

An aerial photograph of a large industrial facility, likely a water treatment plant, featuring several large, tan-colored cylindrical storage tanks and various industrial buildings. The facility is situated next to a body of water, with a dense line of green trees separating the water from the industrial area. A paved road curves around the tanks, and a parking lot with a few vehicles is visible in the foreground.

# Pinellas County Utilities

## Water, Sewer, and Reclaimed Water Rate Study







# 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

4-Year Plan						Future Projections
Fund	New Borrowing (FY 24 – FY 32)	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*

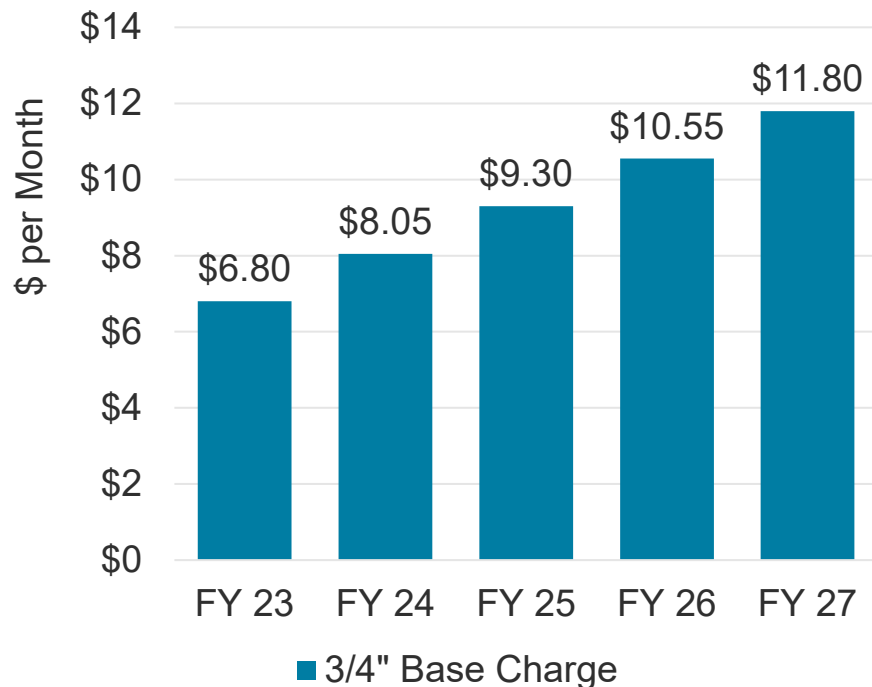


# Water System Rate Structure Modifications

- 1) Increase monthly base charges to improve revenue stability

- Revenue from Base Charges:

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

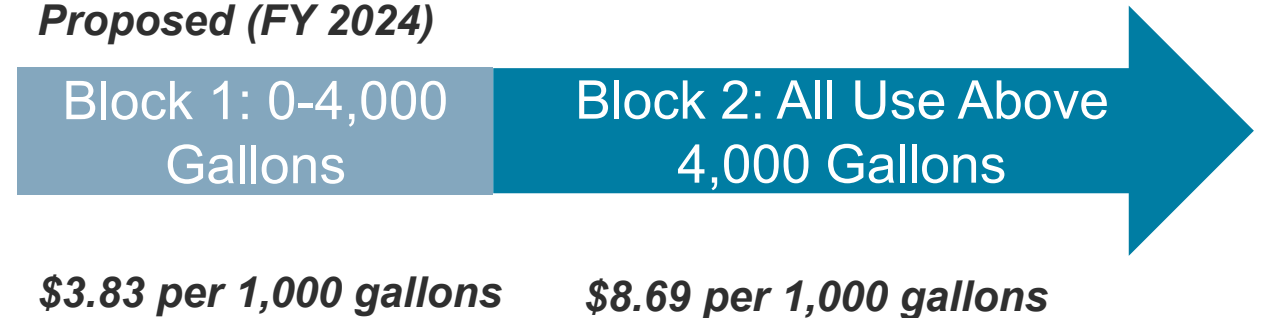


- 2) Two-block volumetric rate for residential/multi-family customers

## 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	<b>\$8.05</b>	\$9.30	\$10.55	\$11.80
• 1 or 2-person household • No outdoor water use	2,000	Monthly Bill	\$17.06	<b>\$15.71</b>	\$17.16	\$18.65	\$20.18
		\$ Change		<b>(\$1.35)</b>	\$1.45	\$1.49	\$1.53
• 3 or 4-person household • Irrigation well	5,000	Monthly Bill	\$32.45	<b>\$32.06</b>	\$33.96	\$35.96	\$38.07
		\$ Change		<b>(\$0.39)</b>	\$1.90	\$2.00	\$2.11
• Household using potable water for irrigation	10,000	Monthly Bill	\$58.10	<b>\$75.51</b>	\$78.66	\$82.01	\$85.62
		\$ Change		<b>\$17.41</b>	\$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

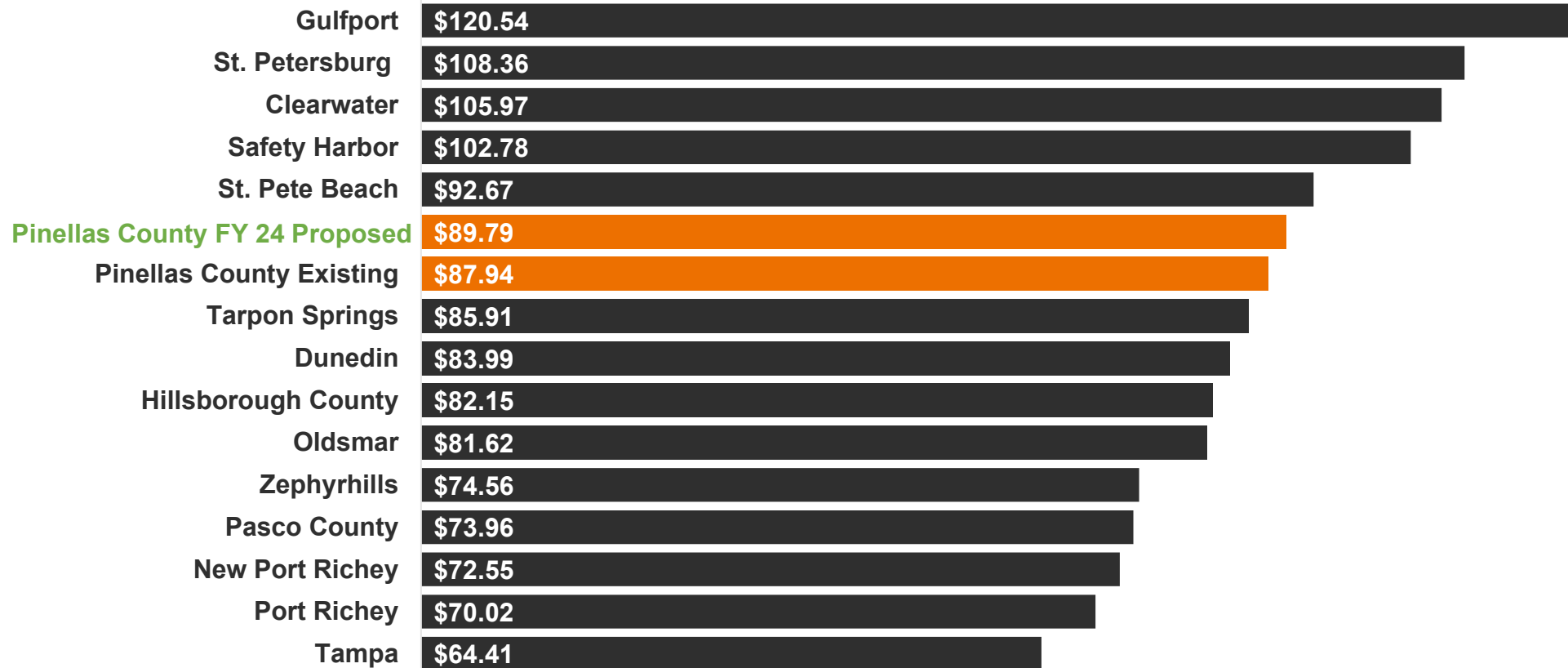
Based on 5,000 Gallons per Month

	<b>FY 23 (Existing)</b>	<b>FY 24 (Proposed)</b>	<b>FY 25 (Proposed)</b>	<b>FY 26 (Proposed)</b>	<b>FY 27 (Proposed)</b>
Water Bill	\$32.45	\$32.06	\$33.96	\$35.96	\$38.07
Sewer Bill	\$55.49	\$57.73	\$60.05	\$62.45	\$64.93
<b>Total Bill</b>	<b>\$87.94</b>	<b>\$89.79</b>	<b>\$94.01</b>	<b>\$98.41</b>	<b>\$103.00</b>
\$ 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

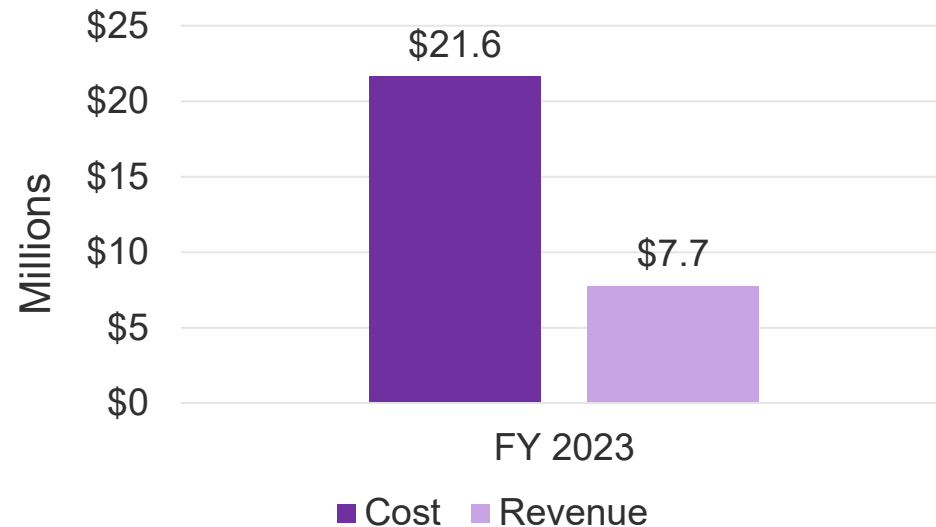
*FY 23 Rates: 5,000 Gallons per Month*





# Reclaimed Water System

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

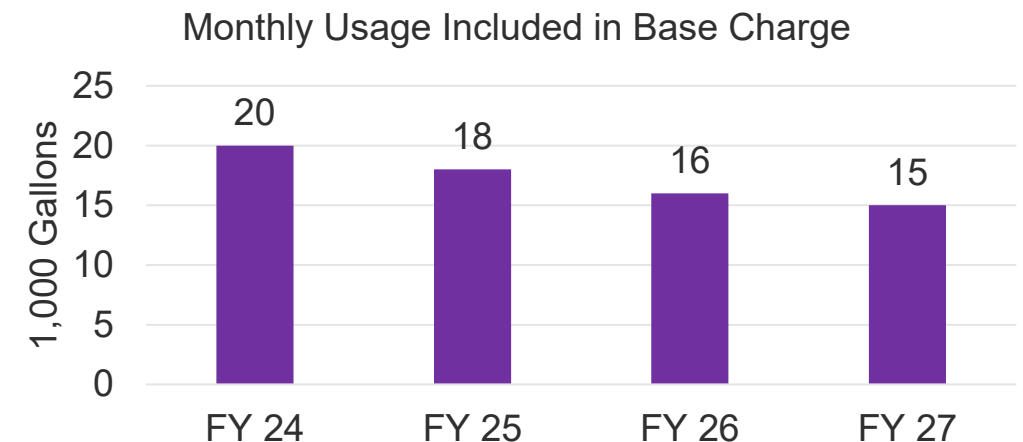


## Results

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



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







# 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 <sup>1</sup>	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 <sup>1 2</sup>	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 <sup>2</sup>	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!



***Andrew Burnham***  
Vice President  
[andrew.burnham@stantec.com](mailto:andrew.burnham@stantec.com)