

# City of Alachua



## Water, Wastewater & Reclaimed Water Rates FY 2019

**PUBLIC SERVICES**

**RODOLFO VALLADARES, P.E.**

# Billing

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- Most customers are billed monthly
- Water is measured in gallons
- Meters are read to the nearest gallon
- Average single-family household in the City of Alachua usage is 4,690 per month.
- Wastewater bill is based upon water usage.

# Water and Wastewater Costs

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- Treatment cost is adjusted annually due to an increase in expenses; i.e. energy, cost of chemicals, etc.
- Remainder of costs are associated with infrastructure maintenance and operation.

# Criteria for Setting Rates

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- Stable and sufficient revenue
- Fair and Equitable
- Cost-based
- Adequate to cover expenses

# Proposed Rates

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- Typical residential customer will see overall monthly billing that reflects the following difference over current rates:

<b>Water:</b>	<b>\$ 0.39 /Mo</b>	<b>(5,000 Gal/Mo.)</b>
<b><u>Wastewater:</u></b>	<b><u>\$ 0.76 /Mo</u></b>	<b><u>(5,000 Gal/Mo.)</u></b>
<b>Total Monthly Difference:</b>	<b>\$ 1.15</b>	

- Proposed rate changes have been properly noticed to customers (via utility billing) in accordance with **Florida Statute 180.136**



# Proposed Rates

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- Propose total Water Revenue increase of 2.0%; due to PSC adjustment and need for capital improvement projects.
- Propose total Wastewater and Reclaimed Water Revenue increase of 2%; due to PSC adjustment and need for capital improvement projects.

# FY 2019 Water Rates

# Proposed Water Rates

- Typical residential water customer will see overall monthly billing increase:

**Water:           \$ 0.39 /Mo   (5,000 Gal/Mo.)**

- Typical residential consumption: 5,000 gallons per month.



# Customers

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## Water System Customers:

- 3,079 Residential water customers
- 433 Commercial water customers
- 480 Irrigation customers

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**3,992 Total**



# Proposed Water Rates

## Residential Rates

Rate Component	Existing	Proposed
Customer Charge <i>(\$ per month)</i>	\$ 7.97	\$ 8.13
Consumption Charge <i>(\$ per 1,000 gallons)</i>		
0 – 4,000 gallons	\$ 1.89	\$ 1.93
4,001 – 8,000 gallons	\$ 2.46	\$ 2.51
above 8,001 gallons	\$ 3.68	\$ 3.75

Typical Residential rate increase per month of \$ 0.39 for a customer using 5,000 gallons (*includes Availability Charge increase from \$ 1.04 to \$ 1.06 per month*).

**Number of Customers: 3,079**



# Proposed Water Rates

## Non-Residential Rates

Rate Component	Existing	Proposed
Customer Charge <i>(\$ per month)</i>	\$ 7.97	\$ 8.13
Consumption Charge <i>(\$ per 1,000 gallons)</i>	\$ 2.46	\$ 2.51

Typical Non-Residential rate increase per month of \$ 1.18 for a customer using 20,000 gallons.

**Number of Customers: 433**



# Proposed Water Rates

Irrigation Rates		
Rate Component	Existing	Proposed
Customer Charge <i>(\$ per month)</i>	\$ 7.97	\$ 8.13
Consumption Charge <i>(\$ per 1,000 gallons)</i>	\$ 3.68	\$ 3.75

Typical Irrigation rate increase per month of \$ 0.88 for a customer using 10,000 gallons.

**Number of Customers: 480**



# Proposed Water Rates

## All Customer Class Rates

Rate Component	Existing	Proposed
Availability Charge <i>(\$ per month)</i>		
5/8" x 3/4"	\$ 1.04	\$ 1.06
1"	\$ 2.61	\$ 2.71
1 1/2"	\$ 5.88	\$ 6.12
2"	\$ 10.44	\$ 10.86
3"	\$ 23.50	\$ 24.45
4"	\$ 41.78	\$ 43.44
6"	\$ 94.00	\$ 97.80
8"	\$ 167.12	\$ 173.87

Typical Residential rate increase per month of \$ 0.02 for a 5/8" x 3/4" meter.

**Number of Customers: 3,992**

# FY 2019 Wastewater Rates

# Proposed Wastewater Rates

- Typical wastewater residential customer will see overall monthly billing increase:

**Wastewater:                      \$ 0.76 /Mo    (5,000 Gal/Mo)**

- Typical residential wastewater customer generates 5,000 gallons per month usage.

# Customers

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## Wastewater Customers:

- 2,668 Residential wastewater customers
- 340 Non-residential wastewater customers

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**3,008**      **Total**





# HISTORICAL- Projected & Actual Increase

Fiscal Year	Projected	Actual
2013	5.6%	5.6%
2014	5.0%	3.3%
2015	5.0%	3.0%
2016	3.0%	3.0%
2017	Price index adjustment only if feasible.	2.0%
2018	Price index adjustment only if feasible.	2.0%
2019	Price index adjustment only if feasible.	2.0%

# Proposed Wastewater Rates

Residential Rates		
Rate Component	Existing	Proposed
Customer Charge <i>(\$ per month)</i>	\$ 10.44	\$ 10.65
Consumption Charge <i>(\$ per 1,000 gallons)</i>	\$ 5.49	\$ 5.60

Typical Residential rate increase per month of \$ 0.76 for a customer generating 5,000 gallons usage.

**Number of Customers: 2,668**



# Proposed Wastewater Rates

Non-Residential Rates		
Rate Component	Existing	Proposed
Customer Charge <i>(\$ per month)</i>	\$ 10.44	\$ 10.65
Consumption Charge <i>(\$ per 1,000 gallons)</i>	\$ 7.63	\$ 7.78

Typical Non-Residential rate increase per month of \$ 3.21 for a customer generating 20,000 gallons usage.

**Number of Customers: 340**



# Proposed Reclaimed Water Rates

Reclaimed Rates		
Rate Component	Existing	Proposed
Customer Charge <i>(\$ per month)</i>	\$ 7.84	\$ 8.00
Consumption Charge <i>(\$ per 1,000 gallons)</i>	\$ 0.71	\$ 0.72

Typical Reclaimed rate increase per month of \$ 60.16 for a customer generating 6,000,000 gallons usage.

**Number of Customers: 1**

# Proposed Rates

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- Typical residential customer will see overall monthly billing that reflects the following difference over current rates:

**Water:** \$ 0.39 /Mo (5,000 Gal/Mo.)

**Wastewater:** \$ 0.76 /Mo (5,000 Gal/Mo.)

**Total Monthly Difference: \$ 1.15**

- Proposed rate changes have been properly noticed to customers (via utility billing) in accordance with **Florida Statute 180.136**



# Water & Wastewater Rates Recommendation

## **Adopt Ordinance 18-22 on:**

- **Final Reading (August 27, 2018)**

**New rates effective for all billings dated on or after Oct. 1, 2018**



# Questions & Comments

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