



PWFC

Proposed Utility Rate Increase

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8/8/2024

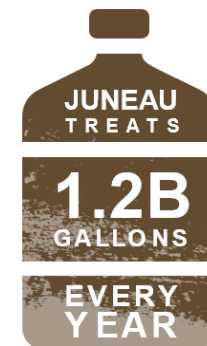


Agenda

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



Utility Wastewater Infrastructure:



Wastewater Treatment & Collections

3 Wastewater Treatment Plants

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

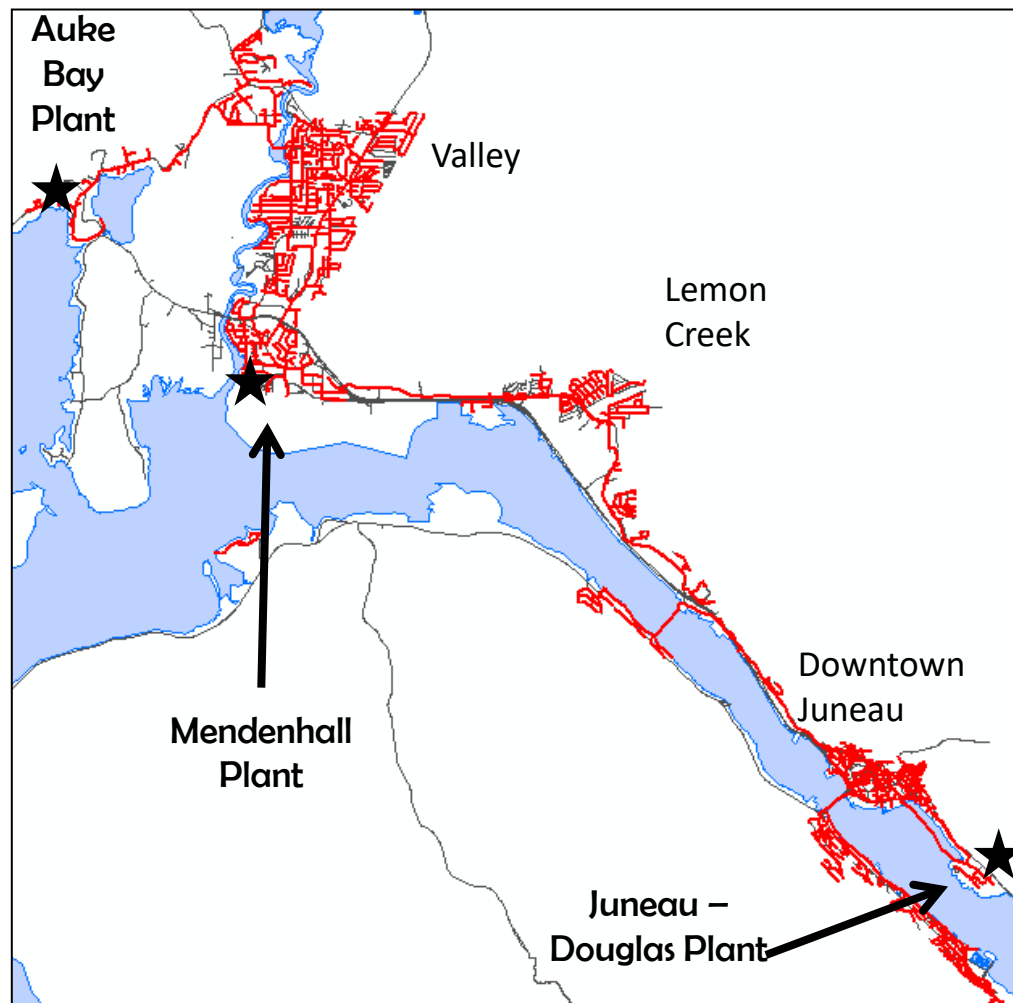
12 clarifying basins (in the plants)

45 Sewer Lift Stations

140 Miles of Pipes

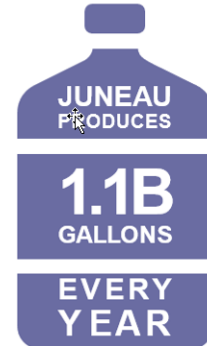
7100 Service Connections

\$109 Million – Original Cost





Utility Water Infrastructure:



Water Production & Distribution

2 Water Sources & Treatment Facilities

6 Reservoirs

3 Contact Tanks

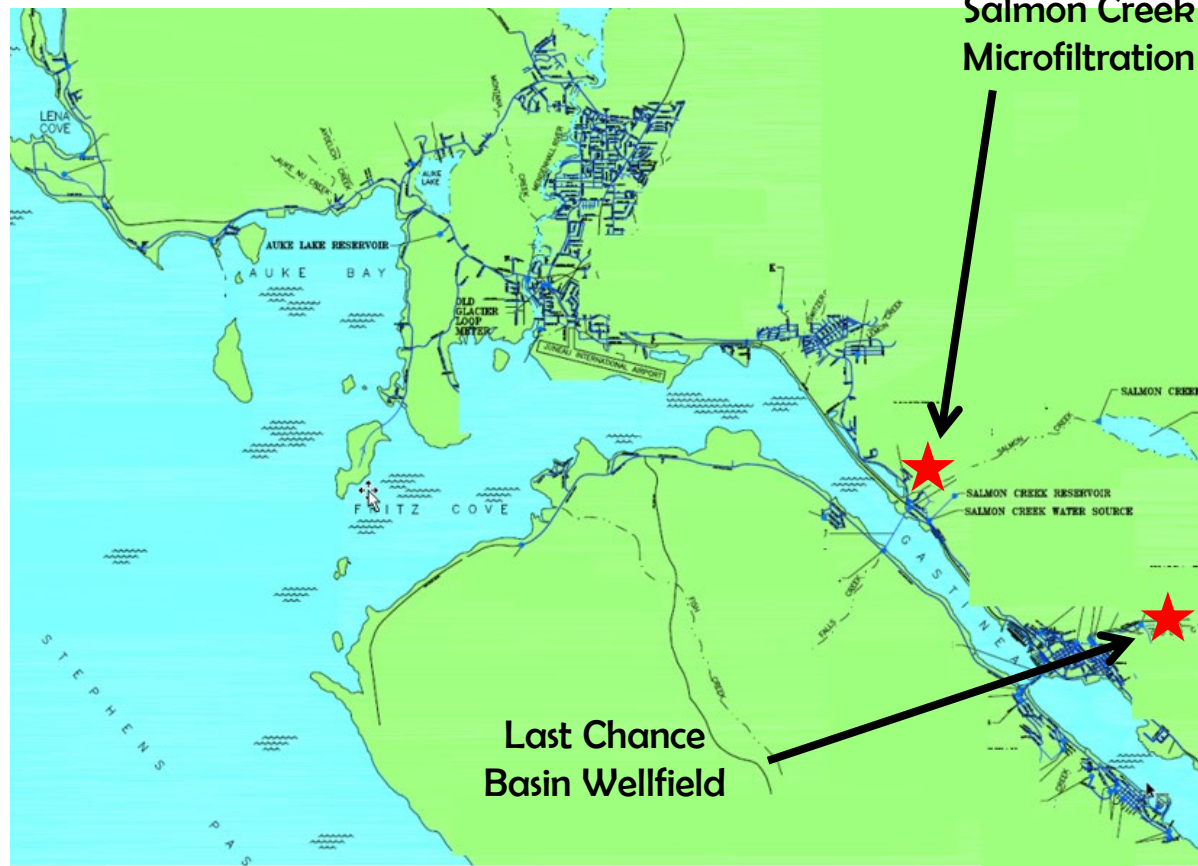
8 Pump Stations

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.

–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
- Few Rate Increases
- Utility had overall operating loss
- No Depreciation

2004 - 2024

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

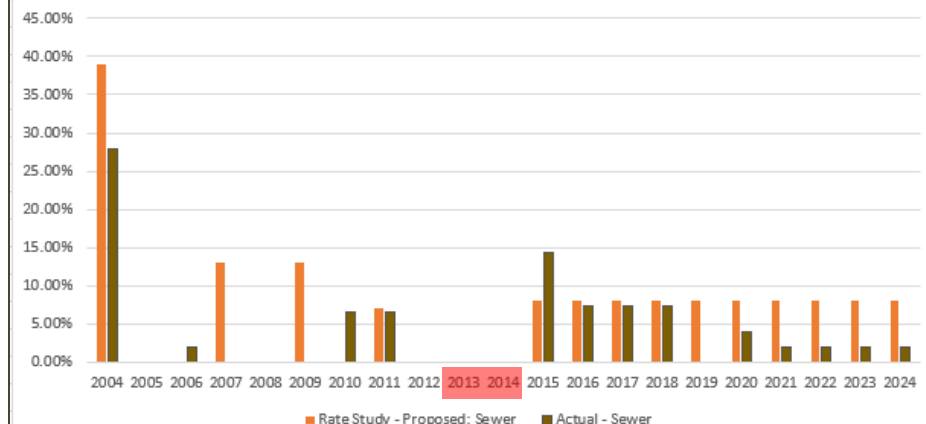
Water

2004 - 2024 Rate Study Proposed vs. Actual



Sewer

2004 - 2024 Rate Study Proposed vs. Actual

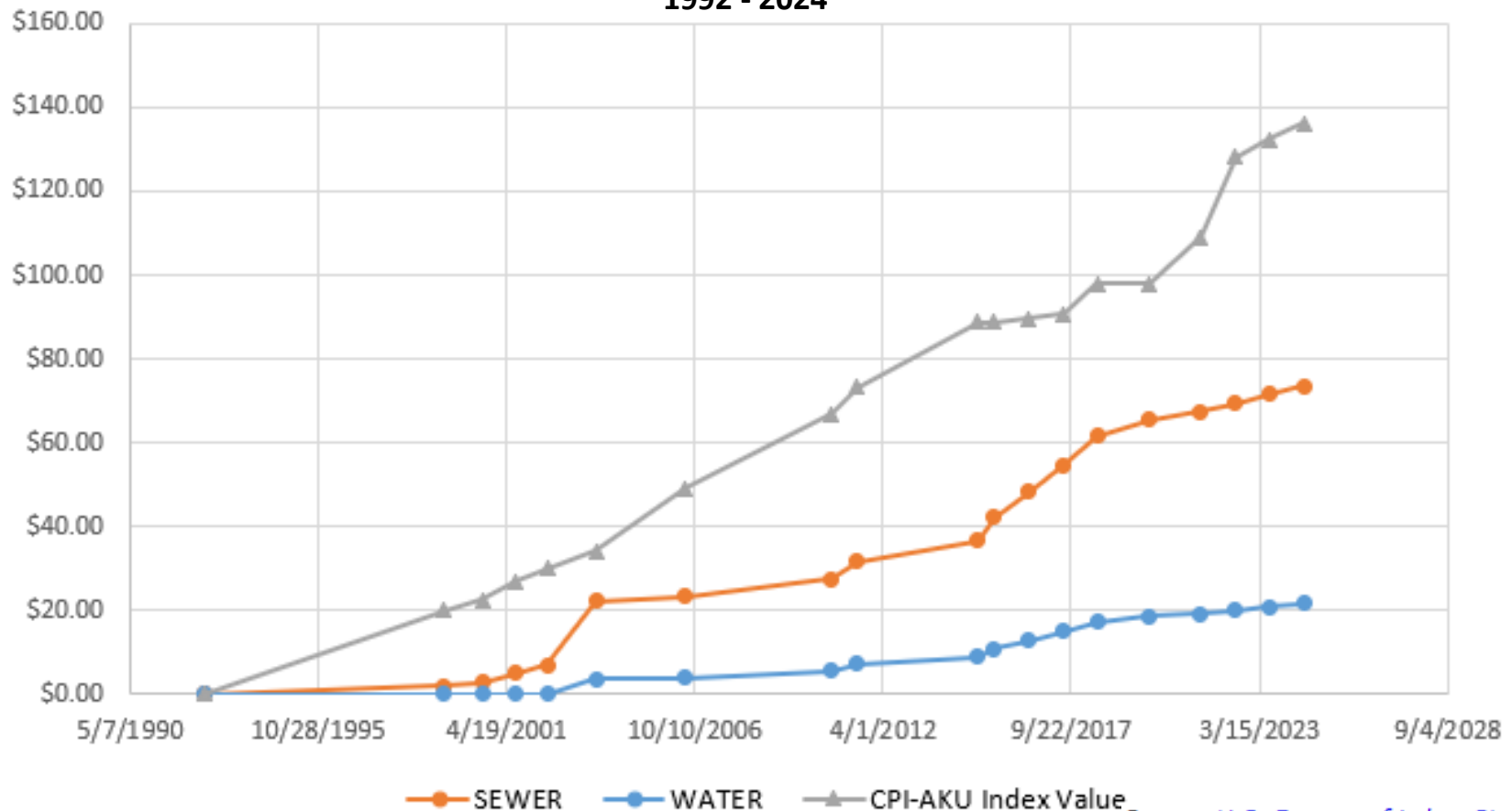


Note: FY2013 & FY2014 were not covered under the past rate studies



Water & Sewer Rate History

Historical Cost Increases (\$/yr)
CPI for Urban Alaska vs. CBJ Utility
1992 - 2024



Source: [U.S. Bureau of Labor Statistics](https://www.bls.gov/)



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