



PWFC

Proposed Utility Rate Increase

Brian McGuire

8/5/2024



Agenda

- Overview of Utility Assets
- Rate Increase Revisit
- Rate Study
- Utility Goals



Utility Wastewater Infrastructure:

JUNEAU TREATS
1.2B
 GALLONS
 EVERY YEAR

Wastewater Treatment & Collections

3 Wastewater Treatment Plants

- Mendenhall – 1960/1989
- Juneau-Douglas - 1970's
- Auke Bay - 1970's/1997

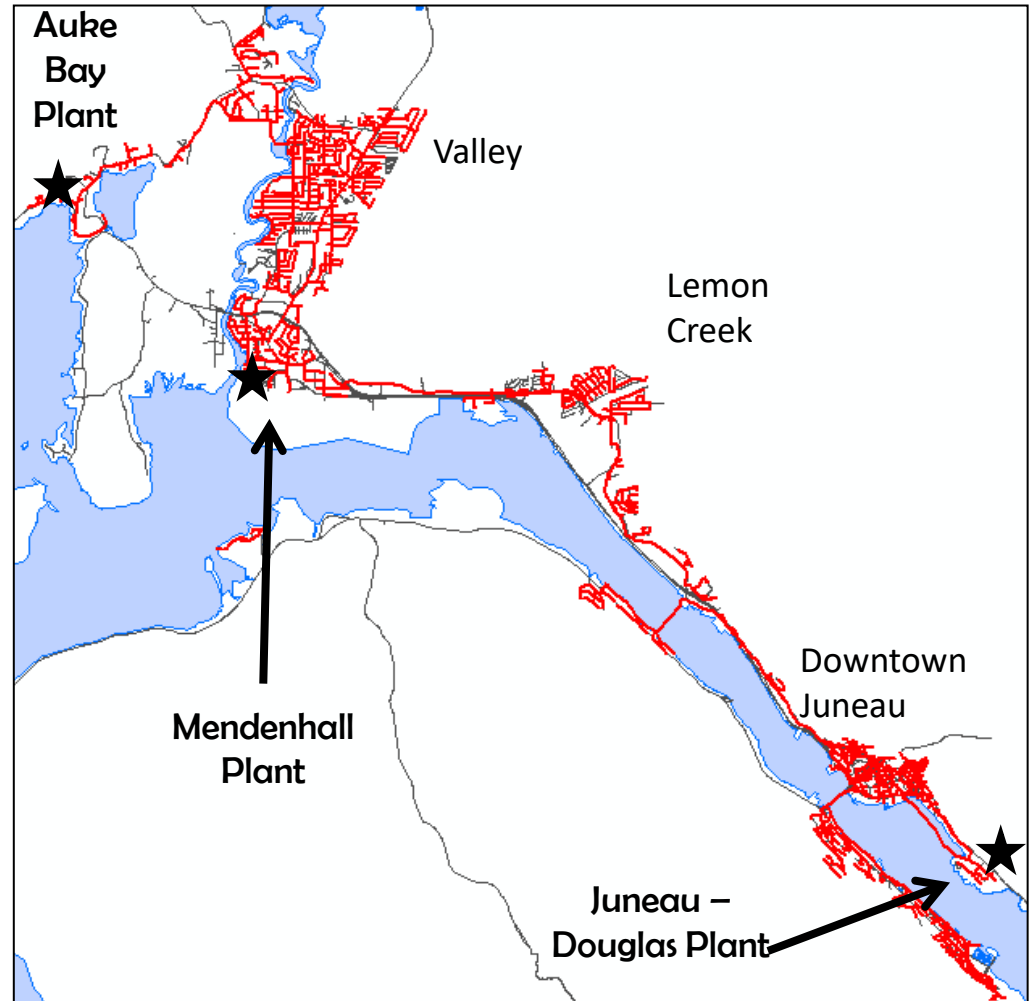
12 clarifying basins (in the plants)

45 Sewer Lift Stations

140 Miles of Pipes

7100 Service Connections

\$109 Million – Original Cost





Utility Water Infrastructure:

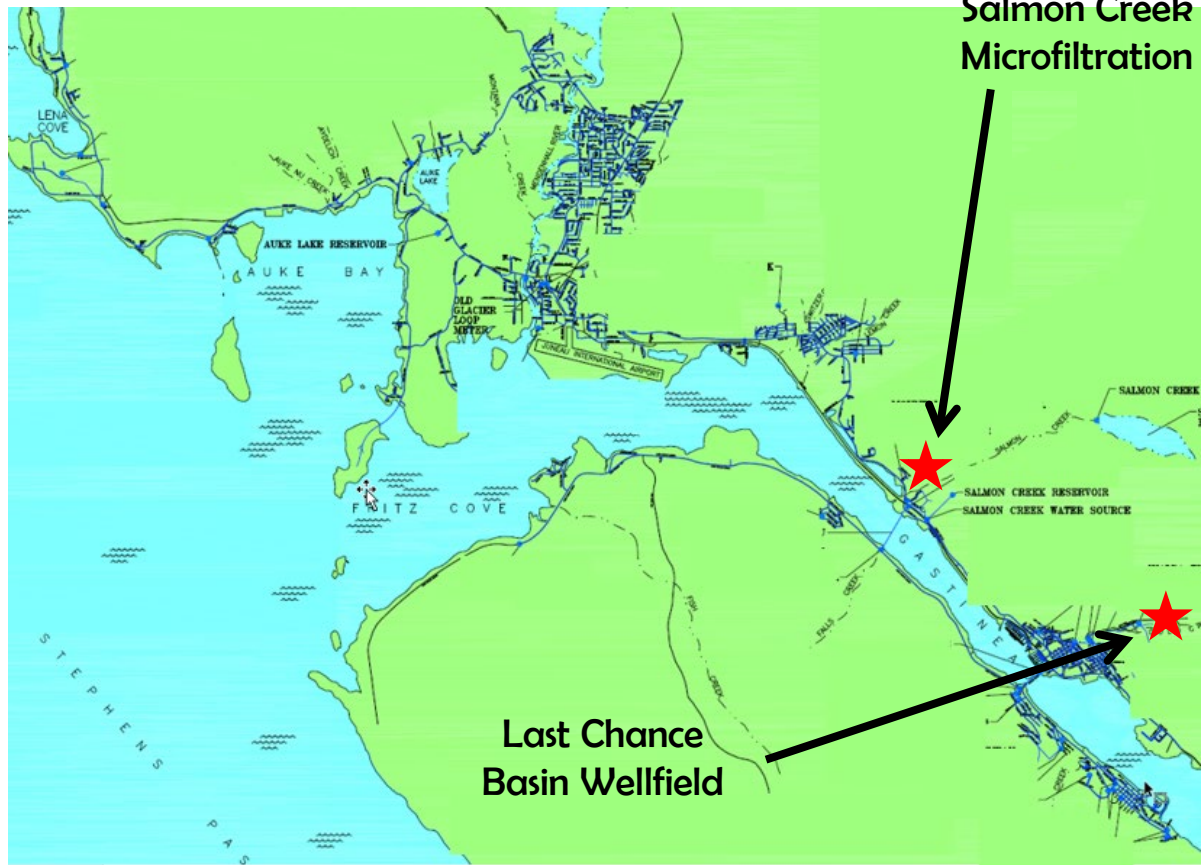
JUNEAU
PRODUCE

1.1B
GALLONS

EVERY
YEAR

Water Production & Distribution

- 2 Water Sources & Treatment Facilities
- 6 Reservoirs
- 3 Contact Tanks
- 8 Pump Stations
- 37 Pressure Regulating Values
- 175 Miles of Pipes
- 8500 Service Connections
- \$113 Million – Original Cost





Water & Sewer Rate Increase

- Last Utility Rate Increase took effect FY 25 (7/1/24 – 6/30/25)
- Request: Increase during period FY26-FY30



State of the Effort

- September 2023 – Presented to PWFC on rates.

–Estimated funding Increases of 10-15%

(\$15 - \$22)

- Via Rates, Bonds, Combo, other?
The Utility has been working with UAB for over a year. UAB is supportive of rate increases.



How we got here

Utility Timeline

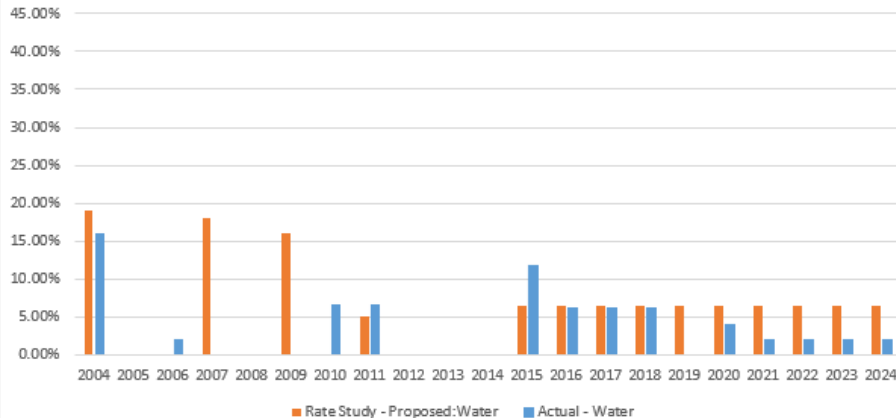
1984 - 2003

- Relatively new
- MWWTP Modernization
- No Rate Increases
- Utility had overall operating loss
- No Depreciation

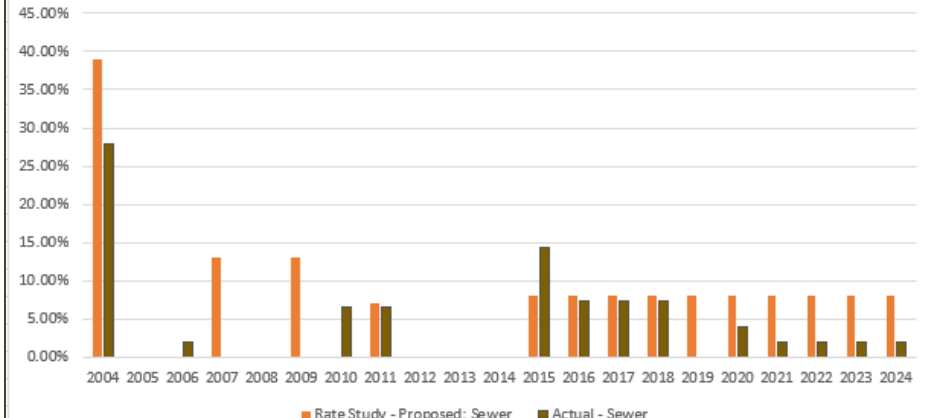
2004 - 2024

- 1st Rate Study
- Formation of Utilities Advisory Board
- Began Rate Increase Efforts
- Overall, rate increases below recommendations
- Sales Tax (\$4MM, \$13.5MM)

Water
2004 - 2024 Rate Study Proposed vs. Actual



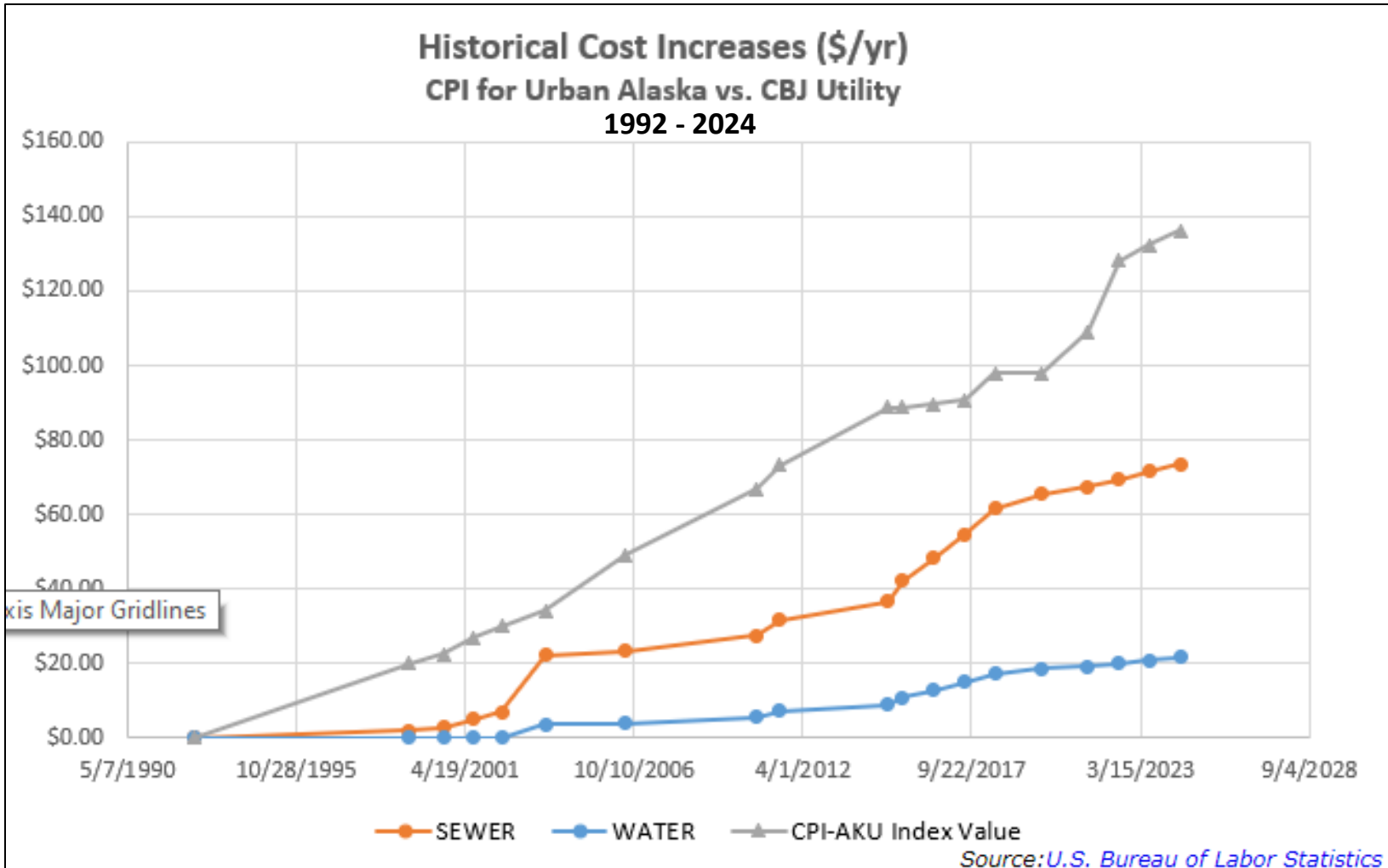
Sewer
2004 - 2024 Rate Study Proposed vs. Actual



Note: FY2013 & FY2014 were not covered under the past rate studies



Water & Sewer Rate History





Utility Goal

Supporting Community Health through Provision of Essential Services

- Reliability
- Resilience
- Maintenance
- Safety/Security



Outside Expertise

- Hired FCS for:
 - Broad utility expertise
 - Deep accounting expertise
 - Objectivity



Thank you