



Pinellas County Utilities

Water, Sewer, and Reclaimed Water Rate Study

February 6, 2023





Overview



Enterprise funds self-supported by rates



Continuous evaluation of infrastructure needs



Proactive financial and rate management is critical



Rate adjustments needed to fund projected costs

- Capital Improvement Plan
- Rising Operating Costs
- Tampa Bay Water Purchases



Recommended Annual Rate Adjustments

Fund	New Borrowing (FY 24 – FY 32)	4-Year Plan				Future Projections
		FY 24	FY 25	FY 26	FY 27	FY 28 – FY 32
Water	\$95M	5.0%	5.0%	5.0%	5.0%	5.0%
Sewer	\$59M	4.0%	4.0%	4.0%	4.0%	4.0%

** The Water Enterprise Fund does not currently have outstanding debt*

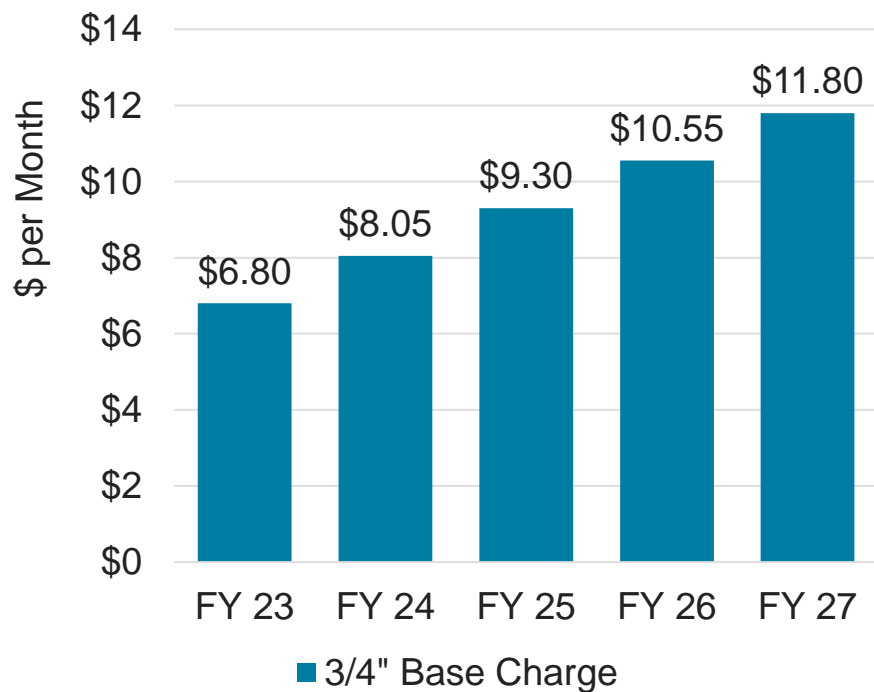


Water System Rate Structure Modifications

1) Increase monthly base charges to improve revenue stability

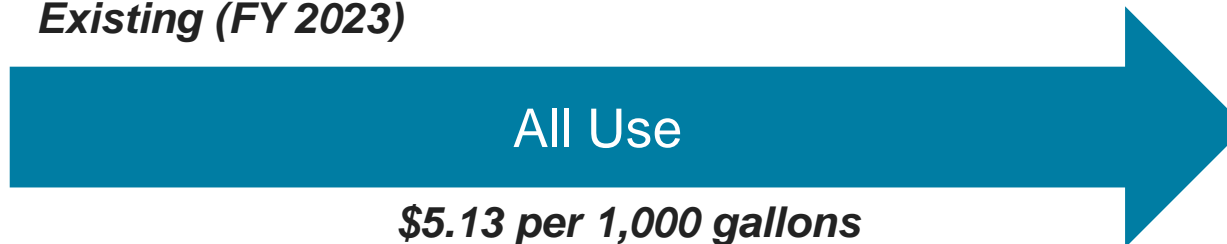
• Revenue from Base Charges:

- FY 23 = 16%
- FY 27 = 22%

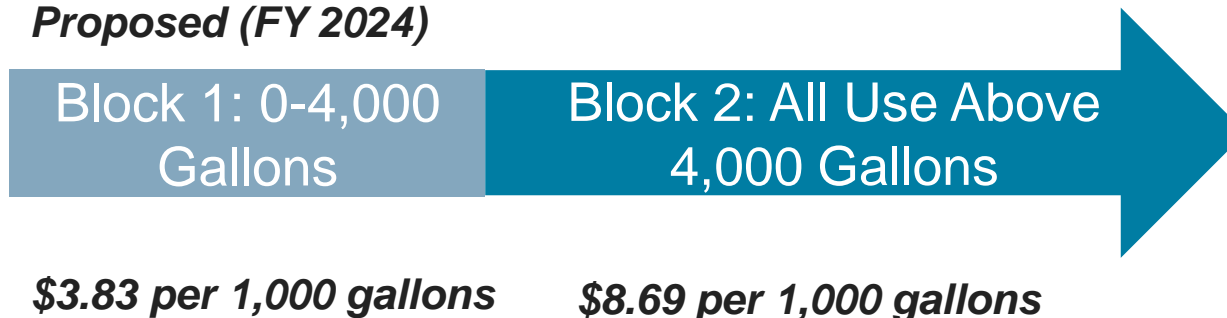


2) Two-block volumetric rate for residential/multi-family customers

Existing (FY 2023)



Proposed (FY 2024)





Water Residential Customer Monthly Bill Impacts

Example Customer	Monthly Water Use (Gallons)	Description	FY 23 (Existing)	FY 24 (Proposed)	FY 25 (Proposed)	FY 26 (Proposed)	FY 27 (Proposed)
Base Charge (5/8" or 3/4" Meter)			\$6.80	\$8.05	\$9.30	\$10.55	\$11.80
• 1 or 2-person household • No outdoor water use	2,000	Monthly Bill	\$17.06	\$15.71	\$17.16	\$18.65	\$20.18
		\$ Change		(\$1.35)	\$1.45	\$1.49	\$1.53
• 3 or 4-person household • Irrigation well	5,000	Monthly Bill	\$32.45	\$32.06	\$33.96	\$35.96	\$38.07
		\$ Change		(\$0.39)	\$1.90	\$2.00	\$2.11
• Household using potable water for irrigation	10,000	Monthly Bill	\$58.10	\$75.51	\$78.66	\$82.01	\$85.62
		\$ Change		\$17.41	\$3.15	\$3.35	\$3.61

27% use 2,000 gallons or less

43% use 2,000 - 5,000 gallons

20% use 5,000 - 10,000 gallons

Year 1: implement volumetric blocks

Rate increases applied to base and volumetric charges



Summary of Customer Impacts

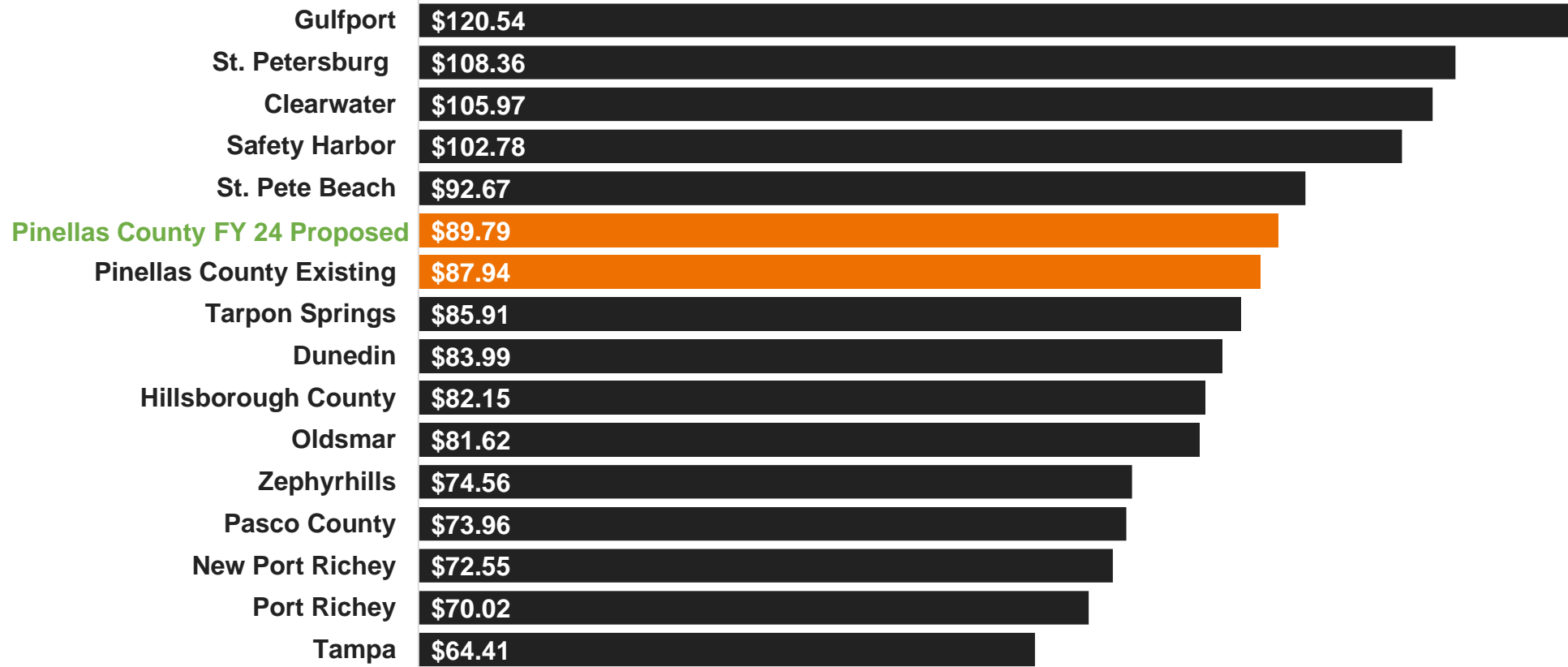
“Typical” Residential Retail Customer Account
Based on 5,000 Gallons per Month

	FY 23 (Existing)	FY 24 (Proposed)	FY 25 (Proposed)	FY 26 (Proposed)	FY 27 (Proposed)
Water Bill	\$32.45	\$32.06	\$33.96	\$35.96	\$38.07
Sewer Bill	\$55.49	\$57.73	\$60.05	\$62.45	\$64.93
Total Bill	\$87.94	\$89.79	\$94.01	\$98.41	\$103.00
\$ Change	\$4.80	\$1.85	\$4.22	\$4.40	\$4.59
% Change	5.8%	2.1%	4.7%	4.7%	4.7%



Local Residential Water & Sewer Bill Comparison

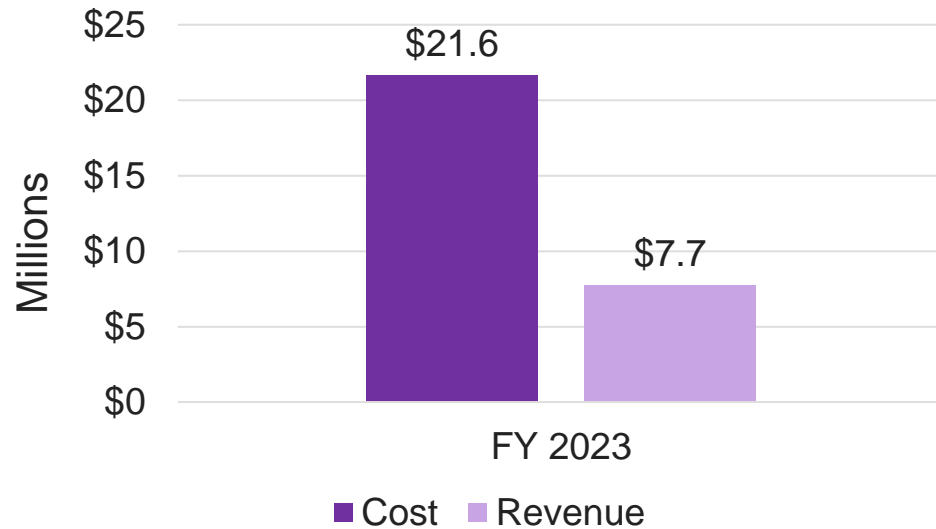
FY 23 Rates: 5,000 Gallons per Month





Reclaimed Water System

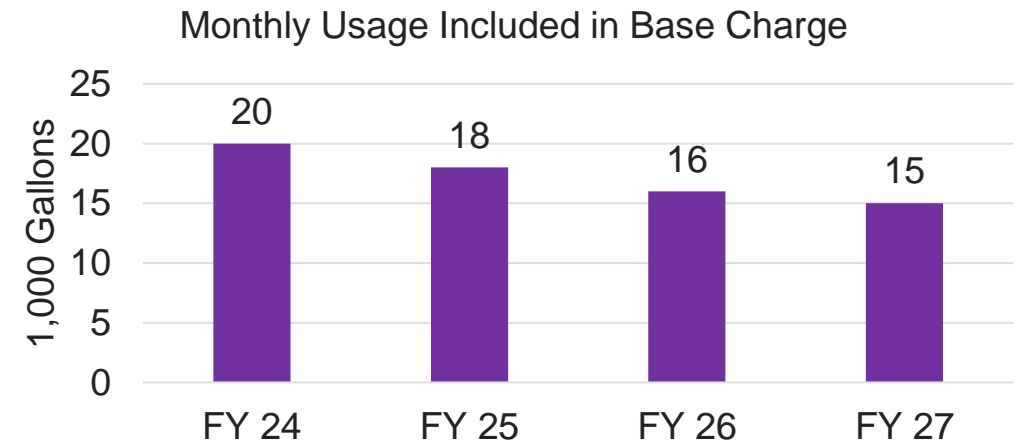
- PCU provides reclaimed water to approximately 15% of its customers
- Funded through the Sewer Enterprise Fund



Used primarily for the irrigation of residential lawns, landscaping, and golf courses

Results

- Establish a base charge inclusive of a usage allowance
- Annual increases to minimize burden to sewer rates





Reclaimed Water Monthly Bills

Customer Type	Monthly Use	% of Reclaimed Customers	Description	FY 23 (Existing)	FY 24 (Proposed)	FY 25 (Proposed)	FY 26 (Proposed)	FY 27 (Proposed)
Un-metered ¹	N/A	3%	Monthly Bill	\$22.00	\$23.00	\$24.00	\$25.00	\$26.00
			\$ Change		\$1.00	\$1.00	\$1.00	\$1.00
Metered	20,000	<0.5%	Monthly Bill	\$29.40	\$23.00	\$27.88	\$33.92	\$38.80
			\$ Change		(\$6.40)	\$4.88	\$6.04	\$4.88
County Funded Un-metered ^{1 2}	N/A	95%	Monthly Bill	\$29.00	\$30.00	\$31.00	\$32.00	\$33.00
			\$ Change		\$1.00	\$1.00	\$1.00	\$1.00
County Funded Metered ²	20,000	2%	Monthly Bill	\$36.40	\$30.00	\$34.88	\$40.92	\$45.80
			\$ Change		(\$6.40)	\$4.88	\$6.04	\$4.88
	15,000		Monthly Bill	\$29.05	\$30.00	\$31.00	\$32.00	\$33.00
			\$ Change		\$0.95	\$1.00	\$1.00	\$1.00

1) PCU expects to meter all reclaimed customers by FY 27

2) Includes \$7 monthly availability charge



Thank You!



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