

To Whom It May Concern

The following information is a quasi-template to assist someone who may be considering a private potable water well comparing costs to being connected to the Twin Creek WSC System. Because of the variables involved, we encourage you to solicit and input your own data on the quasi-template, do the calculations on the format shown, and draw your own conclusions as to which option is the most viable.

ESTIMATED CURRENT COSTS OF TCWSC
FOR NEW WATER SERVICE FOR 20 YEARS

ASSUMPTIONS

1. Static (No Inflation Factor)
2. No Non-Standard Costs

Base Rate Cost:	\$ 66.95/Mo
Avg Usage Cost:	\$ 21.76/Mo (Based on 3562 Gal/Mo)
Sub Total:	\$ 88.71/Mo
Regulatory Fee:	+\$ 1.34/Mo (1.51%)
Total:	\$ 90.05/Mo
	x 12 Mos
Annual Cost:	\$ 1,080.60/Yr
	x 20 Yrs
	\$21,612.00
Current Impact Fee:	+\$ 4,595.00
Current Tap Fee:	+\$ 1,275.00
Cost for 20 Years:	\$27,482.00

VARIABLES

- | | |
|---|---------|
| 1. Non-Standard Cost: | Unknown |
| (Line Extensions, RD Bores, Line Size Upgrades, Etc.) | |
| 2. Increase in Impact Fee: | Unknown |
| 3. Interest if \$5,870.00 is financed: | Unknown |

ESTIMATED CURRENT COSTS FOR A PRIVATE WELL FOR 20 YEARS

ASSUMPTIONS

1. Static (No Inflation Factor)
2. Well Depth at 800 ft for Calvert Bluff Formation
3. Excludes New Electrical Service to Well

Cost to Complete New Well:	\$40,000.00
Electrical Service to Well:	+\$ 1,500.00
Electrical Cost (20 Yrs):	+\$ <u>7,200.00</u> (\$30/Mo x 12 Mos. x 20 Yrs)
Total Base Costs (20 Yrs):	\$48,700.00

VARIABLES

- | | |
|---|---------|
| 1. Pump House | Unknown |
| 2. Winterization | Unknown |
| 3. Filtration System | Unknown |
| 4. Maintenance | |
| A. Replace Motor | Unknown |
| B. Replace Pump | Unknown |
| C. Replace Pressure Tank | Unknown |
| 5. Interest Expense if \$41,500.00 is financed: | Unknown |

PRIVATE WELL CONCERNS

1. No water during power outages
2. Possible contamination without treatment
3. Cone of depression could sand up
4. Unknown maintenance costs

COST COMPARISONS BETWEEN TCWSC WATER AND A PRIVATE WELL

FRONT END COSTS

1. Private Well	\$40,000.00
2. TCWSC	<u>-\$ 5,870.00</u>
Total:	\$35,630.00 (More on Private Well)

ESTIMATED COSTS FOR 20 YEARS

1. Private Well	\$48,700.00
2. TCWSC	<u>-\$27,482.00</u>
Total:	\$21,218.00 (More on Private Well)

INVESTMENT STRATEGY

Use the Difference in the Front-End Cost:	\$35,630.00
Invest in Muni Bonds, Dividend Paying ETF's, etc.:	\$ 1,781.50/Yr (annual returns at 5% avg)
	x <u>20 Yrs</u>
Total Earned (not compounded):	\$35,630.00 (over 20 Yrs)
Total Original (plus earned interest):	\$71,260.00

As you can see, the earned interest of \$35,630.00 will more than pay for TCWSC water for 20 years and you will still have the original \$35,630.00.