



Reclaimed Water Rate Framework

Jeremy Waugh, PE, PMP - Director – Utilities Department

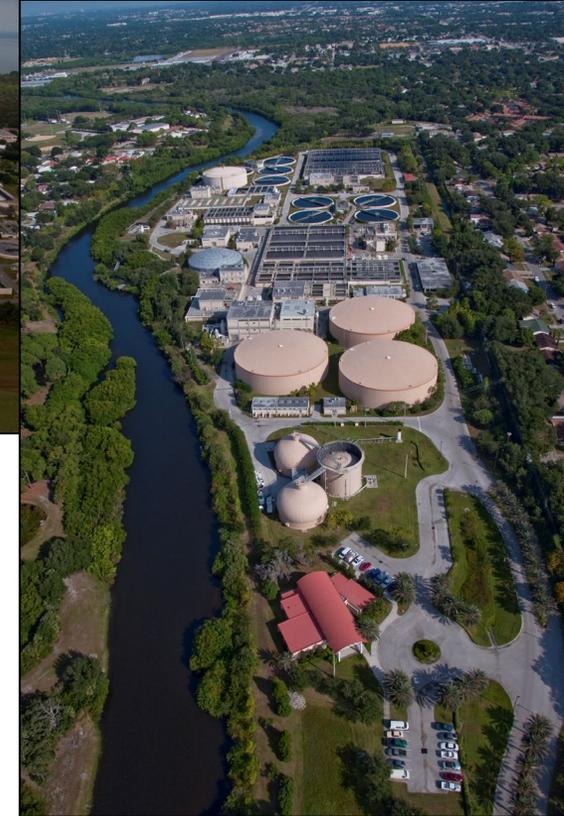
Noralvys Hancock, EI, – Deputy Director

Linda Benoit – Financial Services Div. Director

Brief History Summary

Calendar year 2023 into 2024

- **Extended drought conditions**
- **Substantial strain on RCW systems**
- **Customer experience supply deficiencies**

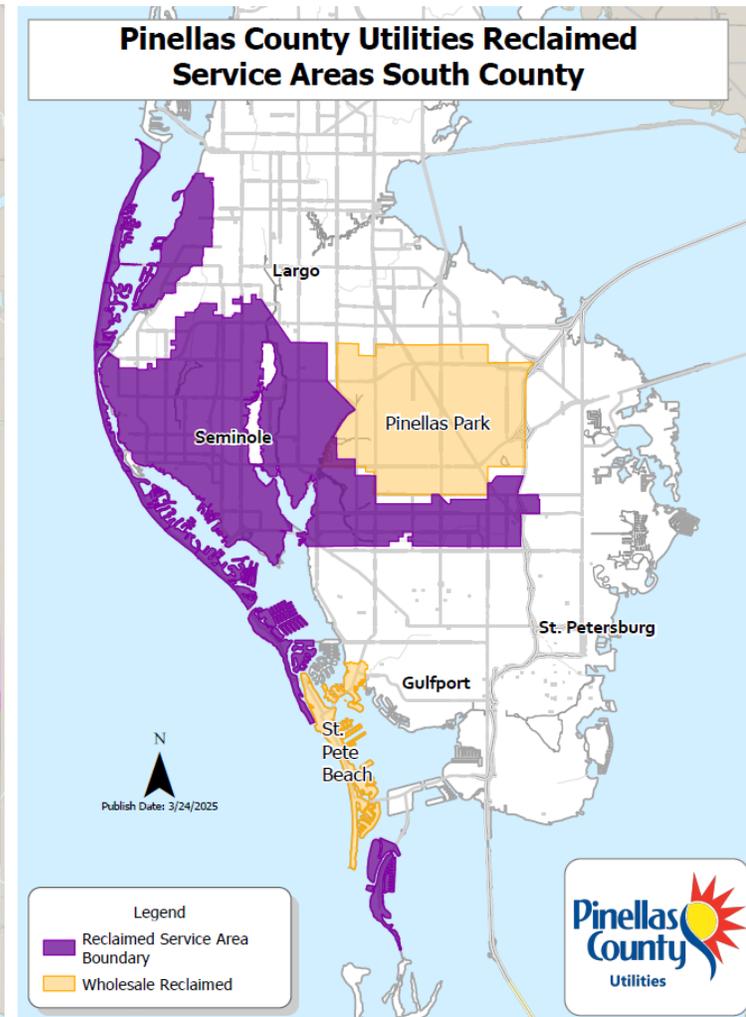
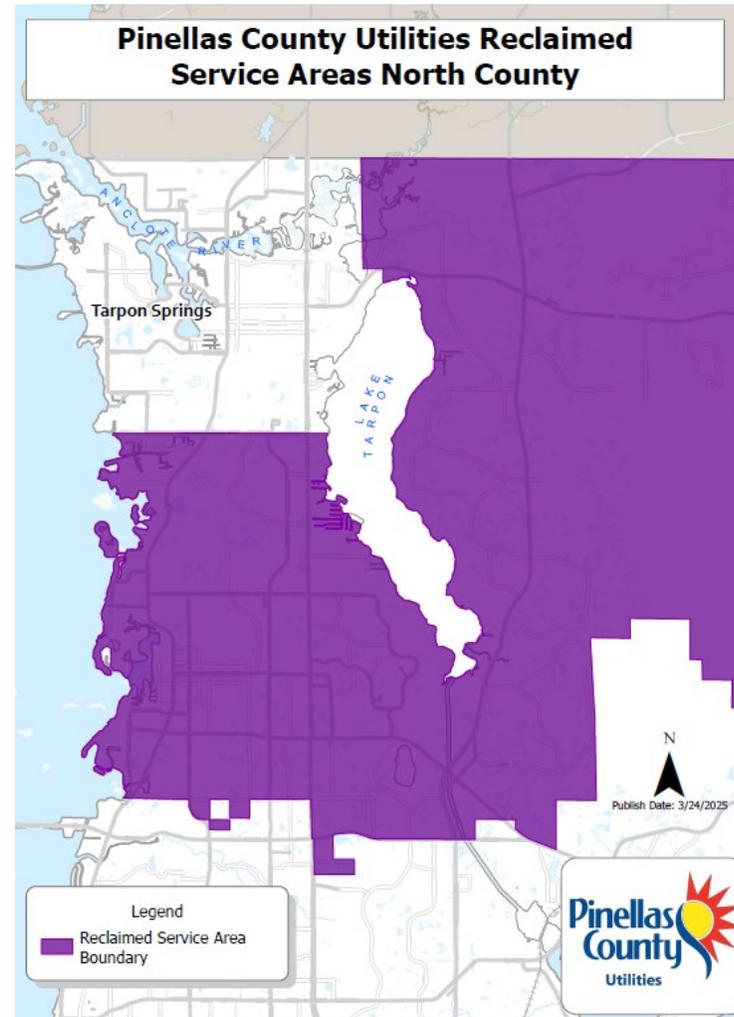


April 2025

- **PCU presented Update of RCW system status**
- **Presented “Demand Side Options” vs. “Supply Side Options”**
- **BCC Directed us to engage customers**

Reclaimed Water System

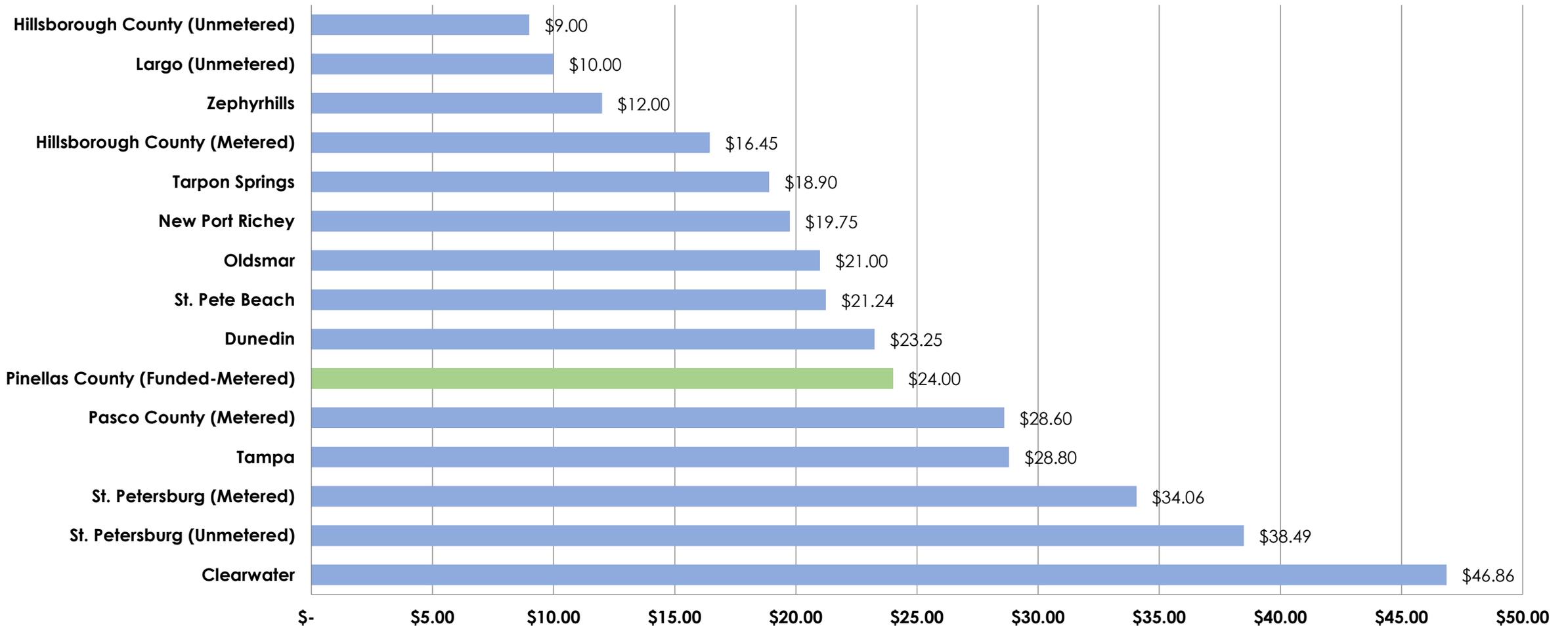
- **RCW System is two separate systems for North County and South County**
- **Total 26,000 customers within the Availability Zones**
- **Total 23,020 customers connected to RCW.**
- **14,783 Active (i.e. metered) Customers**



RCW Option – Demand Side Management



FY 2025 Monthly Reclaimed Water Rate Survey for Residential Customers @ 18,000 Gallons



Reclaimed Water Current CIP Projects



- **South Cross Bayou AWRF High Service Pump Improvements**
 - Status: At 90% Design. Construction Not Funded. \$40M
- **W.E. Dunn WRF Offsite Reclaim Pump Station Improvements**
 - Status: Under Construction. Complete Spring 2027
- **Advanced Metering Infrastructure (AMI) Reclaimed Water Meters**
 - Status: 98% Construction complete
- **Chestnut Park Aquifer Storage and Recovery (ASR) System Project**
 - Status: Well Construction Start Spring 2026. Intake Structure – Construction not funded (waiting on input from FDEP). \$30M
- **North County In-Line Reclaimed Water Booster Station**
 - Status: Phase 1 Construction Complete Phase 2 Design Complete. Construction Not Funded \$4.5M

Customer Engagement Alternatives



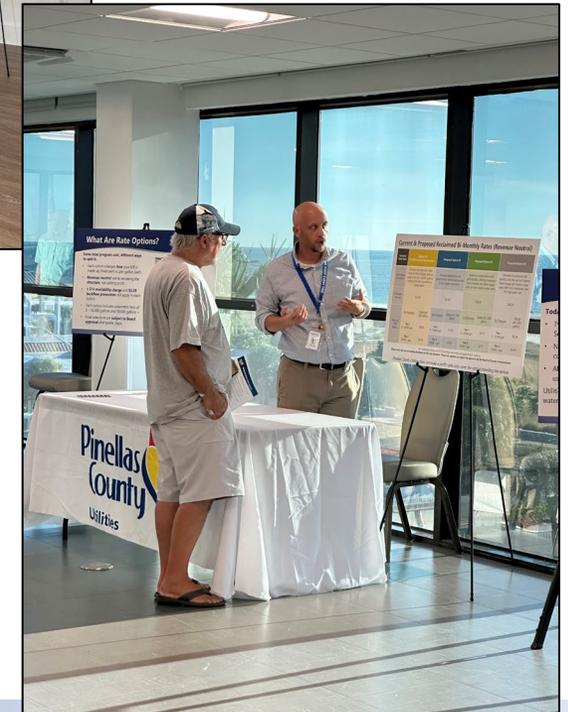
Current & Proposed Reclaimed Monthly Rates (Revenue Neutral)

<u>Reclaimed Water Rates</u>	<u>Current FY 2025 Retail</u>	<u>Option #1 Retail</u>			<u>Option #2 Retail</u>			<u>Option #3 Retail</u>		
User Fee Monthly	\$24.00	\$10.00			\$15.00			\$20.00		
Availability Fee	\$7.00	\$7.00			\$7.00			\$7.00		
Volumetric Rate per 1,000 Gallons	\$1.94 ¹	<u>Tier Threshold</u>	<u>Volumetric Charge</u>	<u>Price Ratio</u>	<u>Tier Threshold</u>	<u>Volumetric Charge</u>	<u>Price Ratio</u>	<u>Tier Threshold</u>	<u>Volumetric Charge</u>	<u>Price Ratio</u>
		0 – 15,000 gals.	\$0.82	1.00	0 – 15,000 gals.	\$0.60	1.00	0 – 15,000 gals.	\$0.39	1.00
		15,000 + gals	\$4.92	6.00	15,000 + gals	\$3.62	6.00	15,000 + gals	\$2.32	6.00

¹ Volumetric rate per 1,000 gallons over volumetric allowance (18,000 gallons)

Customer Engagement Surveys

- **PCU held 5 Live Community Meetings**
 - 3 In-Person and 2 Zoom meetings
 - Participants filled out parting Survey
 - 134 respondents
- **Customer Feedback Themes**
 - Fees should be based on Actual Usage
 - Reduce flat rates because of Supply/Pressure Issues
 - North/South County systems have different Supply/Pressures/Watering Days but same rates.



New Rate Study Decision Framework



- Starting new Rate Study for Water/Sewer/RCW rates 2026.
- Existing RCW Finance Status:

FY25 - Revenues:	Wholesale	\$1,054,802
	<u>Retail</u>	<u>\$8,430,972</u>
		\$9,485,774

FY25 - Expenses:	Operations	\$9,387,143
	CIP	\$4,623,810
	<u>Debt Serv.</u>	<u>\$7,207,059</u>
		\$21,218,012

RCW Revenues cover
44.2% of RCW Costs
Currently

Q1 – Should We Have Countywide Rates?



Current Rates Countywide:

First 32,000 gallons = \$25.00 flat rate

Above 32,00 gallons = \$2.23 per 1,000 gallons

	2025 Gallons Distributed	Operational Cost	FY 25 Actual CIP Delivered	Debt Svc Cost	Total FY25 Cost / 1,000 Gallons Delivered
North County	2,600 M	\$3.7M	\$4.5M	\$3.4M	\$4.48
South County	4,000 M	\$5.7M	\$0.1M	\$3.8M	\$2.40

- **North-South Billing would require software changes.**

Q2 – Should We Revisit Golf Course RCW?



Golf Course	Effective Date	Expiration	Volume / Capacity (per Agreement)	Cost Per Agreement	FY25 RCW Billed Consumption	FY25 RCW Charges	Applied FY25 Rate	Quantity Delivered
North 1	06/03/1987	None	Ultimate 1,880,000 gpd; average 860,000 gpd	No cost	9.6 M gal	\$2,721	\$0.283 / 1k gal	11.6 M gal
North 2	02/25/1997	None	County-delivered RCW; wells allowed as substitute	No cost	97.9 M gal	\$27,519	\$0.281 / 1k gal	116.6 M gal
North 3	01/28/1997	None	County guarantee up to 3,000,000 gpd; accepts up to 5,000,000 gpd	No cost	0 gal	\$0		241.9 M gal
North 4	06/02/1987	None	County delivers avg 400,000 gpd when available	No cost	0 gal	\$0		100.66 M gal
North 5	01/15/1987	None	County provides up to 382,000 gpd	No cost	0 gal	\$0		20.3 M gal
South 1	08/24/2021	2041	"When available" up to 400,000 gpd	\$0.10 / 1k gal (agreement)	53.1 M gal	\$14,610	\$0.275 / 1k gal	Unknown

Q3 – Different Retail Rates



**Current State – All customers are Retail Rate.
(Base Fee and per 1,000 gal. volume fee)**

Q3.a - Should we change Rate Types by Land Use:

Currently 14.7k active RCW customers

- North County - 48 commercial customers**
- South County - 113 commercial customers**

*** Because all rates the same, we have not classified different uses well**

Q3.b - Should we base Rate Types on Lot Size:

Large Lot vs. Small Lot? Irrigatable Area Percentage?

Planned Next Steps



- **PCU will be initializing a Rate Consultant Spring 2026**
- **We will incorporate feedback into the rate analyses**
- **We will present several options for BCC to consider Early Spring 2027**
- **New Rates Adopted in June with Effective Date Oct 1, 2027.**
(Provides PCU time to get software changes made and customer communications out in time for Oct. 1 roll out).

Thank You!



Utilities Department

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