



NEWS

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FOR IMMEDIATE RELEASE

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NORTH FORT MYERS UTILITY, INC. ACQUISITION

The Florida Governmental Utility Authority (FGUA) announces that it has purchased the North Fort Myers Utility, Inc. (NFMU) system. NFMU serves almost 12,000 customers in Lee County with wastewater service and 2,000 with both water and wastewater. The FGUA will bring to NFMU customers what it has brought to thousands of others throughout Florida - high quality, cost-effective utility service.

NFMU's owners originally sought more than \$100 million for the system. The FGUA purchased the system for \$55 million. The deal also includes an agreement that if the system grows, half of the connection charges, up to an additional \$25 million, collected from future customers would be paid to the prior owner. As Robert Sheets, FGUA's System Manager, explained, "The FGUA reduced the price to \$55 million by having NFMU's owners take the risk that additional payments would be paid by future customers if growth occurs."

The FGUA is proposing projects to improve service to NFMU customers and plans to expand involvement by customers in discussions about utility issues. John Andrews, Chairman of the Committee For Better Water Now, a Pasco County customer advocacy group, has worked closely with the FGUA for over a year. Mr. Andrews explained that "the FGUA has really turned things around for customers here in Pasco County. We went from an adversarial relationship with the prior owner to an outstanding relationship with the FGUA." There will be an FGUA customer ombudsman in the North Fort Myers office to monitor responsiveness, address customer concerns, and provide community outreach.

"The FGUA will invest millions to improve the wastewater treatment process at NFMU's main Del Prado plant," explained Mr. Sheets. Both of NFMU's wastewater plants require upgrades to meet current requirements and provide adequate treatment of the wastewater, according to engineers hired to evaluate the facilities. Plant operations and customer service will be provided by the FGUA's contract operator, US Water Services/Wade Trim. US Water Services/Wade Trim has extensive utility system operations experience in Florida and throughout the country.

The NFMU system will become the ninth in the FGUA family of utility systems located in Lee, Collier and Pasco Counties. The FGUA is a special purpose government agency and is governed by a six-member board of directors from Lee, Polk, Citrus, Pasco, Hendry and Desoto Counties. Board members meet monthly to represent the member systems and establish policy on customer service, rates, conservation programs, water reuse and long-range planning.

For more information or questions pertaining to the FGUA or NFMU acquisition, please contact Barbara Kerby at 1-239-368-1615 or via email at bkerby@govmserv.com, or visit the utility website at www.fgua.com.