

Wellness Ridge Community Development District

Irrigation Rate Study

Miscellaneous Charge Study



October 2025



Willdan Financial Services



Cost Allocation and
User Fee Studies



Development
Impact Fees



Utility Rates



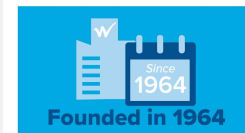
Financial and Economic
Impact and Feasibility



Special District Formation
and Administration
(CFD, AD)



Bond Compliance
(IRS and SEC)



Founded in 1964



50+
Offices
Nationwide



800+
Municipal/Government Clients

Experience
across

13 States **7** Countries



Experience
spanning

30+ Years



240+
Utility Rate Studies
in the past 5 years



Members of

American
Water Works
Association
AWWA

The Water
Environment
Federation
WEF

The Water
Reuse
Foundation
WRF

National
Association of
Certified
Valuators and
Analysts
NACVA

**DIVERSE
STAFF**



Project
Managers



Financial
Consultants



Community
Engagement
Experts



CPA's



Certified
Valuation
Analyst



BACKGROUND & CONSIDERATIONS

Irrigation Rate Study



System Background

- The system to be operated in accordance with Consumptive Use Permit (CUP)
- Proposed CUP Gallonage Allowances:

Land Use	Annual Gallons
Single Family Residential Dwellings (SFD)	50,837,740
Townhomes (TH)	8,292,640
Common Areas (CA)	30,968,136
Total	90,098,516

Basic Principles of Rate Setting

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

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

Rates must recover the appropriate cost of service.

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

Rate Study Objectives

The primary goals and objectives of the Irrigation Rate Study include:

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

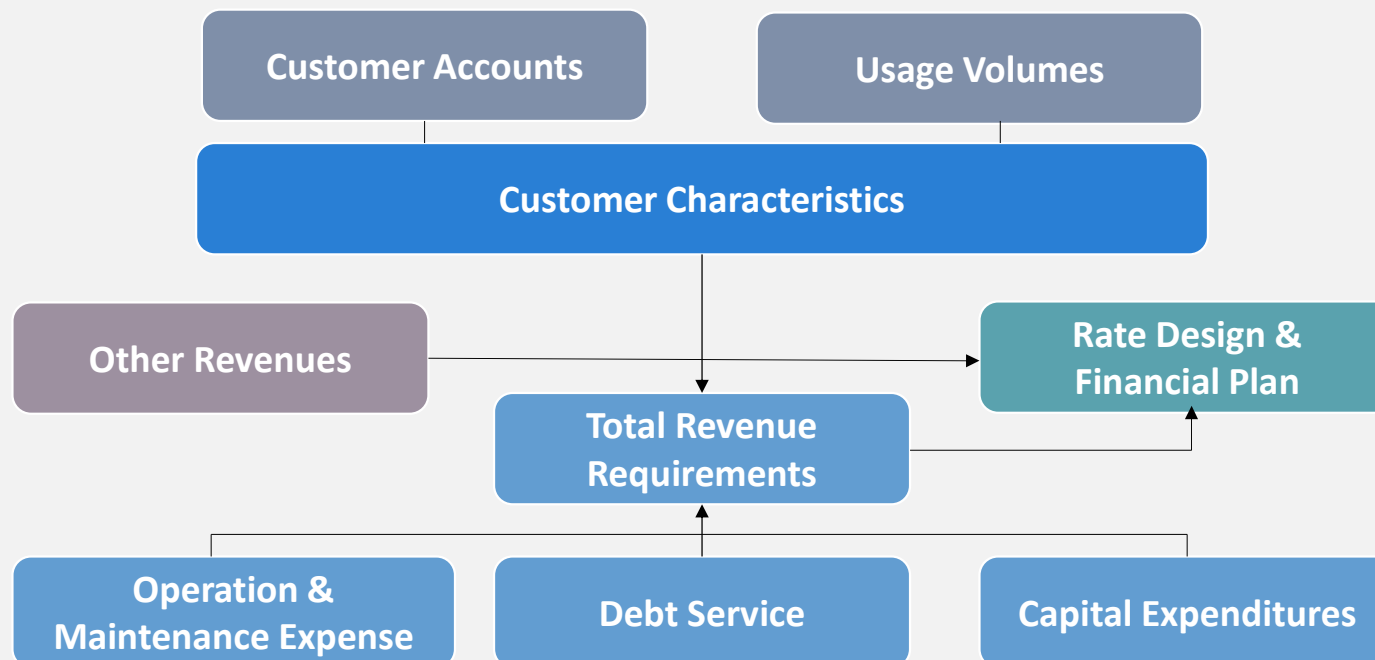


RATE DESIGN PROCESS

Irrigation Rate Study



General Rate Study Methodology



Rate-Setting Considerations

Common industry standards

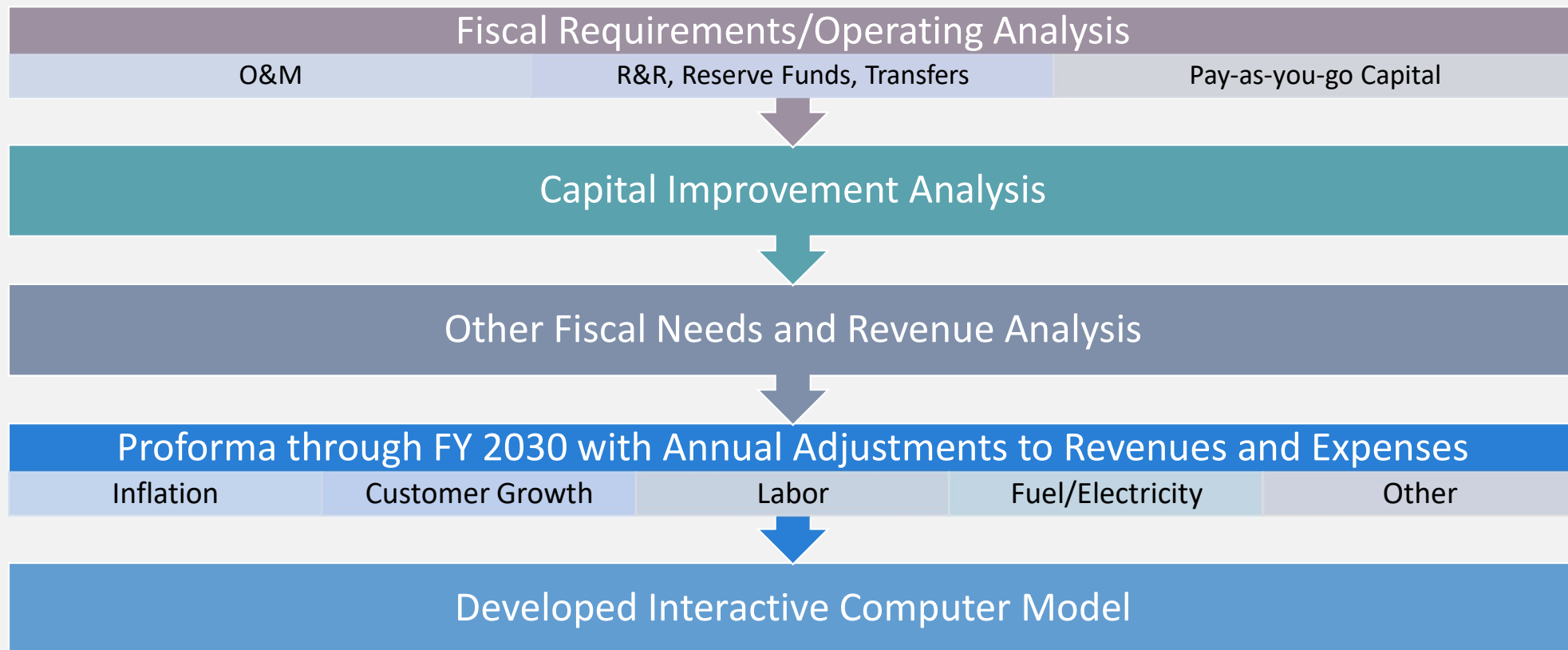
Impact on existing customers

Water conservation goals

Current growth conditions

Comparability with a neighboring utility

What Was Done?



Block Allowances for Irrigation Rates

Irrigation block allowances based on lot size for residential customers

- Promotes responsible irrigation water use
- Ensures equity among customers
- Aligns with the irrigation usage allowances included in the District's CUP

Customer Type / Lot Size	Block 1	Block 2
Single-Family Residential (SFR) per Dwelling Unit		
SFD 60	0 - 4,300	Above 4,300
SFD 50	0 - 3,300	Above 3,300
SFD 41 FL	0 - 2,700	Above 2,700
SFD 40 RL	0 - 2,600	Above 2,600
SFD 32 RL	0 - 2,400	Above 2,400
Townhomes (TH) per Dwelling Unit		
TH 25 RL	0 - 1,500	Above 1,500
TH 22	0 - 1,500	Above 1,500
Non-Residential		
Common Areas	All Flow	N/A
Note: (1) Master-Metered connection Block Allowance are multiplied by number of dwelling units per master-metered connection.		

Proposed Irrigation Rates

Description	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Base Charge (per customer/dwelling unit)					
SFD 60	\$ 9.74	\$ 10.08	\$ 10.43	\$ 10.80	\$ 11.18
SFD 50	\$ 9.74	\$ 10.08	\$ 10.43	\$ 10.80	\$ 11.18
SFD 41 FL	\$ 9.74	\$ 10.08	\$ 10.43	\$ 10.80	\$ 11.18
SFD 40 RL	\$ 9.74	\$ 10.08	\$ 10.43	\$ 10.80	\$ 11.18
SFD 32 RL	\$ 9.74	\$ 10.08	\$ 10.43	\$ 10.80	\$ 11.18
TH 25 RL	\$ 2.44	\$ 2.52	\$ 2.61	\$ 2.70	\$ 2.80
TH 22	\$ 2.44	\$ 2.52	\$ 2.61	\$ 2.70	\$ 2.80
Common Areas	\$ 9.74	\$ 10.08	\$ 10.43	\$ 10.80	\$ 11.18
Usage Charge Per 1,000 Gallons (Per Customer Dwelling Unit/Lot Size):					
Block 1	\$ 2.56	\$ 2.65	\$ 2.74	\$ 2.84	\$ 2.94
Block 2	\$ 6.40	\$ 6.63	\$ 6.85	\$ 7.10	\$ 7.35

Note: Rates shown above for FY 2027 through FY 2030 include an annual adjustment of 3.5% for inflation. District will adjust the prior year rate by the Florida Public Service Commission Annual Deflator Index, therefore, actual rates for the period may differ slightly from those presented above.

Typical Monthly Bill Comparison – Irrigation

SFD 32 RL – 2,400 gallon cap per month

Customer Type	Gallons	Monthly Charges		Difference		
		FY 2026 Clermont	FY 2026 Wellness Ridge CDD	\$ Amount	Percent	
SFD 32 RL						
All	0	\$ 9.99	\$ 9.74	\$ (0.25)	-2.50%	
All	1,000	\$ 12.60	\$ 12.30	\$ (0.30)	-2.38%	
All	2,000	\$ 15.21	\$ 14.86	\$ (0.35)	-2.30%	
All	2,400	\$ 16.25	\$ 15.88	\$ (0.37)	-2.28%	
All	3,000	\$ 17.82	\$ 19.72	\$ 1.90	10.68%	
All	4,000	\$ 20.43	\$ 26.12	\$ 5.69	27.87%	
All	5,000	\$ 23.04	\$ 32.52	\$ 9.48	41.16%	

SFD 60 – 4,300 gallon cap per month

Customer Type	Gallons	Monthly Charges		Difference		
		FY 2026 Clermont	FY 2026 Wellness Ridge CDD	\$ Amount	Percent	
SFD 60						
All	0	\$ 9.99	\$ 9.74	\$ (0.25)	-2.50%	
All	1,000	\$ 12.60	\$ 12.30	\$ (0.30)	-2.38%	
All	2,000	\$ 15.21	\$ 14.86	\$ (0.35)	-2.30%	
All	3,000	\$ 17.82	\$ 17.42	\$ (0.40)	-2.24%	
All	4,000	\$ 20.43	\$ 19.98	\$ (0.45)	-2.20%	
All	4,300	\$ 21.21	\$ 20.75	\$ (0.47)	-2.19%	
All	5,000	\$ 23.04	\$ 25.23	\$ 2.19	9.50%	

Recommendations



Adopt the proposed annual rates during FY 2026. Thereafter, adjust the rates annually based on the Florida Public Service Commission Annual Deflator Index.

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

Provide for a comprehensive review of the Irrigation Rates a minimum of every 5 years.



PROCEDURE AND ANALYSIS

Miscellaneous Charge Study



What Was Done?

Identified
Miscellaneous
Charges

Developed Standard
Unit Cost Rates:

- Labor
- Capital Equipment
- Supplies

Calculated Charges:

- Preliminary
- Service
- Administrative

Preliminary Charges

Description		Proposed Charge
PRELIMINARY CHARGES		
Application Fee		
Developer/Builder	\$	50.00
Customer	\$	25.00
Meter Installation/Service Initiation Charge		
Residential Irrigation Service 3/4" Meter	\$	650.00
Residential Irrigation Service 1" Meter	\$	850.00
Commercial and all other sizes		At Cost

Service Charges

Description	Proposed Charge
SERVICE CHARGES	
Connection/Disconnection of Service	\$ 135.00
After Hours Connection/Reconnection of Service	\$ 295.00
Meter Re-read / Leak Inspection Fee	\$ 140.00
Meter Accuracy Test Fee	\$ 380.00 + Cost
Missing or Damaged Equipment Fees	
Padlock	\$ 20.00
Locking Device	\$ 20.00
Meter, any other than hydrant	At Cost
Meter Box - Lid Replacement	\$ 30.00
Meter Box - Full Replacement	\$ 155.00
Hydrant Meter	\$ 500.00

Administrative Charges

Description	Proposed Charge
ADMINISTRATIVE CHARGES	
Late Payment Charge ⁽¹⁾	\$ 15.00
Returned Check Fee ⁽²⁾	
Face Amount <= \$50	\$ 25.00
Face Amount > \$50 and <= \$300	\$ 30.00
Face Amount > \$300	\$ 40.00
Face Amount > \$800	5% of face value of check
Illegal Water Use (Fine plus actual usage)	
First Offense	\$ 980.00
Repeat Offense	\$ 2,000.00

Notes:

(1) Greater of fixed fee or 1.5% of unpaid balance.

(2) As per FL Statutes 832.07 and 832.08.

Findings and Recommendations

The District does not currently have a comprehensive list of miscellaneous charges.

Adopt the miscellaneous charges proposed.

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

Include language for the Miscellaneous Charges in the District's Policy Manual.



Questions?



Disclaimer

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

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