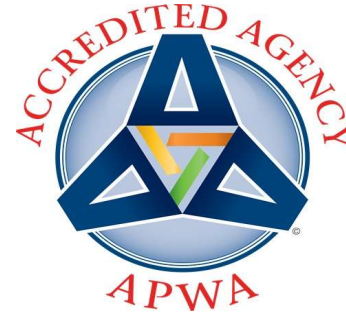


Utility Systems Dept.



Current & Proposed Capital Charges, Line
Charges, Water & Sewer Installation Fees, and
Monthly Usage Rates

Residential Septic Conversions Update



Capital Charges, Miscellaneous Fees, and Monthly Rate Studies

2024 Studies by Raftelis Financial Consultants outlined a series of increases were needed for rates, fees and charges.

- Proposed Capital Charge increases help fund critically needed capital infrastructure projects such as:
 - Range Line Water Treatment Facility
 - Wastewater Infrastructure Upgrades
- A comprehensive analysis of the day-to-day operating costs for administrative staffing, treatment plants, and all field operations determined a series of increases were needed
- Increases to market prices continue to affect the overall cost of operations

Residential Well to Water Conversion Fees

3.5% Increases on Certain Fees Recommended		<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Treatment Plant Capacity		\$4,925.00	\$4,925.00	\$0.00
Meter & Installation		\$1,275.00	\$1,320.00	\$45.00
Conversion Costs		\$909.00	\$941.00	\$32.00
Security Deposit		\$70.00	\$70.00	
Totals		\$7,179.00	\$7,256.00	+ \$77.00
Monthly amount over 10 years		\$59.24	\$59.88	+ \$.64

Note: ± 300 wells are still estimated to be in use that could convert to City water

- 63 conversions per year during last 5 FY's
- 35 conversions estimated for FY24-25

Water
Connection
Fees for New
Residential
Construction
Within Special
Assessment
Districts (SAD's)
and Assessed
Utility Service
Areas (USA's)

3.5% Increases on Certain Fees Recommended	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Treatment Plant Capacity	\$4,925.00	\$4,925.00	\$0.00
Meter & Installation	\$1,275.00	\$1,320.00	\$45.00
Security Deposit	\$70.00	\$70.00	
Total	\$6,270.00	\$6,315.00	+ \$45.00

Water
Connection Fees
for New
Residential
Construction

Outside of
SAD's/USA's,
SW & NW
Annexation
Areas, and
Unincorporated
County

3.5% Increases on Certain Fees Recommended		<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Treatment Plant Capacity		\$4,925.00	\$4,925.00	\$0.00
Line Charge		\$780.00	\$780.00	\$0.00
Meter & Installation		\$1,275.00	\$1,320.00	\$45.00
Security Deposit		\$70.00	\$70.00	
Total		\$7,050.00	\$7,095.00	+ \$45.00

Residential Septic Conversion Fees Within SAD's/USA's

Increases Recommended to System Installation and Abandonment Fees Only	Increases		
	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Treatment Plant Capacity	\$3,250.00	\$3,250.00	\$0.00
Grinder System & Installation	\$3,906.00	\$4,289.00	\$383.00
Septic Abandonment	\$593.00	\$609.00	\$16.00
Security Deposit	\$110.00	\$110.00	
Total	\$7,859.00	\$8,258.00	\$399.00
Monthly amount over 10 years	\$64.58	\$67.90	\$3.32

Sewer Connection Fees for New Residential Construction

Sewer with Grinders in SAD's/USA's

Increases Recommended to System and Installation Fees Only

	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Treatment Plant Capacity	\$3,250.00	\$3,250.00	\$0.00
Grinder System & Installation	\$4,714.00	\$4,844.00	\$130.00
Security Deposit	\$110.00	\$110.00	
Total	\$8,074.00	\$8,204.00	\$130.00

Sewer Connection Fees for New Residential

Gravity Outside
of SAD's/USA's,
SW & NW
Annexation
Areas, and
Unincorporated
County

No Increase to Fees Proposed			
	<u>Current</u>	<u>Proposed</u>	<u>Difference</u>
Treatment Plant Capacity	\$3,250.00	\$3,250.00	\$0.00
Line Charge	\$1,972.00	\$1,972.00	\$0.00
Security Deposit	\$110.00	\$110.00	
Total	\$5,332.00	\$5,332.00	\$0.00

5-Year Forecast for Rate Increases

Rates Shown are
Based on 5,000
Gallons of
Water/Sewer Use
per Month

	FY 24-25	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Water Rates	5.50%	3.50%	3.50%	2.75%	2.75%
Sewer Rates	0.00%	0.00%	0.00%	2.75%	2.75%
Net % for 5k Gal. Water & Sewer Bill	2.02%	1.33%	1.36%	2.75%	2.75%

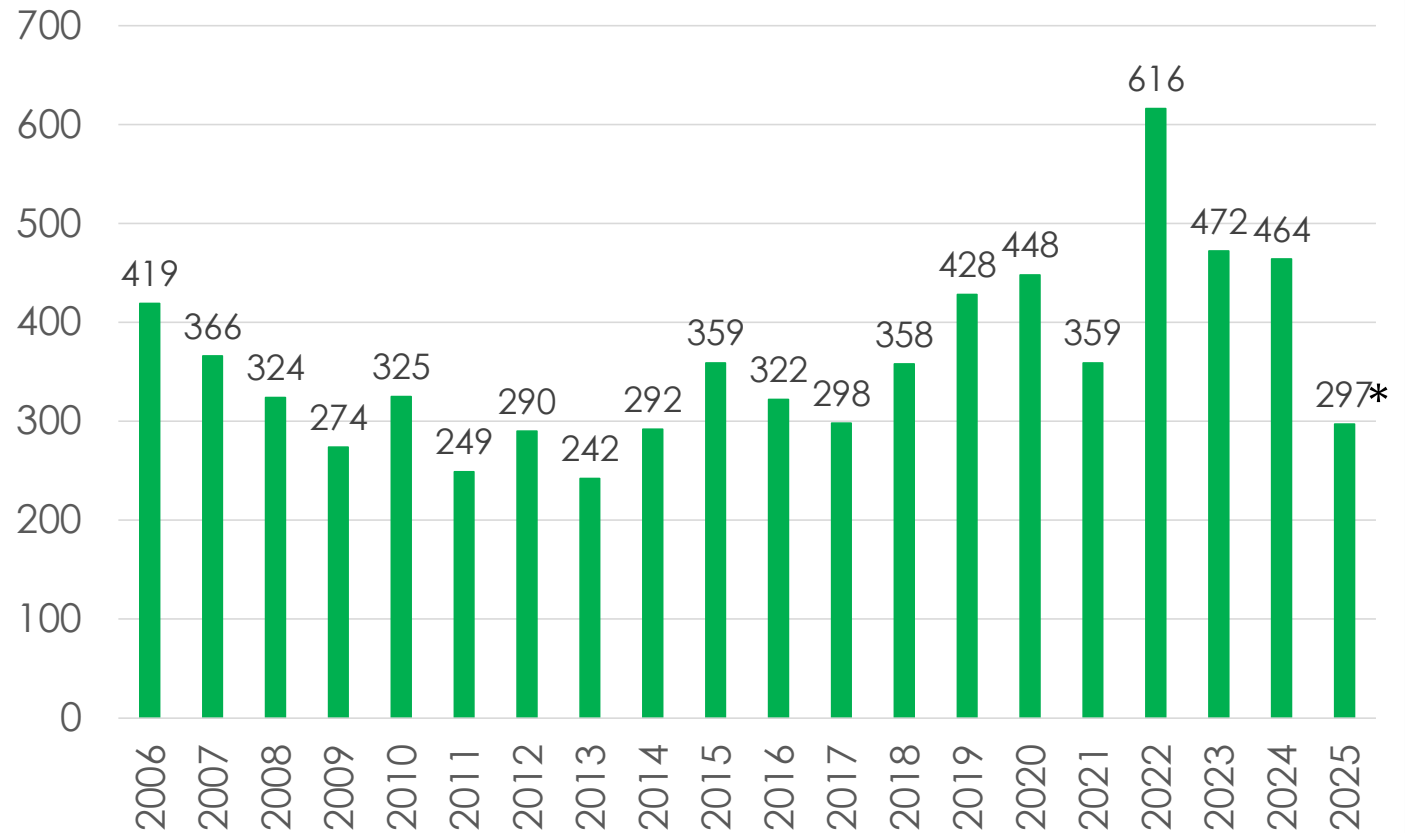
	Current	FY 25-26	FY 26-27	FY 27-28	FY 28-29
Water Rates	\$36.05	\$37.31	\$38.62	\$39.68	\$40.77
Sewer Rates	<u>\$59.00</u>	<u>\$59.00</u>	<u>\$59.00</u>	<u>\$60.62</u>	<u>\$62.29</u>
Total Bill	\$95.05	\$96.31	\$97.62	\$100.30	\$103.06
Monthly Increase	+ \$1.88	+ \$1.26	+ \$1.31	+ \$2.68	+ \$2.76

Conclusions and Recommendation for Rates, Fees & Charges

- The proposed Connection Fee increases only impact new construction and customers who are adding services; i.e. well and septic conversions
- Proposed increases to monthly usage rates are required to cover the cost of daily operations and to ensure debt service coverage
- Recommendation: Approve the proposed rates, fees and charges as presented
 - Ordinances will be forwarded for adoption each FY

Septic Conversion Update

Residential Conversions Completed Since 2006



* Over 400 conversions are projected to be completed in FY 24-25

Residential Septic Conversion 50% Grant Program Summary

<u>FY</u>	<u>Grants Awarded</u>	<u>Location</u>	<u>Amount USD Received</u>	<u>Funding Source</u>
20-21	17	Sagamore Phase 1	\$100,000	City's General Fund
20-21	36	Elkcam Phase 1	\$100,000	FDEP
21-22	38	Elkcam Phase 2	\$100,000	City's General Fund
21-22	29	Elkcam Phase 3	\$100,000	Indian River Lagoon Council
22-23	33	Monterrey Phase 1	\$100,000	City's General Fund
23-24	16	Monterrey Phase 2	\$50,000	Indian River Lagoon Council
23-24	31	Sagamore Phase 2	\$100,000	City's General Fund
24-25	13	Elkcam Phase 4	\$50,500	Indian River Lagoon Council
24-25	5	Elkcam Phase 4	\$100,000	City's General Fund
24-25	18	Kingsway		
24-25	1	Sagamore		
Conversions Completed	237		\$800,500	Total Received thru FY 24-25
<u>FY</u>	<u>Potential</u>	<u>Location</u>	<u>Projected</u>	<u>Funding Source</u>
25-26	69	Must be in Hot Spots	\$300,000	Indian River Lagoon Council
25-26	23	In TBD Locations	\$100,000	City's General Fund

Questions & Comments

