



STAFF REPORT

CITY OF GREEN COVE SPRINGS, FLORIDA

TO: Regular Council Meeting **MEETING DATE:** November 10, 2020
FROM: Scott Schultz, Asst. Water Utilities Director
SUBJECT: First Reading of Ordinance No. O-11-2020, an Ordinance modifying Water Rates - Fiscal Year (FY) 2021.

BACKGROUND

On August 16, 2016, City Council approved a Rate Study presentation by staff and Mittauer & Associates which proposed water rate increases through FY 21 for operating and capital improvement expenses.

On March 5, 2019 Council approved a Mittauer update to the August 16, 2016 Water Rate Study.

On September 29, 2020, City Council approved the FY 21 budget which included proposed water rate increases of 3% for FY 2021, and authorized the notice of a proposed Water Rate Increase.

In accordance with FSS Chapter 180.136, public notices were sent to all utility customers.

Section 1. City Code Section 90-253, entitled "Water usage and monthly minimum charges," which establishes water rates, is hereby amended to read as follows, effective on December 8, 2020.

(a) *Rates schedule.* The rates, fees and charges for water service furnished by the water system of the city, referred to as a water charge, shall be based upon the quantity of water, determined by metering, furnished to each user's premises each month. The owner, occupant or tenant of each lot or parcel of land connected with or using the water system shall pay for the use of, and for the services furnished by the water system, a water charge according to the following schedule:

Base Charges for all water meters are as follows:

Meter Size	Monthly Base Charge*
3/4"	\$11.94 <u>\$12.30</u>
1"	\$17.73 <u>\$18.26</u>
1-1/2"	\$25.24 <u>\$26.00</u>
2"	\$34.23 <u>\$35.98</u>

3"	\$47.76 <u>\$49.19</u>
4"	\$191.03 <u>\$196.76</u>
6"	\$352.25 <u>\$362.82</u>
8"	\$501.54 <u>\$516.55</u>
10"	\$656.74 <u>\$676.44</u>

* Base charge does not include any usage.

Residential Potable	Monthly Charge per 1,000 Gallon of use				
Block Size	<3,000 Gallons	3,001—10,000 gallons	10,001—15,000 gallons	15,001—20,000 gallons	>20,001 gallons
Rate (\$/1,000 gal)	\$0.62 <u>\$0.64</u>	\$2.03 <u>\$2.09</u>	\$2.09 <u>\$2.15</u>	\$2.14 <u>\$2.21</u>	\$2.24 <u>\$2.28</u>
Residential Irrigation	Monthly Charge per 1,000 Gallon of use				
Block Size	<10,000 gallons	10,001—15,000 gallons	15,001—20,000 gallons	>20,001 gallons	
Rate (\$/1,000 gal)	\$2.09 <u>\$2.15</u>	\$2.14 <u>\$2.21</u>	\$2.75 <u>\$2.83</u>	\$3.58 <u>\$3.69</u>	
Commercial Potable	Monthly Charge per 1,000 Gallon of use				
Block Size	<10,000 gallons	10,001—15,000 gallons	15,001—20,000 gallons	>20,001 gallons	
Rate (\$/1,000 gal)	\$2.03 <u>\$2.09</u>	\$2.09 <u>\$2.15</u>	\$2.14 <u>\$2.21</u>	\$2.21 <u>\$2.28</u>	
Commercial Irrigation	Monthly Charge per 1,000 Gallon of use				
Block Size	<10,000 gallons	10,001—15,000 gallons	15,001—20,000 gallons	>20,001 gallons	
Rate (\$/1,000 gal)	\$2.09 <u>\$2.15</u>	\$2.14 <u>\$2.21</u>	\$2.75 <u>\$2.83</u>	\$3.58 <u>\$3.69</u>	

(b) *Water utility users outside the city limits.* All water users outside the city limits shall pay 125 percent of the equivalent rate charged to those users within the city limits.

(c) *Application of charges.* The charges in this section shall apply to all classes of users, including residential and commercial (industrial, institutional, charitable or otherwise), except as otherwise provided in this Code.

(d) *Maximum monthly bill.* There shall be no maximum charge per month.

(e) *Minimum monthly bill.* The minimum residential and commercial charge shall be the base charge based on the user's potable water meter size. The base charge does not include any usage.

(f) *Bulk water rates.* Bulk or wholesale water rates shall be calculated to reflect the city's cost of providing water service to those entities entering into an agreement with the city. Such rates will be determined on an individual basis by the city.

(g) *Commercial* as defined within this section, includes all uses other than residential.

(h) *Annual rate increase.* The City Manager shall issue a written report to the City Council during the annual budget process recommending any necessary water rate adjustments.

(i) *Computation of use.* A consumption of a fraction of any 1,000 gallons shall be the same as using the entire 1,000 gallons.

FISCAL IMPACT

The approved FY 2021 Water Department budget is predicated on this rate increase.

RECOMMENDATION

Approve Ordinance No. O-11-2020 on first reading as to form only and authorize second and final public hearing on December 8, 2020 at 7:00 PM.