



Brevard County Board of County Commissioners

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Legislation Text

File #: 3745, **Version:** 1

Subject:

Utility Services Rate Resolution for the following: (1) County encompassing South Beaches, Merritt Island, North Brevard, Port St. John and the South-Central Mainland Service Area; and (2) San Sebastian encompassing the San Sebastian Woods Water System.

Fiscal Impact:

The following summarizes the requested rate adjustments:

As proposed, the County water and sewer user rates will be adjusted beginning March 2022 and subsequent years beginning January 1 from 2023 thru 2026 as follows: 2022 - 6.5%, 2023 - 8.5%, 2024 - 8.5%, 2025 - 8.5%, 2026 - 7.5%. Beginning January 1, 2027 and January 1st of subsequent years the water and sewer user rates shall be indexed automatically annually.

As proposed, the San Sebastian water rates shall be indexed automatically beginning March 2022 and will be indexed automatically beginning January 1 of subsequent years.

In addition to the proposed rate adjustments, the rate resolution has been modified to include an Exhibit A and B. Exhibit A contains rates, fees and charges where the cost has been adjusted but will remain fixed thereafter with no annual index adjustment. Exhibit B contains rates, fees, and charges where the costs have been adjusted and the costs will thereafter be indexed annually.

All rates, fees and charges per Exhibit B shall be indexed annually pursuant to the U.S. Bureau of Labor Statistics Seasonally Adjusted U.S. City Average Consumer Price Index for All Urban Consumers Water and Sewerage Maintenance Series Id CUSR0000SEHG01 (W S M I)(U).

Dept/Office:

Utility Services Department

Requested Action:

Approval of the Rate Resolution for the Utility Services Countywide system and the San Sebastian system to be implemented March 2022.

Summary Explanation and Background:

The Utility Services Department has conducted a review of its water and sewer capacity, the conditions of existing assets, and the impacts of recent State Environmental Laws have to this Department. With the assistance of our utility rate consultant, Raftelis, Inc., much detail was invested to develop a financial model of this Department and to review the revenue versus future expenditures of this Department.

Through this level of due diligence, we propose the rate adjustments, as specified under Fiscal Impact, that will provide the funds necessary in order: (1) to provide infrastructure investments to comply with Section 403.064 and 403.086 Florida Statute, (2) to replace treatment plant facilities that are beyond their useful life and increase capacity for future development in Mims, Port St John and South Brevard, and (3) to contribute funding for future septic-to-sewer projects and (4) to increase the operations and maintenance efforts in order to continue reliability throughout the District's utility system.

In addition, the rate resolutions for the Countywide and San Sebastian includes an Exhibit A & B, as mentioned under Fiscal Impact. Exhibit A contains rates, fees and charges where the cost has been adjusted but will remain fixed thereafter with no annual index adjustment. Exhibit B contains rates, fees, and charges where the costs have been adjusted and the costs will thereafter be indexed annually. It has been over 20 years since any of the fixed fees have been adjusted.

In depth information related to this agenda report will be referenced in the additional attachments provided. A summary of some key information and its attachments is provided below:

1. Attachment A - Additional Information Memorandum
This memorandum provides further in-depth information as to why the rate adjustment is needed, how the additional revenue will be allocated, and how the recent ARPA allocation provided a reduction in the proposed rate increase.
2. Attachment B - Countywide Rate Resolution and Exhibit A & B
3. Attachment C - San Sebastian Rate Resolution and Exhibit A & B
4. Attachment D - F.S. 403.064 - Reuse of Reclaim Water
This State Statute is referenced through the addenda report and supporting documents as one of the drivers for the needed rate adjustment. Highlighted sections are provided for relevance to the County Utility Services Department.
5. Attachment E - F.S. 403.086 - Sewage Disposal Facilities
This State Statute is referenced through the addenda report and supporting documents as one of the drivers for the needed rate adjustment. Highlighted sections are provided for relevance to the County Utility Services Department.
6. Attachment F - Utility Services customer location maps
The five (5) maps provided are maps of each of the Commissioner's District boundary and showing areas within those boundaries of Utility Services customer locations.
7. Attachment G- County & San Sebastian Sewer and Water / Sewer User Rate Comparison
The two graphs provided show a comparison with our rate increase over a 2-year span compared to other water and sewer utilities within Brevard County.
8. Attachment H - Report to FDEP for South Beaches Discharge Elimination Plan
This report is what was submitted to the FDEP regarding our plan to comply with F.S. 403.064. This

plan was approved by the Board at the October 12, 2021 Board meeting.

9. Attachment I - Report to FDEP for South Central Discharge Elimination Plan

This report is what was submitted to the FDEP regarding our plan to comply with F.S. 403.064. This plan was approved by the Board at the October 12, 2021 Board meeting.

10. Attachment J - Brevard County Utility Services Population Projection Report

This report was used as a tool by this Department to approximate future growth within the Utility Services water and sewer service area.

11. Attachment K - Capital Improvement Projection Report

Per the future growth analysis conducted per Attachment J, this report provides a conceptual level of future CIPs to accommodate future water and sewer customers.

12. Attachment L - Proof of Public Hearing Advertisement

Clerk to the Board Instructions:

Please scan and e-mail clerk memo to rose.lyons@brevardfl.gov <<mailto:rose.lyons@brevardfl.gov>> Mail originals to the Utility Services Department.