

**Lee County Board of County Commissioners  
Agenda Item Summary**

Blue Sheet No. 20051293-UTL

**1. Action Requested/Purpose:**

Approve partial payment of \$2,700,000.00 to the City of Fort Myers for FY04-05 estimated wastewater treatment costs. The rate per 1,000 gallons is still to be determined based on the results of our mutual consultant's (Malcolm Pirnie) review of the City of Fort Myers' Wastewater Treatment Interlocal Agreement

**2. What Action Accomplishes:**

Authorizes Lee County Utilities to partially pay estimated wastewater treatment costs for FY04/05 based on the City of Fort Myers' flow estimates. The final adjusted rate for the FY04/05 wastewater treatment will be determined after Malcolm Pirnie conducts their study of the Interlocal Agreement.

**3. Management Recommendation:**

Approval.

**4. Departmental Category: 10**

**CIOF**

**5. Meeting Date:**

**09-27-2005**

**6. Agenda:**

- Consent
- Administrative
- Appeals
- Public
- Walk-On

**7. Requirement/Purpose (specify)**

- Statute
- Ordinance
- Admin. Code
- Other  Approval

**8. Request Initiated:**

Commissioner \_\_\_\_\_  
 Department **Public Works**  
 Division **Utilities**  
 By: **Rick Diaz, P.E., Director**  
 Date: **9/13/05**

**9. Background:**

Under the Interlocal Wastewater Treatment Agreement, dated 11-16-83, amended on 4-9-86, 4-18-90, and again on 11-4-96, between the City of Fort Myers and Lee County, the City treats a portion of Lee County Utilities' wastewater at their Central and South Plants.

Each fiscal year the City estimates the cost of treatment per 1,000 gallons based on its adopted budget. For FY04-05, Lee County Utilities' and the City of Fort Myers have negotiated a contract with our mutual consultant, Malcolm Pirnie, to revise the Wastewater Treatment Interlocal Agreement which will also determine the rate for FY04/05 that Lee County is to pay for treatment. The BOCC approved entering into the agreement with Malcolm Pirnie on 9/14/04, Blue Sheet #20041079, and the actual STA for the study was approved by the BOCC on 6-14-05, Blue Sheet # 20050741.

Once actual costs are available at the end of Malcolm Pirnie's study, a rate based on actual costs will be calculated and any required adjustments to the amount paid will be made at that time.

Funds are available in account OD5360348700.503490.

Attachments: Letter to City of FM dated 2/24/05 with Costs Computation  
 Copy of City of Fort Myers 04/05 Rate Projection.

**10. Review for Scheduling**

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager / P.W. Director
					Analyst	Risk	Grants	Mgr.	
J. Lavender Date: 9-13-05	N/A Date:	N/A Date:	N/A Date:	S. Coovert Date: 9/14/05	9/14/05	9/14/05	9/14/05	9/15/05	J. Lavender Date: 9-13-05

**11. Commission Action:**

- Approved
- Deferred
- Denied
- Other

RECEIVED BY  
 COUNTY ADMIN.  
 9-14-05  
 3:30  
 COUNTY ADMIN  
 FORWARDED TO:  
 9-15-05  
 upm

REC'D. 9/14/05  
 by CO. ATTY.  
 10:30am  
 CO. ATTY.  
 FORWARDED TO:  
 9-14-05

**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

Mayor and City Council  
City of Fort Myers, Florida  
Fort Myers, Florida

We have performed the procedures enumerated below to the accompanying schedule of computation of operating costs, capacity costs and combined operating and capacity costs per 1,000 gallons of the City of Fort Myers Wastewater Treatment and Disposal Facilities for the fiscal year ended September 30, 2004, under the Interlocal Wastewater Treatment Agreement (the Agreement) dated November 16, 1983, and amended on September 12, 1984, April 9, 1986, and March 3, 1993, between the City of Fort Myers and Lee County. These procedures, which were agreed to by representatives of the City of Fort Myers and Lee County, were performed solely to assist you in complying with Section 5.06D of the Agreement. This engagement to apply agreed-upon procedures was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures are as follows:

- Agreed operating, administrative and capitalized costs to the City's September 30, 2004, trial balance and audited financial statements;
- Agreed number of units per page 4 to a schedule prepared by the City;
- Agreed interest and principal payments to the bonds' respective debt service schedules;
- Agreed reserve fund and sinking fund interest income to trust company statements;
- Traced amounts paid by Lee County to billing and payment records prepared by the City; and
- Recalculated mathematical accuracy of schedules.

We were not engaged to, and did not, perform an audit, the objective of which would be the expression of an opinion on the aforementioned schedule. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

February 24, 2005  
Sarasota, Florida

(COST COMPUTATION)

**CITY OF FORT MYERS, FLORIDA  
INTERLOCAL WASTEWATER  
TREATMENT AGREEMENT**

**COMPUTATION OF OPERATING AND  
CAPACITY COSTS PER 1,000 GALLONS**

**SEPTEMBER 30, 2004**

**CITY OF FORT MYERS, FLORIDA  
INTERLOCAL WASTEWATER  
TREATMENT AGREEMENT**

**COMPUTATION OF OPERATING AND  
CAPACITY COSTS PER 1,000 GALLONS**

**SEPTEMBER 30, 2004**

**CONTENTS**

<b>Independent Accountants' Report on Applying Agreed-upon Procedures .....</b>	<b>1</b>
<b>Schedule of Computation of Operating Costs, Capacity Costs and Combined Operating and Capacity Costs Per 1,000 Gallons .....</b>	<b>2</b>
<b>Schedule of Utilities Operating Expenses - Excluding Depreciation and Capital Outlay .....</b>	<b>3</b>
<b>Schedule of Total Gallonage and Capitalized Costs .....</b>	<b>4</b>
<b>Schedule of Wastewater Capacity Costs .....</b>	<b>5-6</b>

**SCHEDULE OF COMPUTATION OF OPERATING COSTS, CAPACITY COSTS  
AND COMBINED OPERATING AND CAPACITY COSTS PER 1,000 GALLONS  
(SEE INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004  
CITY OF FT. MYERS, FLORIDA**

**Computation of Operating Costs Per 1,000 Gallons**

<b>Operating Costs</b>	
Sewer Plant Operating Expenses (See Page 3)	\$ 4,751,850.10
Administrative Expenses (See Page 3)	1,830,904.65
Capitalized Costs (See Page 4)	<u>655,556.62</u>
<b>Total Operating Costs</b>	<b><u>\$ 7,238,311.37</u></b>
<b>Total Gallonage (See Page 4)</b>	<u>4,403,289,370</u>
<b>Operating Cost Per 1,000 Gallons</b>	<b><u>\$ 1,643,841.856</u></b>

**Computation of Capacity Costs Per 1,000 Gallons**

<b>Capacity Costs Related to Debt Service (See Page 5)</b>	\$ 1,071,518.88
<b>City of Fort Myers Capacity Cost Per 1,000 Gallons</b>	
Allocation of Percentage of Capacity	<u>50%</u>
Capacity Cost - City of Fort Myers	<u>\$ 535,759.44</u>
<b>City of Fort Myers Gallonage (See Page 4)</b>	<u>2,196,099,770</u>
<b>Capacity Cost Per 1,000 Gallons - City of Fort Myers</b>	<u>\$ 243,959.518</u>
<b>Lee County Capacity Cost Per 1,000 Gallons</b>	1,071,518.88
Allocation of Percentage of Capacity	<u>50%</u>
Capacity Cost - Lee County	<u>\$ 535,759.44</u>
<b>Lee County Gallonage (See Page 4)</b>	<u>2,207,189,600</u>
<b>Capacity Cost Per 1,000 Gallons - Lee County</b>	<u>\$ 242,733.765</u>
<b>Combined Operating and Capacity Costs Per 1,000 Gallons</b>	
City of Fort Myers	<u>\$ 1,887,801.374</u>
Lee County	1,886,575.621
Lee County Gallonage	2,207,189,600
Total Reimbursement Due to City of Fort Myers	4,164,030.09
Total Paid by Lee County for Fiscal Year 2003-2004	<u>4,064,254.59</u>
<b>Amount Due to City of Fort Myers</b>	<b><u>\$ 99,775.50</u></b>

**SCHEDULE OF UTILITIES OPERATING EXPENSES  
EXCLUDING DEPRECIATION AND CAPITAL OUTLAY  
(SEE INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004  
CITY OF FT. MYERS, FLORIDA**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
<b>Plant Operations</b>			
Salaries and Wages	\$ 557,770.05	\$ 1,576,035.38	\$ 2,133,805.43
Employee Benefits	148,946.19	487,383.68	636,329.87
Telephone and Utilities	624,530.08	1,261,565.07	1,886,095.15
Repairs and Maintenance	69,628.01	183,673.65	253,301.66
Operating Supplies	330,131.13	649,321.32	979,452.45
Contractual Services	111,716.14	468,128.50	579,844.64
Fleet Equipment Rental	23,044.00	38,769.00	61,813.00
Management Information Systems Charges	34,020.00	68,196.00	102,216.00
Office and Other Expenses	<u>39,188.86</u>	<u>18,777.50</u>	<u>57,966.36</u>
<b>Total Plant Operations</b>	<u>1,938,974.46</u>	<u>4,751,850.10</u>	<u>6,690,824.56</u>
<b>Distribution and Collection</b>			
Salaries and Wages	742,976.54	846,013.57	1,588,990.11
Employee Benefits	214,842.63	286,600.04	501,442.67
Telephone and Utilities	22,507.41	108,249.54	130,756.95
Repairs and Maintenance	126,588.42	154,047.92	280,636.34
Operating Supplies	5,334.30	61,063.82	66,398.12
Contractual Services	22,648.16	14,490.31	37,138.47
Fleet Equipment Rental	139,159.00	229,457.00	368,616.00
Management Information Systems Charges	32,120.00	0.00	32,120.00
Office and Other Expenses	<u>4,194.96</u>	<u>1,624.75</u>	<u>5,819.71</u>
<b>Total Distribution and Collection</b>	<u>1,310,371.42</u>	<u>1,701,546.95</u>	<u>3,011,918.37</u>
<b>Totals</b>	<u>\$ 3,249,345.88</u>	<u>\$ 6,453,397.05</u>	<u>\$ 9,702,742.93</u>
<b>Administrative</b>			
Salaries and Wages			\$ 764,440.03
Employee Benefits			229,031.92
Professional Services			155,411.81
Office and Other Expenses			925,796.26
Insurance and Bonds			253,858.00
General Fund - Administrative Charge			1,253,938.00
Management Information Systems Charges			150,107.00
Repairs and Maintenance			<u>5,918.15</u>
<b>Total Administrative</b>			<u>\$ 3,738,501.17</u>
<b>Allocation of Administrative Expenses of Utilities to Sewer Plant Operations</b> (\$4,751,850.10/\$9,702,742.93 = 48.974296571%) \$3,738,501.17 x 48.974296571%			<u>\$ 1,830,904.65</u>

**SCHEDULE OF TOTAL GALLONAGE AND CAPITALIZED COSTS  
(SEE INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004  
CITY OF FT. MYERS, FLORIDA**

<b>Gallonge, All Facilities</b>	<b>Class</b>	<b>Number of Units</b>	<b>Yearly Average (Rounded)</b>	<b>Total</b>
<b>Type of Facility</b>				
<b>City Facilities:</b>				
Residential	1	9,713	80,000	777,020,000
Duplex/Apartments	2 & 3	11,031	60,000	661,830,000
Mobile Homes	4 & 7	708	54,000	38,245,500
Motel/Hotel	5 & 6	1,887	60,000	113,235,000
Commercial	8	<u>3,329</u>	181,995	<u>605,769,270</u>
<b>Total</b>		<u>26,668</u>		<u>2,196,099,770</u>
<b>County Facilities:</b>				
Residential	1	16,080	80,000	1,286,380,000
Duplex	2	445	60,000	26,700,000
Commercial	8	1,420	308,666	438,254,600
Commercial (Units)	3	<u>7,598</u>	60,000	<u>455,855,000</u>
<b>Total</b>		<u>25,543</u>		<u>2,207,189,600</u>
<b>Total Gallonge, All Facilities</b>				<u>4,403,289,370</u>

<b>Capitalized Costs</b>	<b>Project Number</b>	<b>Amount</b>
General Improvements CWWTP	0911	\$ 18,060.00
On Site Disinfection CWWTP	6093	81,913.07
On Site Disinfection SWWTP	6097	85,093.03
Grit Removal System CWWTP	6221	102,823.32
Effluent Reuse Pump Replacement SWWTP	6224	12,923.00
Grit Removal System SWWTP	6225	102,823.31
Return Activated Sludge Pump Upgrade CWWTP	6295	27,333.62
Nitrification Gearbox Rebuild CWWTP	6296	32,097.30
Laboratory Automatic Analyzer SWWTP	6341	72,129.00
Nitrification Gearbox Rebuild SWWTP	6343	5,144.97
Influent Pump Overhaul CWWTP	6465	1,545.00
Influent Recycle Pump Replacement CWWTP	6466	33,142.00
Influent Pump Overhaul SWWTP	6468	<u>80,529.00</u>
<b>Total Capitalized Costs</b>		<u>\$ 655,556.62</u>

**SCHEDULE OF WASTEWATER CAPACITY COSTS  
(SEE INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING  
AGREED-UPON PROCEDURES)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2003  
CITY OF FT. MYERS, FLORIDA**

		<u>April 1, 2004 Payment</u>	<u>October 1, 2004 Payment</u>
<b>1985 Issue</b>	Issued June 11, 1985 Defeased by Series 1989A Issue Dated November 1, 1989	\$ 0.00	\$ 0.00
<b>1989A Issue</b>	Issued November 1, 1989 Defeased in Part by Series 1993A Remainder Defeased by Series 1999A	0.00	0.00
<b>1993A Issue</b>	Issued August 12, 1993 Refunded \$15,655,000.00 Series 1989A Bonds Refunded \$47,001,084.25 Series 1989B Bonds Debt Service Allocable to Refunding of Series 1989A Bond is 24.99% (1) April 1, 2004 = \$1,427,982.50 x 24.9856023% October 1, 2004 = \$1,426,482.50 x 24.9856023%	356,790.02	356,415.25
<b>1999A Issue</b>	Issued September 30, 1999 Refunded \$24,395,000.00 Series 1989A Bonds Resulted in \$36,495,000 New Construction Funds Debt Service Allocation to Refunding of Series 1989A Bonds is 40.06% (2) April 1, 2004 = \$1,567,321.88 x 40.0640499% October 1, 2004 = \$2,322,321.88 x 40.0640499%	<u>627,932.62</u>	<u>930,416.20</u>
<b>Totals</b>		<u>\$ 984,722.64</u>	<u>\$ 1,286,831.45</u>
<b>Combined Totals</b>			2,271,554.09
<b>Pay Agent Fees</b>			800.00
<b>Less Interest Income (3)</b>			<u>(743.14)</u>
<b>Allocation Percentage to Wastewater Plants</b>			2,271,610.95
<b>Wastewater Debt Service</b>			<u>47.17%</u>
			<u>\$ 1,071,518.88</u>



**SCHEDULE OF WASTEWATER CAPACITY COSTS**  
**(SEE INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING**  
**AGREED-UPON PROCEDURES)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004**  
**CITY OF FT. MYERS, FLORIDA**  
*(Concluded)*

**Notes to Schedule of Wastewater Capacity Costs**

- (1) Allocation of Debt Service on City of Fort Myers Series 1993A Utility System Refunding Revenue Bonds:

Series 1989A Bonds Refunded	\$ 15,655,000.00	24.9856023%
Series 1989B Bonds Refunded	<u>47,001,084.25</u>	<u>75.0143977%</u>
	<u>\$ 62,656,084.25</u>	<u>100.00%</u>

- (2) Allocation of Debt Service on City of Fort Myers Series 1999A Utility System Refunding Revenue Bonds:

Series 1989A Bonds Refunding	\$ 24,395,000.00	40.0640499%
Series 1999A Bonds New Money	<u>36,495,000.00</u>	<u>59.9359501%</u>
<b>Total</b>	<u>\$ 60,890,000.00</u>	<u>100.00%</u>

- (3) Allocation of Interest Income Earned on Sinking Fund for Series 1993A and 1999A Utility System Refunding Revenue Bonds:

	<u>1993A</u>	<u>1999A</u>
Total Interest Income Series 1993A	\$ 814.78	\$ 1,346.75
Allocation Percentage from Above	<u>24.9856023%</u>	<u>40.0640499%</u>
Earnings Allocated	<u>203.58</u>	<u>539.56</u>
<b>Total Combined Interest Income to Allocate</b>		<u>\$ 743.14</u>

(RATE PROJECTION)

Lee County/City of Fort Myers  
Wastewater Interlocal Agreement  
Fiscal Year 04/05 Budget

Prepared by alw 11/15/04

	Operating Costs	Capacity Costs	Total
Lee County Gallonage (04/05 Actual)	2,207,189,600	2,207,189,600	2,207,189,600
Costs per 1,000 Gallons (Projected)	4.116116106	0.212545132	4.328661238
Total Reimbursement due the City	9,085,048.66	469,127.41	9,554,176.07
Total Paid by Lee County, Fiscal Year 04/05 (1)			0.00
FY 04-05 amount due to City of Fort Myers (Lee County)			9,554,176.07

(1) Billings/Collections:

Month Bill Sent	For	Amount Billed	Amount Collected	Date Collected
	October-04	-		
	November-04	-		
	December-04	-		
	January-05			
	February-05			
	March-05			
	April-05			
	May-05			
	June-05			
	July-05			
	August-05			
	September-05			
Totals for FY 03/04		0.00	0.00	

**Lee County/City of Fort Myers  
Wastewater Interlocal Agreement  
Fiscal Year 04/05 Budget**

Prepared by alw 11/15/04

**INTERLOCAL WASTEWATER TREATMENT  
COMPUTATION OF OPERATING COSTS FOR FY 04/05 Projection)**

	Based upon Estimated Gallons
<b>OPERATING COSTS</b>	
Sewer Plant Operating Expenses	5,175,130.00
Administrative Expenses (1)	2,061,885.30
Capitalized Expenses (2)	10,887,435.00
Total	18,124,450.30
Total Gallonage (02-03 Actual)	4,403,289,370
Operating Cost per 1,000 gallons	4.116116106
<b>CAPACITY COSTS</b>	
Capacity costs related to debt service (3)	938,254.81
City of Fort Myers Capacity Allocation (50%)	469,127.41
City of Fort Myers Gallonage (03/04 Actual)	2,196,099,770
City of Fort Myers Capacity Cost per 1,000 Gallons	0.213618439
Lee County Capacity Allocation (50%)	469,127.41
Lee County Gallonage (03/04 Actual)	2,207,189,600
Lee County Capacity Cost per 1,000 Gallons	0.212545132
<b>Combined Costs:</b>	
Fort Myers:	
Operating Capacity	4.116116106
Capacity	0.213618439
Total	4.329734546
Lee County	
Operating Capacity	4.116116106
Capacity	0.212545132
Total	4.328661238

**NOTES:**

- (1) See calculation of administrative costs attached.
- (2) See schedule of capitalized expenses attached.
- (3) See calculation of capacity costs attached.

**Lee County/City of Fort Myers  
Wastewater Interlocal Agreement  
Fiscal Year 04/05 Budget**

Prepared by alw 11/15/04

**COMPUTATION OF OPERATING COSTS FOR FY 04/05 Projection**

**Calculation of Administrative Expense  
Allocable to Sewer Plant Operations**

Water Plant Operations (0908)		2,127,300.00
Water Distribution - Maintenance (0909)		1,537,500.00
Sewer Plant Operations - Central Plant (0911)		2,610,800.00
Reclaimed Water Production Facility (Based on FY 03/04 Actual)		(147,470.00)
Sewer Plant Operations - South Plant (0912)		2,711,800.00
Sewer Maintenance - Lift Stations (0913)		801,300.00
Sewer Maintenance - Maintenance (0914)		<u>1,227,900.00</u>
		10,869,130.00
Administration Expense - Total (0907 +2301) (1)		4,330,500.00
Sewer Plant Operations:		
	Central Plant (0911+ Reclaim Wtr Cost)	2,463,330.00
	South Plant (0912)	<u>2,711,800.00</u>
		5,175,130.00
Prorated portion of Sewer Plant Operations to total Water and Sewer Operations: \$5,175,130 / \$10,869,130		47.6131%
Administrative Expense allocable to Sewer Plant Operation: \$4,330,500 x 47.6131%		2,061,885.30

(1) Administrative Expense total excludes transfers to other funds except for General Fund administrative charge to Utility Fund for services provided by General Fund programs/departments.

**Lee County/City of Fort Myers  
Wastewater Interlocal Agreement  
Fiscal Year 04/05 Budget**

Prepared by alw 11/15/04

**INTERLOCAL WASTEWATER TREATMENT  
COMPUTATION OF OPERATING COSTS FOR FY 04/05 (Projection)**

**CAPITALIZED EXPENSES:**

Central Plant (0911) (1)	27,000.00
South Plant (0912) (2)	24,000.00
Lift Station Maintenance (0913) (3)	0.00
Sewer Maintenance (0914) (4)	17,000.00
Replace 5 Ton Condenser SWWTP (4494)	4,000.00
Odor Control SWWTP (6020)	0.00
On Site Disinfection CWWTP (6093)	4,840,342.00
On Site Disinfection SWWTP (6097)	4,864,885.00
Grit Removal System CWWTP (6221)	0.00
Effluent Pump Replacement SWWTP (6224)	137,077.00
Grit Removal System SWWTP (6225)	0.00
Traveling Screen Rehabilitation SWWTP (6263)	45,000.00
Polymer Storage CWWTP (6294)	88,552.00
Return Activated Sludge Pump Upgrade CWWTP (6295)	212,753.00
Nitrification Gearbox Rebuild / Replacement CWWTP (6296)	81,981.00
Laboratory Automatic Analyzer SWWTP (6341)	6,121.00
Polymer Storage SWWTP (6342)	88,552.00
Nitrification Gearbox Rebuild/Replacement SWWTP (6343)	94,856.00
Roof Repairs SWWTP (6344)	0.00
Chemical Storage Building CWWTP (6464)	66,000.00
Influent Pump Overhaul CWWTP (6465)	63,455.00
Internal Recycle Pump Replacement CWWTP (6466)	113,858.00
Chemical Storage Building SWWTP (6467)	66,000.00
Influent Pump Overhaul SWWTP (6468)	46,001.00
<b>Total Capitalized Expense (Budgeted)</b>	<b>10,887,435.00</b>

- (1) \$15,000 for fencing around facility; \$12,000 for noise reduction structures  
 (2) \$12,000 for fencing around facility; \$12,000 for noise reduction structures.  
 (3) \$30,000 for truck and boom for lift station repairs.  
 (4) \$17,000 for security camera

**Lee County/City of Fort Myers  
Wastewater Interlocal Agreement  
Fiscal Year 04/05 Budget**

Prepared by nlw 11/15/04

**INTERLOCAL WASTEWATER TREATMENT  
COMPUTATION OF OPERATING COSTS FOR FY 04/05 Projection**

**CAPACITY COSTS RELATED TO DEBT SERVICE - FY 04/05 Projection**

	4/1/05 Payment	10/1/05 Payment
1985 Issue Issued 6/11/85 Deferred by Series 1989A Issue dtd 11/1/89	0.00	0.00
1989A Issue Issued 11/1/89 Deferred in part by Series 1993A Deferred in part by Series 1999A	0.00	0.00
1993A Issue Issued August 12, 1993 Refunded \$15,655,000.00 Series 1989A Bonds Refunded \$47,001,084.25 Series 1989B Bonds Debt Service Allocable to Refunding of Series 1989A bond is 24.99% (1) 04/1/05 = 1,426,482.50 x 24.9856023% 10/1/05 = 299,232.50 x 24.9856023%	356,415.24	74,765.04
1999A Issue Issued September 30, 1999 Refunded \$24,395,000 Series 1989A Bonds Resulted in \$36,495,000 New Construction Funds Debt Service Allocable to Refunding of Series 1989A bond is 40.06% (2) 04/1/04 = 1550711.88 x 40.0640499% 10/1/04 = 2340711.88 x 40.0640499%	621,277.98	937,783.98
<b>TOTALS</b>	<b>977,693.22</b>	<b>1,012,549.03</b>
<b>COMBINED TOTALS</b>		<b>1,990,242.24</b>
Pay Agent Fees (Estimated)		800.00
Less Interest Income (2004 Earnings Estimate) (Actual does not include September 04 Interest)		(1,990.00)
		<b>1,989,092.24</b>
Allocation Percentage to Wastewater Plants		<b>47.17%</b>
<b>WASTEWATER DEBT SERVICE</b>		<b>938,254.81</b>
 (1) Allocation of Debt Service on City of Fort Myers Series 1993A Utility System Refunding Revenue Bonds:		
Series 1989A Bonds Refunded	\$ 15,655,000.00	24.9856023%
Series 1989B Bonds Refunded	47,001,084.25	75.0143977%
	<u>62,656,084.25</u>	100.00%
 (2) Allocation of Debt Service on City of Fort Myers Series 1999A Utility System Refunding Revenue Bonds:		
Series 1989A Bonds Refunding	\$ 24,395,000.00	40.0640499%
Series 1999A Bonds Construction Funds	36,495,000.00	59.9359501%
	<u>60,890,000.00</u>	100.00%
 (3) Allocation of Interest income Earned on Sinking Fund for Series 1993A Utility System Refunding Revenue Bonds:		
Total interest income	1993A 2,051.35	1999A 3,073.90
Allocation % from above	24.9856023%	40.0640499%
Earnings Allocable	720.54	1,205.03
Total interest income		<b>1,925.57</b>

**Lee County/City of Fort Myers  
Wastewater Interlocal Agreement  
Fiscal Year 04/05 Budget**

Prepared by alw 11/15/04

**INTERLOCAL WASTEWATER TREATMENT  
COMPUTATION OF OPERATING COSTS FOR FY 04/05 Projection**

Schedule of Utilities Operating expenses - Excluding Depreciation and Capital Outlay

	Water (0908)	Sewer (0911 + 0912 - Reclaimed water costs)	Total
Plant Operations			
Salaries and wages	\$617,400.00	1,728,270.00	\$2,345,670.00
Employee benefits	198,600.00	601,916.00	800,516.00
Telephone and utilities	569,600.00	1,239,661.00	1,809,261.00
Repairs and maintenance	84,000.00	232,746.00	316,746.00
Operating supplies	407,000.00	715,604.00	1,122,604.00
Contractual services	137,000.00	482,192.00	619,192.00
Fleet equipment rental	24,100.00	49,772.00	73,872.00
MIS Charges	37,200.00	73,300.00	110,500.00
Office and other expenses	52,400.00	51,669.00	104,069.00
	<u>2,127,300.00</u>	<u>5,175,130.00</u>	<u>7,302,430.00</u>

	(0909)	(0913 + 0914 + 0915)	Total
Distribution and Collection			
Salaries and wages	775,300.00	941,200.00	1,716,500.00
Employee benefits	274,800.00	373,300.00	648,100.00
Telephone and utilities	38,100.00	118,800.00	156,900.00
Repairs and maintenance	173,500.00	185,800.00	359,300.00
Operating supplies	49,400.00	83,500.00	132,900.00
Contractual services	22,500.00	56,300.00	78,800.00
Fleet equipment rental	173,200.00	258,400.00	431,600.00
MIS Charges	24,100.00	6,100.00	30,200.00
Office and other expenses	6,600.00	5,800.00	12,400.00
	<u>1,537,300.00</u>	<u>2,029,200.00</u>	<u>3,566,500.00</u>
	<u>\$3,664,800.00</u>	<u>\$7,204,330.00</u>	<u>\$10,869,130.00</u>

Administrative (0907 + 2302)		
Salaries and wages		818,900.00
Employee benefits		304,600.00
Professional services		283,700.00
Office and other expenses		1,057,800.00
Insurance and bonds		282,800.00
General Fund - administrative charge		1,379,300.00
MIS Charges		188,300.00
Repairs and maintenance		12,900.00
		<u>\$4,330,500.00</u>

Allocation of administrative expenses of utilities to  
sewer plant operations (\$5175130 / \$10869130 = 47.6131%  
\$4330500 x 47.6131%

47.6131%  
\$2,061,885.30