

Choctaw Lake Utilities, Inc.
Upgrade and Replacement Cost Analysis and Calculation

Inventory Replacement					
Project	Estimated Replaced Cost	Useful Life	Annual Cost	Monthly Cost	Per PO per Month
Replace Distribution Lines	\$ 2,000,000.00	45	\$ 32,608.7	\$ 2,717.39	\$ 3.10
Replace Hydrants	\$ 100,000.00	29	\$ 3,000.0	\$ 250.00	\$ 0.29
Replace Detention Tank	\$ 180,000.00	29	\$ 5,500.0	\$ 458.33	\$ 0.52
Replace Aeration Tower	\$ 45,000.00	29	\$ 1,000.0	\$ 83.33	\$ 0.10
Replace Filters	\$ 200,000.00	29	\$ 6,821.8	\$ 568.49	\$ 0.65
Replace High Service Pumps	\$ 60,000.00	29	\$ 1,500.0	\$ 125.00	\$ 0.14
Replace Generator	\$ 50,000.00	30	\$ -	\$ -	\$ -
Replace Well Pumps	\$ 45,000.00	7	\$ 3,125.0	\$ 260.42	\$ 0.30
Replace Chlorine Injection System	\$ 1,500.00	10	\$ -	\$ -	\$ -
Replace Orthophosphate Injection System	\$ 1,500.00	10	\$ -	\$ -	\$ -
Dredge Iron Lagoon	\$ 50,000.00	59	\$ 791.5	\$ 65.96	\$ 0.08
Tower Maintenance	\$ 140,000.00	9	\$ 9,000.0	\$ 750.00	\$ 0.86
Subtotal	\$ 2,873,000.00		\$ 63,347.1	\$ 5,278.92	\$ 6.03
Emergency Reserves	\$ 50,000.00				
Debt Service - See Calculation Below	\$ 2,450,000.00		\$ 146,424.44	\$ 12,202.04	\$ 13.93
Subtotal	\$ 2,450,000.00		\$ 146,424.44	\$ 12,202.04	\$ 13.93
Total	\$ 5,323,000.00		\$ 209,771.50	\$ 17,480.96	\$ 19.96

Total Number of POs	876
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Debt Service	
Principal Amount	\$ 2,450,000
Annual Interest Rate	1.85%
Term of the Loan (YRS)	20
Monthly Payment	\$12,202.04