



Legislation Text

File #: 2015-3280, **Version:** 1

TO: Mayor and Commission

AGENDA DATE: 1/19/2021

FROM: John A. Peters, III, PE, Acting City Manager **AGENDA ITEM:** 7 - A

SUBJECT:

Request for approval of revised Resolution No. 2020-64, providing for an adjustment to Wastewater and Reclaimed Water base facility charges beginning 1 April 2021, eliminating the 10,000 cap on Wastewater Usage Charges effective 1 April 2021, and providing for annual rate indexing of Wastewater and Reclaimed Water base facility and water and irrigation usage charges equivalent to the Engineering News Record (ENR) Construction Cost Index beginning 1 October 2024. - John A. Peters, III, P.E., Public Works/Deltona Water (386) 878-8973.

Strategic Goal: Infrastructure/Fiscal Issues

LOCATION:

Deltona Water Utility Service Area

BACKGROUND:

The City of Deltona engaged GovRates, Inc. to complete a Rate Study of Deltona Water's Potable Water, Irrigation, Wastewater and Reclaimed Water Base Facility Charge and Usage Rates. In order to maintain sufficient funding to complete regulatorily mandated capital projects and an adequate level of repair and replacement projects, GovRates determined that the City of Deltona needed to modify the current Base Charges for Wastewater and Reclaimed Water, eliminate the 10,000 gallon cap on Wastewater Usage Charges, and provide for indexing of base fees and usage charges beyond 2023 based on the Engineering News Record (ENR) Construction Cost Index.

The City of Deltona Commission conducted a workshop (28 September 2020) to review all aspects of the proposed adjustments inclusive of capital projects, repair and replacement, and operation expenses. In accordance with Florida Statute 180.136, the City of Deltona will include a notification in the monthly bills informing ratepayers of the recommended rate increases. In addition, 68.65 of the City of Deltona Code of Ordinances requires that utility rate increases for water and wastewater must be considered in separate resolutions, and 68.64 of the Code of Ordinances allows the City Commission to consider annual indexing of Utility Rates.

An incorrect version of this Resolution was presented to the Commission for approval on 1/4/2021. The revised Resolution has the corrected wastewater rates, including corrected volumetric charges that are lower than the rates approved on 1/4/21.

COST:

N/A

SOURCE OF FUNDS:

N/A

ORIGINATING DEPARTMENT:

Public Works

STAFF RECOMMENDATION PRESENTED BY:

John A. Peters, III, PE, Director of Public Works - That the Commission approve the revised Resolution No. 2020-64.

POTENTIAL MOTION:

"I Move to approve the revision to Resolution No. 2020-64, providing for an adjustment to Wastewater and Reclaimed Water base facility charges beginning 1 April 2021, eliminating the 10,000 cap on Wastewater Usage Charges effective 1 April 2021, and providing for annual rate indexing of Wastewater and Reclaimed Water base facility and water and irrigation usage charges equivalent to the Engineering News Record (ENR) Construction Cost Index beginning 1 October 2024. The Acting City Manager has the authority to make corrections of scrivener's errors and the like."