

City of New Port Richey

"The Gateway To Tropical Florida"

5919 Main Street, New Port Richey, Florida 34652

April 30, 2008
Mr. Richard Reade
City Manager
City of Port Richey
6333 Ridge Road
Port Richey, FL 34668

**Re: Capital Recovery Elements of Bulk Wastewater Rates
Increase Effective July 1, 2008 – 2nd Notice**

Dear Mr. Reade:

This letter should serve as your Official Notification that as of July 1, 2008 the City of New Port Richey will be increasing its Capital Recovery Elements of your bulk wastewater rate. The increase was adopted by the City Council on April 03, 2007 (Ordinance 1859). The Capital Recovery Elements are adjusted each time the City increases its wastewater impact fees.

The City Council elected to implement the new impact fees and Capital Recovery Elements in a "phased in" approach, with the fees being enacted at 80% on July 1st, 2007; 90% on July 1st, 2008; and 100% on July 1st, 2009.

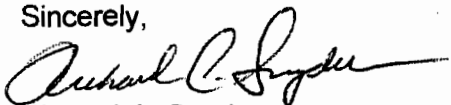
New Rates:

	<u>Treatment</u>	<u>Transmission</u>	<u>Total</u>
7/1/07 Capital Recovery Element	\$ 1.07	0.22	\$1.29
7/1/08 Capital Recovery Element	\$ 1.21	0.24	\$1.45
7/1/09 Capital Recovery Element	\$ 1.34	0.27	\$1.61

The Second Addendum to Bulk Wastewater Treatment Agreement Between New Port Richey and Port Richey stipulates in section 2 that Port Richey will not pay the Capital Recovery Element for treatment of wastewater under 125,000 gallons per day. The Capital Recovery Element is only charged on wastewater from Port Richey above 125,000 gallons per day. The total rate Port Richey will pay after July 1st, 2008 because of this charge will be:

Bulk Wastewater Operating Element:	\$3.8010	
Capital Recovery Element:	<u>1.4500</u>	(for flows over 125,000 gallons per day)
Total Rate	\$5.2510	

Sincerely,



Richard C. Snyder
Finance Director

drp
cc: Tom O'Neill, City Manager
Tom Morrison, City Attorney
Sherman Applegate, Public Work Director
Deirdre Palmerton, Billing & Collection Supervisor