

Village of Tequesta

345 Tequesta Drive
Tequesta, FL 33469



561-768-0700
www.tequesta.org

October 17, 2017

To Whom It May Concern:

Reference: 2017 Rate Increase

In 2015, the Village of Tequesta Utility Department had Public Resources Management Group, Inc. (PRMG) review the rate sufficiency for the Village of Tequesta's Water Utility.

The objective of the study was to develop a utility rate that met the water utilities expenditure and funding requirements in order to maintain sound financial operations and finance the needs of the water system. Such needs include system rehabilitation and replacements of equipment at the Water Treatment Facility and within the Water Distribution system.

1. The rate should maintain a good financial position consistent with performance criteria used by credit rating agencies and the utility industry.
2. Maintenance of adequate operating reserves.
3. The rate should be comparable to neighboring utility systems that have similar characteristics as The Village's water system.

The study revealed that the Utility water revenues from the existing rate was not sufficient to fund Water Treatment Plant expenditures and improvements expenditures. PRMG identified an 8.00% rate adjustment for October 01, 2017.

Sincerely,

Sam Heady

Sam Heady
Deputy Director of Utilities
Village of Tequesta

Vice-Mayor Frank D'Ambra
Council Member Steve Okun

Mayor Abby Brennan
Village Manager Michael R. Couzzo, Jr.

Council Member Tom Paterno
Council Member Vince Arena