

**SCHEDULE 18 - WATER CONNECTION FEE**

Equivalent Dwelling Unit Analysis

|                                  |             |
|----------------------------------|-------------|
| Current Number of EDUs in System | 32,966 EDUs |
| Percent of Build Out of System   | 83%         |
| Remaining EDUs Available         | 6,752 EDUs  |
| Total EDUs at Build Out          | 39,718 EDUs |

**Average Cost of Capacity Method**

| <u>Projected Capital Expenses</u>                            |                | FY 08         | FY 09        | FY 10 | FY 11        | FY 12        | FY 13      | FY 14 | FY 15 | FY 16        |
|--------------------------------------------------------------|----------------|---------------|--------------|-------|--------------|--------------|------------|-------|-------|--------------|
| Cash Funded Projects                                         |                | \$ 300,000    | \$ 1,350,000 | \$ -  | \$ 3,300,000 | \$ 1,154,000 | \$ 900,000 | \$ -  | \$ -  | \$ 2,000,000 |
| Projected Borrowed Amount                                    |                | \$ 2,700,000  | \$ 3,150,000 | \$ -  | \$ 4,920,000 | \$ -         | \$ -       | \$ -  | \$ -  | \$ -         |
| Total CIP                                                    |                | \$ 3,000,000  | \$ 4,500,000 | \$ -  | \$ 8,220,000 | \$ 1,154,000 | \$ 900,000 | \$ -  | \$ -  | \$ 2,000,000 |
| Debt Service                                                 |                |               |              |       |              |              |            |       |       |              |
| Interest Rate                                                | 5.0%           |               |              |       |              |              |            |       |       |              |
| Period (years)                                               | 20             |               |              |       |              |              |            |       |       |              |
| Total Debt Funded Projects                                   |                | \$ 10,770,000 |              |       |              |              |            |       |       |              |
| Admin Fees (% of principal)                                  | 5.0%           | \$ 538,500    |              |       |              |              |            |       |       |              |
| Total Cost to be Debt Funded (Principal)                     |                | \$ 11,308,500 |              |       |              |              |            |       |       |              |
| Total Projected Debt Service                                 |                | \$ 18,148,466 |              |       |              |              |            |       |       |              |
| Total Cash Funded Projects                                   |                | \$ 9,004,000  |              |       |              |              |            |       |       |              |
| Total Construction in Progress                               |                | \$ 1,146,131  |              |       |              |              |            |       |       |              |
| less Total Existing Non-Growth Debt                          |                | \$ -          |              |       |              |              |            |       |       |              |
| Historical Value of System                                   |                | \$ 61,885,547 |              |       |              |              |            |       |       |              |
| Total Cost of Water System                                   |                | \$ 90,184,144 |              |       |              |              |            |       |       |              |
| Water System Costs Associated with Fire Protection           | Allocation 10% | \$ 9,018,414  |              |       |              |              |            |       |       |              |
| Non-Fire Protection Water System Costs                       |                | \$ 81,165,730 |              |       |              |              |            |       |       |              |
| Average Cost of Capacity Capital Fee for Fire Demand per EDU |                | \$ 227        |              |       |              |              |            |       |       |              |
| Average Cost of Capacity Capital Fee for Normal Use per EDU  |                | \$ 2,044      |              |       |              |              |            |       |       |              |

| Fire Demand |          |            | Meter Demand |           |            | Combined Fee |
|-------------|----------|------------|--------------|-----------|------------|--------------|
| Tap Size    | Factors* | Tap Fee    | Meter Size   | Factors** | Meter Fee  |              |
| 3/4"        | 1.6      | \$ 363     | 3/4"         | 1.0       | \$ 3,537   | \$ 3,900     |
| 1"          | 2.6      | \$ 590     | 1"           | 2.5       | \$ 5,109   | \$ 5,699     |
| 1 1/2"      | 2.9      | \$ 658     | 1 1/2"       | 5.0       | \$ 10,218  | \$ 10,876    |
| 2"          | 6.19     | \$ 1,406   | 2"           | 8.0       | \$ 16,348  | \$ 17,754    |
| 3"          | 17.98    | \$ 4,083   | 3"           | 16.0      | \$ 32,697  | \$ 36,780    |
| 4"          | 38.32    | \$ 8,701   | 4"           | 25.0      | \$ 51,089  | \$ 59,790    |
| 6"          | 111.31   | \$ 25,274  | 6"           | 50.0      | \$ 102,178 | \$ 127,452   |
| 8"          | 237.21   | \$ 53,861  | 8"           | 80.0      | \$ 163,485 | \$ 217,346   |
| 10"         | 426.58   | \$ 96,860  | 10"          | 138.0     | \$ 282,011 | \$ 378,871   |
| 12"         | 689.04   | \$ 156,455 | 12"          | 230.0     | \$ 470,019 | \$ 626,473   |

\*Fire Demand Factors - AWWA Manual M1 Table 30-5 page 224

\*\*Meter Demand Factors - AWWA Manual M1 Table 28-2 page 202