



Utility Rate Analysis

Water, Sewer & Reclaimed Water Rates

Presentation by Burton & Associates (5/19/15)

Summary of Results

► Modest Plan of Rate Adjustments Needed:

- ÿ Funds adequate renewal and replacement to provide reliable service
- ÿ Ensures sustainable financial health and credit rating of utility systems
- ÿ More moderate than recent increases adopted in FY 2012 – FY 2015

“Typical” Retail Customer Account

Based on 5,000 Gallons per Month

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Water Bill	\$30.25	\$30.76	\$31.32	\$31.88	\$32.45
Sewer Bill	<u>\$37.46</u>	<u>\$37.46</u>	<u>\$37.84</u>	<u>\$38.22</u>	<u>\$38.61</u>
Total Bill	\$67.71	\$68.22	\$69.16	\$70.10	\$71.06
\$ Change	N/A	\$0.51	\$0.94	\$0.94	\$0.96
% Change	N/A	0.75%	1.38%	1.36%	1.37%

Water System – Proposed Rate Plan

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Retail/Wholesale	1.75%	1.75%	1.75%	1.75%

RETAIL SERVICE	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Base Charge	\$6.35	\$6.46	\$6.57	\$6.68	\$6.80
Usage Charge (\$ / TGAL)	\$4.78	\$4.86	\$4.95	\$5.04	\$5.13
Monthly Bill (5,000 gallons)	\$30.25	\$30.76	\$31.32	\$31.88	\$32.45

WHOLESALE	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Rate / TGAL	\$3.8557	\$3.9232	\$3.9919	\$4.0618	\$4.1329

Note: TGAL = Thousand Gallons

Sewer System – Proposed Rate Plan

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Retail/Wholesale	0.00%	1.00%	1.00%	1.00%

RETAIL SERVICE	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Base Charge	\$13.26	\$13.26	\$13.39	\$13.52	\$13.66
Usage Charge (\$ / TGAL)	\$4.84	\$4.84	\$4.89	\$4.94	\$4.99
Monthly Bill (5,000 gallons)	\$37.46	\$37.46	\$37.84	\$38.22	\$38.61

WHOLESALE	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Rate / TGAL	\$4.1783	\$4.1783	\$4.2201	\$4.2623	\$4.3049

Note: TGAL = Thousand Gallons

Reclaimed Water – Proposed Rate Plan

Monthly Bill – Unmetered Service

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Availability Charge*	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00
User Fee	<u>\$12.00</u>	<u>\$13.00</u>	<u>\$14.00</u>	<u>\$15.00</u>	<u>\$16.00</u>
Total Bill	\$19.00	\$20.00	\$21.00	\$22.00	\$23.00

Monthly Bill – Metered Service

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Availability Charge*	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00
User Fee (20 TGAL)	<u>\$19.20</u>	<u>\$20.20</u>	<u>\$21.20</u>	<u>\$22.20</u>	<u>\$23.20</u>
Total Bill	\$26.20	\$27.20	\$28.20	\$29.20	\$30.20

Rate (\$ / TGAL)	\$0.96	\$1.01	\$1.06	\$1.11	\$1.16
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*Users on Funded Systems (those where the property owner/developer funded the local reclaimed water distribution infrastructure) do not pay an Availability Charge.

Closing Comments

- ▶ Outlook is positive due in large part to recent rate adjustments
- ▶ Combined reserve targets satisfied
 - ÿ Strong financial profile of rating agencies
- ▶ Debt service coverage targets satisfied
- ▶ Future revenue requirements will be affected by:
 - ÿ Timing & extent of future infrastructure R&R requirements
 - ÿ Any changes in demands and/or operating costs
 - ÿ Cost of purchased water from Tampa Bay Water (TBW)
 - ÿ Policies/programs adopted by the Board as a result of the Utility Business Case study.
- ▶ County is currently and is expected to remain very comparable in the cost of water, sewer, and reclaimed water utility services



Thank You!