CITY OF

TAMPA

Water and Wastewater Capacity Fee Study

Final Report: August 28, 2025

RAFTELIS

RAFTELIS

August 28, 2025

The Honorable Mayor and
Members of the City Council
City of Tampa
306 E. Jackson Street
Tampa, FL 33602

Subject: **Water and Wastewater Capacity Fee Study**

Ladies and Gentlemen:

We have completed our study of water and wastewater capacity fees designed to recover capacity-related costs to serve new development, for the City of Tampa's (City) water and wastewater system (System) and have summarized the results of our analysis, assumptions, and recommendations in this report, which is submitted for your consideration. This report provides a basis for updating the City's existing water and wastewater capacity fees. The recommendations are based primarily on the cost of existing capital assets and infrastructure that have capacity available to serve new development and consider certain expansion-related improvements to be constructed over the next five (5) years.

The major objectives considered in developing the proposed capacity fees include:

- The capacity fees are designed to recover the capital costs associated with providing water and wastewater capacity to new development.
- The capacity fees are not used to fund deficiencies in the capital needs of the System (i.e., no costs for renewal and replacement of facilities serving existing customers are included).
- The capacity fees are based upon the City's proposed level of service standards, which are designed to meet the needs of the City's customers and are indicative of the criteria used for long-term infrastructure planning, and are similar to industry standards.
- The proposed capacity fees are comparable to the level of such fees charged by neighboring utility systems.

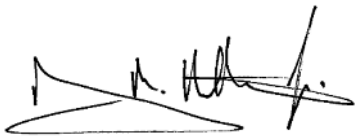
Based on information provided by the City and the assumptions and considerations outlined in this report, Raftelis Financial Consultants, Inc. (Raftelis) considers the proposed capacity fees to be cost-based, reasonable, and representative of the capital costs of utility capacity and level of service requirements.

Following this letter, we have provided an Executive Summary of the report that outlines our observations and conclusions. The accompanying report provides additional details regarding the analyses conducted on behalf of the City.

We appreciate the cooperation and assistance given to us by the City and its staff in the completion of the study.

Respectfully submitted,

RAFTELIS FINANCIAL CONSULTANTS, INC.



Murray M. Hamilton, Jr.
Vice President

MMH/ dlc
Attachments

Table of Contents

EXECUTIVE SUMMARY AND RECOMMENDATIONS ES-1

SECTION 1 – INTRODUCTION 1-1
Introduction 1-1
Criteria for Capacity Fees 1-1

SECTION 2 – DEVELOPMENT OF WATER AND WASTEWATER CAPACITY FEES 2-1
General 2-1
Existing Capacity Fees 2-1
Capacity Fee Methods 2-2
Design of Capacity Fees 2-4
- Level of Service Requirements 2-4
- Existing Plant-in-service 2-4
  - Capacity Fee Credits for Existing Facilities 2-6
- Additional Capital Investment 2-6
- Design of Water Capacity Fee 2-7
  - Proposed Water Capacity Fee 2-8
- Design of Wastewater Capacity Fee 2-9
  - Proposed Wastewater Capacity Fee 2-11
- Comparison with Other Utilities 2-11

List of Tables

Table 1: Summary of Existing Water and Wastewater Assets

Table 2: Summary of Water Capital Improvement Program by Plant Function

Table 3: Summary of Wastewater Capital Improvement Program by Plant Function

Table 4: Development of Water System Capacity Fee

Table 5: Summary of Proposed Water Fees by Utility Function / Service Area

Table 6: Development of Wastewater System Capacity Fee

Table 7: Comparison of Water and Wastewater System Capacity Fees

EXECUTIVE SUMMARY AND RECOMMENDATIONS

The purpose of water and wastewater capacity fees, which are a recognized form of an impact fee, is to assign, to the extent practical, growth-related capital costs to new development. To the extent new development requires capital investments necessary to provide water and wastewater system capacity, modern capital funding practices support the use of capacity fees to recover the cost of such investments. Municipalities and other utilities, including the City, have recognized this strategy as being an appropriate method of funding the capital requirements that are a result of providing service capacity for new development.

The City maintains a separate enterprise fund to account for the operations of the water and wastewater system (System). The City last completed a capacity fee study in Fiscal Year 2020. The results of the study reduced the wastewater fee and implemented the water fees for the first time. The water capacity fees were implemented over a three- (3) year period. The following table summarizes the existing capacity fees:

Existing Capacity Fees	
Description	**Fee per ERC**
Water Capacity Fees (Effective March 1, 2023) [1]	
Non-CIAC Areas, per ERC	$1,713
CIAC Areas, per ERC	1,020
Affordable Housing	0
Wastewater Capacity Fees (Effective March 1, 2021) [2]	
Per Wastewater ERC	$1,237
Affordable Housing	0

[1] Pursuant to Ordinance No. 2020-104, the current water capacity fee per equivalent residential connection (ERC) became effective March 1, 2023.
[2] Pursuant to Ordinance No. 2020-104, the current wastewater capacity fee per ERC became effective March 1, 2021.

Prior to the adoption of water capacity fees, the City previously implemented a contribution-in-aid-of-construction (CIAC) fee for selected areas within the City's service area. The water CIAC is charged per equivalent residential connection (ERC) and was adopted to recoup certain major improvements associated with constructing new water transmission facilities within the Downtown and South Tampa and Northeast Area / Sub-area (CIAC Service Areas). At the time, the City did not have a separate charge to recover the treatment-related capacity costs to produce water, or the transmission-related costs for the non-CIAC Service Area. The current water fees became effective March 1, 2023, which includes a separate charge to recover the supply and treatment-related costs (only) within the CIAC areas. The transmission-related capacity costs within the CIAC Service Areas are then recovered through the water CIAC as shown on the following page:

(Remainder of page intentionally left blank)

Existing Water CIAC per ERC	
CIAC Service Area	**Fee per ERC**
Downtown and South Tampa	$2,145
Northeast Area/Sub-area	2,724

The City retained Raftelis Financial Consultants, Inc. (Raftelis) to review and update the existing water and wastewater capacity fees. The following is a summary of the observations and recommendations developed by Raftelis during our analyses associated with the preparation of this study:

1. The imposition of capacity fees must satisfy the rational nexus requirements as determined by Florida case law whereby the benefits received by new development must be reasonably related to the capital cost of providing utility services. The proposed capacity fees are designed to satisfy the rational nexus criteria based on the information provided by the City.

2. The Level of Service (LOS) standards utilized in the development of the water and wastewater capacity fees in this report are predicated upon the City's current System planning criteria. The amounts reflect the average daily demand for each utility system per equivalent residential connection (ERC). The City's established level of service per water and wastewater ERC is 300 and 250 gallons per day (gpd), respectively, expressed on an average daily flow (ADF) basis. When compared to the wastewater allowance of 250 gpd per ERC, the adopted water LOS allows for additional discretionary water use, such as irrigation.

3. The capital costs included in the proposed capacity fees are based primarily on a buy-in approach to establish capacity fees, which includes the cost of existing facilities with available capacity to serve new growth. The City has invested approximately $3.0 billion in gross water and wastewater facilities, a portion of which will serve future new development. The City also plans to invest an additional $1.8 billion in infrastructure improvements over the next 5 years, but the future improvements will primarily replace aging water and wastewater facilities. Since the majority of the improvements will be focused on capital maintenance, only $79.7 million in future water improvements are assumed to be allocable to new development. Tables 2 and 3 at the end of this report provide an apportionment of the project costs between existing and future customers of the systems.

4. Table 1 at the end of this report provides a summary of the total assets and infrastructure to provide water and wastewater services. Based on a review of the functional purpose of each investment, we included approximately $1.7 billion or 56% of total System assets in the capacity fee formulas related to water and wastewater treatment capacity and backbone transmission facilities. The City's remaining investment (44% of total assets) reflects capital costs associated with localized distribution and collection lines, meter services, fire hydrants, vehicles, and minor equipment, which were excluded from the capacity fee calculation.

5. In funding the existing capital assets of the water and wastewater systems, the City was awarded certain grants to fund a portion of such improvements, which serve both existing and future customers of the System. Based on discussions with City staff, the water system recorded approximately $8.5 million in grant revenues to fund a portion of the water treatment and transmission facilities. For the wastewater system, historical grant revenues were provided by the United States Environment Protection Agency (USEPA) to fund the Fourth Wastewater Improvement Program prior to 1987. Based on discussions with City staff, the majority of wastewater treatment and transmission facilities remaining that were constructed prior to 1987 were principally funded from the USEPA grant. As such, we provided a credit of approximately $8.5 million and $163.6 million to account for this grant-related investment in the water and wastewater systems.

6. As discussed previously, the water system collects a one-time water contribution-in-aid-of-construction or CIAC in certain CIAC Service Areas to recover specific transmission-related improvements within the areas. Since the CIAC-related improvements are collected through a separate charge, an additional credit of approximately $54.8 million was recognized to reduce the transmission-related costs allocable to the non-CIAC Service Area. The credit was based on the cost of infrastructure improvements made by the City within the CIAC Service Areas.

7. For the City's water system, the City maintains two (2) capacity fee zones, including the CIAC Service Areas and the non-CIAC Service Area. The development of the two (2) capacity fee zones allows the City to leave the existing water CIAC intact for the CIAC Service Areas and implement an updated transmission-related charge to be applied in the non-CIAC Service Area. A treatment-related capacity fee has also been updated and is applied throughout the City's entire water system. As shown on Table 4 at the end of this report, the calculated system-wide water treatment capacity cost is $1,837 per ERC and the calculated water transmission capacity cost for the non-CIAC Service Areas is $985 per ERC. When compared to the existing charges, the calculated costs per ERC reflect increases of 80% and 42%, respectively.

8. For the City's wastewater system, the City applies the existing wastewater capacity fees on a system-wide basis. As shown in Table 6 at the end of this report, the calculated wastewater treatment capacity cost is $923 per ERC and the calculated wastewater transmission capacity cost is $924 per ERC. When compared to the existing system-wide charges, the calculated cost per ERC reflects an increase of 49%.

9. Based on discussions with City staff, the proposed fees outlined in this report are limited to an increase of no greater than 50% and are recommended to be phased in over a four- (4) year implementation schedule.

10. Providing a 90-day notice before implementing increased capacity fees is common practice. City staff recommend an extended notice period to inform developers of any adopted changes.

(Remainder of page intentionally left blank)

Based on the foregoing discussions and analyses included in Section 2 of this report, the following tables summarize the existing and proposed fees over the implementation schedule:

Proposed Water Capacity Fees

Description	Summary of Proposed Water Fees (Cost per ERC)				
	Existing	Year 1	Year 2	Year 3	Year 4
System-wide Treatment Cost	$1,020.00	$1,147.50	$1,275.00	$1,402.50	$1,530.00
Transmission Cost by Service Area:					
Downtown South Tampa [1]	$2,145.00	$2,145.00	$2,145.00	$2,145.00	$2,145.00
Northeast Area / Sub-area [1]	$2,724.00	$2,724.00	$2,724.00	$2,724.00	$2,724.00
All Other Service Areas	$693.00	$766.00	$839.00	$912.00	$985.00
Total Fees by Service Area:					
Downtown South Tampa [1]	**$3,165.00**	**$3,292.50**	**$3,420.00**	**$3,547.50**	**$3,675.00**
Northeast Area / Sub-area [1]	**$3,744.00**	**$3,871.50**	**$3,999.00**	**$4,126.50**	**$4,254.00**
All Other Service Areas	$1,713.00	$1,913.50	$2,114.00	$2,314.50	$2,515.00

[1] Amounts include the Existing CIAC Charges adopted by the City.

Proposed Wastewater Capacity Fees

Description	Summary of Proposed Wastewater Fees (Cost per ERC)				
	Existing	Year 1	Year 2	Year 3	Year 4
System-wide Treatment and Transmission Cost	**$1,237.00**	**$1,389.50**	**$1,542.00**	**$1,694.50**	**$1,847.00**

Based on discussions with City staff, the City plans to continue its practice to waive the water and/or wastewater capacity fees charged to affordable housing.

(Remainder of page intentionally left blank)

In order to provide additional information to the City regarding the proposed capacity fees, included in this report is a comparison of the City's existing and proposed charges with other jurisdictions. Table 7 provides a comparison of the existing and proposed fees, for a single-family residential unit (i.e., one [1] ERC) for the City, with fees currently imposed by other municipal / governmental water and wastewater systems. The following schedule summarizes the existing and proposed (maximum) fees that would be implemented in Year 4.

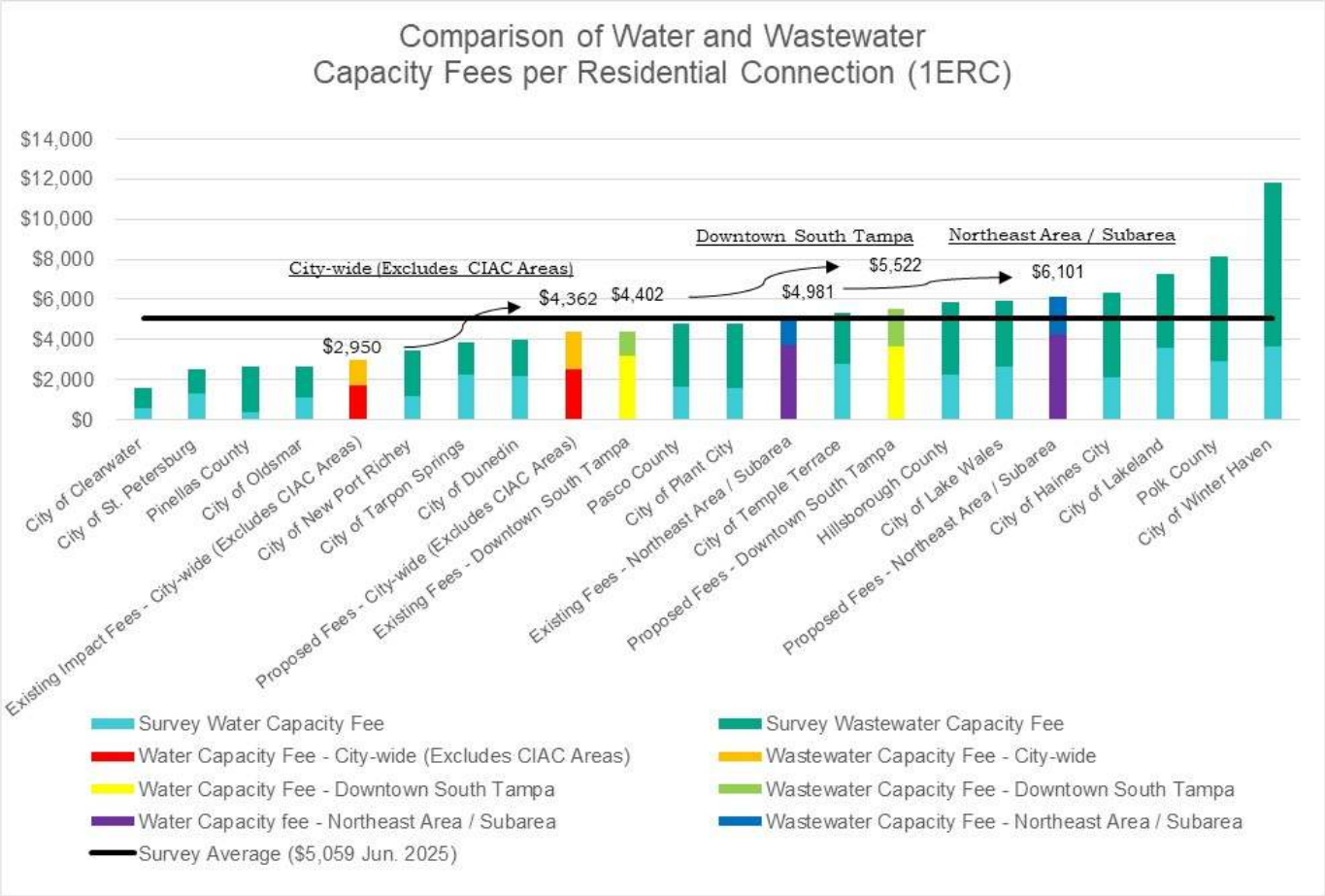
Summary of Proposed Fees – Year 4

Description	Capacity Fees per ERC		
	Water	Wastewater	Combined
Existing Fees:			
Downtown South Tampa	$3,165 [1]	$1,237	$4,402
Northeast Area / Sub-area	$3,744 [1]	$1,237	$4,981
All Other Service Areas	$1,713	$1,237	$2,950
Proposed Fees – Year 4 (FY29) [2]:			
Downtown South Tampa	$3,675 [1]	$1,847	$5,522
Northeast Area / Sub-area	$4,254 [1]	$1,847	$6,101
All Other Service Areas	$2,515	$1,847	$4,362

[1] Amounts include the Existing CIAC Charges adopted by the City.
[2] As illustrated throughout this report, City staff proposes a four- (4) year phase-in of the recommended maximum charges.

A number of factors can affect the level of charges collected by other utilities, including, but not limited to, level of treatment required for service, asset age, density of customer base, level of service adopted by local government, amount of grant (contributions) funds received, and other factors. No in-depth analysis has been performed to determine the affect these factors have on the fees charged by other utilities or to determine the methods used in the development of the water and wastewater charges imposed by others, nor has any analysis been made to determine whether 100% of the cost of new facilities is recovered from the other utilities' charges, or some percentage less than 100%. The chart on the following page summarizes the results of the capacity fee comparison as derived from Table 7.

(Remainder of page intentionally left blank)



(Remainder of page intentionally left blank)

SECTION 1 – INTRODUCTION

Introduction

The City of Tampa's water and wastewater utility systems, as well as other publicly owned utility systems, must make significant capital investments in system facilities to provide utility service. The utility business is capital intensive and requires the investment in such facilities in advance of the growth in demand. Further, the impact of inflation on system operating expenses and on the cost of new and replacement facilities results in upward pressure on monthly utility user rates. The compelling capital needs associated with the utility business and the desire to help control the increase in monthly utility user rates and charges have resulted in the use of funding alternatives such as capacity fees, which are a recognized form of an impact fee. Capacity fees are used to help finance, in part at least, the capital costs of system capacity.

A capacity fee is a charge imposed on new users of real property to help finance the capital cost of constructing public facilities necessary to serve new development. The purpose of a capacity fee is to assign, to the extent practical, growth-related capital costs to the new development or users responsible for such additional costs. The capacity fee can be considered to be a new user's contribution to capital costs of facilities or required in order to provide a utility service.

Criteria for Capacity Fees

To the extent new population growth and associated development results in capital investment to provide utility services, modern capital funding practices support the use of capacity fees to be charged to new users that benefit from those investments Generally, this practice has been labeled as "growth paying its own way" to avoid burdening existing users with the cost of capacity required to serve new growth.

Based on our experience within the industry, the implementation and use of capacity fees should meet the following minimum criteria:

1. Be based on the most recent and localized data;
2. Provide for separate accounting and reporting of capacity fee revenues and expenditures;
3. Limit administrative charges for the collection of capacity fees to actual costs, if any; and
4. Provide reasonable notice of no less than 90 days before the effective date of an ordinance or resolution imposing a new or increased capacity fee.

Existing Florida case law and the Municipal Home Rule Powers Act grants Florida municipalities the governmental, corporate, and proprietary powers to enable them to conduct municipal government, perform municipal functions, and render municipal services, as limited by legislation or as prohibited by state constitution or general law. Florida courts have ruled that the Municipal Home Rule Powers Act grants the

requisite power and authority to establish valid capacity fees. The authority for Florida governments to implement valid system capacity fees is further granted in the Florida Growth Management Act of 1985[1].

The initial precedent for capacity fees in Florida was set in the Florida Supreme Court decision, *Contractors and Builders Association of Pinellas Authority v. The City of Dunedin, Florida*. In this case, the Court's ruling found that an equitable cost recovery mechanism, such as capacity fees, could be levied for a specific purpose by a Florida municipality as a capital charge for services. A capacity fee should not be considered as a special assessment or an additional tax. A special assessment is predicated upon an estimated increase in property value as a result of an improvement being constructed in the vicinity of the property. Further, the assessment must be directly and reasonably related to the benefit which the property receives. Conversely, capacity fees are not related to the value of the improvement to the property, but rather to the property's use of the public facility and the related costs of such facility.

Capacity fees are distinguishable from taxes primarily in the direct relationship between the amount charged and the cost of the measurable quantity of public facilities required. In the case of taxation, there is no requirement that the payment be in proportion to the quantity of public services consumed since tax revenue can be expended for any legitimate public purpose.

Based on existing Florida case law, certain conditions are required to develop a valid capacity fee. Generally, it is our understanding that these conditions involve the following issues:

1. The capacity fee must meet the "dual rational nexus" test. First, capacity fees are valid when a reasonable impact or rationale exists between the anticipated need for additional capital facilities and the growth in customers served by the utility. Second, capacity fees are valid when a reasonable association, or rational nexus, exists between the expenditure of the capital charge proceeds and the benefits accruing to the growth from those proceeds.

2. The system of fees and charges should be set up so that there is not an intentional windfall to existing users.

3. The capacity fee should only cover the capital cost of construction and related costs thereto (engineering, legal, financing, administrative, etc.) for capital expansions or other additional capital requirements that are required solely due to growth. Therefore, expenses due to rehabilitation or replacement of a facility serving existing customers (e.g., replacement of a capital asset) or an increase in the level of service should be borne by all users of the facility (i.e., existing uses and future growth). Also, increased expenses due to operation and maintenance of that facility should be borne by the users of the facility.

---

[1] The Act allows for impact fees, such as capacity fees, under land use regulation by stating:

> *"This section shall be construed to encourage the use of innovative land development regulations which include provisions such as the transfer of development rights, incentive and inclusionary zoning, planned unit development, impact fees, and performance zoning."* [Florida Statutes, Sec. 163.3202(3)].

4. The City should maintain a capacity fee ordinance or resolution that explicitly restricts the use of capacity fees collected. Therefore, capacity fee revenue should be set aside in a separate account, and separate accounting must be made for those funds to ensure that they are used only for the lawful purposes described above.

Based on the criteria above, the proposed capacity fees, which are set forth in Section 2 herein: i) include only the capital cost of facilities constructed to serve new development ; ii) do not reflect costs associated with renewal and replacement of any existing capital assets (except for any portion allocable to growth); and iii) do not include any costs of operation and maintenance of any facilities.

As discussed in more detail below, the courts have addressed three (3) areas associated with the development of the capacity fees. These areas include: i) the "fair share" concept dealing with payment of the fee by the affected property owners; ii) the "rational nexus" concept, which focus on the expenditure or purpose of the fee; and iii) the consideration of "credits," which recognize appropriate fee offsets.

The fair share concept addresses that the fee can only be used for capital expenditures that are attributable to new development. The fee cannot be used to finance level of service deficiencies or the replacement of existing facilities required to provide services to existing users. Typical industry practices also allow for establishing different fees for different classes of customers and the ability for the payment of a reduced capacity fee if applicants can demonstrate that their development will have smaller impact (or capital requirement) than assumed in the fee determination. Additionally, the fair share concept recognizes that the cost of facilities used by both existing customers and new growth must be apportioned between the two (2) user groups with respect to fee utilization or expenditure such that the user groups are treated equally and one group does not subsidize the other.

The rational nexus concept requires that there be a reasonable relationship between the need for capital facilities (which deals with level of service) and the capacity benefits to be received by new growth for which the fee will be expended. There are two (2) conditions that limit where and when a capacity fee can be collected and used. With respect to the first condition, although there is no specific limit as to distance between an applicant paying the fee and the capital expenditure to be constructed by the fee, there should be a reasonable relationship between fee collection and use. With the exception of certain localized improvements associated with water transmission facilities within the Downtown and South Tampa and Northeast Area / Sub-area (CIAC Service Areas), where costs are currently being recouped through a separate contribution-in-aid-of-construction (CIAC), the City's capital improvement program and the overall management of the system are considered to be system-wide and not based on specific utility zones or geographical areas. As such, the proposed capacity fees are developed on a system-wide cost basis. The second nexus condition recognizes that the property must receive a benefit from the public services for which the fee is being used. With respect to the water and wastewater fees, these facilities are used by and are constructed on behalf of all the property within the City's service area and benefit both residential and commercial customers. As such, customers requiring new or increased capacity from the system (either water and/or wastewater) are subject to the application of the capacity fees.

Credit or fee offsets recognize that if an agency has received property in the form of cost-free capital or there is specific revenue (e.g., taxes) that will be used for the capital expenditures necessitated by new growth, a credit

should be applied to the capacity fee. Examples of cost-free capital include grants, contributions by developers, and other sources, which provide funds for the capital expenditures. The credit rule allows for the recovery of costs from new development through capacity fees, net of such cost-free capital.

Section 2 of this report provides a general discussion of the methodology used in the development of the proportionate charge for new water and wastewater services. Included is a discussion of the methods and major assumptions used in the development of the calculated and proposed capacity fees.

(Remainder of page intentionally left blank)

SECTION 2 – DEVELOPMENT OF WATER AND WASTEWATER CAPACITY FEES

General

This section of the report summarizes the basis for the development of the City's proposed water and wastewater capacity fees, which are a recognized form of an impact fee. Included in this section is a presentation of the existing capacity fees, an overview of the capacity-related costs available to serve new customer growth, and a comparison of the existing and proposed charges with other neighboring jurisdictions.

Existing Capacity Fees

The City maintains a separate enterprise fund to account for the operations of the water and wastewater system (System). The City last completed a capacity fee study in Fiscal Year 2020. The results of the study reduced the wastewater fee and implemented the water fees for the first time. The water capacity fees were implemented over a three- (3) year period. The following table summarizes the existing capacity fees:

Existing Capacity Fees	
Description	**Fee per ERC**
Water Capacity Fees (Effective March 1, 2023) [1]	
Non-CIAC Areas, per ERC	$1,713
CIAC Areas, per ERC	1,020
Affordable Housing	0
Wastewater Capacity Fees (Effective March 1, 2021) [2]	
Per Wastewater ERC	$1,237
Affordable Housing	0

[1] Pursuant to Ordinance No. 2020-104, the current water capacity fee per equivalent residential connection (ERC) became effective March 1, 2023.

[2] Pursuant to Ordinance No. 2020-104, the current wastewater capacity fee per ERC became effective March 1, 2021.

Prior to the adoption of water capacity fees, the City previously implemented a contribution-in-aid-of-construction (CIAC) fee for selected areas within the City's service area. The water CIAC is charged per equivalent residential connection (ERC) and was adopted to recoup certain major improvements associated with constructing new water transmission facilities within the Downtown and South Tampa and Northeast Area / Sub-area (CIAC Service Areas). At the time, the City did not have a separate charge to recover the treatment-related capacity costs to produce water, or the transmission-related costs for the non-CIAC Service Area. The current water fees became effective March 1, 2023, which includes a separate charge to recover the supply and treatment-related costs (only) within the CIAC areas. The transmission-related capacity costs within the CIAC Service Areas are then recovered through the water CIAC as shown on the following page:

Existing Water CIAC per ERC	
CIAC Service Area	**Fee per ERC**
Downtown and South Tampa	$2,145
Northeast Area/Sub-area	2,724

Capacity Fee Methods

There are several different methods generally recognized for the calculation of capacity fees. The calculation is dependent on the type of charge being calculated (e.g., water, police services, transportation, etc.), cost and engineering data available, and the availability of other local data such as household and population projections, current levels of service, and other related items. There are two (2) general methods for calculating capacity fees: i) the improvements-driven method; and ii) the standards-driven method. Both methods have been utilized in the development of capacity fees for local governments in Florida.

The improvements-driven method is an approach that utilizes a specific list of existing assets and/or planned capital improvements over a period of time. This approach is typically used for utility capacity fees. The charge corresponds to the level of existing and/or future capital improvements, which have been expended or are identified in the capital improvements element of a local government's Comprehensive Land Use Plan or capital improvement budget of the utility. The standards-driven method does not utilize the cost of improvements based on anticipated needs, but rather on the theoretical cost of the improvements for incremental development. For example, the standards-driven method for a capacity fee would consider the theoretical cost of new facilities to establish the cost. The standards-driven method is often used for transportation. The primary difference between the two (2) methodologies is how the capital costs are calculated.

Both methods have their advantages and disadvantages as summarized below:

Improvements-Driven Method Advantages:

- It is based on a list of existing assets and/or anticipated future capital improvements, thus providing a direct relationship between the level of the capacity fee and the expenditure.
- Where existing assets have available capacity to serve new development, this method provides a direct link to recoup the embedded costs of capacity (a buy-in approach).
- The use of charges can be shown to be attributable to growth based on the nature of the specific expenditures incurred and/or anticipated as part of the utility's capital improvement plan.

Improvements-Driven Method Disadvantages:

- Due to limited planning information, the capacity fee may be based on an intermediate range forecast of capital improvements (e.g., five [5] years), which may not fully reflect the level of cost associated with meeting the needs of new growth since major capital improvements needed to serve new growth may be beyond the time frame of the capital forecast.

- The forecast of capital improvements required for new development is still an estimate of cost and is subject to revisions and updates.

- It may be difficult to apportion the cost of specific improvements between existing deficiencies, upgrades benefiting both existing and future customers, and additional capacity to serve new growth.

Standards-Driven Method Advantages:

- The charge is based on a certain level of service and type of facility, and it may be easier to estimate the cost of the capital facilities based on level of service.

- The development of the charge does not require a detailed projection of future capital improvements and associated costs and is more applicable to the needs of a small utility due to constraints of staff and resources.

Standards-Driven Method Disadvantages:

- The capital costs for the capacity fee may not be associated with anticipated or current capital needs as identified by the utility, thus increasing the potential of not providing a clear relationship between the charge and its use.

- The development of the standard for the capital facilities is based primarily on theoretical service levels using engineering, planning, and financial judgment, although this may be somewhat mitigated by the level of service standards included in the comprehensive planning process.

The development of capacity fees based on the improvements-driven method is more readily applicable when existing and/or future capital facilities can be allocated between both current and new users based on reasonable and defensible data and estimates of facility utilization. The improvements-driven method is used by utility systems because this method works well in conjunction with the capital planning process of the utility business. This approach was selected as the best option for developing the City's proposed charges.

As will be discussed in this report, the City has invested approximately $3.0 billion in gross water and wastewater facilities, a portion of which, will serve future new development. The City also plans to invest an additional $1.8 billion in infrastructure improvements over the next 5 years, but the majority of the improvements will primarily replace aging water and wastewater facilities. Based on discussions with City staff, only $79.7 million in future water improvements are assumed to be allocable to new development.

The development of the capacity fees in this report is based on the improvements-driven method primarily using a buy-in approach as described above so that the City may recoup the actual capital costs of the unused capacity that is available from the existing utility plants and facilities required to serve future growth. This buy-in approach accounts for the excess water and wastewater capacity of existing facilities available to serve new growth and also includes a small amount of future planned improvements included in the City's capital plan. The City should continue to update this study every five (5) years.

(Remainder of page intentionally left blank)

Design of Capacity Fees

With respect to the approach used to design the City's water and wastewater capacity fees, there are two (2) significant components that were addressed. These two (2) components include: i) the level of service to be apportioned to the applicants that request system capacity; and ii) the level or amount of capital costs to be recovered from a new applicant requesting service. Both of these issues are related to the level of the capacity fee expressed on an equivalent residential connection (ERC) basis.

LEVEL OF SERVICE REQUIREMENTS

In the evaluation of the capital facility needs for providing water and wastewater services, it is critical that a level of service (LOS) standard is established. Pursuant to Section 163.3164 of the Florida Statutes, the level of service means an indicator of the extent or degree of service provided by, or proposed to be provided by, a facility based on and related to the operational characteristics of the facility. Level of service shall indicate the capacity per unit of demand for each public facility. Essentially, the level of service standards is established in order to ensure that adequate facility capacity will be provided for future development and for purposes of issuing development orders or permits, pursuant to F. S. Section 163.3202(2)(g). As further stated in the F.S. Section 163.3180, each local government shall establish an LOS standard for each public facility located within the boundary for which such local government has authority to issue development orders or permits.

For water and wastewater service, the level of service that is commonly used in the industry is the amount of capacity (service) allocable to an ERC expressed as the amount of usage (gallons) allocated on an average daily flow basis (ADF). The level of service generally represents the amount of capacity allocable to an ERC, whether such capacity is actually used (commonly referred to as "readiness to serve"). As previously mentioned, an ERC is representative of the average capacity required to service a typical individually metered single-family residential account. This class of users represents approximately 91% of the customers served by the City, and, generally, has the most common level of usage requirements for a specifically metered account.

The City's established level of service per water and wastewater ERC is 300 and 250 gallons per day (gpd), respectively, expressed on an ADF basis. When compared to the proposed wastewater allowance of 250 gpd per ERC, the adopted water LOS allows for additional discretionary water use, such as irrigation.

EXISTING PLANT-IN-SERVICE

In the determination of the capacity fees associated with serving future customers, excess capacity, if any, of the existing utility system available to serve such growth should be considered. Since such capacity is available to serve the near-term incremental growth of the utility system, it is appropriate to evaluate the capacity availability of existing facilities. In order to evaluate the availability of the existing utility plant-in-service to meet future capacity needs, it is necessary to functionalize the plant by specific plant requirements. The functionalization of the existing plant is necessary to: i) identify those assets which should be included in the determination of the capacity fees; and ii) to match existing plant type to the capital improvements to meet future service needs.

The functional cost categories are based on the purpose of the assets and the service that such assets provide. The following is a summary of the functional cost categories for the utility plant-in-service identified in this report:

Functional Plant Categories	
Water System	**Wastewater System**
Supply/Treatment	Treatment/Disposal
Transmission	Transmission
Distribution	Collection
Vehicles, Equipment and Other Assets	Vehicles, Equipment and Other Assets

It is necessary to functionalize the utility plant into these cost categories so that a proper charge can be developed. Generally, only the costs associated with supply, treatment, disposal, and "backbone" transmission facilities are included in the capacity fee, while the City's investment in water distribution lines and wastewater collection lines, including contributed assets, are excluded from such charge. The remaining assets of the City, which include vehicles, minor equipment, and other miscellaneous assets, such as meters and services, are also excluded from the development of the proposed capacity fees.

As shown on Table 1 at the end of this report, the City has approximately $3.0 billion in gross assets (total net capital assets plus accumulated depreciation). The classification of the plant assets to each utility function was based on the description (use) of the asset as contained in the City's accounting records, discussions with the City, and judgment. As can be seen below, the majority of the assets are considered to be either treatment plant or transmission-related:

Summary of Existing Assets (Millions)		
	Water System	**Wastewater System**
Treatment Plants	$505.80	$452.70
Transmission	294.30	420.30
Total Costs Included in Capacity Fee	$800.10	$873.00
Distribution and Collection	$687.90	$259.30
Vehicles, Equipment and Other Assets	49.00	321.80
Total Costs Excluded in Capacity Fee	$736.90	$581.10
Total Existing Assets	$1,537.00	$1,454.10

[1] Reflects total gross assets derived from Table 1 at the end of this report.

As shown above, and on Table 1 at the end of this report, the City has invested approximately $958.5 million in water and wastewater treatment capacity and an additional $714.6 million in backbone transmission facilities or $1.7 billion (56% of the total investments). The City's remaining investment of $1.3 billion (44%) reflects capital costs associated with distribution and collection lines, meter services, fire hydrants, vehicles, and minor equipment, which were excluded from the capacity fee formula.

Capacity Fee Credits for Existing Facilities

In funding the existing capital assets of the water and wastewater systems, the City was awarded certain grants to fund a portion of such improvements, which will serve both existing and future customers of the System. Based on discussions with City staff, the water system recorded approximately $8.5 million in historical grant revenues to fund a portion of the water treatment and transmission facilities. For the wastewater system, historical grant revenues were provided by the United States Environment Protection Agency (USEPA) to fund the Fourth Wastewater Improvement Program prior to 1987. Based on discussions with City staff, the majority of wastewater treatment and transmission facilities remaining that were constructed prior to 1987 were principally funded from the USEPA grant. As such, we provided credits of approximately $98.1 million and $63.7 million to account for the USEPA grant-related investment in the existing wastewater treatment and transmission-related facilities, respectively. An additional credit applied to the wastewater system costs also includes $1.8 grant revenues received after 2019. In total, $172.1 million in external funding credits were applied to reduce the overall system costs recovered from capacity fees.

As discussed previously in this report, the water system collects a one-time fee or water CIAC in the CIAC Service Areas to recover specific transmission-related improvements within the redevelopment areas. Since the CIAC-related improvements are collected through a separate charge, an additional credit of approximately $54.8 million was recognized to reduce the transmission-related costs allocable to the non-CIAC Service Area. The credit was based on the cost of improvements made by the City within the CIAC Service Areas.

ADDITIONAL CAPITAL INVESTMENT

The City recently completed a water and wastewater bond feasibility study, and based on the approved capital improvement program, the City adopted a strategy to invest an additional $1.8 billion in infrastructure improvements over the next five (5) years. Based on discussions with City staff, the majority of the improvements will primarily replace aging water and wastewater facilities. Only $79.7 million in future water improvements are assumed to be allocable to new development. Tables 2 and 3 at the end of this report provide a summary of the planned water and wastewater investments, respectively, and the apportionment of the project costs between existing and future customers of the systems.

The development of the capacity fees in this report is based on the improvements-driven method outlined in this report using a buy-in approach so that the City may recoup the actual capital costs of the unused capacity that is available from the existing utility plants and facilities required to serve future growth. This buy-in approach accounts for the excess water and wastewater capacity of existing facilities available to serve new growth and also includes a small amount of future planned improvements included in the City's capital plan.

Tables 4 through 7 at the end of this report were used to summarize the capacity fee calculations. The remaining sections of this report include the major assumptions and considerations applied to calculate the proposed charges, a proposed implementation strategy and a comparison of proposed fees.

DESIGN OF WATER CAPACITY FEE

Within the City's water system, the City maintains two (2) capacity fee zones, including the CIAC Service Areas and the non-CIAC Service Area. The development of the two (2) capacity fee zones allows the City to leave the existing water CIAC intact for the CIAC Service Areas and implement an updated transmission-related charge to be applied in the non-CIAC Service Area. A treatment-related capacity fee has also been developed to be applied throughout the City's entire water system. As shown on Table 4 at the end of this report, the calculated system-wide water treatment capacity cost is $1,837 per ERC and the calculated water transmission capacity cost for the non-CIAC Service Areas is $985 per ERC. This section summarizes the major assumptions used to develop the calculated costs. The next section provides a recommendation on how to implement the proposed fees based on discussions with City staff.

In the development of the calculated water capacity costs per ERC, several assumptions were utilized in the analysis. The major assumptions utilized to calculate water capacity costs are as follows:

1. Based on information provided in a recent engineering study to issue the Series 2024 Bonds, the existing water supply and treatment facilities have a design capacity of approximately 140.0 million gallons per day (MGD) that is measured on a maximum daily flow (MDF) basis. The conclusions and recommendations of the engineering study were based on: i) the actual average daily flows (ADF) experienced by the water system; and ii) the water system peak demands when compared to the ADF. Therefore, the calculated capacity costs per ERC reflect the proportionate share of the existing plant anticipated to be available to serve new development.

2. Based on information provided in a recent financial feasibility study to issue the Series 2024 Bonds, the City adopted a strategy to invest an additional $1.1 billion in water infrastructure improvements over the next five (5) years. Table 2 at the end of this report provides a summary of the planned water investments. Since the majority of the improvements will primarily replace aging water facilities, only $79.7 million in future water improvements are assumed to be allocable to new development. Table 2 at the end of this report provides an apportionment of the project costs between existing and future customers of the system.

3. The capital costs associated with the transmission system, which benefits both existing and future users, were recognized in the analysis. Based on the City's recent engineering study, the transmission facilities are estimated to provide service for a maximum capacity of 140.0 MGD (MDF), which approximates the City's operating conditions throughout the study period.

4. The level of service for a water ERC as provided in the City is 300 gallons per day (gpd) expressed on an average daily flow (ADF) basis. Based on the actual peak to average day experience of 1.56, the City's treatment and transmission facilities provide capacity of up to 470 gpd per ERC (MDF). As such, the water supply and treatment facilities are estimated to serve approximately 298,000 ERCs based on the existing capacity.

5. For the development of the calculated capacity costs per ERC, no existing capital facility costs associated with distribution facilities, vehicles or minor equipment have been included in the calculated costs.

6. The calculated water capacity costs per ERC were reduced to account for cost-free capital derived from grant revenues and water CIACs.

As shown on Table 4 at the end of this report, the calculated system-wide water treatment capacity cost is $1,837 per ERC and the calculated water transmission capacity cost for the non-CIAC Service Area is $985 per ERC. Based on the capital facilities associated with the determination of the capacity costs, the functional breakdown of the components of the rate are as follows:

Calculated Water Capacity Costs – per ERC [1]	
	Water System
Treatment Cost [2]	$1,837
Transmission Cost by Service Area:	
Downtown and South Tampa – CIAC [3]	$2,145
Northeast Area/Sub-area – CIAC [3]	2,724
All Other non-CIAC Service Areas [4]	985

[1] Amounts derived from Table 4.
[2] Amount allocable to all City service areas.
[3] Amounts based on the existing CIAC within each CIAC Service Area.
[4] Amount allocable to all other remaining non-CIAC Service Areas.

Proposed Water Capacity Fee

As shown above and on Table 4, the calculated system-wide water treatment capacity cost is $1,837 per ERC and the calculated water transmission capacity cost for the non-CIAC Service Areas is $985 per ERC. When compared to the existing charges, the calculated costs per ERC reflect increases of 80% and 42%, respectively. Based on discussions with City staff, the proposed fees will be limited to an increase of no greater than 50% and will be phased in over a four- (4) year implementation schedule. Table 5 at the end of this report provides a list of the existing fees, the calculated costs, and proposed maximum charges, which are summarized on the next page:

(Remainder of page intentionally left blank)

Cost of Water Treatment and Transmission-related Facilities

Description	Summary of Water System Results (Cost per ERC)		
	Existing	Calculated Cost	Proposed Maximum [1]
System-wide Treatment Cost	$1,020	$1,837	$1,530
Transmission Cost by Service Area			
Downtown South Tampa	$2,145 [2]	$2,145	$2,145
Northeast Area / Sub-area	$2,724 [2]	$2,724	$2,724
All Other Service Areas	$693	$985	$985

[1] Based on conversations with City staff, proposed increases limited to no greater than 50% and will be phased in over a four- (4) year implementation schedule.
[2] Amounts based on the Existing CIAC Charges adopted by the City. No recommended changes to the CIAC charges are currently proposed.

The table above summarizes the proposed maximum water capacity fees by fee component. City staff recommend implementing the proposed fees after an extended notice period following adoption with equal adjustments over the four- (4) year implementation period as follows:

Proposed Water Capacity Fees

Description	Summary of Proposed Water Fees (Cost per ERC)				
	Existing	Year 1	Year 2	Year 3	Year 4
System-wide Treatment Cost	$1,020.00	$1,147.50	$1,275.00	$1,402.50	$1,530.00
Transmission Cost by Service Area:					
Downtown South Tampa [1]	$2,145.00	$2,145.00	$2,145.00	$2,145.00	$2,145.00
Northeast Area / Sub-area [1]	$2,724.00	$2,724.00	$2,724.00	$2,724.00	$2,724.00
All Other Service Areas	$693.00	$766.00	$839.00	$912.00	$985.00
Total Fees by Service Area:					
Downtown South Tampa [1]	**$3,165.00**	**$3,292.50**	**$3,420.00**	**$3,547.50**	**$3,675.00**
Northeast Area / Sub-area [1]	**$3,744.00**	**$3,871.50**	**$3,999.00**	**$4,126.50**	**$4,254.00**
All Other Service Areas	$1,713.00	$1,913.50	$2,114.00	$2,314.50	$2,515.00

[1] Amounts include the Existing CIAC Charges adopted by the City.

Based on discussions with City staff, the City plans to continue its practice to waive the water capacity fees charged to affordable housing.

DESIGN OF WASTEWATER CAPACITY FEE

Within the City's wastewater system, the City applies the existing wastewater capacity fees on a system-wide basis. As shown in Table 6 at the end of this report, the calculated wastewater treatment capacity cost is $923

per ERC and the calculated wastewater transmission capacity cost is $924 per ERC. This section summarizes the major assumptions used to develop the calculated costs. The next section provides a recommendation on how to implement the proposed fees based on discussions with City staff.

In the development of the calculated wastewater capacity costs per ERC, several assumptions were utilized in the analysis. The major assumptions utilized to calculate wastewater capacity costs are as follows:

1. The existing wastewater treatment facilities have approximately 38.4 MGD (ADF) or 40% of existing plant capacity available to serve new growth based on: i) the design capacity of the existing wastewater treatment plant facilities or 96.0 MGD; and ii) the actual average daily flow of approximately 57.5 MGD experienced within the wastewater system. Therefore, the calculated capacity costs reflect the proportionate share of the existing plant anticipated to serve new development.

2. The capital costs identified in the City's wastewater capital plan as shown on Table 3 were not incorporated into the capacity fee calculation since the majority of the improvements will repair and/or replace existing wastewater facilities.

3. The capital costs associated with the transmission system, which benefits both existing and future users, were recognized in the analysis. Since the transmission function capacity is difficult to ascertain except at "build-out" conditions, the total existing assets (expressed at original cost and not on a replacement or current cost basis) were assumed to meet the total treatment capacity of 96.0 MGD.

4. The level of service for a wastewater ERC is 250 gpd. When compared to the wastewater allowance of 250 gpd per ERC, the adopted water LOS of 300 gpd allows for additional discretionary water use, such as irrigation.

5. For the development of the proposed capacity fees, no existing capital facility costs associated with collection facilities, vehicles or minor equipment have been included in the calculated costs.

6. The calculated wastewater capacity costs per ERC were reduced to account for capacity fee credits associated with cost-free capital derived from grant revenues.

As shown on Table 6 at the end of this report, the calculated system-wide wastewater treatment capacity cost is $923 per ERC and the calculated wastewater transmission capacity cost is $924 per ERC. Based on the capital facilities associated with the determination of the capacity costs, the functional breakdown of the components of the rate are as follows:

Calculated Wastewater Capacity Costs – per ERC [1]	
	Wastewater System
Treatment Cost	$923
Transmission Cost	924
Total Capacity Fee	$1,847

[1] Amounts derived from Table 6.

Proposed Wastewater Capacity Fee

As shown above and on Table 6, the calculated system-wide wastewater treatment capacity cost is $923 per ERC and the calculated wastewater transmission capacity cost $924 per ERC, or $1,847 combined. When compared to the existing system-wide charges, the calculated cost per ERC reflects an increase of 49%, which is below City staff's recommended, maximum adjustment. Based on discussions with City staff, the proposed wastewater fees will be phased in over a four- (4) year implementation schedule. Table 6 at the end of this report provides a list of the existing fees, the calculated costs, and proposed maximum charges, which are summarized below:

Cost of Wastewater Treatment and Transmission-related Facilities

Description	Summary of Wastewater System Results (Cost per ERC)		
	Existing	Calculated Cost	Proposed Maximum [1]
System-wide Treatment Cost	$663	$923	$923
System-wide Transmission Cost	$574	$924	$924
Total System-wide Charge [2]	$1,237	$1,847	$1,847

[1] Based on conversations with City staff, proposed increases limited to no greater than 50% and will be phased in over a four- (4) year implementation schedule shown on the next slide.
[2] Total calculated cost of the combined charges equals 49%.

The table above summarizes the proposed maximum wastewater capacity fees by fee component. City staff recommend implementing the proposed fees after an extended notice period following adoption with equal adjustments over the four- (4) year implementation period as follows:

Proposed Wastewater Capacity Fees

Description	Summary of Proposed Wastewater Fees (Cost per ERC)				
	Existing	Year 1	Year 2	Year 3	Year 4
System-wide Treatment and Transmission Cost	**$1,237.00**	**$1,389.50**	**$1,542.00**	**$1,694.50**	**$1,847.00**

Based on discussions with City staff, the City plans to continue its practice to waive the wastewater capacity fees charged to affordable housing.

COMPARISON WITH OTHER UTILITIES

In order to provide additional information to the City regarding the proposed capacity fees, included in this report is a comparison of the City's existing and proposed charges with other jurisdictions. Table 7 provides a comparison of the existing and proposed fees, for a single-family residential unit (i.e., one [1] ERC) for the City, with fees currently imposed by other municipal / governmental water and wastewater systems. The following schedule summarizes the existing and proposed (maximum) fees that would be implemented in Year 4.

(Remainder of page intentionally left blank)

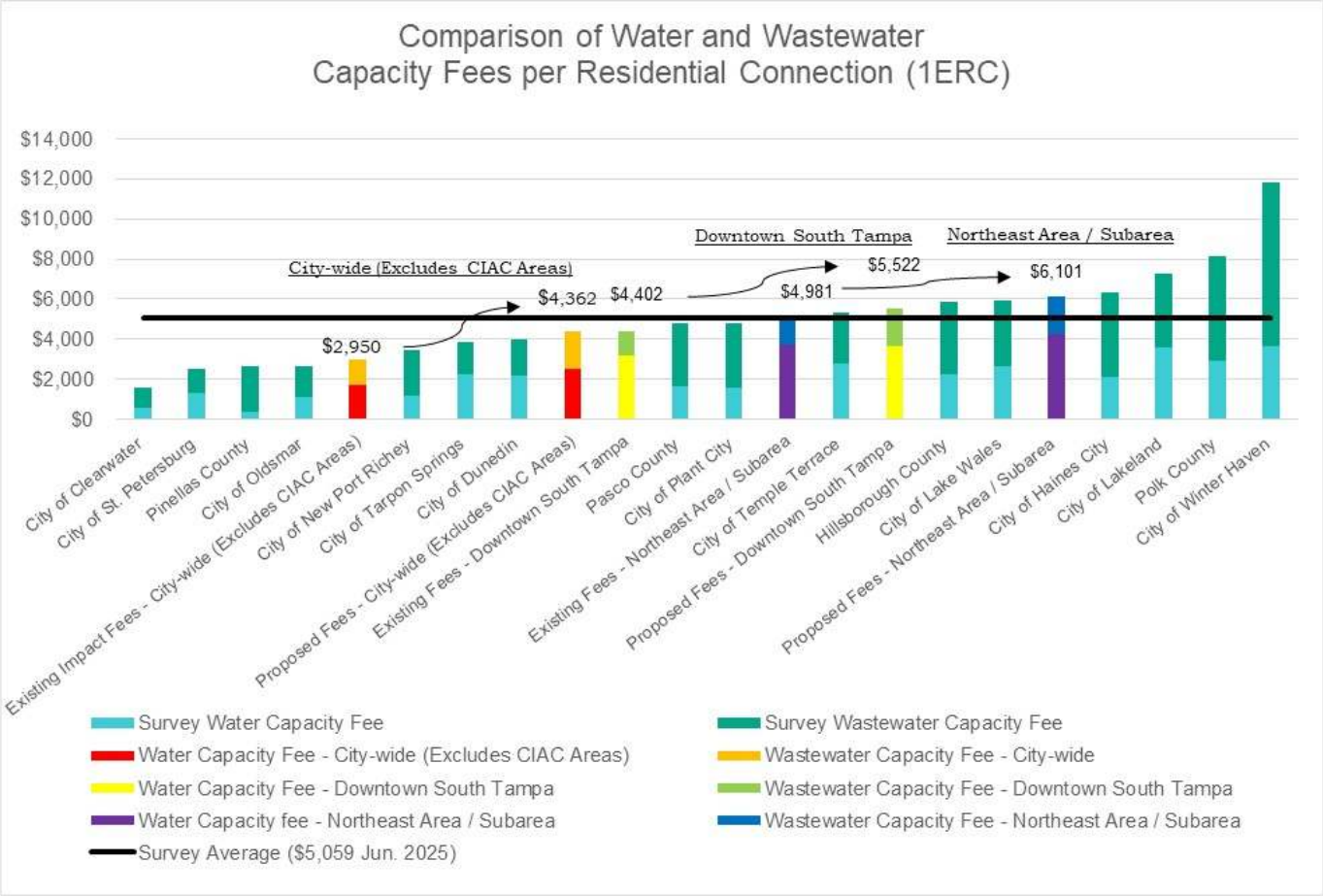
Summary of Proposed Fees – Year 4

Description	Capacity Fees per ERC		
	Water	Wastewater	Combined
Existing Fees:			
Downtown South Tampa	$3,165 [1]	$1,237	$4,402
Northeast Area / Sub-area	$3,744 [1]	$1,237	$4,981
All Other Service Areas	$1,713	$1,237	$2,950
Proposed Fees – Year 4 (FY29) [2]:			
Downtown South Tampa	$3,675 [1]	$1,847	$5,522
Northeast Area / Sub-area	$4,254 [1]	$1,847	$6,101
All Other Service Areas	$2,515	$1,847	$4,362

[1] Amounts include the Existing CIAC Charges adopted by the City.
[2] As illustrated throughout this report, City staff proposes a four- (4) year phase-in of the recommended maximum charges.

A number of factors can affect the level of charges collected by other utilities, including, but not limited to, level of treatment required for service, asset age, density of customer base, level of service adopted by local government, amount of grant (contributions) funds received, and other factors. No in-depth analysis has been performed to determine the affect these factors have on the fees charged by other utilities or to determine the methods used in the development of the water and wastewater charges imposed by others, nor has any analysis been made to determine whether 100% of the cost of new facilities is recovered from the other utilities' charges, or some percentage less than 100%. The following chart summarizes the results of the capacity fee comparison as derived from Table 7.

(Remainder of page intentionally left blank)



(Remainder of page intentionally left blank)

City of Tampa, Florida
Water and Wastewater Capacity Fee Study

List of Tables

Table	Description
1	Summary of Existing Water and Wastewater Assets
2	Summary of Water Capital Improvement Program By Plant Function
3	Summary of Wastewater Capital Improvement Program By Plant Function
4	Development of Water System Capacity Fee
5	Summary of Proposed Water Fees by Utility Function / Service Area
6	Development of Wastewater System Capacity Fee
7	Comparison of Water and Wastewater System Capacity Fees

Table 1
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Summary of Existing Water and Wastewater Assets

Line No.	Function	Gross Assets at Original Cost [1] Water	Wastewater
	Existing Assets Included in Capacity Fee		
1	Treatment Plant	$505,781,332	$452,678,949
2	Transmission [2]	294,329,162	420,268,674
3	Total Embedded Costs Included in Capacity Fee	$800,110,494	$872,947,623
	Existing Assets Excluded from Capacity Fee		
4	Distribution & Collection Lines	$687,895,836	$259,326,666
5	Vehicles, Equipment and Other Miscellaneous Assets	48,992,211	321,778,281
6	Total Embedded Costs Excluded from Capacity Fee	$736,888,047	$581,104,947
7	**Sub-total Existing Fixed Assets**	$1,536,998,541	$1,454,052,570
8	**Grand Total Existing Fixed Assets**	$2,991,051,112	

Footnotes:

[1] Amounts based on detailed asset records as of September 30, 2024 provided by City staff.

[2] Amounts based on the diameter of transmission lines equal to or greater than 16 inches.

Table 2
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Summary of Water Capital Improvement Program By Plant Function

Line No.	Project Description	Type	FY2025 - FY2029 Estimated Capital Cost [1]	Attributable to Water System	Amount Recognized	Adjustments [2]	Net Amount For Future Expenditures	Purpose [3] Existing	Purpose [3] Future	Purpose [3] Other	Functional Category [3] Supply and Treatment Existing	Supply and Treatment Future	Storage, Pumping, & Transmission Existing	Storage, Pumping, & Transmission Future	Total
1	Citywide Water Main Replacements, Phase 2 (And Upsizing)	Trans	$290,757,801	100%	$290,757,801	$0	$290,757,801	91.00%	9.00%	0.00%	$0	$0	$264,589,599	$26,168,202	$290,757,801
2	D. L. Tippin Facility Expansion - Suspended Ion Exchange (SIX)	Treatment	155,250,371	100%	155,250,371	(10,000,000)	145,250,371	91.00%	9.00%	0.00%	132,177,838	13,072,533	0	0	145,250,371
3	D. L. Tippin Facility Filter Improvements	Treatment	111,392,881	100%	111,392,881	0	111,392,881	91.00%	9.00%	0.00%	101,367,522	10,025,359	0	0	111,392,881
4	D. L. Tippin Sitewide Electrical Improvements	Treatment	78,522,097	100%	78,522,097	0	78,522,097	91.00%	9.00%	0.00%	71,455,108	7,066,989	0	0	78,522,097
5	D. L. Tippin Raw Water Pump and Intake Improvements	Treatment	73,606,000	100%	73,606,000	0	73,606,000	91.00%	9.00%	0.00%	66,981,460	6,624,540	0	0	73,606,000
6	Citywide Meter/Hydrant/Valve Installation and Replacement	Distribution	68,680,617	100%	68,680,617	(68,680,617)	0	100.00%	0.00%	0.00%	0	0	0	0	0
7	Comprehensive Infrastructure for Tampa's Neighborhoods	Distribution	53,637,093	100%	53,637,093	(53,637,093)	0	100.00%	0.00%	0.00%	0	0	0	0	0
8	Cost Allocation	Other	41,572,704	100%	41,572,704	(41,572,704)	0	100.00%	0.00%	0.00%	0	0	0	0	0
9	D. L. Tippin Ozone Improvements, Phases 1 and 2	Treatment	39,101,000	100%	39,101,000	0	39,101,000	91.00%	9.00%	0.00%	35,581,910	3,519,090	0	0	39,101,000
10	D. L. Tippin Sludge Dewatering Facility	Treatment	22,637,000	100%	22,637,000	0	22,637,000	91.00%	9.00%	0.00%	20,599,670	2,037,330	0	0	22,637,000
11	Deep Well Injection	Treatment	19,109,000	100%	19,109,000	0	19,109,000	91.00%	9.00%	0.00%	17,389,190	1,719,810	0	0	19,109,000
12	SCADA Master Plan Implementation	Trans	19,018,498	100%	19,018,498	0	19,018,498	91.00%	9.00%	0.00%	0	0	17,306,833	1,711,665	19,018,498
13	D. L. Tippin Chemical System Improvements	Treatment	18,494,966	100%	18,494,966	0	18,494,966	91.00%	9.00%	0.00%	16,830,419	1,664,547	0	0	18,494,966
14	North B St/Himes and Ave CIAC Phase 5	Trans	15,000,000	100%	15,000,000	0	15,000,000	91.00%	9.00%	0.00%	0	0	13,650,000	1,350,000	15,000,000
15	D. L. Tippin Actiflo Expansion	Treatment	12,508,000	100%	12,508,000	0	12,508,000	91.00%	9.00%	0.00%	11,382,280	1,125,720	0	0	12,508,000
16	Hillsborough River Dam	Treatment	10,000,000	100%	10,000,000	0	10,000,000	91.00%	9.00%	0.00%	9,100,000	900,000	0	0	10,000,000
17	D. L. Tippin High Service Pump Station	Trans	9,529,039	100%	9,529,039	0	9,529,039	91.00%	9.00%	0.00%	0	0	8,671,425	857,614	9,529,039
18	Lead and Copper Rule Compliance	Distribution	8,300,000	100%	8,300,000	(8,300,000)	0	100.00%	0.00%	0.00%	0	0	0	0	0
19	Sulphur Springs Flow Augmentation - Feasibility	Treatment	8,027,250	100%	8,027,250	0	8,027,250	91.00%	9.00%	0.00%	7,304,798	722,453	0	0	8,027,250
20	Hydroelectric and Energy Recovery Improvements	Treatment	8,000,000	100%	8,000,000	0	8,000,000	91.00%	9.00%	0.00%	7,280,000	720,000	0	0	8,000,000
21	Southeast Seminole Heights Flooding Relief	Other	5,860,000	100%	5,860,000	(5,860,000)	0	100.00%	0.00%	0.00%	0	0	0	0	0
22	D. L. Tippin Water Plant Treatment Improvements, Phase 2	Treatment	3,285,580	100%	3,285,580	0	3,285,580	91.00%	9.00%	0.00%	2,989,878	295,702	0	0	3,285,580
23	Distribution Master Plan	Distribution	1,500,000	100%	1,500,000	(1,500,000)	0	100.00%	0.00%	0.00%	0	0	0	0	0
24	Northeast Elevated Storage Tank	Treatment	1,380,000	100%	1,380,000	0	1,380,000	91.00%	9.00%	0.00%	1,255,800	124,200	0	0	1,380,000
25	Enterprise Work Order and Asset Management System	Other	1,237,395	100%	1,237,395	(1,237,395)	0	100.00%	0.00%	0.00%	0	0	0	0	0
26	South Tampa Pressure Zone Resiliency Improvements	Distribution	525,000	100%	525,000	(525,000)	0	100.00%	0.00%	0.00%	0	0	0	0	0
27	North Embankment Stabilization	Other	500,000	100%	500,000	(500,000)	0	100.00%	0.00%	0.00%	0	0	0	0	0
28	Satellite Leak Detection	Distribution	100,000	100%	100,000	(100,000)	0	100.00%	0.00%	0.00%	0	0	0	0	0
29	Capital Outlay	Other	32,641,398	100%	32,641,398	(32,641,398)	0	100.00%	0.00%	0.00%	0	0	0	0	0
30	**TOTAL WATER PROJECTS**		$1,110,173,690	100%	$1,110,173,690	($224,554,207)	$885,619,483				$501,695,872	$49,618,273	$304,217,858	$30,087,480	$885,619,483
31	PERCENT OF TOTAL										56.65%	5.60%	34.35%	3.40%	100.00%

Footnotes:

[1] Amounts shown provided within the City's approved CIP contained in the Series 2024 Bond Feasibility Study.

[2] Adjustments remove distribution-only improvements and other system expenditures not recoverable from the proposed capacity fees.

[3] Amounts based upon the available capacity to serve new customers of the System. A portion of the costs associated with existing production levels are assumed to significantly rehabilitate or replace existing assets that are currently in service. To be conservative, only the improvements benefiting future customers were included in the proposed capacity fees.

Table 3
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Summary of Wastewater Capital Improvement Program By Plant Function

Line No.	Project Description	Type	FY2025 - FY2029 Estimated Capital Cost [1]	Attributable to Wastewater System	Amount Recognized	Adjustments [2]	Net Amount For Future Expenditures	Purpose [3]			Functional Category [3]				
											Treatment and Disposal		Pump Stations & Transmission		
								Existing	Future	Other	Existing	Future	Existing	Future	Total
1	H. F. Curren AWTP Master Plan	Treatment	$284,961,032	100%	$284,961,032	$0	$284,961,032	100.00%	0.00%	0.00%	$284,961,032	$0	$0	$0	$284,961,032
2	H. F. Curren Filter Building No. 1 and No. 2; Denitrification Filters Improvements	Treatment	40,750,000	100%	40,750,000	0	40,750,000	100.00%	0.00%	0.00%	40,750,000	0	0	0	40,750,000
3	Neighborhood Collection System Rehabilitation	Collection	40,000,000	100%	40,000,000	(40,000,000)	0	100.00%	0.00%	0.00%	0	0	0	0	0
4	Sulphur Springs Pumping Station Design Build	Trans	37,249,940	100%	37,249,940	0	37,249,940	100.00%	0.00%	0.00%	0	0	37,249,940	0	37,249,940
5	Pumping Stations Rehabilitation Design Build	Trans	34,122,553	100%	34,122,553	0	34,122,553	100.00%	0.00%	0.00%	0	0	34,122,553	0	34,122,553
6	Cost Allocation	Other	31,947,588	100%	31,947,588	(31,947,588)	0	100.00%	0.00%	0.00%	0	0	0	0	0
7	University Pumping Station Rehabilitation	Trans	27,000,000	100%	27,000,000	0	27,000,000	100.00%	0.00%	0.00%	0	0	27,000,000	0	27,000,000
8	Collection System Rehabilitation Contract	Collection	25,224,885	100%	25,224,885	(25,224,885)	0	100.00%	0.00%	0.00%	0	0	0	0	0
9	43rd St Pumping Station Rehabilitation	Trans	16,750,000	100%	16,750,000	0	16,750,000	100.00%	0.00%	0.00%	0	0	16,750,000	0	16,750,000
10	East Tampa Pumping Station Rehabilitation	Trans	16,750,000	100%	16,750,000	0	16,750,000	100.00%	0.00%	0.00%	0	0	16,750,000	0	16,750,000
11	Fleet Decentralization - Port Tampa	Other	15,173,739	100%	15,173,739	(15,173,739)	0	100.00%	0.00%	0.00%	0	0	0	0	0
12	Annual Wastewater Cured-in-place Pipeline Rehabilitation Contract	Collection	15,000,000	100%	15,000,000	(15,000,000)	0	100.00%	0.00%	0.00%	0	0	0	0	0
13	Wastewater Manhole Rehabilitation	Collection	14,768,716	100%	14,768,716	(14,768,716)	0	100.00%	0.00%	0.00%	0	0	0	0	0
14	Bayshore Pumping Station Pump Addition	Trans	11,998,370	100%	11,998,370	0	11,998,370	100.00%	0.00%	0.00%	0	0	11,998,370	0	11,998,370
15	H. F. Curren Miscellaneous Treatment Plant Improvements	Treatment	11,298,407	100%	11,298,407	0	11,298,407	100.00%	0.00%	0.00%	11,298,407	0	0	0	11,298,407
16	Miscellaneous Pumping Station Repairs	Trans	9,050,511	100%	9,050,511	0	9,050,511	100.00%	0.00%	0.00%	0	0	9,050,511	0	9,050,511
17	H. F. Curren Plant AWTP HVAC Replacement, Design-Build	Treatment	8,586,273	100%	8,586,273	0	8,586,273	100.00%	0.00%	0.00%	8,586,273	0	0	0	8,586,273
18	Force Main Discharge Rehabilitation	Trans	8,134,655	100%	8,134,655	0	8,134,655	100.00%	0.00%	0.00%	0	0	8,134,655	0	8,134,655
19	Citywide Wastewater Collection Systems Repair	Collection	4,271,372	100%	4,271,372	(4,271,372)	0	100.00%	0.00%	0.00%	0	0	0	0	0
20	Engineering Consultant Services	Other	4,183,697	100%	4,183,697	(4,183,697)	0	100.00%	0.00%	0.00%	0	0	0	0	0
21	Prescott Pumping Station Rehabilitation	Trans	3,089,233	100%	3,089,233	0	3,089,233	100.00%	0.00%	0.00%	0	0	3,089,233	0	3,089,233
22	Ybor Pumping Station Automatic Bar Screen	Trans	3,011,610	100%	3,011,610	0	3,011,610	100.00%	0.00%	0.00%	0	0	3,011,610	0	3,011,610
23	Large Gravity Sewer Cleaning	Trans	3,000,000	100%	3,000,000	0	3,000,000	100.00%	0.00%	0.00%	0	0	3,000,000	0	3,000,000
24	Dexter Pumping Station Rehabilitation	Trans	2,500,000	100%	2,500,000	0	2,500,000	100.00%	0.00%	0.00%	0	0	2,500,000	0	2,500,000
25	Kirby Street Force Main and Gomez Pumping Station Force Main Improvements	Trans	2,236,220	100%	2,236,220	0	2,236,220	100.00%	0.00%	0.00%	0	0	2,236,220	0	2,236,220
26	109th Avenue Pumping Station Rehabilitation	Trans	2,201,000	100%	2,201,000	0	2,201,000	100.00%	0.00%	0.00%	0	0	2,201,000	0	2,201,000
27	18th Street Pumping Station Rehabilitation	Trans	2,125,000	100%	2,125,000	0	2,125,000	100.00%	0.00%	0.00%	0	0	2,125,000	0	2,125,000
28	H. F. Curren Mixed Sludge Pumping Station MCC replacements	Trans	2,000,000	100%	2,000,000	0	2,000,000	100.00%	0.00%	0.00%	0	0	2,000,000	0	2,000,000
29	Deluil Pumping Station Rehabilitation	Trans	2,000,000	100%	2,000,000	0	2,000,000	100.00%	0.00%	0.00%	0	0	2,000,000	0	2,000,000
30	Parke East and Idlewild Pumping Stations Rehabilitation	Trans	1,801,300	100%	1,801,300	0	1,801,300	100.00%	0.00%	0.00%	0	0	1,801,300	0	1,801,300
31	Mulberry Pumping Station Rehabilitation	Trans	1,800,000	100%	1,800,000	0	1,800,000	100.00%	0.00%	0.00%	0	0	1,800,000	0	1,800,000
32	Tuberculated Gravity Pipeline Rehabilitation	Trans	1,626,726	100%	1,626,726	0	1,626,726	100.00%	0.00%	0.00%	0	0	1,626,726	0	1,626,726
33	Ola Avenue between MLK Boulevard and 7th Avenue Collections System Rehabilitatic	Collection	1,516,534	100%	1,516,534	(1,516,534)	0	100.00%	0.00%	0.00%	0	0	0	0	0
34	H. F. Curren Filter Building No. 1 MCC 58A Replacement	Treatment	1,500,000	100%	1,500,000	0	1,500,000	100.00%	0.00%	0.00%	1,500,000	0	0	0	1,500,000
35	Dazzo Pumping Station Rehabilitation	Trans	1,271,500	100%	1,271,500	0	1,271,500	100.00%	0.00%	0.00%	0	0	1,271,500	0	1,271,500
36	Gandy Gardens Pumping Station Rehabilitation	Trans	1,250,000	100%	1,250,000	0	1,250,000	100.00%	0.00%	0.00%	0	0	1,250,000	0	1,250,000
37	Adalee Pumping Station Rehabilitation	Trans	1,046,500	100%	1,046,500	0	1,046,500	100.00%	0.00%	0.00%	0	0	1,046,500	0	1,046,500
38	Westshore Boulevard Gravity Sewer Rehabilitation by CIPP Lining - Gandy Boulevard	Trans	997,614	100%	997,614	0	997,614	100.00%	0.00%	0.00%	0	0	997,614	0	997,614
39	West Riverside Heights Gravity Sewer Rehabilitation by CIPP Lining	Trans	986,798	100%	986,798	0	986,798	100.00%	0.00%	0.00%	0	0	986,798	0	986,798
40	Downtown Interchange Wastewater Collection System Rehabilitation by CIPP Lining	Trans	930,746	100%	930,746	0	930,746	100.00%	0.00%	0.00%	0	0	930,746	0	930,746
41	H. F. Curren Final Sedimentation Tanks 1-6 Process Air Piping Replacement	Treatment	738,539	100%	738,539	0	738,539	100.00%	0.00%	0.00%	738,539	0	0	0	738,539
42	Gunlock Pumping Station Generator Addition and Electrical Upgrades	Trans	650,500	100%	650,500	0	650,500	100.00%	0.00%	0.00%	0	0	650,500	0	650,500
43	Idlewild Pumping Station Collection System Gravity Rehabilitation by CIPP Lining	Trans	594,863	100%	594,863	0	594,863	100.00%	0.00%	0.00%	0	0	594,863	0	594,863
44	Nebraska Avenue Gravity Sewer Rehabilitation by CIPP Lining – Busch Boulevard to I	Trans	580,176	100%	580,176	0	580,176	100.00%	0.00%	0.00%	0	0	580,176	0	580,176
45	Golfview Gravity Sewer Rehabilitation by CIPP lining	Trans	543,824	100%	543,824	0	543,824	100.00%	0.00%	0.00%	0	0	543,824	0	543,824
46	Harbour Island Force Main Replacement	Trans	350,000	100%	350,000	0	350,000	100.00%	0.00%	0.00%	0	0	350,000	0	350,000
47	H. F. Curren New Filter Building PLC Replacement	Treatment	172,536	100%	172,536	0	172,536	100.00%	0.00%	0.00%	172,536	0	0	0	172,536
48	Ballast Point Pumping Station Rehabilitation	Trans	154,713	100%	154,713	0	154,713	100.00%	0.00%	0.00%	0	0	154,713	0	154,713
49	Executive Park Gravity Sewer Replacement	Collection	124,781	100%	124,781	(124,781)	0	100.00%	0.00%	0.00%	0	0	0	0	0
50	Manhole Rehabilitation	Collection	119,097	100%	119,097	(119,097)	0	100.00%	0.00%	0.00%	0	0	0	0	0
51	H. F. Curren Standby Power System Improvements	Treatment	110,243	100%	110,243	0	110,243	100.00%	0.00%	0.00%	110,243	0	0	0	110,243
52	Ridgewood Collection System CIPP Lining	Collection	109,454	100%	109,454	(109,454)	0	100.00%	0.00%	0.00%	0	0	0	0	0
53	Lemon St – Gray St Trunk Sewer Rehabilitation	Trans	94,040	100%	94,040	0	94,040	100.00%	0.00%	0.00%	0	0	94,040	0	94,040
54	H. F. Curren Sludge Dewatering Facility Rehabilitation Design Services	Treatment	90,652	100%	90,652	0	90,652	100.00%	0.00%	0.00%	90,652	0	0	0	90,652
55	H. F. Curren Chemical Unloading Train Rail	Treatment	73,725	100%	73,725	0	73,725	100.00%	0.00%	0.00%	73,725	0	0	0	73,725
56	Dayflower Pumping Station Rehabilitation	Trans	67,000	100%	67,000	0	67,000	100.00%	0.00%	0.00%	0	0	67,000	0	67,000
57	H. F. Curren AWTP North Parking Lot Expansion	Treatment	45,912	100%	45,912	0	45,912	100.00%	0.00%	0.00%	45,912	0	0	0	45,912
58	Miscellaneous Wastewater System Replacement/Relocation	Trans	22,342	100%	22,342	0	22,342	100.00%	0.00%	0.00%	0	0	22,342	0	22,342
59	Krause Pumping Station Standby Generator	Trans	12,758	100%	12,758	0	12,758	100.00%	0.00%	0.00%	0	0	12,758	0	12,758
60	Virginia Pumping Station Rehabilitation	Trans	11,486	100%	11,486	0	11,486	100.00%	0.00%	0.00%	0	0	11,486	0	11,486
61	H. F. Curren Miscellaneous Concrete Repair	Treatment	10,274	100%	10,274	0	10,274	100.00%	0.00%	0.00%	10,274	0	0	0	10,274
62	H. F. Curren Denitrification Filter Building Upgrades	Treatment	6,503	100%	6,503	0	6,503	100.00%	0.00%	0.00%	6,503	0	0	0	6,503
63	Comprehensive Infrastructure for Tampa's Neighborhoods, Phase I	Collection	4,000	100%	4,000	(4,000)	0	100.00%	0.00%	0.00%	0	0	0	0	0
29	Capital Outlay	Other	22,930,715	100%	22,930,715	(22,930,715)	0	100.00%	0.00%	0.00%	0	0	0	0	0
64	**TOTAL Wastewater PROJECTS**		$721,730,653	100%	$721,730,653	($175,374,578)	$546,356,075				$348,344,096	$0	$198,011,979	$0	$546,356,075
65	PERCENT OF TOTAL										63.76%	0.00%	36.24%	0.00%	100.00%

Footnotes:

Table 3
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Summary of Wastewater Capital Improvement Program By Plant Function

Line No.	Project Description	Type	FY2025 - FY2029 Estimated Capital Cost [1]	Attributable to Wastewater System	Amount Recognized	Adjustments [2]	Net Amount For Future Expenditures	Purpose [3]			Functional Category [3]				Total
								Existing	Future	Other	Treatment and Disposal		Pump Stations & Transmission		
											Existing	Future	Existing	Future	

[1] Amounts shown provided within the City's approved CIP contained in the Series 2024 Bond Feasibility Study.

[2] Adjustments remove collection-only improvements and other system expenditures not recoverable from the proposed capacity fees.

[3] Based on discussions with City staff, wastewater improvements are largely capital maintenance benefiting only existing customers of the system and were excluded from the calculation of the proposed wastewater capacity fees.

Table 4
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Development of Water System Capacity Fee

Line No.	Description	Amounts
	Total Estimated Cost of Existing	
	Water Supply & Treatment Facilities:	
1	Cost of Existing Facilities [1]	$505,781,332
2	Less Grants Revenues [2]	(8,276,757)
3	Sub-total: Investment in Existing Assets	$497,504,575
4	Additional Costs Capitalized - CIP [3]	49,618,273
5	Total Water Supply & Treatment Facilities	$547,122,848
6	Planned Plant Capacity (MGD) (MDF) [4]	140.0
7	Existing Permitted Capacity (MGD) (ADF) [5]	82.0
8	Existing Average Daily Flow (MGD) (ADF) [5]	81.6
9	Adopted Level of Service per ERC - (GPD) (ADF) [6]	300
10	ERC Factor - (GPD) (MDF) [6]	470
11	Estimated ERCs to be Served by Proposed Facilities [7]	297,872
12	Rate per ERC Associated with Existing Facilities (Rounded)	$1,837
	Primary Transmission System:	
13	Existing Facilities [8]	$294,329,162
14	Less CIAC Revenues for Existing Infrastructure [9]	(54,848,580)
15	Less Grants Revenues [2]	(197,274)
16	Sub-total: Investment in Existing Assets	$239,283,308
17	Additional Costs Capitalized - CIP [10]	30,087,480
18	Total Primary Transmission Facility Costs	$269,370,788
19	Existing Transmission Capacity (MGD) (MDF) [11]	140.0
20	ERC Factor - (GPD) (MDF) [6]	470
21	Estimated ERC's Served by Existing Facilities [12]	297,872
22	Less ERC's in CIAC Service Areas [13]	(24,461)
23	Net ERC's Served by Existing Facilities	273,411
24	Net Rate per ERC of Primary Transmission Facilities (Rounded)	$985
25	Rounded Rate per ERC	$2,822
26	Cost Per Gallon of Flow (ADF)	$9.407

Table 4
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Development of Water System Capacity Fee

Line No.	Description	Amounts
	Existing Connection Fees	
27	Downtown and South Tampa CIAC per ERC	$1,020
28	Northeast Area / Northeast Subarea CIAC per ERC	$1,020
29	All Non-CIAC Service Areas per ERC	$1,713
	Existing CIAC Charges	
30	Downtown and South Tampa CIAC per ERC	$2,145
31	Northeast Area / Northeast Subarea CIAC per ERC	$2,724
	Total Existing CIAC Service Areas	
32	Downtown and South Tampa CIAC per ERC	$3,165
33	Northeast Area / Northeast Subarea CIAC per ERC	$3,744
	Proposed Connection Fees	
34	Downtown and South Tampa CIAC per ERC	$1,837
35	Northeast Area / Northeast Subarea CIAC per ERC	$1,837
36	All Non-CIAC Service Areas per ERC	$2,822
	Total Proposed CIAC Service Areas	
37	Downtown and South Tampa CIAC per ERC	$3,982
38	Northeast Area / Northeast Subarea CIAC per ERC	$4,561

MDF = Maximum Daily Flow
ADF = Average Daily Flow
ERC = Equivalent Residential Connection
GPD = Gallons per Day

Footnotes continued on the following page.

Table 4
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Development of Water System Capacity Fee

Footnotes:

[1] Amount derived from Table 1 and reflects assets currently in service.

[2] Amount reflects grant revenues and other cost free contributions as provided by City staff.

[3] Amount derived from Table 2, if any, that reflects expansion related additions to the water supply and treatment facilities.

[4] Based on information provided by the City, the water supply and treatment facilities have an estimated capacity of 140 MGD (MDF) after considering the planned improvements.

[5] Amount based on the existing water permit and actual average daily flows provided in the City's Engineering Report. As provided in the City's Engineering Report for the Series 2024 Bonds, the City has experienced an average to peak demand of 1.56.

[6] The City's adopted level of service for each equivalent residential connection (ERC) is 300 GPD (ADF) on an average daily flow basis. After considering the City's existing average to peak demand relationship of 1.56, the maximum water demand allocated to each ERC is approximately 470 GPD (MDF).

[7] The total estimated service capacity in ERCs is based on the proposed plant capacity of 140.0 MGD (MDF) and the maximum level of service per ERC of 470 GPD (MDF).

[8] Amount based on Table 1 and reflects existing water transmission assets currently in service.

[9] CIAC Revenues as provided by City staff from FY2006 through 2024.

[10] Amount derived from Table 2, if any, that reflects expansion related additions to the water transmission facilities.

Table 4
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Development of Water System Capacity Fee

Footnotes:

[11] Based on information provided by the City, the water transmission facilities have an estimated capacity of 140 MGD (MDF) after considering the planned improvements.

[12] The total estimated service capacity in ERCs is based on the existing transmission capacity of 140.0 MGD (MDF) and the maximum level of service per ERC of 470 GPD (MDF).

[13] Amount based on the total connected ERCs in the CIAC Service Areas.

Table 5
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Summary of Proposed Water Fees by Utility Function / Service Area

Line No.	Description	Existing Fee	Calculated Cost [1]	Proposed Maximum [2]	Proposed Phase-in of Maximum Charge [3]			
					Year 1	Year 2	Year 3	Year 4
1	System-wide Treatment	$1,020.00	$1,837.00	$1,530.00	$1,147.50	$1,275.00	$1,402.50	$1,530.00
	Transmission by Service Area							
2	Downtown South Tampa	$2,145.00	$2,145.00	$2,145.00	$2,145.00	$2,145.00	$2,145.00	$2,145.00
3	Northeast Area / Sub-area	$2,724.00	$2,724.00	$2,724.00	$2,724.00	$2,724.00	$2,724.00	$2,724.00
4	All Other Service Areas	$693.00	$985.00	$985.00	$766.00	$839.00	$912.00	$985.00
	Total Fees							
5	Downtown South Tampa	$3,165.00	$3,982.00	$3,675.00	$3,292.50	$3,420.00	$3,547.50	$3,675.00
6	Northeast Area / Sub-area	$3,744.00	$4,561.00	$4,254.00	$3,871.50	$3,999.00	$4,126.50	$4,254.00
7	All Other Service Areas	$1,713.00	$2,822.00	$2,515.00	$1,913.50	$2,114.00	$2,314.50	$2,515.00

Footnotes:

[1] Amounts derived from Table 4.

[2] City staff recommends limiting the total adjustments by no greater than 50%.

[3] Proposed fees assumed to be phased in over four (4) years based on discussions with City staff.

Table 6
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Development of Wastewater System Capacity Fee

Line No.	Description	Amount
	Total Estimated Cost of Existing Wastewater Treatment Facilities:	
1	Cost of Existing Facilities [1]	$452,678,949
2	Less Credit for Assets Prior to 1987 [2]	(98,132,937)
3	Sub-total: Investment in Existing Assets	$354,546,012
4	Additional Costs Capitalized - CIP [3]	0
5	Subtotal Wastewater Treatment Facilities	$354,546,012
6	Existing Plant Capacity (MGD) (ADF) [4]	96.000
7	Projected Average Daily Flow (MGD) (ADF) [5]	57.500
8	ERC Factor - (GPD) (ADF) [6]	250
9	Estimated ERCs to be Served by Existing Facilities	384,000
10	Percent Remaining Capacity of Existing Facilities	40.10%
11	Allocation of Existing Facilities to Incremental Growth	$142,187,723
12	Rate per ERC Associated with Existing Facilities	$923.30
	Total Estimated Cost of Additional Wastewater Treatment Facilities:	
13	Additional Costs Capitalized - [7]	$0
14	Less Receipt of Grant Funds and Contributions (if any)	0
15	Cost of Additional Wastewater Treatment Facilities	$0
16	New Plant Capacity (MGD) (ADF)	0.000
17	Estimated ERCs to be Served by Additional Facilities	0
18	Rate per ERC Associated with Additional Facilities	$0.00
19	Rate per ERC Allocable to Wastewater Treatment Facilities	$923.30

Table 6
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Development of Wastewater System Capacity Fee

Line No.	Description	Amount
	Primary Transmission System:	
20	Existing Facilities [8]	$420,268,674
21	Less Credit for Assets Prior to 1987 [2]	(63,678,171)
22	Less Additional Grants	(1,836,768)
23	Sub-total: Investment in Existing Assets	$354,753,735
24	Additional Costs Capitalized - CIP [9]	0
25	Total Primary Transmission Facility Costs	$354,753,735
26	Estimated ERC's Served by Existing Facilities [10]	384,000
27	Estimated Future ERCs served by Transmission Facilities [10]	0
28	Total Estimated ERCs served by Transmission Facilities [10]	384,000
29	Net Rate per ERC of Primary Transmission Facilities	$923.84
30	Total Combined Rate per ERC After Rate Adjustment	$1,847.14
31	Rounded Rate per ERC	$1,847.00
32	Cost Per Gallon	$7.388
33	Existing Average Rate per ERC	$1,237.00
34	Proposed Increase / (Decrease)	$610.00
	Proposed Phase-in [11] [12]	
35	Year1	$1,389.50
36	Year2	$1,542.00
37	Year3	$1,694.50
38	Year4	$1,847.00

MDF = Maximum Daily Flow
ADF = Average Daily Flow
ERC = Equivalent Residential Unit
GPD = Gallons per Day

Footnotes continued on the following page.

Table 6
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Development of Wastewater System Capacity Fee

Footnotes:

[1] Amount based on Table 1 and reflects assets currently in service.

[2] Amount reflects a credit for assets placed in service prior to 1987 since such assets were either substantially funded with grants and/or were significantly upgraded in 1987.

[3] No existing, expansion-related improvements were identified in the Capital Plan as shown on Table 3 to meet the needs of future customers.

[4] Amount reflects the design capacity of the existing facilities on an average daily flow basis (ADF).

[5] Amount based on actual average daily flow information included in the Engineering Report for the Series 2024 Bonds.

[6] Amount reflects the City's adopted level of service for each equivalent residential connection (ERC) of 250 GPD (ADF) on an average daily flow basis.

[7] No expansion-related improvements were identified in the Capital Plan to serve future customers as shown on Table 3.

[8] Amount based on Table 1 and reflects existing wastewater transmission assets currently in service.

[9] No expansion-related improvements were identified in the Capital Plan to serve future customers as shown on Table 3.

[10] Amount assumes transmission capacity is consistent with the existing and estimated future (if any) wastewater treatment capacity.

[11] If required, amount capped at no greater than 50%.

[12] Proposed fees assumed phased in over four (4) years based on discussions with City staff.

Table 7
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Comparison of Water and Wastewater Capacity Fees (Impact Fees) (1 ERC) [1]

Line No.	Description	Residential 5/8" x 3/4" Meter Water		Wastewater Fee	Combined
	City of Tampa, Florida				
	Existing Fees by Water Transmission Area				
1	Existing Impact Fees - City-wide (Excludes CIAC Areas)	$1,713		$1,237	$2,950
2	Existing Fees - Downtown South Tampa	3,165	[2]	1,237	4,402
3	Existing Fees - Northeast Area / Subarea	3,744	[2]	1,237	4,981
	Proposed Fees by Water Transmission Area - Year 4 Phase-in				
4	Proposed Fees - City-wide (Excludes CIAC Areas)	2,515	[3]	1,847	4,362
5	Proposed Fees - Downtown South Tampa	3,675	[4]	1,847	5,522
6	Proposed Fees - Northeast Area / Subarea	4,254	[4]	1,847	6,101
	Other Florida Utilities:				
7	City of Clearwater	$600		$978	$1,578
8	City of Dunedin	2,159		1,834	3,993
9	City of Haines City	2,099		4,243	6,342
10	City of Lake Wales	2,625		3,329	5,954
11	City of Lakeland	3,603		3,672	7,275
12	City of New Port Richey	1,158		2,262	3,420
13	City of Oldsmar	1,107		1,563	2,670
14	City of Plant City	1,573		3,222	4,795
15	City of St. Petersburg	1,302		1,200	2,502
16	City of Tarpon Springs	2,253		1,570	3,823
17	City of Temple Terrace	2,750		2,569	5,319
18	City of Winter Haven	3,671		8,175	11,846
19	Hillsborough County	2,214		3,651	5,865
20	Pasco County	1,657		3,133	4,790
21	Pinellas County	352		2,293	2,645
22	Polk County	2,940		5,182	8,122
23	Other Florida Utilities' Average	$2,004		$3,055	$5,059

Footnotes:

[1] Unless otherwise noted, amounts shown reflect rates in effect on or after Jun. 2025 for a standard Equivalent Residential Connection (single family residence) and are exclusive of taxes or franchise fees, if any, and reflect rates charged for inside the city service. All rates are as reported by the respective utility. This comparison is intended to show comparable charges for similar service for comparison purposes only and is not intended to be a complete listing of All rates and charges offered by each listed utility.

Table 7
City of Tampa, Florida
Water and Wastewater Capacity Fee Study

Comparison of Water and Wastewater Capacity Fees (Impact Fees) (1 ERC) [1]

[2] The City current charges a Contribution-In-Aid-Of-Construction or CIAC within the specified transmission areas. The existing CIAC is based on actual transmission infrastructure costs to serve the customers in each area.

[3] Amount includes the supply/treatment component and transmission component of the water capacity fee applied City-wide, excluding the CIAC transmission areas.

[4] The proposed water capacity fees in the CIAC transmission areas include the proposed supply/treatment component of $1,530 per ERC plus the existing CIAC charges as follows:

	Existing CIAC
Downtown South Tampa CIAC per ERC	$2,145
Northeast Area / Northeast Subarea CIAC per ERC	$2,724