	121.50	133.33	11.83	10%	145.37	12.04	9%	158.49	13.12	9%
14,000	125.66	138.92	13.26	11%	151.46	12.54	9%	165.13	13.67	9%
15,000	129.82	144.51	14.69	11%	157.55	13.04	9%	171.77	14.22	9%
16,000	133.98	150.10	16.12	12%	163.64	13.54	9%	178.41	14.77	9%
17,000	138.14	155.69	17.55	13%	169.73	14.04	9%	185.05	15.32	9%
18,000	142.30	161.28	18.98	13%	175.82	14.54	9%	191.69	15.87	9%
19,000	146.46	167.73	21.27	15%	182.85	15.12	9%	199.35	16.50	9%
20,000	150.62	174.18	23.56	16%	189.88	15.70	9%	207.01	17.13	9%

Table 14
Florida Governmental Utility Authority

Lehigh Water and Wastewater System

Comparison of Typical Monthly Residential Bills for Water Service (1)

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter							
		0 Gallons	2,000 Gallons	4,000 Gallons	6,000 Gallons	8,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons
1	Lehigh System - Existing Rates	\$11.01	\$19.33	\$27.65	\$35.97	\$44.29	\$52.61	\$73.41	\$94.21
2	Lehigh System - Proposed FY 2009	\$11.75	\$20.35	\$28.95	\$37.55	\$47.45	\$57.35	\$84.02	\$113.69
Other Florida Utilities:									
3	Bonita Springs Utilities, Inc.	\$11.55	\$18.29	\$25.03	\$31.77	\$40.21	\$48.65	\$71.97	\$98.25
4	Charlotte County (2)	20.13	28.77	37.41	46.05	55.97	65.89	95.89	130.63
5	City of Coral Springs	10.67	13.17	15.67	19.23	22.79	27.25	40.74	55.79
6	City of Everglades City	13.00	13.00	17.00	25.00	33.00	41.00	61.00	81.00
7	City of Fort Myers (2)	6.75	13.37	19.99	29.10	40.70	52.30	88.55	142.90
8	City of La Belle	13.83	17.41	20.99	24.57	28.15	31.73	40.68	49.63
9	City of Marco Island	27.86	34.82	41.78	48.74	55.70	62.66	80.06	97.46
10	City of Naples	12.50	14.52	16.54	18.56	20.58	22.60	27.65	36.50
11	City of North Port (2)	13.56	19.36	25.16	33.86	42.56	54.72	91.24	141.08
12	City of Punta Gorda	11.65	17.09	22.53	27.97	33.41	38.85	54.50	70.15
13	City of Sanibel	11.00	16.60	22.20	28.35	35.05	41.75	61.25	83.50
14	Collier County (2)	16.03	20.43	24.83	30.33	36.93	43.53	65.53	87.53
15	Hillsborough County	11.70	17.50	23.30	30.25	38.35	46.45	66.70	92.95
16	Immokalee Water and Sewer District	8.78	11.28	13.78	16.28	18.78	21.28	27.53	36.43
17	Lee County	10.60	16.28	21.96	27.64	34.62	41.60	61.00	84.28
18	Port Labelle Utility System (Hendry/Glades County)	20.00	25.50	32.00	40.00	48.00	59.00	86.50	114.00
19	Sarasota County (2)	14.85	19.35	23.85	29.53	35.21	45.07	79.41	126.65
20	Other Florida Utilities' Average	\$13.79	\$18.63	\$23.77	\$29.84	\$36.47	\$43.78	\$64.72	\$89.93

- (1) Unless otherwise noted, amounts shown reflect residential rates in effect July 2008 and are exclusive of taxes or franchise fees, if any. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.
- (2) Utility is currently involved in a rate study, is planning to conduct a rate study, or plans to implement a fee revision within the next twelve months following the comparison preparation date.

Table 15
Florida Governmental Utility Authority

Lehigh Water and Wastewater System

Comparison of Typical Monthly Residential Bills for Wastewater Service (1)

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter							
		0 Gallons	2,000 Gallons	4,000 Gallons	6,000 Gallons	8,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons
1	Lehigh System - Existing Rates	\$18.67	\$31.25	\$43.83	\$56.41	\$56.41	\$56.41	\$56.41	\$56.41
2	Lehigh System - Proposed FY 2009	\$19.75	\$33.33	\$46.91	\$60.49	\$60.49	\$60.49	\$60.49	\$60.49
<u>Other Florida Utilities:</u>									
3	Bonita Springs Utilities, Inc.	\$27.05	\$34.07	\$41.09	\$48.11	\$55.13	\$62.15	\$79.70	\$83.21
4	Charlotte County (3)	25.61	32.75	39.89	47.03	54.17	61.31	61.31	61.31
5	City of Coral Springs	14.68	19.40	24.12	28.84	33.56	38.28	50.08	61.88
6	City of Everglades City	13.00	19.40	25.80	32.20	38.60	45.00	61.00	77.00
7	City of Fort Myers (2)	11.41	27.53	43.65	61.54	81.20	100.86	150.01	199.16
8	City of La Belle	17.50	21.64	25.78	29.92	34.06	34.06	34.06	34.06
9	City of Marco Island	22.72	31.72	40.72	49.72	49.72	49.72	49.72	49.72
10	City of Naples	25.92	30.32	34.72	39.12	43.52	47.92	58.92	69.92
11	City of North Port (3)	21.74	31.20	40.66	50.12	59.58	69.04	78.50	78.50
12	City of Punta Gorda	20.70	23.12	25.54	27.96	30.38	32.80	32.80	32.80
13	City of Sanibel	47.53	47.53	47.53	47.53	47.53	47.53	47.53	47.53
14	Collier County (3)	24.49	31.37	38.25	45.13	52.01	58.89	76.09	76.09
15	Hillsborough County	12.75	20.95	29.15	37.35	45.55	45.55	45.55	45.55
16	Immokalee Water and Sewer District	14.65	19.51	24.37	29.23	34.09	38.95	51.10	51.10
17	Lee County	16.62	25.80	34.98	44.16	53.34	57.93	57.93	57.93
18	Port Labelle Utility System (Hendry/Glades County)	10.00	17.34	24.68	32.02	39.36	39.36	39.36	39.36
19	Sarasota County (3)	13.75	27.67	41.59	55.51	69.43	83.35	83.35	83.35
20	Other Florida Utilities' Average	\$20.01	\$27.14	\$34.27	\$41.50	\$48.31	\$53.69	\$62.18	\$67.56

(1) Unless otherwise noted, amounts shown reflect residential rates in effect July 2008 and are exclusive of taxes or franchise fees, if any. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.

(2) Utility is currently involved in a rate study, is planning to conduct a rate study, or plans to implement a fee revision within the next twelve months following the comparison preparation date

Table 16
Florida Governmental Utility Authority

Lehigh Water and Wastewater System

Comparison of Typical Monthly Residential Bills for Water and Wastewater Service (1)

Line No.	Description	Residential Service for a 5/8" or 3/4" Meter							
		0 Gallons	2,000 Gallons	4,000 Gallons	6,000 Gallons	8,000 Gallons	10,000 Gallons	15,000 Gallons	20,000 Gallons
1	Lehigh System - Existing Rates	\$29.68	\$50.58	\$71.48	\$92.38	\$100.70	\$109.02	\$129.82	\$150.62
2	Lehigh System - Proposed FY 2009	\$31.50	\$53.68	\$75.86	\$98.04	\$107.94	\$117.84	\$144.51	\$174.18
<u>Other Florida Utilities:</u>									
3	Bonita Springs Utilities, Inc.	\$38.60	\$52.36	\$66.12	\$79.88	\$95.34	\$110.80	\$151.67	\$181.46
4	Charlotte County (3)	45.74	61.52	77.30	93.08	110.14	127.20	157.20	191.94
5	City of Coral Springs	25.35	32.57	39.79	48.07	56.35	65.53	90.82	117.67
6	City of Everglades City	26.00	32.40	42.80	57.20	71.60	86.00	122.00	158.00
7	City of Fort Myers (2)	18.16	40.90	63.64	90.64	121.90	153.16	238.56	342.06
8	City of La Belle	31.33	39.05	46.77	54.49	62.21	65.79	74.74	83.69
9	City of Marco Island	50.58	66.54	82.50	98.46	105.42	112.38	129.78	147.18
10	City of Naples	38.42	44.84	51.26	57.68	64.10	70.52	86.57	106.42
11	City of North Port (3)	35.30	50.56	65.82	83.98	102.14	123.76	169.74	219.58
12	City of Punta Gorda	32.35	40.21	48.07	55.93	63.79	71.65	87.30	102.95
13	City of Sanibel	58.53	64.13	69.73	75.88	82.58	89.28	108.78	131.03
14	Collier County (3)	40.52	51.80	63.08	75.46	88.94	102.42	141.62	163.62
15	Hillsborough County	24.45	38.45	52.45	67.60	83.90	92.00	112.25	138.50
16	Immokalee Water and Sewer District	23.43	30.79	38.15	45.51	52.87	60.23	78.63	87.53
17	Lee County	27.22	42.08	56.94	71.80	87.96	99.53	118.93	142.21
18	Port Labelle Utility System (Hendry/Glades County)	30.00	42.84	56.68	72.02	87.36	98.36	125.86	153.36
19	Sarasota County (3)	28.60	47.02	65.44	85.04	104.64	128.42	162.76	210.00
20	Other Florida Utilities' Average	\$33.80	\$45.77	\$58.03	\$71.34	\$84.78	\$97.47	\$126.89	\$157.48

- (1) Unless otherwise noted, amounts shown reflect residential rates in effect July 2008 and are exclusive of taxes or franchise fees, if any. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.
- (2) Utility is currently involved in a rate study, is planning to conduct a rate study, or plans to implement a fee revision within the next twelve months following the comparison preparation date.

Table 17
Florida Governmental Utility Authority
Lehigh Water and Wastewater System

Comparison of Connection Fees for Water and Wastewater Service (1)

Line No.	Description	Residential 5/8" x 3/4" Meter		
		Water	Wastewater	Combined
1	Lehigh System - Existing Rates	\$1,885	\$2,496	\$4,381
2	Lehigh System - Proposed FY 2009	\$2,700	\$2,840	\$5,540
<u>Other Florida Utilities:</u>				
3	Bonita Springs Utilities, Inc.	\$2,600	\$3,925	\$6,525
4	Charlotte County (3)	1,620	3,100	4,720
5	City of Coral Springs	860	610	1,470
6	City of Everglades City	800	900	1,700
7	City of Fort Myers (2)	2,023	1,966	3,989
8	City of La Belle	1,000	900	1,900
9	City of Marco Island	3,740	4,610	8,350
10	City of Naples	870	2,779	3,649
11	City of North Port (3)	1,735	2,388	4,123
12	City of Punta Gorda	2,824	2,463	5,287
13	City of Sanibel	1,881	3,479	5,360
14	Collier County (3)	3,616	3,722	7,339
15	Hillsborough County	1,750	1,800	3,550
17	Lee County	2,440	2,660	5,100
18	Port Labelle Utility System (Hendry/Glades County)	1,770	2,455	4,225
19	Sarasota County (3)	2,720	2,031	4,751
20	Other Florida Utilities' Average	\$1,897	\$2,340	\$4,238

- (1) Unless otherwise noted, amounts shown reflect residential rates in effect December 2007 and are exclusive of taxes or franchise fees, if any. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of all rates and charges offered by each listed utility.
- (2) Reflect current rates of FWS which were adopted by the FGUA and made effective at the time of utility acquisition.
- (3) Utility is currently involved in a rate study, is planning to conduct a rate study, or plans to implement a fee revision within the next twelve months following the comparison preparation date.

Figure 1
Combined Water & Sewer Typical Monthly Bill
for 5/8 Inch Meter - at 6,000 Gallons

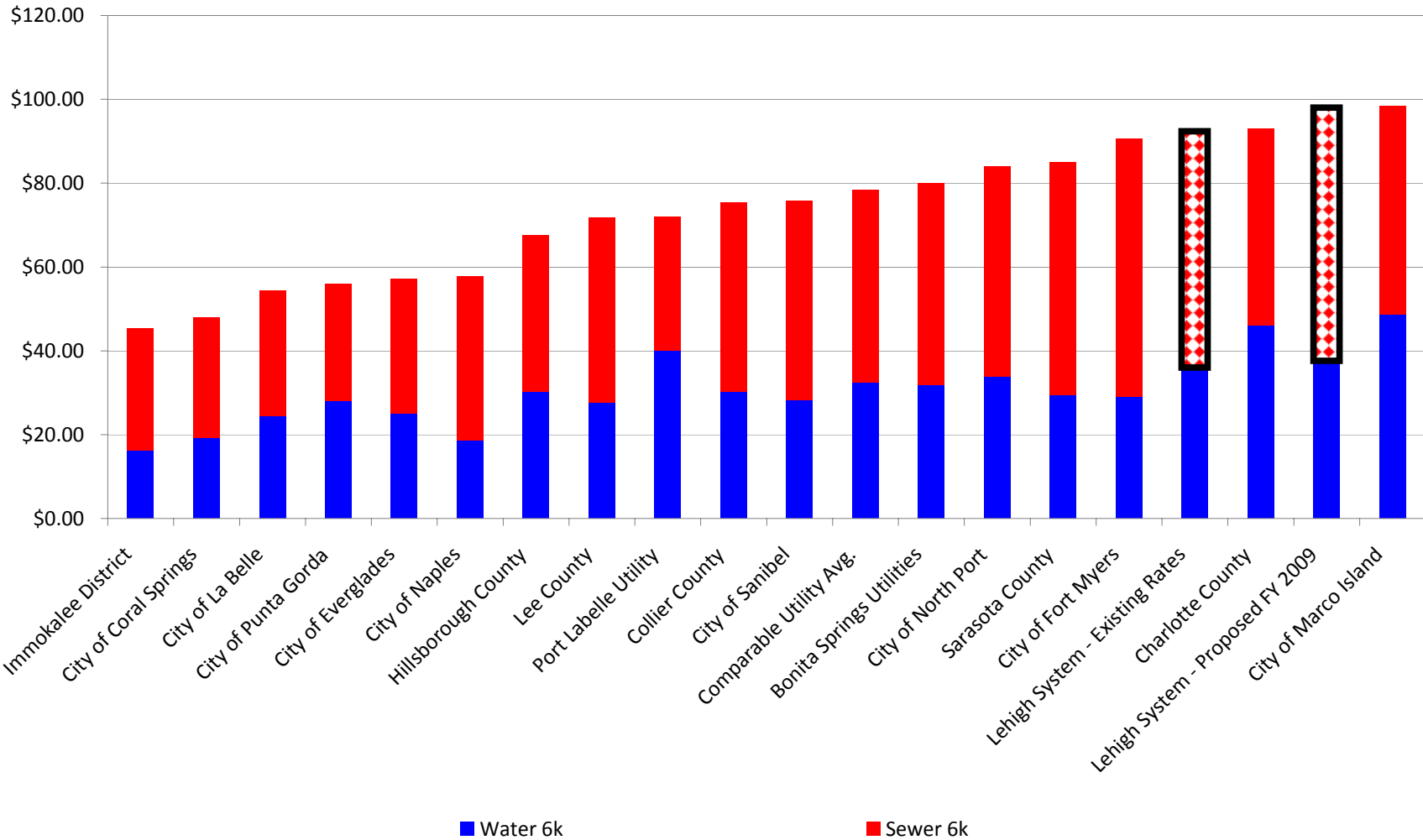
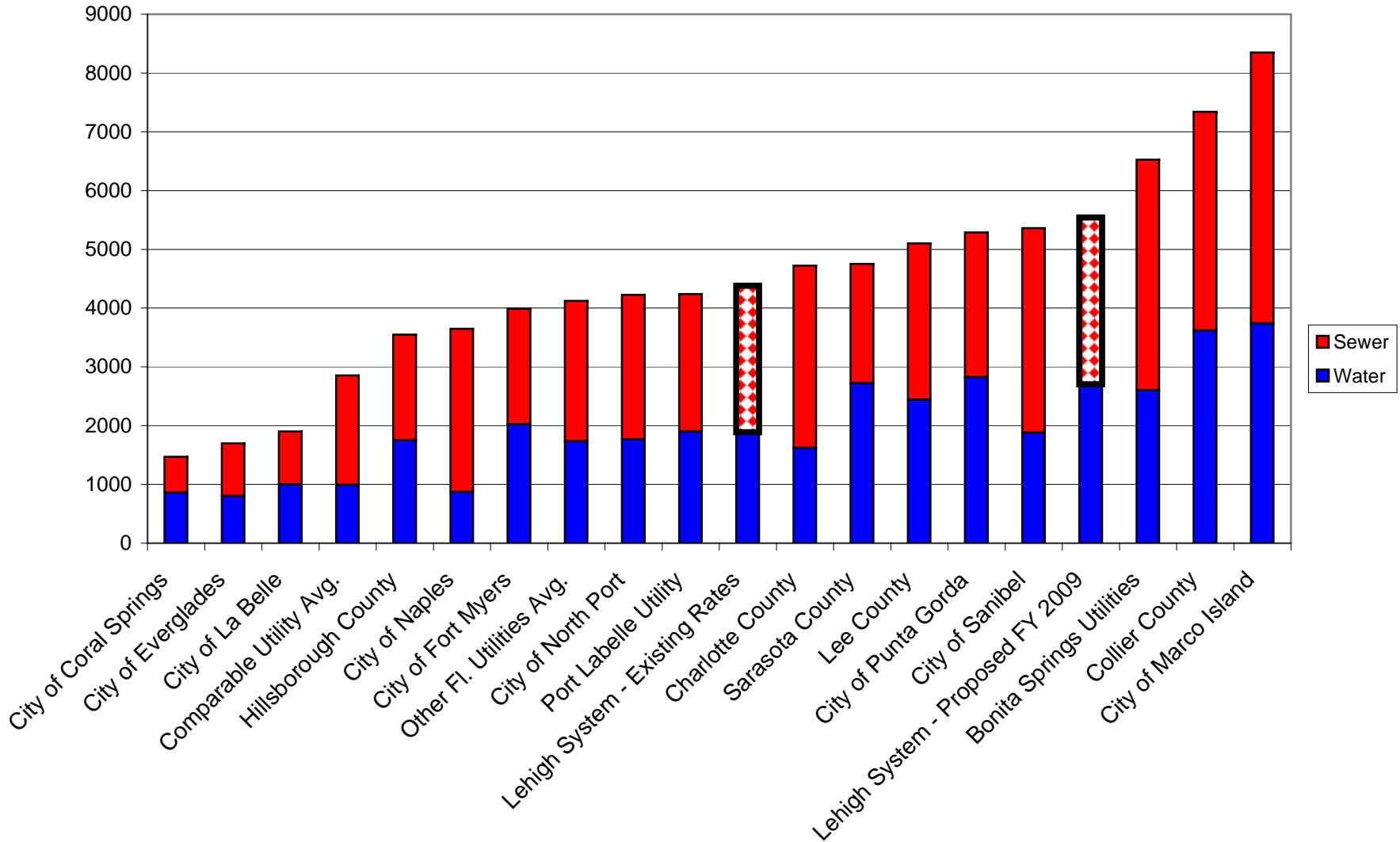


Figure 2
Impact fee Comparison for a 5/8 Inch Single-Family Residential Customer



Development of Connection Fee Charges (Impact Fees)

**Lehigh Utility System
Water and Wastewater Connection Fee Study**

**Development of Existing Water Production/Treatment Facility
Capacity Allocable to Serve Customer Growth**

Line No.		Water System
1	Existing Permitted Plant Capacity of System (MDF-MGD) (1)	3.100
2	Adjustment to Reflect Average Daily Flow of Water Treatment System (MGD) (2)	(0.886)
3	Adjusted Treatment Plant Capacity (ADF)	<u>2.214</u>
4	Average Daily Flow - Existing System (3)	<u>2.467</u>
5	Remaining Capacity (ADF) at Existing Plant	0.000
6	Percent of Total Capacity Remaining	0.00%
7	Percent of Total Capacity Recognized	0.00%
Capital Costs of Existing Facilities		
8	Existing Facility Costs (4)	\$ 6,353,816
9	Additional Costs (5)	755,627
10	Less Assumed Retirements (5)	(378,477)
11	Less Grant Funds (6)	-
12	Total Applicable Capital Costs of Existing Facilities	<u>\$ 6,730,966</u>
13	Estimated Amount Allocable to Future Growth	<u><u>\$ -</u></u>

MDF = Maximum Daily Flow

ADF = Annual Average Daily Flow

Footnotes on page 2 of 2.

**Lehigh Utility System
Water and Wastewater Connection Fee Study**

**Development of Existing Water Production/Treatment Facility
Capacity Allocable to Serve Customer Growth**

Footnotes:

- (1) Amounts reflect MDF treatment capacity of facilities as provided by the Authority. The permitted capacities of the existing Lehigh System Water Treatment Plant is 3.10 MDF-MGD.
- (2) With respect to the water facilities and based on discussions with the Authority, the plant capacity is expressed on a maximum daily flow basis to be consistent with the level of service requirements for the water system.

A summary of the six Fiscal Year actual water flows is summarized below.

	Annual Average Daily Demand (MGD)	Maximum Day Demand (MGD)	Peaking Peaking Factor
Fiscal Year 2002	1.907	2.519	1.321
Fiscal Year 2003	1.884	2.571	1.365
Fiscal Year 2004	2.191	2.948	1.346
Fiscal Year 2005	2.242	3.053	1.362
Fiscal Year 2006	2.178	3.047	1.399
Fiscal Year 2007	2.467	3.462	1.403
Eight-Year Maximum			1.403
Eight -Year Average			1.366
Factor Used in Study			<u>1.400</u>

- (3) Reflects the highest average daily flow experienced by the Authority's water treatment facilities for the six Fiscal Year period ended 2007 as shown below:

	Water
Maximum Period AADF (*)	<u>2.467</u>

(*) Reference is made to Footnote 2 for applicable average daily flow data.

- (4) Amounts derived from Appendix A; reflects only water supply or production and treatment facility costs accounted for within the water system operations.
- (5) Amounts shown derived from Table 2; reflects i) upgrades and additions to existing plant which has additional capacity to serve future development and has been recognized in the determination of the average capital cost to serve system growth and ii) facility additions which are allocable to both existing and new users of the water system.
- (6) Based on discussions with the Authority, no grant funds were received for existing water supply and treatment facilities that would serve as a funding credit in the determination of the water capital facilities fees.

**Lehigh Utility System
Water and Wastewater Connection Fee Study**

Summary of Water Capital Improvement Program By Plant Function Through FY 20

Line No.	Project Number	Project Description	Type	Purpose			Future (1)	Estimated Capital Cost FY 2008 - 2013 (2)	Adjustments (3)	Adjustments Related to Future Projects (4)	Net Applicable Expenditures
				Expansion	Existing	Replace					
WATER											
1		Miscellaneous Projects Water R & R	Distrib	0.00%	0.00%	100.00%	0.00%	2,395,961	-	-	2,395,961
2		Fire Hydrant Replacement Program	Distrib	0.00%	0.00%	100.00%	0.00%	121,579	-	-	121,579
3		Water Meter Replacement Program	Distrib	0.00%	0.00%	100.00%	0.00%	262,732	-	-	262,732
4		High Service Bldg, Panels and Aluminum Wiring	Treatment	0.00%	0.00%	100.00%	0.00%	54,000	-	-	54,000
5		Rehab Filters 1,2,5&7	Treatment	0.00%	0.00%	100.00%	0.00%	108,000	-	-	108,000
6		Well Rehabilitation New Wells	Supply	0.00%	0.00%	100.00%	0.00%	593,627	-	-	593,627
7		Install New Fire Hydrants	Distrib	100.00%	0.00%	0.00%	0.00%	114,982	-	-	114,982
8		Relocate Meters to Property Line	Distrib	0.00%	0.00%	100.00%	0.00%	119,335	-	-	119,335
9		Design & Install Water Distribution Isolation Valves	Distrib	0.00%	0.00%	100.00%	0.00%	66,233	-	-	66,233
10		Equipment Purchase	Other	0.00%	0.00%	100.00%	0.00%	677,984	-	-	677,984
11		Mirror Lakes Water Treatment Plant No. 2 Phase II	Treatment	100.00%	0.00%	0.00%	0.00%	5,987,050	-	-	5,987,050
12		Mirror Lakes Water Treatment Plant No. 2 Phase II	Treatment	100.00%	0.00%	0.00%	0.00%	1,855,288	-	-	1,855,288
13		Deep Disposal Well- Mirror Lakes WTP No.2	Treatment	100.00%	0.00%	0.00%	0.00%	3,948,000	-	-	3,948,000
14		Raw Water Supply Wells, Mirror Lakes Phase 2	Supply	100.00%	0.00%	0.00%	0.00%	2,799,000	-	-	2,799,000
15		Lehigh WTP No. 2 Exploratory Well Evaluation	Supply	100.00%	0.00%	0.00%	0.00%	2,147,000	-	-	2,147,000
16		Water Distribution Automatic Flushing	Distrib	0.00%	0.00%	100.00%	0.00%	27,000	-	-	27,000
17		Mirror Lakes Water Treatment Plant No. 2 Phase II	Treatment	100.00%	0.00%	0.00%	0.00%	509,000	-	-	509,000
18		2008 Projects RR Fund	Distrib	100.00%	0.00%	0.00%	0.00%	1,329,821	-	-	1,329,821
19		2008 Projects 2003 Proceeds - Treatment Plant Improvements	Treatment	100.00%	0.00%	0.00%	0.00%	247,882	-	-	247,882
20		2008 Projects 2005 Proceeds - Treatment Plant Improvements	Treatment	100.00%	0.00%	0.00%	0.00%	1,000,000	-	-	1,000,000
21		2008 Projects 2007 Proceeds - Treatment Plant Improvements	Treatment	100.00%	0.00%	0.00%	0.00%	3,511,897	-	-	3,511,897
22		2008 Projects WC Fund - Treatment Plant Improvements	Treatment	100.00%	0.00%	0.00%	0.00%	1,519,381	-	-	1,519,381
23		Other	Treatment	100.00%	0.00%	0.00%	0.00%	0	-	-	-
1		TOTAL POTABLE WATER PROJECTS						\$ 29,395,749	\$ 0	\$ 0	\$ 29,395,749
2		PERCENT OF TOTAL									100.00%

Footnotes

- (1) Reflects percentage of project cost associated with capacity expansions occurring after Fiscal Year 2013.
- (2) Amounts shown reflect the Authority's Six-Year Capital Program as prepared by the Authority's Consulting Engineers.
- (3) Reflects project cost not applicable to capital facilities fee calculations.
- (4) Reflects amount of project cost associated with capacity expansions occurring after Fiscal Year 2013.

Table 2
Lehigh Utility System
Water and Wastewater Connection Fee Study

Summary of Water Capital Improvement Program By Plant Function Through FY 2011

Line No.	Project Number	Project Description	Functional Category					Retirement Adjustment		
			Supply and Treatment		Storage, Pumping & Transmission		Distribution	Total	Supply and Treatment	Storage, Pumping & Transmission
			Existing	Expansion	Existing	Expansion	Other		Treatment	& Transmission
WATER										
1		Miscellaneous Projects Water R & R	-	-	-	-	2,395,961	2,395,961	-	-
2		Fire Hydrant Replacement Program	-	-	-	-	121,579	121,579	-	-
3		Water Meter Replacement Program	-	-	-	-	262,732	262,732	-	-
4		High Service Bldg, Panels and Aluminum Wiring	54,000	-	-	-	-	54,000	27,047	-
5		Rehab Filters 1,2,5&7	108,000	-	-	-	-	108,000	54,095	-
6		Well Rehabilitation New Wells	593,627	-	-	-	-	593,627	297,334	-
7		Install New Fire Hydrants	-	-	-	-	114,982	114,982	-	-
8		Relocate Meters to Property Line	-	-	-	-	119,335	119,335	-	-
9		Design & Install Water Distribution Isolation Valves	-	-	-	-	66,233	66,233	-	-
10		Equipment Purchase	-	-	-	-	677,984	677,984	-	-
11		Mirror Lakes Water Treatment Plant No. 2 Phase II	-	5,987,050	-	-	-	5,987,050	-	-
12		Mirror Lakes Water Treatment Plant No. 2 Phase II	-	1,855,288	-	-	-	1,855,288	-	-
13		Deep Disposal Well- Mirror Lakes WTP No.2	-	3,948,000	-	-	-	3,948,000	-	-
14		Raw Water Supply Wells, Mirror Lakes Phase 2	-	2,799,000	-	-	-	2,799,000	-	-
15		Lehigh WTP No. 2 Exploratory Well Evaluation	-	2,147,000	-	-	-	2,147,000	-	-
16		Water Distribution Automatic Flushing	-	-	-	-	27,000	27,000	-	-
17		Mirror Lakes Water Treatment Plant No. 2 Phase II	-	509,000	-	-	-	509,000	-	-
18		2008 Projects RR Fund	-	-	-	-	1,329,821	1,329,821	-	-
19		2008 Projects 2003 Proceeds - Treatment Plant Improvements	-	247,882	-	-	-	247,882	-	-
20		2008 Projects 2005 Proceeds - Treatment Plant Improvements	-	1,000,000	-	-	-	1,000,000	-	-
21		2008 Projects 2007 Proceeds - Treatment Plant Improvements	-	3,511,897	-	-	-	3,511,897	-	-
22		2008 Projects WC Fund - Treatment Plant Improvements	-	1,519,381	-	-	-	1,519,381	-	-
23		Other	-	-	-	-	-	-	-	-
1		TOTAL POTABLE WATER PROJECTS	\$ 755,627	\$ 23,524,498	\$ 0	\$ 0	\$ 5,115,625	\$ 29,395,749	\$ 378,477	\$ 0
2		PERCENT OF TOTAL	2.57%	80.03%	0.00%	0.00%	17.40%	100.00%	1.29%	0.00%

Footnotes

- (1) Reflects percentage of project cost associated with capacity expansions occurring after Fiscal Year 2013.
- (2) Amounts shown reflect the Authority's Six-Year Capital Program as prepared by the Authority's Consulting Engineers.
- (3) Reflects project cost not applicable to capital facilities fee calculations.
- (4) Reflects amount of project cost associated with capacity expansions occurring after Fiscal Year 2013.

Lehigh Utility System
Water and Wastewater Connection Fee Study

Development of Water System Capital Facilities Fee

Line No.	Description	Amount
	Total Estimated Cost of Existing Water Production and Treatment Facilities:	
1	Cost of Existing Facilities (1)	\$6,353,816
2	Additional Costs Capitalized to Plant in Service (2)	755,627
3	Less Anticipated Retirements (3)	(378,477)
4	Less Receipt of Grant Funds (4)	-
5	Subtotal Water Production and Treatment Facilities	\$6,730,966
6	Existing Nominal Plant Capacity (MGD) (MDF) (5)	3,100
7	Existing Nominal Plant Capacity (MGD) (ADF) (5) (6)	2,214
8	ERC Factor - GPD (7)	350
9	Estimated ERCs to be Served by Existing Facilities	6,327
10	Percent Remaining Capacity of Existing Facilities	0.00%
11	Estimated Future ERCs to be Served by Existing Facilities	0
12	Allocation of Existing Facilities to Incremental Growth	\$0
13	Rate per ERC Associated with Existing Facilities	\$0
	Total Estimated Cost of Additional Water Production and Treatment Facilities: (8)	
14	Cost of Additional Water Production/Treatment Facilities	\$23,524,498
15	New Plant Capacity (MGD) (MDF)	5,000
16	New Plant Capacity (MGD) (ADF) (6)	3,571
17	Estimated ERCs to be Served by Additional Facilities	10,204
18	Rate per ERC Associated with Additional Facilities	\$2,305.42
19	Rate per ERC Allocable to Water Production/Treatment Facilities	\$2,305.42
	Primary Transmission System: (9)	
20	Existing Facilities (10)	\$6,451,423
21	Additional Costs Capitalized to Plant in Service (2)	-
22	Less Anticipated Retirements (3)	-
23	Less Receipt of Grant Funds (4)	-
24	Total Primary Transmission Facility Costs	\$6,451,423
25	Total Nominal Plant Capacity (MGD) (ADF) (Line 7 + Line 15)	5.79
26	ERC Factor - GPD (7)	350
27	Total Estimated ERCs served by Transmission Facilities	16,531
28	Net Rate per ERC of Primary Transmission Facilities	\$390.26
29	Total Combined Rate per ERC before Rate Adjustment	\$2,695.68
30	Rate Adjustment	0.00
31	Total Combined Rate per ERC After Rate Adjustment	2,695.68
32	Rounded Rate per ERC	\$2,700.00
33	Cost Per Gallon	\$7.714

MDF = Maximum Daily Flow
ADF = Average Daily Flow
ERC = Equivalent Residential Connection
GPD = Gallons per Day

Footnotes on Page 2 of 3.

**Lehigh Utility System
Water and Wastewater Connection Fee Study**

Development of Water System Capital Facilities Fee

Footnotes:

- (1) Amount derived from Table 1; reflects estimated water production and treatment assets currently in service.
- (2) Amounts shown derived from Table 2; reflects net recognized additions to the water production and treatment facilities or transmission facilities, where applicable (total projected cost addition less the estimated retirement value of the assets currently in service for projects which represent plant replacements).
- (3) Amounts derived from Table 2 and reflects estimated fixed asset retirements due to imposition of the capital improve plan of the Authority which recognizes the replacement of such assets and which are recognized in the total treatment an transmission function.
- (4) The Authority reports that no grant funds have been received to finance the water production, treatment or backbone transmission system as of the date of this report.
- (5) Amount shown derived from information provided by the Authority; and includes the following facilities:

	<u>MDF-MGD Capacity</u>
WTP #1	3.100
Total Plant Capacity - Maximum Daily Basis	<u><u>3.100</u></u>

- (6) The average daily flow was calculated assuming a maximum daily flow to average daily flow factor of 1.40 based to be consistent with the actual flow relationships occurring during a recently completed six (6) Fiscal Year period.
- (7) The level of service factor for an ERC reflects capacity requirements expressed on an average daily water demand basis; the factor was based on the capacity planning assumptions provided by the Authority.
- (8) Amount derived from Table 2; based on discussions with the Authority and as reflected in the Authority's Six-Year Capital Improvement Plan. The additions to plant capacity are summarized below:

	<u>Amount MDF-MGD</u>	<u>Period</u>
WTP No. 2	5.000	N/A
Total Plant Capacity Expansion - Maximum Daily Basis	<u><u>5.000</u></u>	

- (9) Amounts do not include the estimated cost of on-site capital expenditures such as meters, hydrants, services, and on-site (local) distribution utility plant facilities or general plant assets (vehicles, equipment, etc.); such amounts are i) generally provided by the developer or owners of property which specifically benefit from such facilities or ii) funded by a separate and distinct fee (e.g., - meter installation charge).
- (10) Amounts derived from Appendix A; reflects cost of water transmission and storage utility plant in service.

Lehigh Utility System
Water and Wastewater Connection Fee Study

Development of Existing Wastewater Treatment Facility
Capacity Allocable to Serve Customer Growth

Line No.		Wastewater System
1	Existing Plant Capacity of System (ADF-MGD) (1) (2)	2.500
2	Average Daily Flow - Existing System (3)	2.256
3	Remaining Capacity (ADF) at Existing Plant	0.244
4	Percent of Total Capacity Remaining	9.76%
Capital Costs of Existing Facilities		
5	Existing Facility Costs (4)	\$ 8,265,904
6	Additional Costs (5)	1,329,821
7	Less Assumed Retirements (5)	(666,078)
8	Less Grant Funds (6)	-
9	Total Applicable Capital Costs of Existing Facilities	\$ 8,929,647
10	Estimated Amount Allocable to Future Growth	<u>\$ 871,534</u>

ADF = Annual Average Daily Flow

Footnotes on page 2 of 2.

**Lehigh Utility System
Water and Wastewater Connection Fee Study
Development of Existing Wastewater Treatment Facility
Capacity Allocable to Serve Customer Growth**

Footnotes:

- (1) Amount reflect ADF treatment capacity of facilities as provided by the Authority.
- (2) With respect to the existing wastewater facilities and based on discussions with the Authority, the plant capacity is expressed on a annual average daily flow basis. The plant capacity of the wastewater system is consistent with the level of service requirements for the wastewater system.

A summary of the three Fiscal Year actual wastewater flows is summarized below.

	Annual Average Daily Demand (MGD)
Fiscal Year 2005	2.256
Fiscal Year 2006	1.978
Fiscal Year 2007	1.569

- (3) Reflects the highest average daily flow experienced by the Authority's wastewater treatment facilities for the three Fiscal Year period ended 2007 as shown below:

	Wastewater
Maximum Period ADF (*)	2.256

(*) Reference is made to Footnote 2 for applicable average daily flow data.

- (4) Amounts derived from Appendix A; reflects only wastewater treatment and effluent disposal and associated reclaimed facility costs accounted for within the wastewater system operations.
- (5) Amounts shown derived from Table 5; reflects i) upgrades and additions to existing plant which has additional capacity to serve future development and has been recognized in the determination of the average capital cost to serve system growth and ii) facility additions which are allocable to both existing and new users of the wastewater system.
- (6) Based on discussions with the Authority, no grant funds were received for existing wastewater treatment facilities that would serve as a funding credit in the determination of the wastewater capital facilities fees.

**Lehigh Utility System
Water and Wastewater Connection Fee Study**

Summary of Wastewater Capital Improvement Program By Plant Function Through FY 2011

Line No.	Project Number	Project Description	Type	Purpose			Future (1)	Average Service Life	Estimated Capital Cost FY 2008 - 2013 (2)	Adjustments (3)	Adjustments Related to Future Projects (4)	Net Applicable Expenditures
				Expansion	Existing New	Replace						
WASTEWATER												
1		Lehigh Acres I&I Rehab and Monitoring Program	Trans	0.00%	0.00%	100.00%	0.00%	40.00	1,430,580	-	-	1,430,580
2		Miscellaneous Projects Wastewater R & R	Coll	0.00%	0.00%	100.00%	0.00%	40.00	160,000	-	-	160,000
3		Manhole Rehabilitation	Coll	0.00%	0.00%	100.00%	0.00%	40.00	715,803	-	-	715,803
4		Security Upgrades, Gate, Fencing and Cameras	Other	0.00%	0.00%	100.00%	0.00%	40.00	54,000	-	-	54,000
5		Correct Existing Reuse Main Defamation	Trans	0.00%	0.00%	100.00%	0.00%	40.00	81,000	-	-	81,000
6		Reuse Expansion Project	Trans	50.00%	50.00%	0.00%	0.00%	40.00	2,444,000	-	-	2,444,000
7		WW Lift Station Telemetry	Trans	50.00%	50.00%	0.00%	0.00%	40.00	354,128	-	-	354,128
8		WW Lift Station Telemetry	Trans	50.00%	50.00%	0.00%	0.00%	40.00	393,866	-	-	393,866
9		Wastewater Lift Station Rehabilitation	Coll	0.00%	0.00%	100.00%	0.00%	40.00	1,438,768	-	-	1,438,768
10		Wastewater Lift Station Rehabilitation	Coll	0.00%	0.00%	100.00%	0.00%	40.00	2,287,656	-	-	2,287,656
11		Lehigh Acres WWTP Phase 2 Expansion Project	Treatment	100.00%	0.00%	0.00%	0.00%	40.00	5,278,000	-	-	5,278,000
12		Force Main Replacement along Beth Stacey Blvd	Treatment	100.00%	0.00%	0.00%	0.00%	40.00	385,000	-	-	385,000
13		Lehigh Acres WWTP Biological Monitoring	Treatment	100.00%	0.00%	0.00%	0.00%	40.00	249,049	-	-	249,049
14		Lehigh Acres WWTP Reclaim System	Treatment	100.00%	0.00%	0.00%	0.00%	40.00	1,170,000	-	-	1,170,000
15		Reuse Pipeline Expansion	Treatment	100.00%	0.00%	0.00%	0.00%	40.00	9,798,000	-	-	9,798,000
16		Reuse Pipeline Expansion	Trans	100.00%	0.00%	0.00%	0.00%	40.00	0	-	-	-
17		DOT Miscellaneous Relocations	Trans	50.00%	50.00%	0.00%	0.00%	40.00	151,000	-	-	151,000
18		2008 Projects RR Fund	Treatment	0.00%	0.00%	100.00%	0.00%	40.00	1,329,821	-	-	1,329,821
19		2008 Projects 2003 Proceeds - Wastewater Treatment	Treatment	100.00%	0.00%	0.00%	0.00%	40.00	247,882	-	-	247,882
20		2008 Projects 2005 Proceeds - Wastewater Treatment	Treatment	100.00%	0.00%	0.00%	0.00%	40.00	1,000,000	-	-	1,000,000
21		2008 Projects 2007 Proceeds - Wastewater Treatment	Treatment	100.00%	0.00%	0.00%	0.00%	40.00	3,511,897	-	-	3,511,897
22		2008 Projects WC Fund - Wastewater Treatment	Treatment	100.00%	0.00%	0.00%	0.00%	40.00	2,907,260	-	-	2,907,260
23		Other	Coll	0.00%	0.00%	100.00%	0.00%	40.00	0	-	-	-
24		TOTAL WASTEWATER PROJECTS							<u>\$ 35,387,708</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 35,387,708</u>
25		PERCENT OF TOTAL										<u>100.00%</u>

Footnotes

- (1) Reflects percentage of project cost associated with capacity expansions occurring after Fiscal Year 2013.
- (2) Amounts shown reflect the Authority's Six-Year Capital Program as prepared by the Authority's.
- (3) Reflects project cost not applicable to capital facilities fee calculations.
- (4) Reflects amount of project cost associated with capacity expansions occurring after Fiscal Year 2013.

**Lehigh Utility System
Water and Wastewater Connection Fee Study**

Summary of Wastewater Capital Improvement Program By Plant Function Through FY 2011

Line No.	Project Number	Project Description	Type	Functional Category					Retirement Adjustment									
				Wastewater Treatment		Transmission		Collection Other	Total	Treatment	Transmission							
				Existing	Expansion	Existing	Expansion											
WASTEWATER																		
1	Lehigh Acres I&I Rehab and Monitoring Program	Trans	-	-	1,430,580	-	-	1,430,580	-	716,546								
2	Miscellaneous Projects Wastewater R & R	Coll	-	-	-	-	160,000	160,000	-	-								
3	Manhole Rehabilitation	Coll	-	-	-	-	715,803	715,803	-	-								
4	Security Upgrades, Gate, Fencing and Cameras	Other	-	-	-	-	54,000	54,000	-	-								
5	Correct Existing Reuse Main Defamation	Trans	-	-	81,000	-	-	81,000	-	40,571								
6	Reuse Expansion Project	Trans	-	-	1,222,000	1,222,000	-	2,444,000	-	-								
7	WW Lift Station Telemetry	Trans	-	-	177,064	177,064	-	354,128	-	-								
8	WW Lift Station Telemetry	Trans	-	-	196,933	196,933	-	393,866	-	-								
9	Wastewater Lift Station Rehabilitation	Coll	-	-	-	-	1,438,768	1,438,768	-	-								
10	Wastewater Lift Station Rehabilitation	Coll	-	-	-	-	2,287,656	2,287,656	-	-								
11	Lehigh Acres WWTP Phase 2 Expansion Project	Treatment	-	5,278,000	-	-	-	5,278,000	-	-								
12	Force Main Replacement along Beth Stacey Blvd	Treatment	-	385,000	-	-	-	385,000	-	-								
13	Lehigh Acres WWTP Biological Monitoring	Treatment	-	249,049	-	-	-	249,049	-	-								
14	Lehigh Acres WWTP Reclaim System	Treatment	-	1,170,000	-	-	-	1,170,000	-	-								
15	Reuse Pipeline Expansion	Treatment	-	9,798,000	-	-	-	9,798,000	-	-								
16	Reuse Pipeline Expansion	Trans	-	-	-	-	-	-	-	-								
17	DOT Miscellaneous Relocations	Trans	-	-	75,500	75,500	-	151,000	-	-								
18	2008 Projects RR Fund	Treatment	1,329,821	-	-	-	-	1,329,821	666,078	-								
19	2008 Projects 2003 Proceeds - Wastewater Treatment	Treatment	-	247,882	-	-	-	247,882	-	-								
20	2008 Projects 2005 Proceeds - Wastewater Treatment	Treatment	-	1,000,000	-	-	-	1,000,000	-	-								
21	2008 Projects 2007 Proceeds - Wastewater Treatment	Treatment	-	3,511,897	-	-	-	3,511,897	-	-								
22	2008 Projects WC Fund - Wastewater Treatment	Treatment	-	2,907,260	-	-	-	2,907,260	-	-								
23	Other	Coll	-	-	-	-	-	-	-	-								
24	TOTAL WASTEWATER PROJECTS		\$	1,329,821	\$	24,547,088	\$	3,183,076	\$	1,671,497	\$	4,656,227	\$	35,387,708	\$	666,078	\$	757,117
25	PERCENT OF TOTAL			3.76%		69.37%		8.99%		4.72%		13.16%		100.00%		1.88%		2.14%

Footnotes

- (1) Reflects percentage of project cost associated with capacity expansions occurring after Fiscal Year 2013.
- (2) Amounts shown reflect the Authority's Six-Year Capital Program as prepared by the Authority's.
- (3) Reflects project cost not applicable to capital facilities fee calculations.
- (4) Reflects amount of project cost associated with capacity expansions occurring after Fiscal Year 2013.

**Lehigh Utility System
Water and Wastewater Connection Fee Study**

Development of Wastewater System Capital Facilities Fee

Line No.	Description	Amount
	Total Estimated Cost of Existing Wastewater	
	Treatment/Disposal Facilities:	
1	Cost of Existing Facilities (1)	\$8,265,904
2	Additional Costs Capitalized to Plant in Service (2)	1,329,821
3	Less Anticipated Retirements (3)	(666,078)
4	Less Receipt of Grant Funds (4)	-
5	Subtotal Wastewater Treatment/Disposal Facilities	<u>\$8,929,647</u>
6	Existing Nominal Plant Capacity (MGD) (ADF) (5)	2.500
7	ERC Factor - GPD (6)	250
8	Estimated ERCs to be Served by Existing Facilities	10,000
9	Percent Remaining Capacity of Existing Facilities	9.76%
10	Estimated Future ERCs to be Served by Existing Facilities	976
11	Allocation of Existing Facilities to Incremental Growth	\$871,534
12	Rate per ERC Associated with Existing Facilities	\$892.96
	Total Estimated Cost of Additional Wastewater	
	Treatment/Disposal Facilities: (7)	
13	Cost of Additional Wastewater Treatment/Disposal Facilities	24,547,088
14	New Plant Capacity (MGD) (ADF) (7)	3.000
15	Estimated ERCs to be Served by Additional Facilities	12,000
16	Rate per ERC Associated with Additional Facilities	2,045.591
17	Rate per ERC for New Wastewater Treatment/Disposal Facilities	<u>\$1,958.89</u>
	Primary Transmission System: (8)	
18	Existing Facilities (9)	\$15,268,623
19	Additional Costs Capitalized to Plant in Service (2)	4,854,573
20	Less Anticipated Retirements (3)	(757,117)
21	Less Receipt of Grant Funds	-
22	Total Primary Transmission Facility Costs	<u>19,366,079</u>
23	Total Existing and New Plant Capacity (MGD) (ADF) (Line 6 + Line 13)	5.50
24	ERC Factor - GPD (6)	<u>250</u>
25	Total Estimated ERCs served by Transmission Facilities	22,000
26	Rate per ERC of Primary Transmission Facilities	<u>\$880.28</u>
27	Total Combined Rate per ERC before Rate Adjustment	\$2,839.17
28	Rate Adjustment	<u>0.00</u>
29	Total Combined Rate per ERC After Rate Adjustment	2,839.17
30	Rounded Rate per ERC	\$2,840.00
31	Cost Per Gallon	<u><u>\$11.360</u></u>

ADF = Average Daily Flow

ERC = Equivalent Residential Connection

GPD = Gallons Per Day

Footnotes on Page 2 of 2.

Lehigh Utility System
Water and Wastewater Connection Fee Study

Development of Wastewater System Capital Facilities Fee

Footnotes:

- (1) Amounts derived from Appendix A; reflects estimated wastewater treatment and effluent disposal assets currently in service.
- (2) Amounts shown derived from Table 5; reflects net recognized additions to the wastewater treatment and effluent disposal facilities or transmission facilities, where applicable (total projected cost addition less the estimated retirement value of the assets currently in service for projects which represent plant replacements).
- (3) Amounts derived from Table 5 and reflects estimated fixed asset retirements due to imposition of the capital improvement plan of the Authority which recognizes the replacement of such assets and which are recognized in the total treatment and/or transmission function.
- (4) The Authority reports that no grant funds have been received to finance the wastewater treatment or backbone transmission system as of the date of this report.
- (5) Amount shown derived from information provided by the Authority and summarized below:

	Capacity - MGD
	AADF
WWTP	2.500
Total Plant Capacity	2.500

- (6) The level of service factor for an ERC reflects capacity requirements expressed on an average daily wastewater demand basis; the factor was based on the capacity planning assumptions provided by the Authority.
- (7) Amounts derived from Table 5 and were based on discussions with the Authority and as reflected in the Authority's Six-Year Capital Improvement Plan. The additions to plant capacity are summarized below:

	Capacity AADF - MGD	Period
WWTP Expansion	3.000	2009
Total Plant Capacity - Average Daily Basis	3.000	

- (8) Amounts do not include the estimated cost of retail on-site capital expenditures such as manholes, local lift stations, service laterals, and on-site (local) collection utility plant facilities or general plant assets (vehicles, equipment, etc.); such amounts are i) generally provided by the developer or owners of property which specifically benefit from such facilities or ii) funded by a separate and distinct fee (e.g., - wastewater tap charge).
- (9) Amounts derived from Appendix A; reflects cost of wastewater transmission and master pumping station utility plant in service.

Lehigh Utility System
Water and Wastewater Connection Fee Study

Summary and Functionalization of Existing Utility Fixed Assets (1)

Line No.	Class	Description	Location	Type	Book Value	Adjustments	Acq Amt	Water System						Wastewater					Other Developer Contrib.				
								Supply	Treatment	Trans.	Distribution	Fire Hydrants	Meters	Treatment	Em./Recl.	Trans.	Collection and Lift Stations	Indirect		General Plt.			
1	W	STRUCTURAL FACILITY		General	\$ 3,284	\$ -	\$ 3,284	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	W	STRUCTURAL FACILITY		General	7,103	-	7,103	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,103
3	W	GENERAL FACILITIES		General	2,880	-	2,880	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,880
4	W	STRUCTURAL FACILITY LAB BLDG		WT	7,381	-	7,381	-	-	7,381	-	-	-	-	-	-	-	-	-	-	-	-	-
5	W	STORAGE SHED		General	4,873	-	4,873	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,873
6	W	LIME SILO STRUCTURAL FACILITY		ST	6,913	-	6,913	-	-	-	-	-	-	-	-	6,913	-	-	-	-	-	-	-
7	W	ROOFING & ELECTRIC		General	5,458	-	5,458	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,458
8	W	STORAGE BLDG		General	7,942	-	7,942	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,942
9	W	PUMP BLDG STRUCTURAL FACILITY		ST	16,320	-	16,320	-	-	-	-	-	-	-	-	16,320	-	-	-	-	-	-	-
10	W	CHLORINE BLDG STRUCTURAL FACILITY		WT	10,994	-	10,994	-	-	10,994	-	-	-	-	-	-	-	-	-	-	-	-	-
11	W	ADMIN BLDG STRUCTURAL FACILITY		WD	100,151	-	100,151	-	-	-	-	100,151	-	-	-	-	-	-	-	-	-	-	-
12	W	GENERAL FACILITY STRUCTURES		Indirect	178,930	-	178,930	-	-	-	-	-	-	-	-	-	-	-	-	-	178,930	-	-
13	WW	CHEMICAL STORAGE STRUCTURAL FACILITY		ST	65,302	-	65,302	-	-	-	-	-	-	-	-	65,302	-	-	-	-	-	-	-
14	W	SUPPLY WELL STRUCTURE		Supply	82,925	-	82,925	-	-	82,925	-	-	-	-	-	-	-	-	-	-	-	-	-
15	W	WTP WELLS & SPRINGS STRUCTURES		Supply	306,733	-	306,733	-	-	306,733	-	-	-	-	-	-	-	-	-	-	-	-	-
16	W	WTP BOOSTER ST STRUCTURAL FACILITY		WT	176,443	-	176,443	-	-	176,443	-	-	-	-	-	-	-	-	-	-	-	-	-
17	WW	PLANT 3 CLARIFIER STRUCTURE		ST	357,405	-	357,405	-	-	-	-	-	-	-	-	357,405	-	-	-	-	-	-	-
18	WW	BOOSTER STAT STORAGE TNK FACILITY		ST	275,915	-	275,915	-	-	-	-	-	-	-	-	275,915	-	-	-	-	-	-	-
19	WW	STRUCTURAL FACILITY		ST	180,369	-	180,369	-	-	-	-	-	-	-	-	180,369	-	-	-	-	-	-	-
20	WW	WTP FILTERS STRUCTURES		ST	456,613	-	456,613	-	-	-	-	-	-	-	-	456,613	-	-	-	-	-	-	-
21	WW	PLANT 2 CLARIFIER STRUCTURES		ST	296,207	-	296,207	-	-	-	-	-	-	-	-	296,207	-	-	-	-	-	-	-
22	WW	PKG TRTMT PLANT 2 STRUCTURAL FACILITY		ST	1,750,890	-	1,750,890	-	-	-	-	-	-	-	-	1,750,890	-	-	-	-	-	-	-
23	WW	LOCKERS		ST	1,208	-	1,208	-	-	-	-	-	-	-	-	1,208	-	-	-	-	-	-	-
24	WW	1998 INTERNATIONAL TRAILER		General	8,728	-	8,728	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8,728
25	WW	LAB BLDG TURBIDIMETER		WT	2,780	-	2,780	-	-	2,780	-	-	-	-	-	-	-	-	-	-	-	-	-
26	WW	SECURITY ZONE CONTROLLERS		General	1,080	-	1,080	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,080
27	WW	PUMP BLDG UNDERGRND FLOW METER		ST	1,511	-	1,511	-	-	-	-	-	-	-	-	1,511	-	-	-	-	-	-	-
28	WW	LS SLUDGE PUMP		FM	6,650	-	6,650	-	-	-	-	-	-	-	-	-	-	6,650	-	-	-	-	-
29	WW	AERATION TNK FLOW MTR, PUMP EQUIP		ST	13,009	-	13,009	-	-	-	-	-	-	-	-	13,009	-	-	-	-	-	-	-
30	W	METERS 8 INCH		Meters	5,345	-	5,345	-	-	-	-	-	-	-	5,345	-	-	-	-	-	-	-	-
31	W	METERS 1 INCH		Meters	5,761	-	5,761	-	-	-	-	-	-	-	5,761	-	-	-	-	-	-	-	-
32	WW	PUMP BLDG FLOW METER		WT	3,700	-	3,700	-	-	3,700	-	-	-	-	-	-	-	-	-	-	-	-	-
33	WW	FLOW METERS		WT	12,351	-	12,351	-	-	12,351	-	-	-	-	-	-	-	-	-	-	-	-	-
34	WW	BASE RADIOS		General	11,350	-	11,350	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,350
35	WW	POND FLOW METER		ST	24,875	-	24,875	-	-	-	-	-	-	-	-	24,875	-	-	-	-	-	-	-
36	WW	NETWORK CONTROLLERS		ST	7,349	-	7,349	-	-	-	-	-	-	-	-	7,349	-	-	-	-	-	-	-
37	W	METERS 5 INCH		Meters	7,814	-	7,814	-	-	-	-	-	-	-	7,814	-	-	-	-	-	-	-	-
38	W	METERS 1.5 INCH		Meters	7,992	-	7,992	-	-	-	-	-	-	-	7,992	-	-	-	-	-	-	-	-
39	WW	EFFLUENT MEASURING DEVICE		FM	5,300	-	5,300	-	-	-	-	-	-	-	-	-	-	5,300	-	-	-	-	-
40	WW	FORD DUMP TRUCK		General	48,046	-	48,046	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	48,046
41	WW	LAB BLDG CHLORINE ANALYZER		WT	6,000	-	6,000	-	-	6,000	-	-	-	-	-	-	-	-	-	-	-	-	-
42	W	GEN FACILITIES MISC EQUIP		General	7,934	-	7,934	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,934
43	W	METERS 10 INCH		Meters	12,190	-	12,190	-	-	-	-	-	-	-	12,190	-	-	-	-	-	-	-	-
44	W	METERS 3 INCH		Meters	15,150	-	15,150	-	-	-	-	-	-	-	15,150	-	-	-	-	-	-	-	-
45	W	CHEMICAL BLDG PUMPS & FLOW METER		WT	25,424	-	25,424	-	-	25,424	-	-	-	-	-	-	-	-	-	-	-	-	-
46	W	LAB EQUIPMENT		WT	13,723	-	13,723	-	-	13,723	-	-	-	-	-	-	-	-	-	-	-	-	-
47	W	PLANT 2 CLARIFIER PUMPS		ST	14,094	-	14,094	-	-	-	-	-	-	-	-	14,094	-	-	-	-	-	-	-
48	W	METERS 2 INCH		Meters	25,328	-	25,328	-	-	-	-	-	-	-	25,328	-	-	-	-	-	-	-	-
49	W	METERS 4 INCH		Meters	25,530	-	25,530	-	-	-	-	-	-	-	25,530	-	-	-	-	-	-	-	-
50	W	STORAGE TANK MOTORS & PUMPS		ST	14,905	-	14,905	-	-	-	-	-	-	-	-	14,905	-	-	-	-	-	-	-
51	W	BACKFLOW PREVENTION DEVICE		WD	19,632	-	19,632	-	-	-	-	19,632	-	-	-	-	-	-	-	-	-	-	-
52	W	LIME SILO MOTORS & PUMPS		ST	22,023	-	22,023	-	-	-	-	-	-	-	-	22,023	-	-	-	-	-	-	-
53	W	MISCELLANEOUS EQUIPMENT		General	32,767	-	32,767	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32,767
54	WW	PLANT 3 CLARIFIER PUMPS		ST	48,060	-	48,060	-	-	-	-	-	-	-	-	48,060	-	-	-	-	-	-	-
55	WW	PUMPS & MOTORS & FILTERS		ST	33,805	-	33,805	-	-	-	-	-	-	-	-	33,805	-	-	-	-	-	-	-
56	W	HIGH PRESS CLEANERS/MISC		General	23,851	-	23,851	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,851
57	W	GENERATOR BLDG ENGINE TANK GENERATOR		ST	53,893	-	53,893	-	-	-	-	-	-	-	-	53,893	-	-	-	-	-	-	-
58	W	METERS		Meters	79,625	-	79,625	-	-	-	-	-	-	-	79,625	-	-	-	-	-	-	-	-
59	WW	PUMP BLDG EQUIPMENT		ST	44,219	-	44,219	-	-	-	-	-	-	-	-	44,219	-	-	-	-	-	-	-
60	WW	LS GENERATOR		FM	82,650	-	82,650	-	-	-	-	-	-	-	-	-	-	82,650	-	-	-	-	-
61	W	COMMUNICATION EQUIP & RADIOS		General	68,657	-	68,657	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	68,657
62	WW	GENERATOR, FUEL TANK, TRANS SWITCH		FM	58,014	-	58,014	-	-	-	-	-	-	-	-	-	-	58,014	-	-	-	-	-
63	W	GENERAL SMALL EQUIPMENT		General	102,272	-	102,272	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	102,272
64	WW	PUMP BUILDING GENERATOR		ST	73,736	-	73,736	-	-	-	-	-	-	-	-	73,736	-	-	-	-	-	-	-
65	W	OFFICE FURNITURE & EQUIPMENT		General	111,735	-	111,735	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	111,735
66	WW	WTP FILTERS PUMPS		ST	68,527	-	68,527	-	-	-	-	-	-	-	-	68,527	-	-	-	-	-	-	-
67	WW	PUMPS & MOTORS & BLOWERS		FM	96,196	-	96,196	-	-	-	-	-	-	-	-	-	-	96,196	-	-	-	-	-
68	W	WTP SUPPLY WELL PUMPS & MOTORS		Supply	82,873	-	82,873	-	-	82,873	-	-	-	-	-	-	-	-	-	-	-	-	-
69	W	PUMP BLDG MOTORS & PUMPS		Supply	100,742	-	100,742	-	-	100,742	-	-	-	-	-	-	-	-	-	-	-	-	-
70	W	HEAVY EQUIPMENT		W-TR	185,003	-	185,003	-	-	-	-	185,003	-	-	-	-	-	-	-	-	-	-	-
71	W	MOTORS & BLOWERS IN BLOWER BLDG		ST	115,868	-	115,868	-	-	-	-	-	-	-	-	115,868	-	-	-	-	-	-	-
72	W	SUPPLY WELLS PUMPS & MOTORS		Supply	128,298	-	128,298	-	-	128,298	-	-	-	-	-	-	-	-	-	-	-	-	-
73	W	LIME SILO EQUIPMENT		ST	142,498	-	142,498	-	-	-	-	-	-	-	-	142,498	-	-	-	-	-	-	-
74	W	METERS 5/8 INCH		Meters	446,378	-	446,378	-	-	-	-	-	-	-	446,378	-	-	-	-	-	-	-	-
75	WW	PRE-TRTMT MOTORS, PUMPS & CONTROL		ST	341,771	-	341,771	-	-	-	-	-	-	-	-	341,771	-	-	-	-	-	-	-
76	WW	PUMPS & MOTORS PUMP BLDG REUSE		RW	322,748	-	322,748	-	-	-	-	-	-	-	-	-	-	322,748	-	-	-	-	-
77	WW	LS PUMPS, MOTORS & CONTROLS		FM	1,123,424	-	1,123,424	-	-	-	-	-	-	-	-	-	-	1,123,424	-	-	-	-	-
78	W	CHL BLDG CHLORINATOR, LEAK ALARM		WT	1,554,112	-	1,554,11																

Lehigh Utility System
Water and Wastewater Connection Fee Study

Summary and Functionalization of Existing Utility Fixed Assets (1)

Line No.	Class	Description	Location	Type	Book Value	Adjustments	Acq Amt	Water System					Wastewater			Indirect	General Plt.	Other Developer Contrib.	
								Supply	Treatment	Trans.	Distribution	Fire Hydrants	Meters	Treatment	Em./Recl.				Trans.
165	WW	WW COLLECTION SYSTEM IMPROVEMENTS		SGC	50,091	-	50,091	-	-	-	-	-	-	-	-	-	-	-	
166	W	WELLFIELD WATER COLLECTION SYSTEM		Supply	12,035	-	12,035	12,035	-	-	-	-	-	-	-	-	-	-	
167	W	BLANKET PROJECTS - R&R		WT	106,637	-	106,637	-	106,637	-	-	-	-	-	-	-	-	-	
168	WW	VARIOUS SIDE STREET PIPING FY2005		FM/Coll	1,546,621	-	1,546,621	-	-	-	-	-	-	-	-	-	-	-	
169	W	ELECTRICAL IMPROVEMENTS		WT	5,811	-	5,811	-	-	-	-	-	-	-	-	-	-	-	
170	W	W & WW SYSTEM HYDRAULICS		WT	12,175	-	12,175	-	12,175	-	-	-	-	-	-	-	-	-	
171	W	MISCELLANEOUS WATER R&R		WT	161,048	-	161,048	-	161,048	-	-	-	-	-	-	-	-	-	
172	W	FIRE HYDRANTS		FH	17,746	-	17,746	-	-	-	-	17,746	-	-	-	-	-	-	
173	W	WATER MASTER PLAN		WT	102,984	-	102,984	-	102,984	-	-	-	-	-	-	-	-	-	
174	WW	RECLAIMED ASR WELL TESTING		RW	51,987	-	51,987	-	-	-	-	-	-	51,987	-	-	-	-	
175	WW	REUSE EXPANSION TO MAJESTICE GC		RW	369,989	-	369,989	-	-	-	-	-	-	369,989	-	-	-	-	
176	W	MEMBRANE TREATMENT PHASE 2		WT	48,683	-	48,683	-	48,683	-	-	-	-	-	-	-	-	-	
177	WW	SLUDGE PRESS		ST	14,380	-	14,380	-	-	-	-	-	14,380	-	-	-	-	-	
178	WW	WW LIFT STATION REHAB		FM	49,102	-	49,102	-	-	-	-	-	-	-	49,102	-	-	-	
179	WW	MISC R&R WASTEWATER		FM	237,091	-	237,091	-	-	-	-	-	-	-	237,091	-	-	-	
180	W	SPECIAL ASSESSMENT DISTRICT		WT	52,829	-	52,829	-	52,829	-	-	-	-	-	-	-	-	-	
181	W	LEE BLVD WIDENING TO LEE RD		WT	252,855	-	252,855	-	252,855	-	-	-	-	-	-	-	-	-	
182	W	ZENON PHASE 2		WT	628,048	-	628,048	-	-	314,024	-	-	-	-	314,024	-	-	-	
183	W	W & WW SYSTEM HYDRAULICS ANALYSIS		WT	12,161	-	12,161	-	12,161	-	-	-	-	-	-	-	-	-	
184	W	FINANCIAL SOFTWARE UPGRADE		WT	24,446	-	24,446	-	24,446	-	-	-	-	-	-	-	-	-	
185	W	ADDITIONAL O&M		WT	30,468	-	30,468	-	30,468	-	-	-	-	-	-	-	-	-	
186	W	SIDE STREET PIPING FY2006		W-TR/WD	1,044,296	-	1,044,296	-	-	313,289	208,859	-	-	-	313,289	208,859	-	-	
187	W	LEHIGH ACRES		W-TR/WD	269,400	-	269,400	-	-	80,820	53,880	-	-	-	80,820	53,880	-	-	
188	W	LEHIGH ACRES		W-TR/WD	382,980	-	382,980	-	-	114,894	76,596	-	-	-	114,894	76,596	-	-	
189	W	LEHIGH ACRES		W-TR/WD	13,390	-	13,390	-	-	4,017	2,678	-	-	-	4,017	2,678	-	-	
190	W	LEHIGH ACRES		W-TR/WD	32,670	-	32,670	-	-	9,801	6,534	-	-	-	9,801	6,534	-	-	
191	W	LEHIGH ACRES		W-TR/WD	6,800	-	6,800	-	-	2,040	1,360	-	-	-	2,040	1,360	-	-	
192	W	LEHIGH ACRES		W-TR/WD	49,850	-	49,850	-	-	14,955	9,970	-	-	-	14,955	9,970	-	-	
193	W	LEHIGH ACRES		W-TR/WD	128,070	-	128,070	-	-	38,421	25,614	-	-	-	38,421	25,614	-	-	
194	W	LEHIGH ACRES		W-TR/WD	249,460	-	249,460	-	-	74,838	49,892	-	-	-	74,838	49,892	-	-	
195	W	LEHIGH ACRES		W-TR/WD	414,200	-	414,200	-	-	124,260	82,840	-	-	-	124,260	82,840	-	-	
196	W	LEHIGH ACRES		W-TR/WD	612,010	-	612,010	-	-	183,603	122,402	-	-	-	183,603	122,402	-	-	
197	W	LEHIGH ACRES		W-TR/WD	1,500	-	1,500	-	-	450	300	-	-	-	450	300	-	-	
198	W	LEHIGH ACRES		W-TR/WD	7,320	-	7,320	-	-	2,196	1,464	-	-	-	2,196	1,464	-	-	
199	W	LEHIGH ACRES		W-TR/WD	13,800	-	13,800	-	-	4,140	2,760	-	-	-	4,140	2,760	-	-	
200	W	LEHIGH ACRES		W-TR/WD	4,470	-	4,470	-	-	1,341	894	-	-	-	1,341	894	-	-	
201	W	LEHIGH ACRES		W-TR/WD	500	-	500	-	-	150	100	-	-	-	150	100	-	-	
202	W	LEHIGH ACRES		W-TR/WD	5,760	-	5,760	-	-	1,728	1,152	-	-	-	1,728	1,152	-	-	
203	W	LEHIGH ACRES		W-TR/WD	325,200	-	325,200	-	-	97,560	65,040	-	-	-	97,560	65,040	-	-	
204	W	LEHIGH ACRES		W-TR/WD	6,470	-	6,470	-	-	1,941	1,294	-	-	-	1,941	1,294	-	-	
205	W	LEHIGH ACRES		W-TR/WD	15,090	-	15,090	-	-	4,527	3,018	-	-	-	4,527	3,018	-	-	
206	W	LEHIGH ACRES		W-TR/WD	330	-	330	-	-	99	66	-	-	-	99	66	-	-	
70	W	Additional Item	Various	General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
207	W	Additional Item	Various	General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
208	W	Additional Item	Various	General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
209	W	Item		General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
210		SUBTOTAL EXISTING FIXED ASSETS					46,468,113	736,822	5,592,270	6,426,320	3,170,775	834,716	640,917	7,097,501	1,136,239	15,209,210	4,960,022	178,930	484,392

Lehigh Utility System
Water and Wastewater Connection Fee Study

Summary and Functionalization of Existing Utility Fixed Assets (1)

Line No.	Class	Description	Location	Type	Book Value	Adjustments	Acq Amt	Water System					Wastewater				Other Developer Contrib.			
								Supply	Treatment	Trans.	Distribution	Fire Hydrants	Meters	Treatment	Em./Recl.	Trans.		Collection and Lift Stations	Indirect	General Plt.
		Additional																		
211	WW	Other Projects		Allocated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
212	WW	Other Projects		Allocated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Other																		
213		Item		Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
214		SUBTOTAL FOR OTHER PROJECTS			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
215		ALLOCATION OF OTHER DEVELOPER CONTRIBUTIONS			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
216		ALLOCATION OF INDIRECT PLANT			-	-	-	2,878	21,845	25,104	12,386	3,261	2,504	27,725	4,439	59,413	19,376	(178,930)	-	-
217		TOTAL ASSETS FOR IMPACT FEE DETERMINATION			\$ -	\$ -	\$ 46,468,113	\$ 739,700	\$ 5,614,116	\$ 6,451,423	\$ 3,183,161	\$ 837,976	\$ 643,420	\$ 7,125,226	\$ 1,140,678	\$ 15,268,623	\$ 4,979,398	\$ -	\$ 484,392	\$ -

Footnotes

(1) Fixed asset information provided

Development of Miscellaneous Service Charges

Table 1
Florida Governmental Utility Authority
Lehigh System
2008 Miscellaneous Service Charges Study

Comparison of Existing to Proposed Miscellaneous Service Charges

Line No.	Description	Lehigh Existing Fee	Proposed Fee All FGUA Systems
Water Service Deposit			
1	5/8' meter	\$60.00	\$60.00
2	3/4" meter	60.00	60.00
3	1" meter	2 x Avg. Bill	2 x Avg. Bill
4	1.5" meter	2 x Avg. Bill	2 x Avg. Bill
5	2" meter	2 x Avg. Bill	2 x Avg. Bill
6	3" meter	2 x Avg. Bill	2 x Avg. Bill
7	4" meter	2 x Avg. Bill	2 x Avg. Bill
8	6" meter	2 x Avg. Bill	2 x Avg. Bill
9	8" meter	2 x Avg. Bill	2 x Avg. Bill
10	10" meter	2 x Avg. Bill	2 x Avg. Bill
11	12" meter	2 x Avg. Bill	2 x Avg. Bill
Wastwater Service Deposit			
12	5/8' meter	70.00	80.00
13	3/4" meter	70.00	80.00
14	1" meter	2 x Avg. Bill	2 x Avg. Bill
15	1.5" meter	2 x Avg. Bill	2 x Avg. Bill
16	2" meter	2 x Avg. Bill	2 x Avg. Bill
17	3" meter	2 x Avg. Bill	2 x Avg. Bill
18	4" meter	2 x Avg. Bill	2 x Avg. Bill
19	6" meter	2 x Avg. Bill	2 x Avg. Bill
20	8" meter	2 x Avg. Bill	2 x Avg. Bill
21	10" meter	2 x Avg. Bill	2 x Avg. Bill
22	12" meter	2 x Avg. Bill	2 x Avg. Bill
Service Initiation Fee (Turn-on)			
23	All (Business Hours)	20.00	20.00
24	All (Non-Business Hours)	40.00	40.00
Reconnection (Turn-on)			
25	All (Business Hours)	20.00	20.00
26	All (Non-Business Hours)	40.00	40.00
Premise Visit			
27	All (Business Hours)	20.00	20.00
28	All (Non-Business Hours)	40.00	40.00
Meter Installation (Excluding Tap, Meter Box and Backflow)			
29	5/8" meter	70.00	85.00
30	3/4" meter	70.00	85.00
31	1" meter	130.00	160.00
32	1.5" meter	310.00	380.00
33	2" meter	405.00	490.00
34	3" and Larger	Actual Cost	Actual Cost
Full Tap and Meter Cost (1)			
Short Side (Excluding Under Roadway Casing)			
35	5/8" meter	645.00	780.00
36	3/4" meter	645.00	780.00
37	1" meter	710.00	860.00
38	1.5" meter	1,185.00	1,440.00
39	2" meter	1,280.00	1,550.00
40	3" and Larger	Actual Cost	Actual Cost
Full Tap and Meter Cost (1)			
Long Side (Including Under Roadway Casing)			
41	5/8" meter	945.00	1,150.00
42	3/4" meter	945.00	1,150.00
43	1" meter	1,010.00	1,230.00
44	1.5" meter	1,500.00	1,820.00
45	2" meter	1,595.00	1,930.00
46	3" and Larger	Actual Cost	Actual Cost

Table 1
Florida Governmental Utility Authority
Lehigh System
2008 Miscellaneous Service Charges Study

Comparison of Existing to Proposed Miscellaneous Service Charges

Line No.	Description	Lehigh Existing Fee	Proposed Fee All FGUA Systems
	Bullhead Service Installation		
47	5/8" meter	425.00	520.00
48	3/4" meter	425.00	520.00
49	1" meter	490.00	600.00
	Meter Replacement (Customer Requested)		
50	5/8" meter	55.00	80.00
51	3/4" meter	55.00	80.00
52	1" meter	120.00	150.00
53	1.5" meter	295.00	360.00
54	2" meter	385.00	475.00
55	3" meter	1125.00	1,380.00
56	4" meter	1720.00	2,110.00
57	6" meter	2680.00	3,270.00
58	8" meter	1965.00	2,400.00
59	Wastewater Lateral Installation - per ERU	Actual Cost \$700 Min	Actual Cost \$700 Min.
60	Wastewater Lateral Inspection	85.00	90.00
61	New System Inspection	1.5% of Total Construction Cost	1.5% of Total Construction Cost
62	Utility Location	40.00 per request after 1	40.00 per request after 1
63	Third Party Service Inspection	40.00	40.00
64	Temporary Meter Deposit - Hydrant	650.00	675.00
65	Hydrant Meter Rental - 5/8"	20.00 Monthly Plus Usage	20.00 Monthly Plus Usage
66	Meter Re-read	20.00 per request after 1	20.00 per request after 1
67	Meter Field Test - 5/8"	25.00 Free if Error > 3%	30.00 Free if Error > 3%
68	Meter Broken Seal Charge - 5/8"	125.00	130.00
69	Prohibited Connection or Disconnection Charge	300.00 plus Revenue Loss	300.00 plus Revenue Loss
70	Water Audit	25.00 per hour Min. 1 hr.	30.00 per hour Min. 1 hr.
71	Late Payment Fee	5% Min. \$5	5% Min. \$5
72	Returned Check Fee	Florida Statute 25.00 Min. Checks \$50-300 30.00 Checks > \$300 40.00 Checks > 801 5% Face Value	FL Statute 25.00 Min. Checks \$50-300 30.00 Checks > \$300 40.00 Checks > 801 5% Face Value
73	Sewer Tap	Actual Cost	Actual Cost
74	Plan Review	\$300.00 Plus \$25.00 for each sheet over 9	\$300.00 Plus \$25.00 for each sheet over 9

Table 1
Florida Governmental Utility Authority
Lehigh System
2008 Miscellaneous Service Charges Study

Comparison of Existing to Proposed Miscellaneous Service Charges

Line No.	Description	Lehigh Existing Fee	Proposed Fee All FGUA Systems
75	Plan Review - Resubmission	50% of Base Plan Review Fee \$12.50 for each sheet over 9	50% of Base Plan Review Fee \$12.50 for each sheet over 9
76	Plan Review - Modification	25% of Base Plan Review Fee \$6.25 for each sheet over 9	25% of Base Plan Review Fee \$6.25 for each sheet over 9
77	Credit Card Convenience Fee	Actual Cost of Credit Cost Transaction Not to Exceed 3% of the total amount Billed	Actual Cost of Credit Cost Transaction Not to Exceed 3% of the total amount Billed

(1) Does not include Meter Installation Charge.