



UTILITIES ADVISORY BOARD MEETING

Brian McGuire
2.9.23



AGENDA

- Legislative Priorities Update
- MV Tagish Update
- Utility Rates
 - Review of worksheet
 - Last Submission (Assumptions)
 - Departures from Assumptions

Denise
Chad
Brian

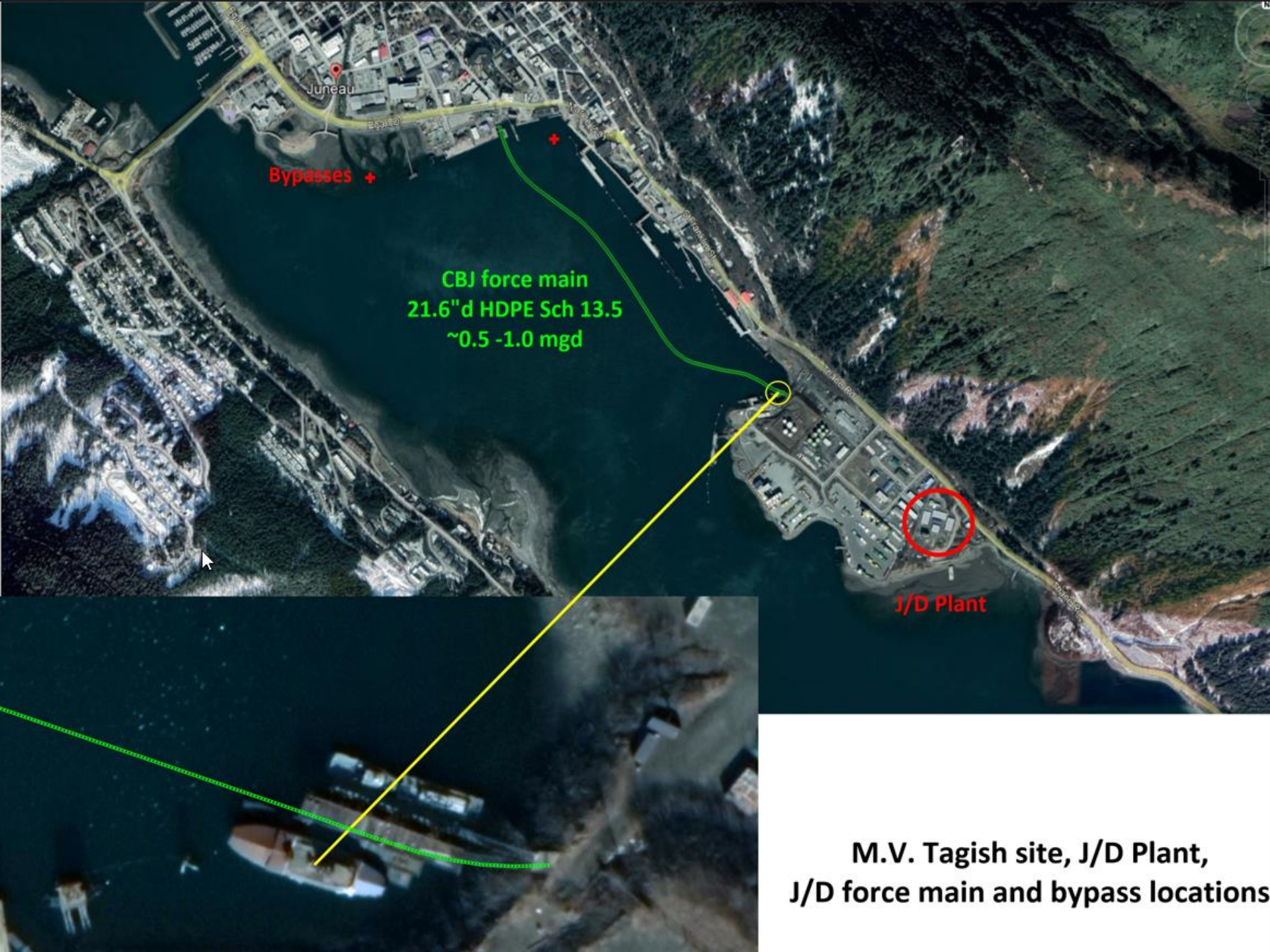
FY2024 DRAFT Legislative Capital Priorities

Assembly Scoring (1 - 22)	FY23 Adopted Priority Ranking	Project Name:	Amount Requested:	Total Project Cost:	Funding Already Secured:
1	Rank #3	Pederson Hill Development	\$3M	\$10M	\$2.3M
2	Rank #10	North State Office Building Parking	\$30M	\$40M	\$5M in FY2023 State Capital Budget; \$5M request in 1%
3	Rank #9	Telephone Hill	\$2M	TBD	\$100,000
4	New - Radio	CBJ Radio System Replacement	\$14M \$12M	\$14.5M	\$500,000; \$2M, 1 % Sales Tax
5	New - HVAC	JSD Wide HVAC and Heating Control System Upgrades	\$6.4M	\$6.4M	\$0.00
6	New - FOGs	Mendenhall Wastewater Treat. Plant Compliance: Fats, Oil, and Grease & Grit Removal	\$5.75M	\$5.75M	\$0.00
7	Rank #1	Lemon Creek Multimodal Path	\$8M	\$10M	\$250,000; \$1.5M, 1 % Sales Tax
8	Rank #2	Juneau North Douglas Crossing	\$13M TBD	\$100-\$200M	\$2M for PEL; \$250,000 CBJ; \$7M CDS
9	Trank #4	New City Hall	\$5M	\$43.2M	\$6.3M
10	Rank #6	Capital Civic Center	\$5M-\$10M, State of Alaska; \$30M-\$35M Federal Delegation	\$65M	CBJ- \$2M design; \$8M upgrades to centennial hall; \$10M commitment from CLIA for MPFs
11	New - Solids Removal	Mendenhall Wastewater Treatment Plant Compliance Upgrade – Solids Removal	\$9.5M	\$9.5M	\$0.00

MV TAGISH

M.V. Tagish
110', 250-300 ton tugboat
Constructed 1944, Everett, Wa
Sunk 12/29/22 Juneau, Ak





CBJ force main
21.6" d HDPE Sch 13.5
~0.5 -1.0 mgd

J/D Plant

M.V. Tagish site, J/D Plant,
J/D force main and bypass locations

UTILITY RATES

CBJ Wastewater Utility Updated Rate Model

Fiscal Year	REVENUE						EXPENSE			Ending Fund Balance**
	Starting Fund Balance	WW Utility Revenues	DEC Loans	Sales Tax*	Passenger Fees	Additional Rate Revenue	CIP Spending	Debt Service	Operating Costs	
FY14		9,572,483	1,150,000	-	-	-	1,500,000	587,305	8,214,378	8,265,804
FY15	8,265,804	10,088,393	23,400	-	-	-	23,400	645,387	8,333,707	9,552,206
FY16	9,552,206	11,417,877	10,000,000	-	-	-	13,940,000	581,582	8,218,974	8,646,719
FY17	8,646,719	11,976,034	10,000,000	-	-	-	10,550,000	566,790	8,508,830	11,558,616
FY18	11,558,616	13,111,961	-	-	-	-	4,815,000	507,848	7,780,229	10,519,920
FY19	10,519,920	13,442,927	-	2,000,000	-	-	5,845,000	513,100	10,388,650	9,216,097
FY20	9,216,097	13,080,012	-	2,600,000	-	248,360	5,825,000	506,300	9,643,900	9,169,269
FY21	9,169,269	13,040,033	-	1,500,000	-	248,360	8,915,000	1,778,213	9,846,422	3,418,028
FY22	3,418,028	13,040,407	-	3,700,000	-	755,014	5,105,000	1,776,893	10,053,197	3,978,359
FY23	3,978,359	13,039,506	-	3,200,000	-	1,281,935	5,212,205	1,754,822	10,264,314	4,268,459
FY24	4,268,459	13,022,010	-	500,000	-	1,829,932	5,321,661	1,628,752	10,479,864	2,190,123
FY25	2,190,123	13,017,288	-	2,000,000	-	2,399,850	5,433,416	1,504,958	10,699,942	1,968,945
FY26	1,968,945	13,015,287	-	2,000,000	-	2,918,474	5,547,518	1,344,898	10,924,640	2,085,649
FY27	2,085,649	13,018,000	-	2,000,000	-	3,455,251	5,664,016	1,328,053	11,154,058	2,412,774
FY28	2,412,774	13,018,000	-	2,000,000	-	4,010,815	5,782,960	1,311,219	11,388,293	2,959,116
FY29	2,959,116	13,018,000	-	2,000,000	-	4,585,823	5,904,402	1,294,364	11,627,447	3,736,726

Assumptions:

Future Rate Increase (FY20 January-June):	4.00%
Future Rate Increase (FY21 thru FY25):	4.00%
Future Rate Increase (FY26 thru FY29):	3.50%

Operational Cost Inflation (FY21 thru FY29)	2.10%
CIP Contribution Base 5,105,000 5 mil with interest	CIP Spending Inflation(FY22 thru FY29): 2.10%

Sales Tax 1% (FY25 thru FY29)	2,000,000
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FY14		9,572,483	Variable		What is it for?			Historical range		8,265,804
FY15	8,265,804	10,088,393								9,552,206
FY16	9,552,206	11,417,877	Revenue		This is the sum of rates for services, septage disposal, cruises ship services.			\$9.5MM - \$15MM		8,646,719
FY17	8,646,719	11,976,034								11,558,616
FY18	11,558,616	13,111,961								10,519,920
FY19	10,519,920	13,442,927								9,216,097
FY20	9,216,097	13,080,012	-	2,600,000	-	248,360	5,825,000	506,300	9,643,900	9,169,269
FY21	9,169,269	13,040,033	-	1,500,000	-	248,360	8,915,000	1,778,213	9,846,422	3,418,028
FY22	3,418,028	13,040,407	-	3,700,000	-	755,014	5,105,000	1,776,893	10,053,197	3,978,359
FY23	3,978,359	13,039,506	-	3,200,000	-	1,281,935	5,212,205	1,754,822	10,264,314	4,268,459
FY24	4,268,459	13,022,010	-	500,000	-	1,829,932	5,321,661	1,628,752	10,479,864	2,190,123
FY25	2,190,123	13,017,288	-	2,000,000	-	2,399,850	5,433,416	1,504,958	10,699,942	1,968,945
FY26	1,968,945	13,015,287	-	2,000,000	-	2,918,474	5,547,518	1,344,898	10,924,640	2,085,649
FY27	2,085,649	13,018,000	-	2,000,000	-	3,455,251	5,664,016	1,328,053	11,154,058	2,412,774
FY28	2,412,774	13,018,000	-	2,000,000	-	4,010,815	5,782,960	1,311,219	11,388,293	2,959,116
FY29	2,959,116	13,018,000	-	2,000,000	-	4,585,823	5,904,402	1,294,364	11,627,447	3,736,726

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Fiscal Year	Starting Fund Balance	WW Utility Revenues	DEC Loans	Sales Tax*	Passenger Fees	Additional Rate Revenue	CIP Spending	Debt Service	Operating Costs	Ending Fund Balance**						
FY14		9,572,483	1,150,000	Variable	What is it for?			Historical range		3,265,804						
FY15	8,265,804	10,088,393	23,400		Loans issued by SOA with varying			\$0 - \$10MM		3,552,206						
FY16	9,552,206	11,417,877	10,000,000		DEC Grant/Loan forgiveness rates and lower interest.					3,646,719						
FY17	8,646,719	11,976,034	10,000,000							1,558,616						
FY18	11,558,616	13,111,961	-	Variable	What is it for?			Historical range		3,519,920						
FY19	10,519,920	13,442,927	-		A security issued by or on behalf of a			\$0		3,216,097						
FY20	9,216,097	13,080,012	-		local authority					3,169,269						
FY21	9,169,269	13,040,033	-							3,418,028						
FY22	3,418,028	13,040,407	-	Bonds						3,978,359						
FY23	3,978,359	13,039,506	-							1,268,459						
FY24	4,268,459	13,022,010	-							500,000	-	1,829,932	5,321,661	1,628,752	10,479,864	2,190,123
FY25	2,190,123	13,017,288	-							2,000,000	-	2,399,850	5,433,416	1,504,958	10,699,942	1,968,945
FY26	1,968,945	13,015,287	-	2,000,000	-	2,918,474	5,547,518	1,344,898	10,924,640	2,085,649						
FY27	2,085,649	13,018,000	-	2,000,000	-	3,455,251	5,664,016	1,328,053	11,154,058	2,412,774						
FY28	2,412,774	13,018,000	-	2,000,000	-	4,010,815	5,782,960	1,311,219	11,388,293	2,959,116						
FY29	2,959,116	13,018,000	-	2,000,000	-	4,585,823	5,904,402	1,294,364	11,627,447	3,736,726						

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FY14		9,572,483	1,150,000							
FY15	8,265,804	10,088,393	23,400	Variable		What is it for?			Historical range	
FY16	9,552,206	11,417,877	10,000,000	Sales Tax Rev		1% of sales tax allocation to Utility			\$0.5MM - \$3.7MM	
FY17	8,646,719	11,976,034	10,000,000	-	-	-	10,550,000	566,790	6,506,630	11,556,616
FY18	11,558,616	13,111,961	-	-	-	-	4,815,000	507,848	7,780,229	10,519,920
FY19	10,519,920	13,442,927	-	2,000,000	-	-	5,845,000	513,100	10,388,650	9,216,097
FY20	9,216,097	13,080,012	-	2,600,000	-	248,360	5,825,000	506,300	9,643,900	9,169,269
FY21	9,169,269	13,040,033	-	1,500,000	-	248,360	8,915,000	1,778,213	9,846,422	3,418,028
FY22	3,418,028	13,040,407	-	3,700,000	-	755,014	5,105,000	1,776,893	10,053,197	3,978,359
FY23	3,978,359	13,039,506	-	3,200,000	-	1,281,935	5,212,205	1,754,822	10,264,314	4,268,459
FY24	4,268,459	13,022,010	-	500,000	-	1,829,932	5,321,661	1,628,752	10,479,864	2,190,123
FY25	2,190,123	13,017,288	-	2,000,000	-	2,399,850	5,433,416	1,504,958	10,699,942	1,968,945
FY26	1,968,945	13,015,287	-	2,000,000	-	2,918,474	5,547,518	1,344,898	10,924,640	2,085,649
FY27	2,085,649	13,018,000	-	2,000,000	-	3,455,251	5,664,016	1,328,053	11,154,058	2,412,774
FY28	2,412,774	13,018,000	-	2,000,000	-	4,010,815	5,782,960	1,311,219	11,388,293	2,959,116
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Variable	What is it for?			Historical range		-	1,500,000	587,305	8,214,378	8,265,804
Marine Pass Fee	\$8 head tax allocated portion to Util			\$0		-	23,400	645,387	8,333,707	9,552,206
						-	13,940,000	581,582	8,218,974	8,646,719
						-	10,550,000	566,790	8,508,830	11,558,616
FY18	11,558,616	13,111,961	-	-	-	-	4,815,000	507,848	7,780,229	10,519,920
FY19	10,519,920	13,442,927	-	2,000,000	-	-	5,845,000	513,100	10,388,650	9,216,097
FY20	9,216,097	13,080,012	-	2,600,000	-	248,360	5,825,000	506,300	9,643,900	9,169,269
FY21	9,169,269	13,040,033	-	1,500,000	-	248,360	8,915,000	1,778,213	9,846,422	3,418,028
FY22	3,418,028	13,040,407	-	3,700,000	-	755,014	5,105,000	1,776,893	10,053,197	3,978,359
FY23	3,978,359	13,039,506	-	3,200,000	-	1,281,935	5,212,205	1,754,822	10,264,314	4,268,459
FY24	4,268,459	13,022,010	-	500,000	-	1,829,932	5,321,661	1,628,752	10,479,864	2,190,123
FY25	2,190,123	13,017,288	-	2,000,000	-	2,399,850	5,433,416	1,504,958	10,699,942	1,968,945
FY26	1,968,945	13,015,287	-	2,000,000	-	2,918,474	5,547,518	1,344,898	10,924,640	2,085,649
FY27	2,085,649	13,018,000	-	2,000,000	-	3,455,251	5,664,016	1,328,053	11,154,058	2,412,774
FY28	2,412,774	13,018,000	-	2,000,000	-	4,010,815	5,782,960	1,311,219	11,388,293	2,959,116
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FY14	Variable	What is it for?			Historical range		1,500,000	587,305	8,214,378	8,265,804
FY15		Funds allocated Infrastructure					23,400	645,387	8,333,707	9,552,206
FY16							13,940,000	581,582	8,218,974	8,646,719
FY17		Capital Impr Proj	Maintenance or Process Improvement			\$0.02MM - \$14MM		10,550,000	566,790	8,508,830
FY18						4,815,000	507,848	7,780,229	10,519,920	
FY19	10,519,920	13,442,927	-	2,000,000	-	-	5,845,000	513,100	10,388,650	9,216,097
FY20	9,216,097	13,080,012	-	2,600,000	-	248,360	5,825,000	506,300	9,643,900	9,169,269
FY21	9,169,269	13,040,033	-	1,500,000	-	248,360	8,915,000	1,778,213	9,846,422	3,418,028
FY22	3,418,028	13,040,407	-	3,700,000	-	755,014	5,105,000	1,776,893	10,053,197	3,978,359
FY23	3,978,359	13,039,506	-	3,200,000	-	1,281,935	5,212,205	1,754,822	10,264,314	4,268,459
FY24	4,268,459	13,022,010	-	500,000	-	1,829,932	5,321,661	1,628,752	10,479,864	2,190,123
FY25	2,190,123	13,017,288	-	2,000,000	-	2,399,850	5,433,416	1,504,958	10,699,942	1,968,945
FY26	1,968,945	13,015,287	-	2,000,000	-	2,918,474	5,547,518	1,344,898	10,924,640	2,085,649
FY27	2,085,649	13,018,000	-	2,000,000	-	3,455,251	5,664,016	1,328,053	11,154,058	2,412,774
FY28	2,412,774	13,018,000	-	2,000,000	-	4,010,815	5,782,960	1,311,219	11,388,293	2,959,116
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FY14		Variable	What is it for?				Historical range	587,305	8,214,378	8,265,804
FY15	8,265	Debt Service	Loan (usually DEC) payment				\$0.5MM - \$2MM	645,387	8,333,707	9,552,206
FY16	9,552							581,582	8,218,974	8,646,719
FY17	8,646,719	11,976,034	10,000,000	-	-	-	10,550,000	566,790	8,508,830	11,558,616
FY18	11,558,616	13,111,961	-	-	-	-	4,815,000	507,848	7,780,229	10,519,920
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FY16	9,552,206	11,411							8,218,974	8,646,719
FY17	8,646,719	11,971							8,508,830	11,558,616
FY18	11,558,616	13,111							7,780,229	10,519,920
FY19	10,519,920	13,441							10,388,650	9,216,097
FY20	9,216,097	13,081							9,643,900	9,169,269
FY21	9,169,269	13,041							9,846,422	3,418,028
FY22	3,418,028	13,040,407	-	3,700,000	-	755,014	5,105,000	1,776,893	10,053,197	3,978,359
FY23	3,978,359	13,039,506	-	3,200,000	-	1,281,935	5,212,205	1,754,822	10,264,314	4,268,459
FY24	4,268,459	13,022,010	-	500,000	-	1,829,932	5,321,661	1,628,752	10,479,864	2,190,123
FY25	2,190,123	13,017,288	-	2,000,000	-	2,399,850	5,433,416	1,504,958	10,699,942	1,968,945
FY26	1,968,945	13,015,287	-	2,000,000	-	2,918,474	5,547,518	1,344,898	10,924,640	2,085,649
FY27	2,085,649	13,018,000	-	2,000,000	-	3,455,251	5,664,016	1,328,053	11,154,058	2,412,774
FY28	2,412,774	13,018,000	-	2,000,000	-	4,010,815	5,782,960	1,311,219	11,388,293	2,959,116
FY29	2,959,116	13,018,000	-	2,000,000	-	4,585,823	5,904,402	1,294,364	11,627,447	3,736,726

Assumptions:

Future Rate Increase (FY20 January-June):	4.00%
Future Rate Increase (FY21 thru FY25):	4.00%
Future Rate Increase (FY26 thru FY29):	3.50%

Operational Cost Inflation (FY21 thru FY29)	2.10%
CIP Contribution Base 5,105,000 5 mil with interest	CIP Spending Inflation(FY22 thru FY29): 2.10%

Sales Tax 1% (FY25 thru FY29)	2,000,000
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Variable	What is it for?	Historical range	Degree of Influence
Revenue	This is the sum of rates for services, septage disposal, cruises ship services.	\$9.5MM - \$15MM	
Bonds	A security issued by or on behalf of a local authority	\$0	
DEC Grant/Loan	Loans issued by SOA with varying forgiveness rates and lower interest.	\$0 - \$10MM	
Sales Tax Rev	1% of sales tax allocation to Utility	\$0.5MM - \$3.7MM	
Marine Pass Fee	\$8 head tax allocated portion to Util	\$0	
Capital Impr Proj	Funds allocated Infrastructure Maintenance or Process Improvement	\$0.02MM - \$14MM	
Debt Service	Loan (usually DEC) payment	\$0.5MM - \$2MM	
Operating Costs	Funds allocated for paying fixed and variable industrial costs including Personnel, electricity, fuel, Chemicals, shipping and disposal, etc.	\$7MM - \$12MM	
			Level of Influence
		High End	
		Moderate	
		Low	

UTILITY RATES

CBJ Wastewater Utility Updated Rate Model

Fiscal Year	REVENUE						EXPENSE			Ending Fund Balance**
	Starting Fund Balance	WW Utility Revenues	DEC Loans	Sales Tax*	Passenger Fees	Additional Rate Revenue	CIP Spending	Debt Service	Operating Costs	
FY14		9,572,483	1,150,000	-	-	-	1,500,000	587,305	8,214,378	8,265,804
FY15	8,265,804	10,088,393	23,400	-	-	-	23,400	645,387	8,333,707	9,552,206
FY16	9,552,206	11,417,877	10,000,000	-	-	-	13,940,000	581,582	8,218,974	8,646,719
FY17	8,646,719	11,976,034	10,000,000	-	-	-	10,550,000	566,790	8,508,830	11,558,616
FY18	11,558,616	13,111,961	-	-	-	-	4,815,000	507,848	7,780,229	10,519,920
FY19	10,519,920	13,442,927	-	2,000,000	-	-	5,845,000	513,100	10,388,650	9,216,097
FY20	9,216,097	13,080,012	-	2,600,000	-	248,360	5,825,000	506,300	9,643,900	9,169,269
FY21	9,169,269	13,040,033	-	1,500,000	-	248,360	8,915,000	1,778,213	9,846,422	3,418,028
FY22	3,418,028	13,040,407	-	3,700,000	-	755,014	5,105,000	1,776,893	10,053,197	3,978,359
FY23	3,978,359	13,039,506	-	3,200,000	-	1,281,935	5,212,205	1,754,822	10,264,314	4,268,459
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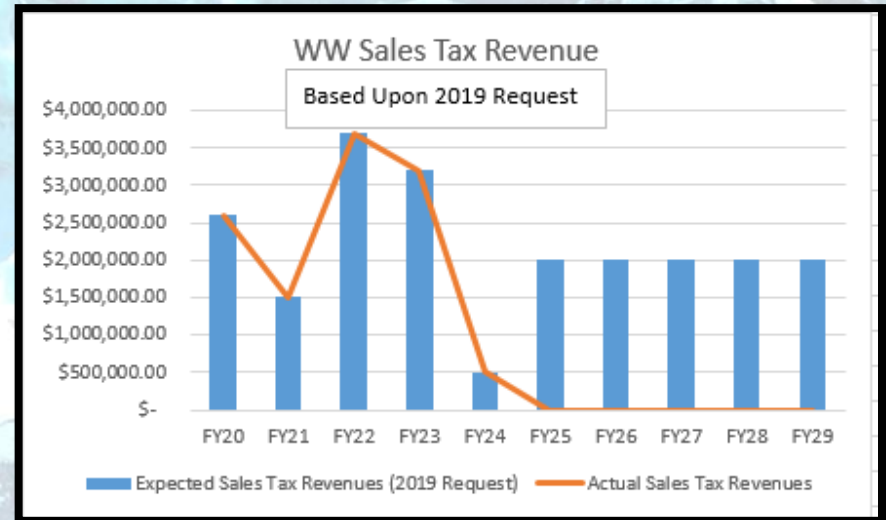
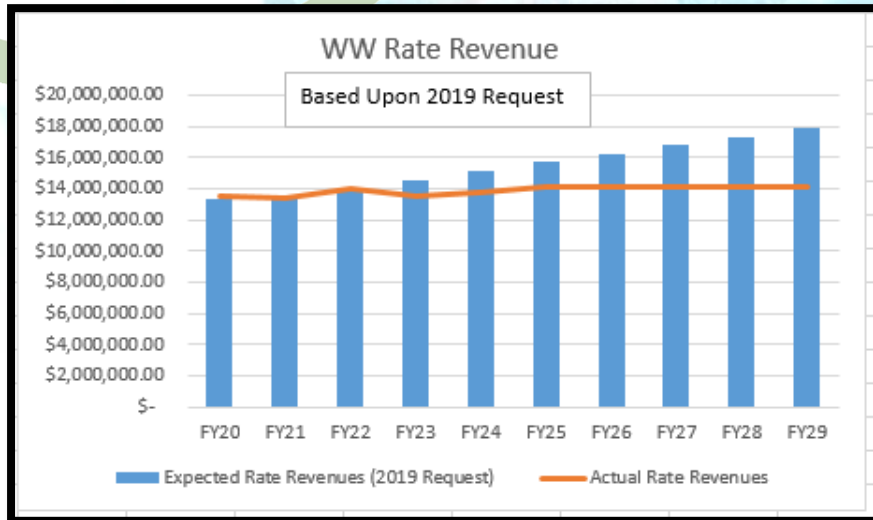
2,000,000

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UTILITY RATES

Revenue Assumption Changes



Expected Rate Revenues (2019 Request): 4% increase FY20 - FY25, 3.5% FY26-29

Actual Rate Revenues : 4% increase FY20, 2% FY21-25, 0% thereafter

Expected Sales Tax Revenues (2019 Request): \$11.5MM FY20 - FY25, \$10MM FY26-29

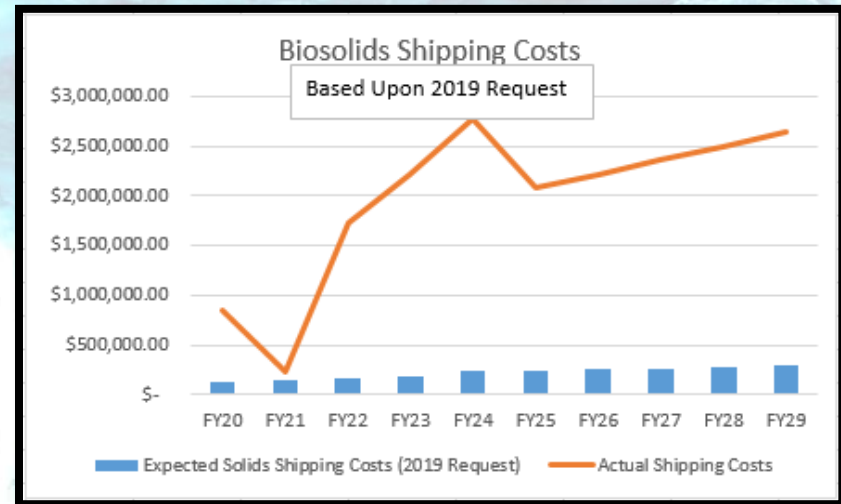
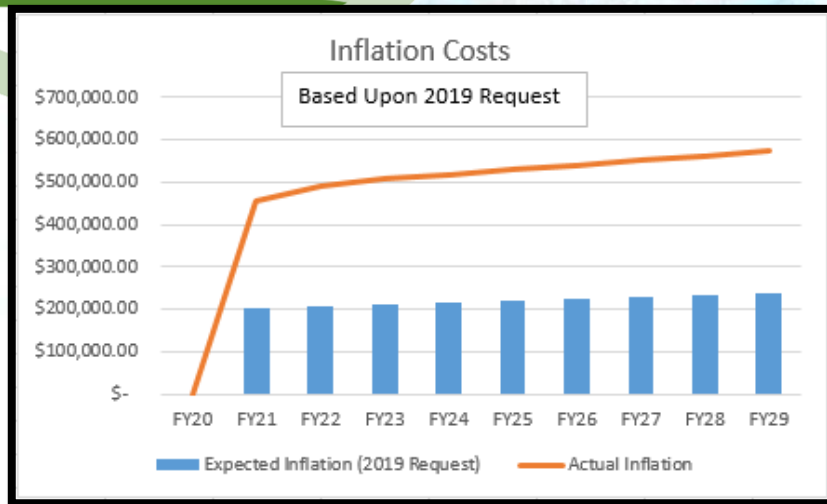
Actual Sales Tax Revenues: \$11.5MM FY20 - FY25, 0% thereafter

Note: Utility receives \$0 Marine Passenger Fees

FY24 projected MPF are \$3.5m - Streets to receive ~\$200k Parks & Rec: \$400k, Manager's Office: \$250k, Police: \$1.3m

UTILITY RATES

Expense Assumption Changes



Expected Inflation: 2.10% annually

Actual: FY21: 4.7%, FY22: 8%, FY23: 3.5%, FY24: 2.2%, FY25-29: 2%

Expected Solids Shipping Costs: Significant decrease with local disposal

*Actual: Loss of Local Option, Steep increase in costs
+25% in FY23-24, FY25-29, 30% decrease in use, 5% annual increase in cost (Crusher Implementation)*

UTILITY RATES

Summary

