

Northern Node Project Cost-to-Rate Comparison										
Project	Estimated Capital Cost ¹	Equivalent Residential Connections Added	Cost per Added Connection	Total Equivalent Residential Connections ^{2,3}	Cost per Total Connections	Annual Operating & Maintenance Expenses	80/20 Monthly Rate ^{4,5,8,9}	50/50 Monthly Rate ^{4,8,9,11}	Potential Future Equivalent Residential Connections ⁶	Conforms to County Comprehensive Plan
Nassawadox (incl. Hospital Campus) Collection	\$ 4,732,635			336	\$ 14,085				87	Yes
Exmore Collection	\$ 7,296,758			600	\$ 12,161				177	Yes
Hare Valley (Bayside Road) Collection	\$ 5,006,092			137	\$ 36,541				75	Yes
Alt. 1: Towns & County with 1 Treatment Plant	\$ 32,791,504			1,073	\$ 30,561	\$ 399,015	\$40.25	\$ 78.50	339	
1 - Franktown Rd Collection Extension	\$ 462,431	42	\$ 11,010	1,115	\$ 29,824				13	No
2 - Brickhouse Rd Collection Extension	\$ 399,432	61	\$ 6,548	1,134	\$ 29,269		\$40.25		30	Yes
3 - Lankford Hwy Collection Extension	\$ 291,148	22	\$ 13,234	1,095	\$ 30,212				29	No
4 - Pine Tree Rd Collection Extension	\$ 303,785	19	\$ 15,989	1,092	\$ 30,307		\$42.00		9	Yes
5 - Giddens Rd/Sample Ct Collection Extension	\$ 235,932	25	\$ 9,437	1,098	\$ 30,080		\$41.75		7	Yes
Alt. 1 Extended: Towns & County + Options 2,4,5	\$ 34,801,807	105		1,178	\$ 29,543	\$ 418,727	\$39.50	\$ 75.75	427	
Nassawadox (incl. Hospital Campus) Collection	\$ 4,670,546			336	\$ 13,900				87	Yes
Exmore Collection	\$ 7,293,518			600	\$ 12,156				177	Yes
Alt. 2: Nassawadox & Exmore with 2 Treatment Plants	\$ 26,959,728			936	\$ 28,803	\$ 167,394	\$48.00	\$ 91.50	264	
Nassawadox (incl. Hospital Campus) Collection	\$ 4,732,635			336	\$ 14,085				87	Yes
Exmore Collection	\$ 7,296,758			600	\$ 12,161				177	Yes
Connector Force Main	\$ 1,561,118			0	\$ -				137	Yes
Alt. 3: Nassawadox & Exmore with 1 Treatment Plant	\$ 28,229,604			936	\$ 30,160	\$ 362,682	\$46.00	\$ 91.50	401	

Southern Node Project Cost-to-Rate Comparison								
Project	Estimated Capital Cost	Total Equivalent Residential Connections	Cost per Total Connections	80/20 Monthly Rate	70/30 Monthly Rate	60/40 Monthly Rate	50/50 Monthly Rate	Conforms to County Comprehensive Plan
Cheriton (w/ Fairview)	\$ 11,000,000	683	\$ 16,105	\$ 40.25	\$ 46.50	\$ 52.75	\$ 59.00	Yes

- Notes:
- Estimated Capital Costs are for materials, construction, engineering, inspection, legal, and land acquisitions.
 - Total Equivalent Residential Connections are the sum of 80% of the residences and businesses served by the project.
 - 1 commercial connection = 2.5 residential connections
 - Monthly rates includes annual operations, maintenance costs, equipment repair and replacement budgets.
 - 80/20 Monthly Rate based on 80% grant funding and 20% loan funding at 0% for 30 years
 - A potential future connection does not require the extension of an existing vacuum main.
 - Alt 1 Extended: Towns & County + Options 2,4,5 includes a 15% increase in treatment plant, dispersal field, and associated operation & maintenance costs.
 - The calculated rate assumes revenue of \$120,000 annually from the septage receiving facility and \$30,000 annually from the composting facility.
 - The lowest rate allowable for Northampton County is approximately \$33.00/month in order to receive funding from US Department of Agriculture - Rural Development.
 - Start-up staffing is one (1) administrator/supervisor and one (1) technician. Additional staffing is required beyond year 5.
 - 50/50 Monthly Rate based on 50% grant funding and 50% loan funding at 0% for 30 years.
 - All Monthly Rate calculations are based on a loan term of 30 years at 0% interest.
 - Southern Node Project cost-to-rate calculations model uses a performance criteria for annual cashflow at a minimum of 110% (revenue/expenses) by year 4 of operation. This differs from the Preliminary Engineering Report, Northampton County Southern Node submitted July 16, 2010. Discussions with funding agencies reveal that the performance criteria of 110% may meet funding requirements which would result in lower monthly rates.