

Bella Collina Community Development District

Water, Wastewater, and Irrigation Rate Study Miscellaneous Charge Study



September 2025





BACKGROUND & CONSIDERATIONS

Water, Wastewater, and Irrigation Rate Study



System Background

- The Water, Wastewater and Irrigation systems are owned and operated by the Bella Collina Community Development District
- Water Treatment Plants
 - Hillcrest Water Plant 15601A Vetta Drive
 - Pine Island Water Plant 17500 Cavallo Drive
- Sewer Treatment Plant
 - 17500 Cavallo Drive

System Background

- Systems are operated in accordance with Consumptive Use Permits (CUP)
 - Pine Island (Bella Collina East) 50115-16
 - Hillcrest (Bella Collina West) 2900-9
- The CUPs impose the following elements:
 - The location where water is extracted from for use – ground and surface water
 - The volume of water that can be extracted from the ground and surface for use within the Bella Collina CCD
 - Aspects of system configuration and operations for providing water (potable and irrigation) and wastewater treatment in accordance to state and federal regulation

Issues Driving the Rate Study

Fiscally responsible to perform a comprehensive rate study

Utility financial needs

- Increasing operating cost
- Ongoing capital expenditures
- Installation of a new surface water irrigation system

Maintain reserves for future capital projects

Enterprise self sufficiency – Water vs. Wastewater vs. Irrigation

Continue to promote resource conservation – CUP Usage Compliance

Basic Principles of Rate Setting

Rates must be fair, just, equitable, and non-discriminatory.

- There should be a direct relationship between the cost of the service and the customer receiving benefit of that service.
- Customers should pay for what they use.

Rates must recover the appropriate cost of service.

Rates must provide the revenue required to provide for the health, safety, and welfare of the customers being served.

Rate Study Objectives

The primary goals and objectives of the water, wastewater, and Irrigation rate study include:

- Full cost recovery of utility expenditures
- Cost-based rate structure
- Equity among customer classes
- Administrative efficiency
- 5-Year financial plan and continued financial health of Utility Systems
- Consistency with common industry standards

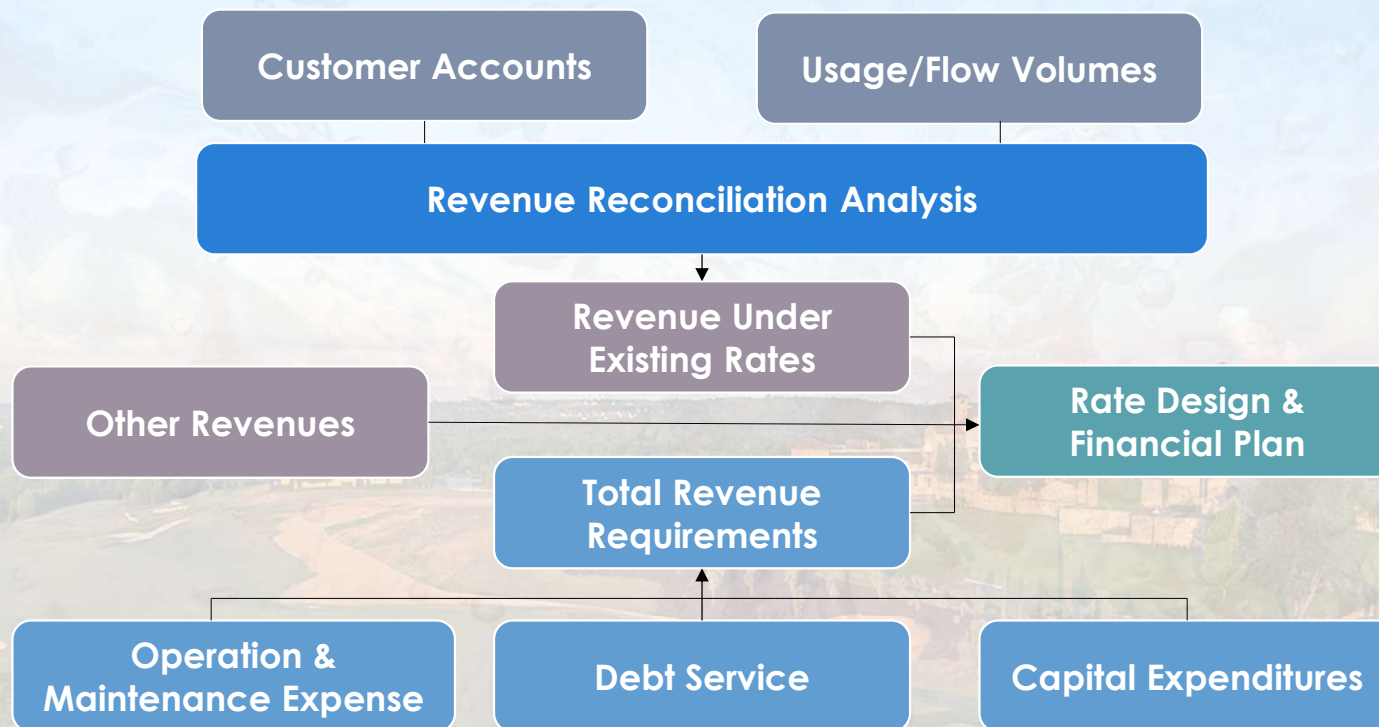


PROCESS

Water, Wastewater, and Irrigation Rate Study



General Rate Study Methodology



Rate-Setting Considerations

Common industry standards

Existing rate structure

Impact on existing customers

Water conservation goals

Current growth conditions

Comparability with neighboring utilities

Impact on future economic development



PROCEDURES AND ANALYSES

Water, Wastewater, and Irrigation Rate Study



Existing Rate Structure

The Existing Water, Wastewater, and Irrigation Water Rates Utilize a 2-Component Rate Structure as Follows:

Base Charges – Minimum amount applied per metered connection

Volumetric Rates – Applied per 1,000 gallons of metered/billable flow

Existing Rate Structure

Monthly Base Charge:

- Based on Meter Size

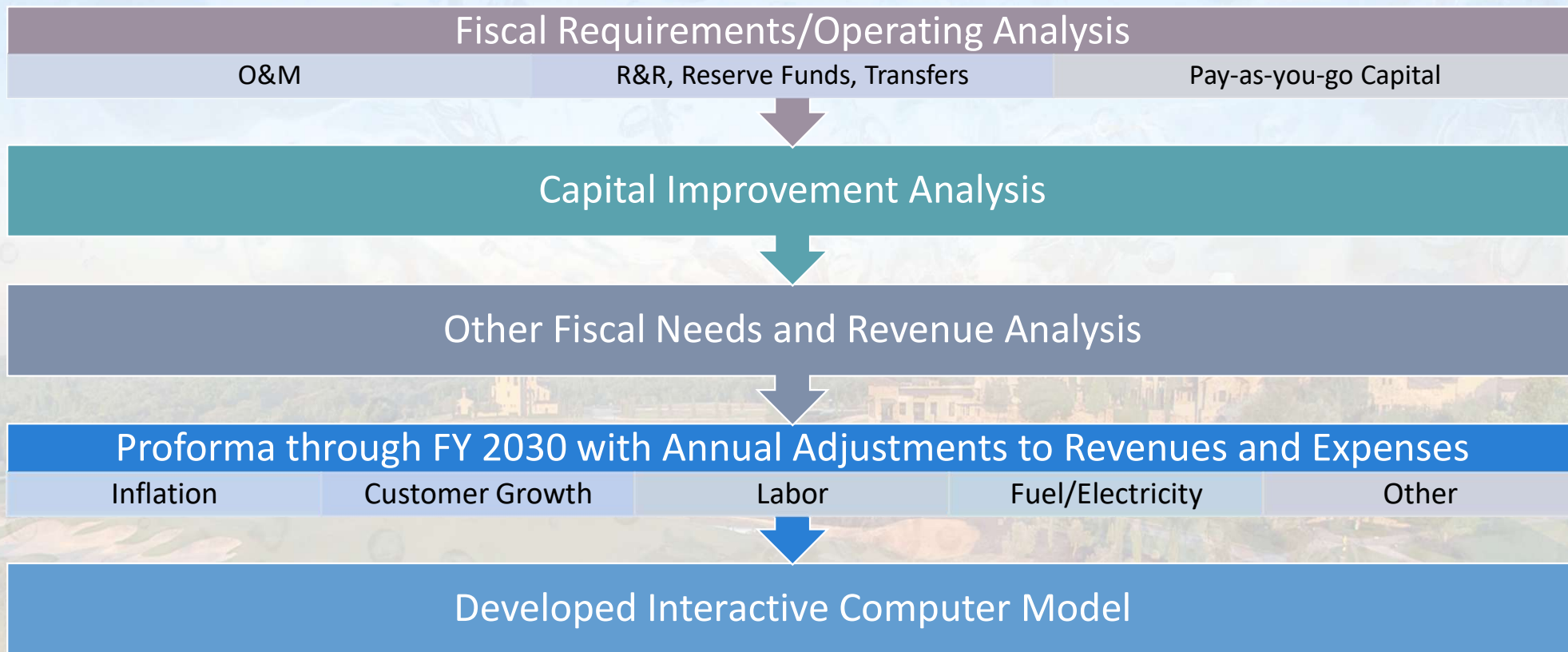
Water Volumetric Charges:

- Inclining Block rate structure
- Block allowances are per ERC. All residential customers are 1 ERC, commercial customer ERCs are assigned by the District or District Engineer.

Wastewater Volumetric Charges:

- Same gallonage rate for all customers
- Residential billed usage capped at 10,000 gallons per month
- Commercial usage is not capped

What Was Done?



Rate Structure Modifications

Adjust Rate Factors Between Blocks

Elimination of Wastewater Cap

Adjust Block Allowances for Irrigation Rates

1. Adjust Rate Factors Between Blocks

Description	Existing	Proposed	Existing	Proposed (10/2025)	Proposed Pine Island (7/2026)	Proposed Hillcrest Res (7/2026)	Proposed Hillcrest Com (7/2026)
	Water		Irrigation				
Block 1	1.0000	1.0000	1.1934	1.1547	1.1547	1.1547	1.1547
Block 2	1.2376	1.2500	1.8564	3.0000	3.0000	7.7500	3.0000
Block 3	1.8564	3.0000	2.7017	4.3674	7.7500	N/A	7.7500
Block 4	2.7901	7.7500	N/A	N/A	N/A	N/A	N/A

2. Eliminate Wastewater Cap

- District currently has a wastewater cap for all residential customers at 10,000 gallons per month
- Typically used to account for water that is used for irrigation or other outdoor uses and does not enter wastewater system
- District customers have a separate irrigation meter
- Elimination of the cap for residential customers provides the following:
 - Promotes water conservation
 - Improves fairness
 - Ensures system sustainability

3. Adjust Block Allowances for Irrigation Rates

- Assign Irrigation block allowances based on lot size for residential customers
 - Promotes responsible irrigation water use
 - Ensures equity among customers
 - Align with the irrigation usage allowances included in the District's CUP
- Annual irrigation usage allowances:
 - All lots in Hillcrest are approximately 39,300 gallons,
 - Lots in Pine Island have annual allowances from 107,500 gallons to 286,600 gallons
 - Block allowances for non-residential customers and master-metered residential customers will be assigned by the District and/or District Engineer.

3. Adjust Block Allowances for Irrigation Rates

Service Area / Lot Size	Block 1	Block 2	Block 3
HILLCREST			
Residential by lot size			
All lots	0 - 4,000	Above 4,000	N/A
Note: Block allowances for combined lots = # of combined lots X block allowance for individual lot size of separate lot.			
Non-Residential & Master-Metered Residential			
Case-by-Case basis (set by District)	See District	See District	See District
PINE ISLAND			
Residential by lot size			
< 3/4 Acre Lot	0 - 4,000	4,001 - 9,000	Above 9,000
>3/4 Acre < 1 Acre Lot	0 - 11,000	11,001 - 23,000	Above 23,000
> 1 Acre Lot	0 - 12,000	12,001 - 24,000	Above 24,000
Note: Block allowances for combined lots = # of combined lots X block allowance for individual lot size of separate lot.			
Non-Residential & Master-Metered Residential			
Case-by-Case basis (set by District)	See District	See District	See District

Existing and Projected Customers and Flows - Water

Description	Existing 2023	Estimated 2024	Projected for Fiscal Year				
			2026	2027	2028	2029	2030
WATER							
PINE ISLAND		22%	18%	10%	9%	9%	8%
Customers	172	210	308	340	372	404	436
Usage (1,000 gallons) (3)							
Block 1 (0 - 5,000 Gallons)	8,529	10,413	14,508	16,015	17,522	19,029	20,536
Block 2 (5,000 - 10,000 Gallons)	3,689	4,504	6,275	6,927	7,579	8,231	8,883
Block 3 (10,000 - 20,000 Gallons)	3,326	4,061	5,361	5,918	6,475	7,032	7,589
Block 4 (Above 20,000 Gallons)	3,932	4,801	5,633	6,218	6,803	7,388	7,973
HILLCREST		37%	14%	9%	8%	7%	7%
Customers	122	167	209	227	245	263	281
Usage (1,000 gallons) (3)							
Block 1 (0 - 5,000 Gallons)	5,286	7,236	8,603	9,344	10,085	10,826	11,567
Block 2 (5,000 - 10,000 Gallons)	2,580	3,532	4,200	4,562	4,924	5,286	5,648
Block 3 (10,000 - 20,000 Gallons)	2,693	3,318	3,737	4,059	4,381	4,703	5,025
Block 4 (Above 20,000 Gallons)	521	713	714	775	836	897	958

Existing and Projected Customers and Flows - Wastewater

Description	Existing 2023	Estimated 2024	Projected for Fiscal Year				
			2026	2027	2028	2029	2030
WASTEWATER							
PINE ISLAND		22%	18%	10%	9%	9%	8%
Customers	172	210	308	340	372	404	436
Usage (1,000 gallons) (1) (3)							
Block 1	12,193	14,887	20,742	22,897	25,052	27,207	29,362
Block 2 (Above Cap)	7,244	8,844	11,026	12,172	13,318	14,464	15,610
HILLCREST		39%	14%	9%	8%	8%	7%
Customers	116	161	203	221	239	257	275
Usage (1,000 gallons) (1) (3)							
Block 1	9,274	12,872	15,418	16,785	18,152	19,519	20,886
Block 2 (Above Cap)	535	743	796	867	938	1,009	1,080

Existing and Projected Customers and Flows - Irrigation

Description	Existing 2023	Estimated 2024	Projected for Fiscal Year				
			2026	2027	2028	2029	2030
IRRIGATION							
PINE ISLAND		22%	18%	10%	9%	9%	8%
Customers	172	210	308	340	372	404	436
Usage (1,000 gallons) (2) (3)							
Block 1	14,329	17,495	23,093	25,492	27,891	30,290	32,689
Block 2	11,933	14,569	18,163	20,050	21,937	23,824	25,711
Block 3	47,572	58,082	55,371	61,124	66,877	72,630	78,383
HILLCREST		37%	14%	9%	8%	7%	7%
Customers	122	167	209	227	245	263	281
Usage (1,000 gallons) (2) (3)							
Block 1	8,504	11,640	9,066	9,847	10,628	11,409	12,190
Block 2	5,096	6,976	25,191	27,361	29,531	31,701	33,871
Block 3	15,950	21,833	2,965	3,220	3,475	3,730	3,985

Note: (1) FY 2023 - FY 2025 sewer cap for residential customers. FY 2026 and after recommended residential sewer cap removed once surface water irrigation online.
 (2) FY 2023 - FY 2025 based on current usage blocks for irrigation. FY 2026 - FY 2030 based on proposed usage blocks discussed in Section 5 of the report.
 (3) Adjustments made for Non-Residential and Multi-Family Master Metered customers to block allowances per ERC and correct application of sewer cap.

Proposed Annual Rate Adjustments

Fiscal Year	Water	Wastewater	Irrigation
2026	N/A	N/A	N/A
2027	3.50%	3.50%	3.50%
2028	3.50%	3.50%	3.50%
2029	3.50%	3.50%	3.50%
2030	3.50%	3.50%	3.50%

Projected Operating Results: FY 2025 – FY 2030

Description	For the Fiscal Year Ended September 30,					
	2025	2026	2027	2028	2029	2030
Annual Rate Adjustments	3.24%	N/A	3.50%	3.50%	3.50%	3.50%
Operating Revenues						
Charges for Services	\$ 1,381,714	\$ 1,598,325	\$ 1,752,966	\$ 1,973,216	\$ 2,206,610	\$ 2,454,579
Other Revenues	147,756	120,958	110,685	104,755	102,805	103,784
Total Operating Revenues	1,529,470	1,719,283	1,863,651	2,077,971	2,309,416	2,558,363
Operating Expenses						
Administrative Costs	120,401	126,422	132,743	139,379	146,348	153,662
Operatings and Maintenance Costs	735,036	962,626	1,027,692	1,082,381	1,139,972	1,200,615
Transfer to Capital Reserves	424,376	517,738	543,624	570,805	599,345	629,312
Total Operating Expenses	1,279,813	1,606,786	1,704,059	1,792,565	1,885,665	1,983,589
Net Income (Loss)	249,657	112,497	159,592	285,406	423,751	574,774
Fund Balance						
Unrestricted	\$ 649,657	\$ 762,154	\$ 921,746	\$ 1,207,152	\$ 1,630,902	\$ 2,205,677
Capital Reserve	2,567,979	2,604,702	2,641,426	2,678,117	2,714,734	2,751,236
Total Fund Balances	\$ 3,217,635	\$ 3,366,855	\$ 3,563,172	\$ 3,885,269	\$ 4,345,637	\$ 4,956,913
Days Cash on Hand	277	255	290	361	463	594

Existing and Proposed Rates: Water and Wastewater

Description	Existing FY 2025 (10/2024)	Proposed FY 2026 (10/2025)	Proposed FY 2026 (7/2026)	Proposed FY 2027 (10/2026)	Proposed FY 2028 (10/2027)	Proposed FY 2029 (10/2028)	Proposed FY 2030 (10/2029)
WATER							
Base Charge by Meter Size:							
3/4 Inch	\$ 9.75	\$ 9.75	\$ 10.38	\$ 10.74	\$ 11.12	\$ 11.51	\$ 11.91
1.0 Inch	\$ 24.35	\$ 24.38	\$ 25.95	\$ 26.86	\$ 27.80	\$ 28.77	\$ 29.78
1.5 Inch	\$ 48.76	\$ 48.75	\$ 51.90	\$ 53.72	\$ 55.60	\$ 57.55	\$ 59.56
2.0 Inch	\$ 77.85	\$ 77.85	\$ 83.04	\$ 85.95	\$ 88.96	\$ 92.07	\$ 95.29
3.0 Inch	\$ 142.39	\$ 142.39	\$ 155.70	\$ 161.15	\$ 166.79	\$ 172.63	\$ 178.67
4.0 Inch	\$ 237.29	\$ 237.29	\$ 259.50	\$ 268.58	\$ 277.98	\$ 287.71	\$ 297.78
Usage Charge Per 1,000 Gallons (Per ERC):							
Block 1 (0 - 5,000 Gallons)	\$ 1.81	\$ 1.81	\$ 1.83	\$ 1.89	\$ 1.96	\$ 2.03	\$ 2.10
Block 2 (5,000 - 10,000 Gallons)	\$ 2.24	\$ 2.26	\$ 2.29	\$ 2.37	\$ 2.45	\$ 2.54	\$ 2.63
Block 3 (10,000 - 20,000 Gallons)	\$ 3.36	\$ 3.62	\$ 5.49	\$ 5.68	\$ 5.88	\$ 6.09	\$ 6.30
Block 4 (Above 20,000 Gallons)	\$ 5.05	\$ 14.03	\$ 14.18	\$ 14.68	\$ 15.19	\$ 15.72	\$ 16.27
WASTEWATER							
Base Charge by Meter Size:							
3/4 Inch	\$ 18.03	\$ 18.03	\$ 18.80	\$ 19.46	\$ 20.14	\$ 20.84	\$ 21.57
1.0 Inch	\$ 46.51	\$ 46.52	\$ 47.00	\$ 48.65	\$ 50.35	\$ 52.11	\$ 53.93
1.5 Inch	\$ 90.18	\$ 90.15	\$ 94.00	\$ 97.29	\$ 100.70	\$ 104.22	\$ 107.87
2.0 Inch	\$ 144.28	\$ 144.24	\$ 150.40	\$ 155.66	\$ 161.11	\$ 166.75	\$ 172.59
3.0 Inch	\$ 263.83	\$ 263.83	\$ 282.00	\$ 291.87	\$ 302.09	\$ 312.66	\$ 323.60
4.0 Inch	\$ 439.68	\$ 439.68	\$ 470.00	\$ 486.45	\$ 503.48	\$ 521.10	\$ 539.34
Usage Charge Per 1,000 Gallons:							
Residential (All flow after 7/1/2026)	\$ 7.57	\$ 7.57	\$ 6.14	\$ 6.35	\$ 6.57	\$ 6.80	\$ 7.04
Non-Residential and Master Metered (All flow)	\$ 7.57	\$ 7.57	\$ 6.14	\$ 6.35	\$ 6.57	\$ 6.80	\$ 7.04

Existing and Proposed Rates: Irrigation

Description	Existing FY 2025 (10/2024)	Proposed FY 2026 (10/2025)	Proposed FY 2026 (7/2026)	Proposed FY 2027 (10/2026)	Proposed FY 2028 (10/2027)	Proposed FY 2029 (10/2028)	Proposed FY 2030 (10/2029)
IRRIGATION							
Base Charge by Meter Size:							
3/4 Inch	\$ 9.75	\$ 9.75	\$ 10.38	\$ 10.74	\$ 11.12	\$ 11.51	\$ 11.91
1.0 Inch	\$ 24.35	\$ 24.35	\$ 25.95	\$ 26.86	\$ 27.80	\$ 28.77	\$ 29.78
1.5 Inch	\$ 48.76	\$ 48.76	\$ 51.90	\$ 53.72	\$ 55.60	\$ 57.55	\$ 59.56
2.0 Inch	\$ 77.85	\$ 77.85	\$ 83.04	\$ 85.95	\$ 88.96	\$ 92.07	\$ 95.29
3.0 Inch	\$ 142.39	\$ 142.39	\$ 155.70	\$ 161.15	\$ 166.79	\$ 172.63	\$ 178.67
4.0 Inch	\$ 237.29	\$ 237.29	\$ 259.50	\$ 268.58	\$ 277.98	\$ 287.71	\$ 297.78
PINE ISLAND (Residential and Non-Residential)							
Usage Charge Per 1,000 Gallons (Per ERC or Lot Size):							
Block 1	\$ 2.16	\$ 2.09	\$ 1.18	\$ 1.22	\$ 1.26	\$ 1.30	\$ 1.35
Block 2	\$ 3.36	\$ 3.26	\$ 3.06	\$ 3.17	\$ 3.28	\$ 3.39	\$ 3.51
Block 3	\$ 5.05	\$ 7.91	\$ 7.91	\$ 8.18	\$ 8.47	\$ 8.77	\$ 9.08
HILLCREST							
Usage Charge Per 1,000 Gallons (Per ERC or Lot Size):							
Residential							
Block 1	\$ 2.16	\$ 2.09	\$ 1.18	\$ 1.22	\$ 1.26	\$ 1.30	\$ 1.35
Block 2	\$ 3.36	\$ 3.26	\$ 7.91	\$ 8.18	\$ 8.47	\$ 8.77	\$ 9.08
Block 3	\$ 5.05	\$ 7.91	N/A	N/A	N/A	N/A	N/A
Non-Residential and Master Metered Residential							
Block 1	\$ 2.16	\$ 2.09	\$ 1.18	\$ 1.22	\$ 1.26	\$ 1.30	\$ 1.35
Block 2	\$ 3.36	\$ 3.26	\$ 3.06	\$ 3.17	\$ 3.28	\$ 3.39	\$ 3.51
Block 3	\$ 5.05	\$ 7.91	\$ 7.91	\$ 8.18	\$ 8.47	\$ 8.77	\$ 9.08

Existing and Proposed Rates: Irrigation Blocks

Service Area / Lot Size	Block 1	Block 2	Block 3
HILLCREST			
Residential by lot size			
All lots	0 - 4,000	Above 4,000	N/A
Note: Block allowances for combined lots = # of combined lots X block allowance for individual lot size of separate lot.			
Non-Residential & Master-Metered Residential			
Case-by-Case basis (set by District)	See District	See District	See District
PINE ISLAND			
Residential by lot size			
< 3/4 Acre Lot	0 - 4,000	4,001 - 9,000	Above 9,000
>3/4 Acre < 1 Acre Lot	0 - 11,000	11,001 - 23,000	Above 23,000
> 1 Acre Lot	0 - 12,000	12,001 - 24,000	Above 24,000
Note: Block allowances for combined lots = # of combined lots X block allowance for individual lot size of separate lot.			
Non-Residential & Master-Metered Residential			
Case-by-Case basis (set by District)	See District	See District	See District

Typical Monthly Bill Comparison – Water & Wastewater Combined (2025 Adjustment)

Meter Size	Monthly Flow (Gal)	Monthly Charges		Difference
		Existing (10/2024)	Proposed (10/2025)	\$Amount
COMBINED WATER AND WASTEWATER BILL				
Residential:				
3/4 Inch	0	\$ 27.78	\$ 27.78	\$ -
3/4 Inch	1,000	\$ 37.16	\$ 37.16	\$ -
3/4 Inch	2,000	\$ 46.54	\$ 46.54	\$ -
3/4 Inch	3,000	\$ 55.92	\$ 55.92	\$ -
3/4 Inch	4,000	\$ 65.30	\$ 65.30	\$ -
3/4 Inch	5,000	\$ 74.68	\$ 74.68	\$ -
3/4 Inch	6,000	\$ 84.49	\$ 84.51	\$ 0.02
3/4 Inch	7,000	\$ 94.30	\$ 94.34	\$ 0.04
3/4 Inch	8,000	\$ 104.11	\$ 104.17	\$ 0.06
3/4 Inch	10,000	\$ 123.73	\$ 123.83	\$ 0.10
3/4 Inch	11,000	\$ 127.09	\$ 127.45	\$ 0.36
3/4 Inch	12,000	\$ 130.45	\$ 131.07	\$ 0.62
3/4 Inch	13,000	\$ 133.81	\$ 134.69	\$ 0.88
3/4 Inch	14,000	\$ 137.17	\$ 138.31	\$ 1.14
3/4 Inch	15,000	\$ 140.53	\$ 141.93	\$ 1.40
3/4 Inch	16,000	\$ 143.89	\$ 145.55	\$ 1.66
3/4 Inch	17,000	\$ 147.25	\$ 149.17	\$ 1.92
3/4 Inch	18,000	\$ 150.61	\$ 152.79	\$ 2.18
3/4 Inch	19,000	\$ 153.97	\$ 156.41	\$ 2.44
3/4 Inch	20,000	\$ 157.33	\$ 160.03	\$ 2.70
3/4 Inch	25,000	\$ 182.58	\$ 230.18	\$ 47.60
3/4 Inch	30,000	\$ 207.83	\$ 300.33	\$ 92.50
3/4 Inch	35,000	\$ 233.08	\$ 370.48	\$ 137.40
3/4 Inch	40,000	\$ 258.33	\$ 440.63	\$ 182.30

Typical Monthly Bill Comparison – Water & Wastewater Combined (2026 Adjustment)

Meter Size	Monthly Flow (Gal)	Monthly Charges		Difference
		Existing (10/2025)	Proposed (7/2026)	\$Amount
COMBINED WATER AND WASTEWATER BILL				
Residential:				
3/4 Inch	0	\$ 27.78	\$ 29.18	\$ 1.40
3/4 Inch	1,000	\$ 37.16	\$ 37.15	\$ (0.01)
3/4 Inch	2,000	\$ 46.54	\$ 45.12	\$ (1.42)
3/4 Inch	3,000	\$ 55.92	\$ 53.09	\$ (2.83)
3/4 Inch	4,000	\$ 65.30	\$ 61.06	\$ (4.24)
3/4 Inch	5,000	\$ 74.68	\$ 69.03	\$ (5.65)
3/4 Inch	6,000	\$ 84.51	\$ 77.46	\$ (7.05)
3/4 Inch	7,000	\$ 94.34	\$ 85.89	\$ (8.45)
3/4 Inch	8,000	\$ 104.17	\$ 94.31	\$ (9.86)
3/4 Inch	10,000	\$ 123.83	\$ 111.17	\$ (12.66)
3/4 Inch	11,000	\$ 127.45	\$ 122.80	\$ (4.65)
3/4 Inch	12,000	\$ 131.07	\$ 134.43	\$ 3.36
3/4 Inch	13,000	\$ 134.69	\$ 146.06	\$ 11.37
3/4 Inch	14,000	\$ 138.31	\$ 157.69	\$ 19.38
3/4 Inch	15,000	\$ 141.93	\$ 169.32	\$ 27.39
3/4 Inch	16,000	\$ 145.55	\$ 180.95	\$ 35.40
3/4 Inch	17,000	\$ 149.17	\$ 192.58	\$ 43.41
3/4 Inch	18,000	\$ 152.79	\$ 204.21	\$ 51.42
3/4 Inch	19,000	\$ 156.41	\$ 215.84	\$ 59.43
3/4 Inch	20,000	\$ 160.03	\$ 227.47	\$ 67.44
3/4 Inch	25,000	\$ 230.18	\$ 329.08	\$ 98.90
3/4 Inch	30,000	\$ 300.33	\$ 430.69	\$ 130.36
3/4 Inch	35,000	\$ 370.48	\$ 532.31	\$ 161.83
3/4 Inch	40,000	\$ 440.63	\$ 633.92	\$ 193.29

Typical Monthly Bill Comparison – Irrigation (2025 Adjustment) Pine Island & Hillcrest

Meter Size	Monthly Flow (Gal)	Monthly Charges		Difference
		Existing (10/2024)	Proposed (10/2025)	\$Amount
IRRIGATION BILL - PINE ISLAND and HILLCREST				
Residential:				
3/4 Inch	0	\$ 9.75	\$ 9.75	\$ -
3/4 Inch	1,000	\$ 11.91	\$ 11.84	\$ (0.07)
3/4 Inch	2,000	\$ 14.07	\$ 13.93	\$ (0.14)
3/4 Inch	3,000	\$ 16.23	\$ 16.02	\$ (0.21)
3/4 Inch	4,000	\$ 18.39	\$ 18.11	\$ (0.28)
3/4 Inch	5,000	\$ 20.55	\$ 20.20	\$ (0.35)
3/4 Inch	6,000	\$ 22.71	\$ 22.29	\$ (0.42)
3/4 Inch	7,000	\$ 24.87	\$ 24.38	\$ (0.49)
3/4 Inch	8,000	\$ 27.03	\$ 26.47	\$ (0.56)
3/4 Inch	10,000	\$ 31.35	\$ 30.65	\$ (0.70)
3/4 Inch	11,000	\$ 34.71	\$ 33.91	\$ (0.80)
3/4 Inch	12,000	\$ 38.07	\$ 37.17	\$ (0.90)
3/4 Inch	13,000	\$ 41.43	\$ 40.43	\$ (1.00)
3/4 Inch	14,000	\$ 44.79	\$ 43.69	\$ (1.10)
3/4 Inch	15,000	\$ 48.15	\$ 46.95	\$ (1.20)
3/4 Inch	20,000	\$ 64.95	\$ 63.25	\$ (1.70)
3/4 Inch	25,000	\$ 90.20	\$ 102.80	\$ 12.60
3/4 Inch	30,000	\$ 115.45	\$ 142.35	\$ 26.90
3/4 Inch	35,000	\$ 140.70	\$ 181.90	\$ 41.20
3/4 Inch	40,000	\$ 165.95	\$ 221.45	\$ 55.50
3/4 Inch	45,000	\$ 191.20	\$ 261.00	\$ 69.80
3/4 Inch	50,000	\$ 216.45	\$ 300.55	\$ 84.10
3/4 Inch	55,000	\$ 241.70	\$ 340.10	\$ 98.40
3/4 Inch	60,000	\$ 266.95	\$ 379.65	\$ 112.70
3/4 Inch	65,000	\$ 292.20	\$ 419.20	\$ 127.00
3/4 Inch	70,000	\$ 317.45	\$ 458.75	\$ 141.30
3/4 Inch	75,000	\$ 342.70	\$ 498.30	\$ 155.60

Typical Monthly Bill Comparison – Irrigation (2026 Adjustment) Pine Island

Meter Size	Monthly Flow (Gal)	Monthly Charges		Difference
		Existing (10/2025)	Proposed (7/2026)	\$Amount
IRRIGATION BILL - PINE ISLAND 3/4 Acre Lot				
Residential:				
3/4 Inch	0	\$ 9.75	\$ 10.38	\$ 0.63
3/4 Inch	1,000	\$ 11.84	\$ 11.56	\$ (0.28)
3/4 Inch	2,000	\$ 13.93	\$ 12.74	\$ (1.19)
3/4 Inch	3,000	\$ 16.02	\$ 13.91	\$ (2.11)
3/4 Inch	4,000	\$ 18.11	\$ 15.09	\$ (3.02)
3/4 Inch	5,000	\$ 20.20	\$ 16.27	\$ (3.93)
3/4 Inch	6,000	\$ 22.29	\$ 17.45	\$ (4.84)
3/4 Inch	7,000	\$ 24.38	\$ 18.62	\$ (5.76)
3/4 Inch	8,000	\$ 26.47	\$ 19.80	\$ (6.67)
3/4 Inch	10,000	\$ 30.65	\$ 22.16	\$ (8.49)
3/4 Inch	11,000	\$ 33.91	\$ 23.34	\$ (10.57)
3/4 Inch	12,000	\$ 37.17	\$ 26.40	\$ (10.77)
3/4 Inch	13,000	\$ 40.43	\$ 29.46	\$ (10.97)
3/4 Inch	14,000	\$ 43.69	\$ 32.52	\$ (11.17)
3/4 Inch	15,000	\$ 46.95	\$ 35.58	\$ (11.37)
3/4 Inch	20,000	\$ 63.25	\$ 50.88	\$ (12.37)
3/4 Inch	25,000	\$ 102.80	\$ 75.87	\$ (26.93)
3/4 Inch	30,000	\$ 142.35	\$ 115.39	\$ (26.96)
3/4 Inch	35,000	\$ 181.90	\$ 154.92	\$ (26.98)
3/4 Inch	40,000	\$ 221.45	\$ 194.44	\$ (27.01)
3/4 Inch	45,000	\$ 261.00	\$ 233.97	\$ (27.03)
3/4 Inch	50,000	\$ 300.55	\$ 273.49	\$ (27.06)
3/4 Inch	55,000	\$ 340.10	\$ 313.02	\$ (27.08)
3/4 Inch	60,000	\$ 379.65	\$ 352.54	\$ (27.11)
3/4 Inch	65,000	\$ 419.20	\$ 392.07	\$ (27.13)
3/4 Inch	70,000	\$ 458.75	\$ 431.59	\$ (27.16)
3/4 Inch	75,000	\$ 498.30	\$ 471.12	\$ (27.18)

Typical Monthly Bill Comparison – Irrigation (2026 Adjustment) Hillcrest

Meter Size	Monthly Flow (Gal)	Monthly Charges		Difference
		Existing (10/2025)	Proposed (7/2026)	\$Amount
IRRIGATION BILL - HILLCREST RESIDENTIAL				
Residential:				
3/4 Inch	0	\$ 9.75	\$ 10.38	\$ 0.63
3/4 Inch	1,000	\$ 11.84	\$ 11.56	\$ (0.28)
3/4 Inch	2,000	\$ 13.93	\$ 12.74	\$ (1.19)
3/4 Inch	3,000	\$ 16.02	\$ 13.91	\$ (2.11)
3/4 Inch	4,000	\$ 18.11	\$ 15.09	\$ (3.02)
3/4 Inch	5,000	\$ 20.20	\$ 23.00	\$ 2.80
3/4 Inch	6,000	\$ 22.29	\$ 30.90	\$ 8.61
3/4 Inch	7,000	\$ 24.38	\$ 38.81	\$ 14.43
3/4 Inch	8,000	\$ 26.47	\$ 46.71	\$ 20.24
3/4 Inch	10,000	\$ 30.65	\$ 62.52	\$ 31.87
3/4 Inch	11,000	\$ 33.91	\$ 70.43	\$ 36.52
3/4 Inch	12,000	\$ 37.17	\$ 78.33	\$ 41.16
3/4 Inch	13,000	\$ 40.43	\$ 86.24	\$ 45.81
3/4 Inch	14,000	\$ 43.69	\$ 94.14	\$ 50.45
3/4 Inch	15,000	\$ 46.95	\$ 102.05	\$ 55.10
3/4 Inch	20,000	\$ 63.25	\$ 141.57	\$ 78.32
3/4 Inch	25,000	\$ 102.80	\$ 181.10	\$ 78.30
3/4 Inch	30,000	\$ 142.35	\$ 220.62	\$ 78.27
3/4 Inch	35,000	\$ 181.90	\$ 260.15	\$ 78.25
3/4 Inch	40,000	\$ 221.45	\$ 299.67	\$ 78.22

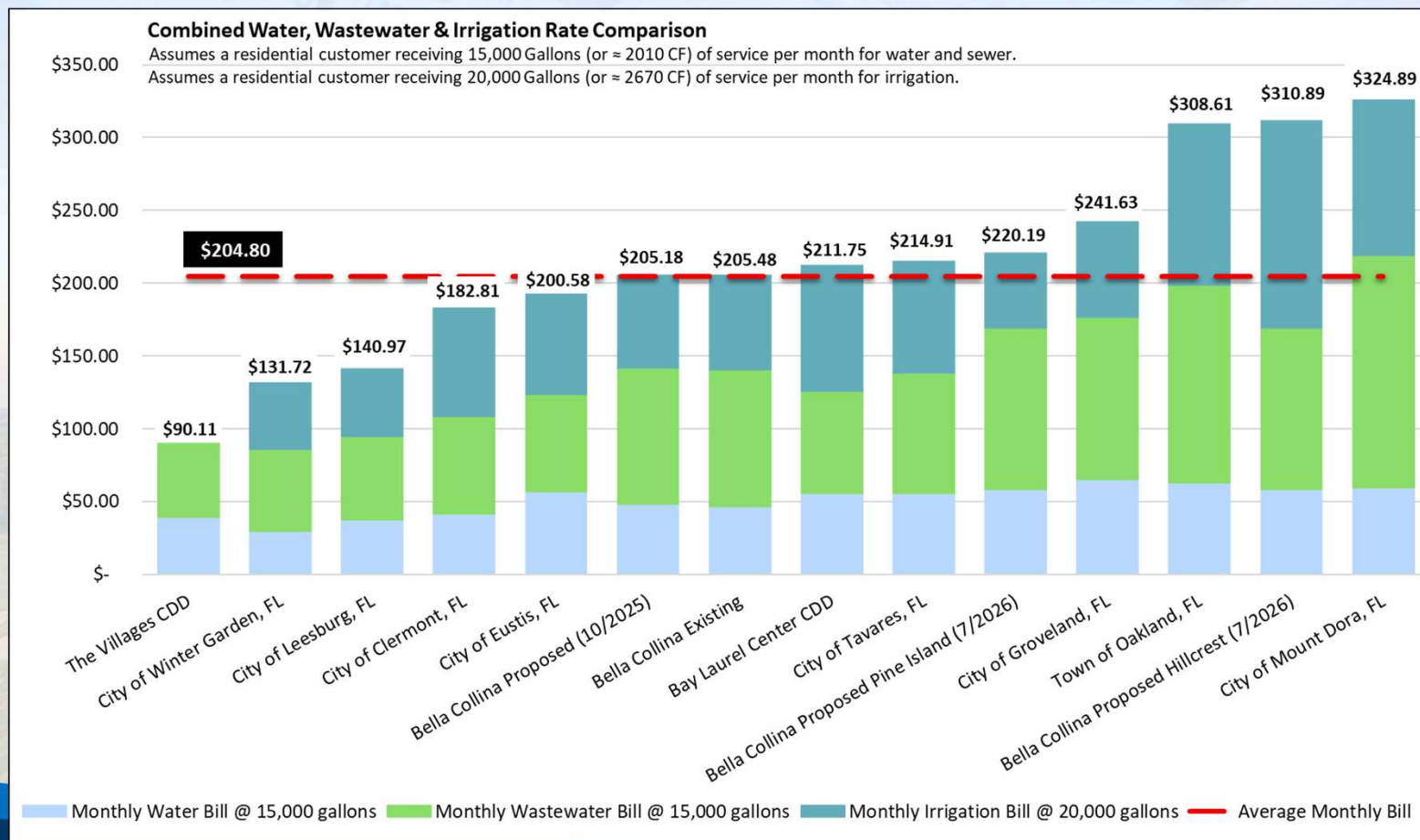
Comparison With Other Utilities: Water & Wastewater

Description	Water	Wastewater	Total
	15,000 gallons	15,000 gallons	
Bella Collina Existing	\$ 46.80	\$ 93.73	\$ 140.53
Bella Collina Proposed (10/2025)	\$ 48.20	\$ 93.73	\$ 141.93
Bella Collina Proposed (7/2026)	\$ 58.42	\$ 110.90	\$ 169.32
Neighboring Utility Systems:			
Bay Laurel Center CDD	\$ 55.75	\$ 70.03	\$ 125.78
City of Mount Dora, FL	\$ 59.59	\$ 158.89	\$ 218.48
City of Clermont, FL	\$ 41.85	\$ 66.86	\$ 108.71
City of Winter Garden, FL	\$ 29.58	\$ 56.23	\$ 85.82
Town of Oakland, FL	\$ 62.71	\$ 135.90	\$ 198.61
City of Leesburg, FL	\$ 37.41	\$ 57.69	\$ 95.10
City of Eustis, FL	\$ 56.88	\$ 67.10	\$ 123.98
City of Tavares, FL	\$ 55.42	\$ 82.92	\$ 138.34
The Villages CDD	\$ 39.36	\$ 50.75	\$ 90.11
City of Groveland, FL	\$ 65.01	\$ 111.74	\$ 176.75
Average of Neighboring Utilities	\$ 50.36	\$ 85.81	\$ 136.17

Comparison With Other Utilities: Irrigation

Description	Irrigation
20,000 gallons	
Bella Collina Existing	\$ 63.15
Bella Collina Proposed (10/2025)	\$ 63.25
Bella Collina Proposed Pine Island (7/2026)	\$ 50.88
Bella Collina Proposed Hillcrest (7/2026)	\$ 141.57
Neighboring Utility Systems:	
Bay Laurel Center CDD	\$ 85.97
City of Mount Dora, FL	\$ 106.42
City of Clermont, FL	\$ 74.10
City of Winter Garden, FL	\$ 45.90
Town of Oakland, FL	\$ 110.00
City of Leesburg, FL	\$ 45.87
City of Eustis, FL	\$ 76.60
City of Tavares, FL	\$ 76.57
City of Groveland, FL	\$ 64.88
Average of Neighboring Utilities	\$ 76.26

Comparison With Other Utilities: Water, Wastewater and Irrigation



Findings

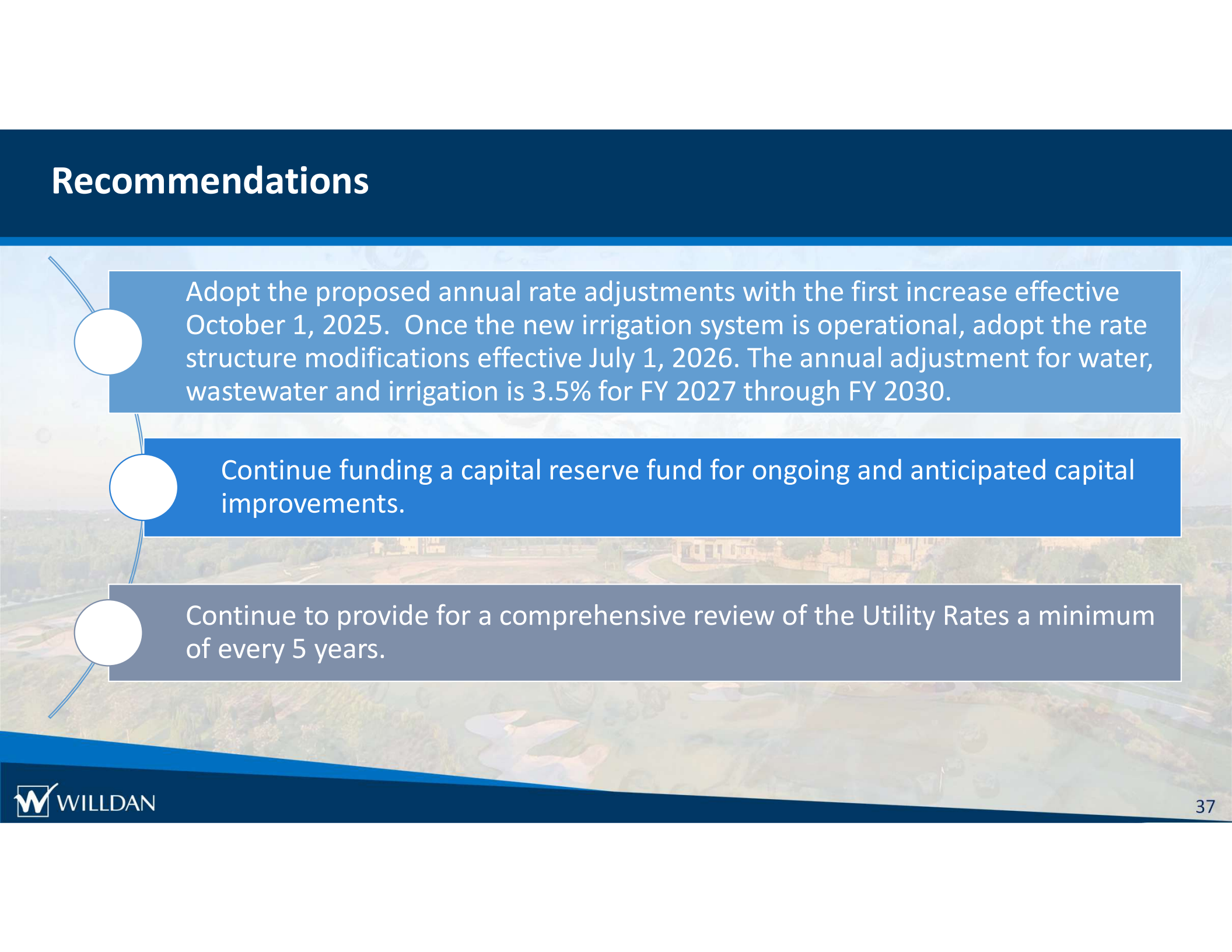
The Utility has good administrative management that continues to look for ways of improving service and reducing costs.

The Utility is a well-maintained and operated system.

The Utility has numerous improvements that will be needed within the next 10-years including the new surface water irrigation system.

Proposed adjustments are just, equitable, and result in typical service charges that are in line with other nearby utilities.

Recommendations



Adopt the proposed annual rate adjustments with the first increase effective October 1, 2025. Once the new irrigation system is operational, adopt the rate structure modifications effective July 1, 2026. The annual adjustment for water, wastewater and irrigation is 3.5% for FY 2027 through FY 2030.

Continue funding a capital reserve fund for ongoing and anticipated capital improvements.

Continue to provide for a comprehensive review of the Utility Rates a minimum of every 5 years.



PROCEDURE AND ANALYSIS

Miscellaneous Charge Study



What Was Done?

Identified Existing
Miscellaneous
Charges

Identified Additional
Miscellaneous
Charges

Developed Standard
Unit Cost Rates:

- Labor
- Capital Equipment
- Supplies

Calculated Charges:

- Preliminary
- Service
- Administrative
- Other

Standard Unit Costs and Factors

Description	Cost
Labor	
Professional Personnel	\$ 150.00 per hour
Administrative Personnel	\$ 75.00 per hour
Service Personnel	\$ 100.00 per hour
Capital Equipment	
Truck Usage - Average Cost	\$ 28.00 per trip
Truck (mpg & miles)	\$ 0.700 per mile
Average Miles per trip	40.00 per trip
After Hours Call Out Private Vehicle Miles	40.00 per trip
Supplies	
Meter, 3/4"	\$ 700.00 per unit
Meter Box and Appurtenances	\$ 45.00 per unit
Meter Connections	\$ 20.00 per unit
Backflow Preventor	\$ 150.00 per unit

Preliminary Charges

Description	Existing Charge	Proposed Charge
<u>PRELIMINARY CHARGES</u>		
Monthly Customer Billing Charge	\$ 5.50	\$ 5.50
Application Fee		
Developer/Builder	\$ 50.00	\$ 50.00
Customer	\$ 25.00	\$ 25.00
Plan Review Charge	\$ -	\$ 640.00 + Cost
Inspection Charge	\$ -	\$ 50.00 + Cost
Meter Installation/Service Initiation Charge ⁽²⁾		
Residential Service 3/4" Meter	\$ 975.00	\$ 1,285.00
Residential Service 1.0" Meter	\$ 1,080.00	\$ 1,080.00
Commercial and all other sizes	At Cost	At Cost

Service Charges

Description	Existing Charge	Proposed Charge
<u>SERVICE CHARGES</u>		
Connection/Disconnection of Service	\$ 85.00	\$ 135.00
After Hours Connection/Reconnection of Service	\$ 130.00	\$ 295.00
Premises Visit (in lieu of disconnecting)	\$ -	\$ 110.00
Meter Re-read / Leak Inspection Fee	\$ 10.00	\$ 140.00
Meter Accuracy Test Fee	\$ 100.00	\$ 380.00 + Cost
Meter Change-Out Fee	\$ -	\$ 115.00 + Cost
Meter Tampering Fee	\$ 100.00	\$ 980.00
Data Logger	\$ -	\$ 155.00
Wastewater System Clean-Out	\$ 250.00	\$ 420.00
Missing or Damaged Equipment Fees		
Padlock	\$ 20.00	\$ 20.00
Locking Device	\$ 20.00	\$ 20.00
Meter, any other than hydrant	At Cost	At Cost
Meter Box - Lid Replacement	\$ 30.00	\$ 30.00
Meter Box - Full Replacement	\$ 155.00	\$ 155.00
Hydrant Meter	\$ 500.00	\$ 500.00
Grinder Pump Start-Up Reschedule Fee	\$ 250.00	\$ 250.00
Wastewater Grinder Pump Fee	\$ 6,855.00	\$ 6,855.00

Administrative Charges

Description	Existing Charge	Proposed Charge
ADMINISTRATIVE CHARGES		
Account Transfer Fee	\$ -	\$ 75.00
Late Payment Charge ⁽³⁾	1.5% of the unpaid balance	\$ 15.00
Returned Check Fee ⁽⁴⁾		
Face Amount <= \$50	\$ 25.00	\$ 25.00
Face Amount > \$50 and <= \$300	\$ 30.00	\$ 30.00
Face Amount > \$300	\$ 40.00	\$ 40.00
Illegal Water Use (Fine plus actual usage)		
First Offense	\$ 500.00	\$ 980.00
Repeat Offense	\$ 2,000.00	\$ 2,000.00

Findings and Recommendations

The District currently has a comprehensive list of miscellaneous charges.

Some of the existing miscellaneous charges need to be updated.

Adopt the miscellaneous charges proposed, with an effective date of October 1, 2025.

Adopt provisions for a comprehensive review of the miscellaneous charges a minimum of every 5 years.

Update the District's Uniform Service Policy to include language for new and modified charges.



Questions?



Disclaimer

Willdan Financial Services ("Willdan") is registered as a "municipal advisor" pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the United States Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB"). The MSRB has made available on its website (www.msrb.org) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority. As part of its SEC registration Willdan is required to disclose to the SEC information regarding criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving Willdan. Pursuant to MSRB Rule G-42, Willdan is required to disclose any legal or disciplinary event that is material to Client's evaluation of Willdan or the integrity of its management or advisory personnel. Willdan has determined that no such event exists. Copies of Willdan's filings with the United States Securities and Exchange Commission can currently be found by accessing the SEC's EDGAR system Company Search Page which is currently available at: <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either Willdan Financial Services or for our CIK number which is 0001782739.

For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the municipality with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the municipality, (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the municipality, in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, unless formally engaged to provide such information.