

City of Marco Island

Water and Sewer Cost of Service Rate Study

Revenue Sufficiency Analysis &
Cost Allocation and Rate Design

Presentation of Results

February 29, 2012

BURTON & ASSOCIATES

Agenda

- Introduction and Overview
- Scope of work
- Results
 - Revenue sufficiency analysis
 - Cost allocation and rate design
- Conclusions
- Decision alternatives
- Recommendations
- Next steps
- Discussion



Introduction and Overview

- **Burton & Associates**
 - Specializes in multi-year financial planning and rate services to local governments
 - Emphasis in water resources rate making
 - Some of our other similar clients in FL
 - Fort Myers, Sarasota, Cape Coral, Lake Worth, Fort Lauderdale, Pinellas County, Orange County, Peace River/Manasota Regional Water Supply Authority.
 - Michael Burton – President – Over 30 yrs of industry experience
 - Served seven years on the AWWA Rates and Charges Committee
 - Co-author of AWWA manual M54 Rate Making for Small Systems
 - Andrew Burnham – Sr. Vice President – Over 10 yrs of industry experience
 - Over 300 water and wastewater rate/financial planning projects
- **Overview of presentation**
 - Scope of Rate Study
 - Results and recommendations for each component of the Rate Study

Scope of Work

- Revenue sufficiency analysis
 - Ten year financial management plan
 - Plan of annual rate revenue adjustments
- Cost allocation and rate design
 - AWWA Manual M1 approach and AWWA Manual M54 approach
 - Allocation of costs
 - Structure of rates



Results

- Revenue Sufficiency Analysis

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Rate Increase	0%	6%	6%	3%	3%	3%
DS Coverage	1.43	1.41	1.52	1.49	1.50	1.52

- Financial Management Plan presented on next slide...



FINANCIAL ANALYSIS AND MANAGEMENT SYSTEM (FAMS) SUMMARY

Assumes reduced surcharges in FY 2012

Three year rate adjustment plan

Assumes surcharges adjusted in FY 2016

Inflationary increases thereafter.

SAVE CALC

Override ▶

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Cumulative Change
	0.00%	6.00%	6.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	FY 2017
	0.00%	6.00%	6.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	FY 2022
	0.00%	6.00%	6.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	21.50%
	0.00%	6.00%	6.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	40.82%

Strong debt service coverage

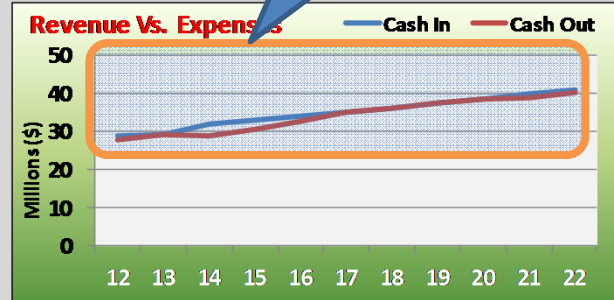
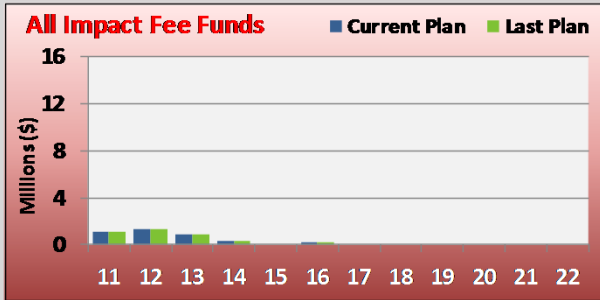
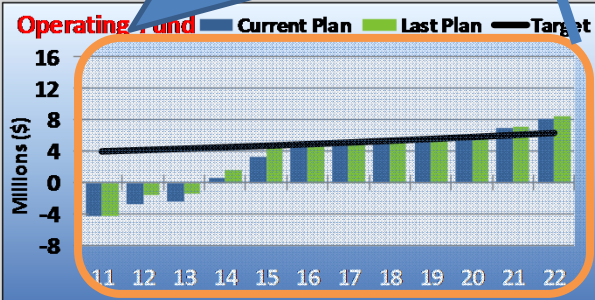
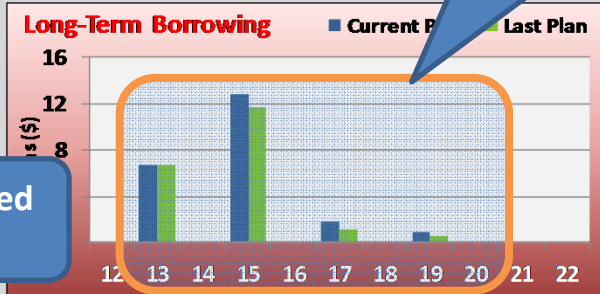
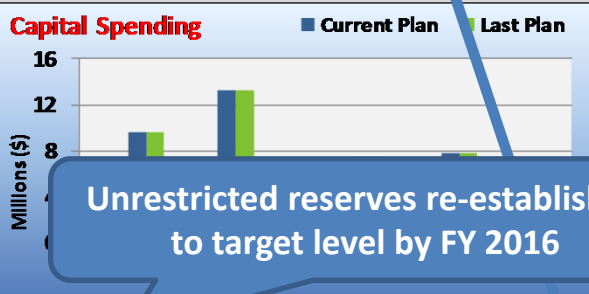
Road Resurfacing Surcharge from: 4% to 3%
STRP Surcharge from: 8% to 3%

Road Resurfacing Surcharge from: 3% to 0%
STRP Surcharge from: 3% to 5%

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022		
Rate Covenant	1.43	1.41	1.52	1.49	1.50	1.52	1.56	1.59	1.63	1.67	1.72	PS FY13 ▶	100%
Last Plan	1.44	1.41	1.52	1.50	1.51	1.54	1.57	1.61	1.65	1.69	1.74	OMV FY13 ▶	90%
SRF Coverage	8.7	8.13	11.60	11.52	11.75	12.71	13.79	14.84	16.03	17.26	18.54	OMF FY13 ▶	90%
Last Plan	8.4	8.20	11.67	11.77	12.01	13.01	14.10	15.20	16.39	17.63	18.92	Elasticity	0.20
CIP Execution % ▶	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
Operating Reserve % ▶	33%	33%	33%	33%	33%	33%	33%	33%	33%	33%	33%		
Water	\$99.21	\$98.89	99.51	105.41	108.58	110.72	114.08			128.36	132.23		
Sewer	\$61.56	\$58.26	61.77	65.50	67.48	68.83	70.91			79.76	82.17		
Average Bill (15,000 gal)	\$152.15	161.28	170.90	176.06	179.55	184.99			208.12	214.40			
Last Plan	\$160.76	\$152.15	61.28	170.90	176.06	179.55	184.99		208.12	214.40		Check	\$ -

Adjusted O&M costs re budget

Borrowing requirements



Results (Cont'd)

- Cost allocation and rate design
 - MI and M54 approaches
 - The MI approach
 - Costs are allocated to service areas and to services within service area based upon identified allocation criteria
 - Costs are allocated to customer classes based upon demand and usage factors, some of which are relative to the City's demand data some of which are estimates based upon judgment and industry standards
 - The M54 approach
 - Costs are allocated to service areas and to services within service area based upon identified allocation criteria
 - Costs are allocated to customer classes based upon rate design which is reflective of cost burden and demand characteristics, the only one of which is based upon industry standards that being meter equivalencies for apportionment of the commercial capacity charge
 - The side-by-side effect of each approach upon monthly water and sewer bills is presented on following slides:



Marco Island

9,000 - 15,000 Sq. Ft. SR Water & Sewer Bill Comparison

9,000 - 15,000 Sq. Ft. SR Water & Sewer Bill Comparison								Current M1 Analysis		
<u>Water Use</u> <u>(TGAL)</u>	<u># of</u> <u>Bills</u>	<u>% of</u> <u>Bills</u>	<u>Agg. %</u> <u>of Bills</u>	<u>Current</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
0	2,143	5.7%	5.7%	\$ 55.97	\$ 62.68	\$ 6.71	12.0%	\$ 40.21	\$ (15.76)	-28.2%
1	976	2.6%	8.3%	\$ 64.79	\$ 72.55	\$ 7.76	12.0%	\$ 50.76	\$ (14.03)	-21.7%
2	1,075	2.9%	11.1%	\$ 73.61	\$ 82.42	\$ 8.81	12.0%	\$ 61.31	\$ (12.30)	-16.7%
3	1,263	3.4%	14.5%	\$ 82.43	\$ 92.29	\$ 9.86	12.0%	\$ 71.86	\$ (10.57)	-12.8%
4	1,276	3.4%	17.9%	\$ 91.25	\$ 102.16	\$ 10.91	12.0%	\$ 82.41	\$ (8.84)	-9.7%
5	1,181	3.1%	21.0%	\$ 100.07	\$ 112.03	\$ 11.96	12.0%	\$ 92.96	\$ (7.11)	-7.1%
6	1,115	3.0%	23.9%	\$ 108.89	\$ 121.90	\$ 13.01	11.9%	\$ 103.51	\$ (5.38)	-4.9%
7	953	2.5%	26.5%	\$ 112.74	\$ 125.88	\$ 13.14	11.7%	\$ 108.36	\$ (4.38)	-3.9%
8	957	2.5%	29.0%	\$ 116.59	\$ 129.86	\$ 13.27	11.4%	\$ 113.21	\$ (3.38)	-2.9%
9	870	2.3%	31.3%	\$ 120.44	\$ 133.84	\$ 13.40	11.1%	\$ 118.06	\$ (2.38)	-2.0%
10	950	2.5%	33.8%	\$ 124.29	\$ 137.82	\$ 13.53	10.9%	\$ 122.91	\$ (1.38)	-1.1%
11	955	2.5%	36.4%	\$ 128.14	\$ 141.80	\$ 13.66	10.7%	\$ 127.76	\$ (0.38)	-0.3%
12	976	2.6%	39.0%	\$ 131.99	\$ 145.78	\$ 13.79	10.4%	\$ 132.61	\$ 0.62	0.5%
13	978	2.6%	41.6%	\$ 135.84	\$ 149.76	\$ 13.92	10.2%	\$ 137.46	\$ 1.62	1.2%
14	1,089	2.9%	44.4%	\$ 139.69	\$ 153.74	\$ 14.05	10.1%	\$ 142.31	\$ 2.62	1.9%
15	1,138	3.0%	47.5%	\$ 143.54	\$ 157.72	\$ 14.18	9.9%	\$ 147.16	\$ 3.62	2.5%
16	1,152	3.1%	50.5%	\$ 147.39	\$ 161.70	\$ 14.31	9.7%	\$ 152.01	\$ 4.62	3.1%
17	1,166	3.1%	53.6%	\$ 151.24	\$ 165.68	\$ 14.44	9.5%	\$ 156.86	\$ 5.62	3.7%
18	1,209	3.2%	56.8%	\$ 155.09	\$ 169.66	\$ 14.57	9.4%	\$ 161.71	\$ 6.62	4.3%
19	1,148	3.0%	59.9%	\$ 158.94	\$ 173.64	\$ 14.70	9.2%	\$ 166.56	\$ 7.62	4.8%
20	1,130	3.0%	62.9%	\$ 162.79	\$ 177.62	\$ 14.83	9.1%	\$ 171.41	\$ 8.62	5.3%
21	1,084	2.9%	65.7%	\$ 166.64	\$ 181.60	\$ 14.96	9.0%	\$ 176.26	\$ 9.62	5.8%
22	1,066	2.8%	68.6%	\$ 170.49	\$ 187.58	\$ 17.09	10.0%	\$ 183.53	\$ 13.04	7.6%
23	1,027	2.7%	71.3%	\$ 174.34	\$ 193.56	\$ 19.22	11.0%	\$ 190.80	\$ 16.46	9.4%
24	908	2.4%	73.7%	\$ 178.19	\$ 199.54	\$ 21.35	12.0%	\$ 198.07	\$ 19.88	11.2%
25	860	2.3%	76.0%	\$ 182.04	\$ 205.52	\$ 23.48	12.9%	\$ 205.34	\$ 23.30	12.8%
26	829	2.2%	78.2%	\$ 185.89	\$ 211.50	\$ 25.61	13.8%	\$ 212.61	\$ 26.72	14.4%
27	777	2.1%	80.2%	\$ 189.74	\$ 217.48	\$ 27.74	14.6%	\$ 219.88	\$ 30.14	15.9%
28	731	1.9%	82.2%	\$ 195.51	\$ 223.46	\$ 27.95	14.3%	\$ 227.15	\$ 31.64	16.2%
29	619	1.6%	83.8%	\$ 201.28	\$ 229.44	\$ 28.16	14.0%	\$ 234.42	\$ 33.14	16.5%
30	550	1.5%	85.3%	\$ 207.05	\$ 235.42	\$ 28.37	13.7%	\$ 241.69	\$ 34.64	16.7%

35% of All Bills Were Issued for (9,000 - 15,000 sq. ft. lot) SR Accounts

MU Water & Sewer Bill Comparison:

30

Units

								Current M1 Analysis		
<u>Water Use</u>		<u>% of</u>	<u>Agg. %</u>					<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
<u>(TGAL)</u>	<u># of Bills</u>	<u>Bills</u>	<u>of Bills</u>	<u>Current</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>			
0	-	0.0%	0.0%	\$ 894.94	\$ 875.21	\$ (19.73)	-2.2%	\$ 446.68	\$ (448.26)	-50.1%
10	-	0.0%	4.2%	\$ 993.14	\$ 973.91	\$ (19.23)	-1.9%	\$ 602.58	\$ (390.56)	-39.3%
20	-	0.0%	10.4%	\$ 1,091.34	\$ 1,072.61	\$ (18.73)	-1.7%	\$ 758.48	\$ (332.86)	-30.5%
30	-	0.0%	25.0%	\$ 1,189.54	\$ 1,171.31	\$ (18.23)	-1.5%	\$ 914.38	\$ (275.16)	-23.1%
40	-	0.0%	35.4%	\$ 1,287.74	\$ 1,270.01	\$ (17.73)	-1.4%	\$ 1,070.28	\$ (217.46)	-16.9%
50	-	0.0%	52.1%	\$ 1,385.94	\$ 1,368.71	\$ (17.23)	-1.2%	\$ 1,226.18	\$ (159.76)	-11.5%
60	-	0.0%	56.3%	\$ 1,484.14	\$ 1,467.41	\$ (16.73)	-1.1%	\$ 1,382.08	\$ (102.06)	-6.9%
70	-	0.0%	62.5%	\$ 1,582.34	\$ 1,566.11	\$ (16.23)	-1.0%	\$ 1,537.98	\$ (44.36)	-2.8%
80	1	2.1%	72.9%	\$ 1,680.54	\$ 1,664.81	\$ (15.73)	-0.9%	\$ 1,693.88	\$ 13.34	0.8%
90	-	0.0%	77.1%	\$ 1,778.74	\$ 1,763.51	\$ (15.23)	-0.9%	\$ 1,849.78	\$ 71.04	4.0%
100	-	0.0%	79.2%	\$ 1,876.94	\$ 1,862.21	\$ (14.73)	-0.8%	\$ 2,005.68	\$ 128.74	6.9%
150	-	0.0%	100.0%	\$ 2,367.94	\$ 2,355.71	\$ (12.23)	-0.5%	\$ 2,785.18	\$ 417.24	17.6%
200	-	0.0%	100.0%	\$ 2,858.94	\$ 2,849.21	\$ (9.73)	-0.3%	\$ 3,564.68	\$ 705.74	24.7%
250	-	0.0%	100.0%	\$ 3,349.94	\$ 3,342.71	\$ (7.23)	-0.2%	\$ 4,344.18	\$ 994.24	29.7%
300	-	0.0%	100.0%	\$ 3,840.94	\$ 3,836.21	\$ (4.73)	-0.1%	\$ 5,123.68	\$ 1,282.74	33.4%
350	-	0.0%	100.0%	\$ 4,331.94	\$ 4,329.71	\$ (2.23)	-0.1%	\$ 5,903.18	\$ 1,571.24	36.3%
400	-	0.0%	100.0%	\$ 4,822.94	\$ 4,823.21	\$ 0.27	0.0%	\$ 6,682.68	\$ 1,859.74	38.6%
450	-	0.0%	100.0%	\$ 5,313.94	\$ 5,316.71	\$ 2.77	0.1%	\$ 7,462.18	\$ 2,148.24	40.4%
500	-	0.0%	100.0%	\$ 5,804.94	\$ 5,810.21	\$ 5.27	0.1%	\$ 8,241.68	\$ 2,436.74	42.0%

2% of All Bills Were Issued for MU Accounts

5/8" COM Water & Sewer Bill Comparison

5/8" COM Water & Sewer Bill Comparison								Current M1 Analysis		
Water Use (TGAL)	# of Bills	% of Bills	Agg. % of Bills	Current	Proposed	\$ Chg.	% Chg.	Proposed	\$ Chg.	% Chg.
0	988	29.5%	29.5%	\$ 55.97	\$ 62.68	\$ 6.71	12.0%	\$ 82.30	\$ 26.33	47.0%
1	544	16.2%	45.7%	\$ 65.79	\$ 73.88	\$ 8.09	12.3%	\$ 98.54	\$ 32.75	49.8%
2	305	9.1%	54.8%	\$ 75.61	\$ 85.08	\$ 9.47	12.5%	\$ 114.78	\$ 39.17	51.8%
3	178	5.3%	60.1%	\$ 85.43	\$ 96.28	\$ 10.85	12.7%	\$ 131.02	\$ 45.59	53.4%
4	142	4.2%	64.3%	\$ 95.25	\$ 107.48	\$ 12.23	12.8%	\$ 147.26	\$ 52.01	54.6%
5	133	4.0%	68.3%	\$ 105.07	\$ 118.68	\$ 13.61	13.0%	\$ 163.50	\$ 58.43	55.6%
6	104	3.1%	71.4%	\$ 114.89	\$ 129.88	\$ 14.99	13.0%	\$ 179.74	\$ 64.85	56.4%
7	80	2.4%	73.8%	\$ 124.71	\$ 141.08	\$ 16.37	13.1%	\$ 195.98	\$ 71.27	57.1%
8	77	2.3%	76.1%	\$ 134.53	\$ 152.28	\$ 17.75	13.2%	\$ 212.22	\$ 77.69	57.7%
9	62	1.8%	77.9%	\$ 144.35	\$ 163.48	\$ 19.13	13.3%	\$ 228.46	\$ 84.11	58.3%
10	55	1.6%	79.5%	\$ 154.17	\$ 174.68	\$ 20.51	13.3%	\$ 244.70	\$ 90.53	58.7%
20	24	0.7%	90.2%	\$ 252.37	\$ 286.68	\$ 34.31	13.6%	\$ 407.10	\$ 154.73	61.3%
30	11	0.3%	94.0%	\$ 350.57	\$ 398.68	\$ 48.11	13.7%	\$ 569.50	\$ 218.93	62.4%
40	6	0.2%	95.5%	\$ 448.77	\$ 510.68	\$ 61.91	13.8%	\$ 731.90	\$ 283.13	63.1%
50	9	0.3%	97.1%	\$ 546.97	\$ 622.68	\$ 75.71	13.8%	\$ 894.30	\$ 347.33	63.5%
60	5	0.1%	98.2%	\$ 645.17	\$ 734.68	\$ 89.51	13.9%	\$ 1,056.70	\$ 411.53	63.8%
70	1	0.0%	98.7%	\$ 743.37	\$ 846.68	\$ 103.31	13.9%	\$ 1,219.10	\$ 475.73	64.0%
80	-	0.0%	99.0%	\$ 841.57	\$ 958.68	\$ 117.11	13.9%	\$ 1,381.50	\$ 539.93	64.2%
90	1	0.0%	99.3%	\$ 939.77	\$ 1,070.68	\$ 130.91	13.9%	\$ 1,543.90	\$ 604.13	64.3%
100	2	0.1%	99.4%	\$ 1,037.97	\$ 1,182.68	\$ 144.71	13.9%	\$ 1,706.30	\$ 668.33	64.4%
500	-	0.0%	99.9%	\$ 4,965.97	\$ 5,662.68	\$ 696.71	14.0%	\$ 8,202.30	\$ 3,236.33	65.2%

3% of All Bills Issued were for 5/8" Meter COM Accounts

1" COM Water & Sewer Bill Comparison

<u>Water Use (TGAL)</u>	<u># of Bills</u>	<u>% of Bills</u>	<u>Agg. % of Bills</u>	<u>Current</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
0	92	9.1%	9.1%	\$ 139.99	\$ 146.19	\$ 6.20	4.4%
1	72	7.1%	16.2%	\$ 149.81	\$ 157.39	\$ 7.58	5.1%
2	67	6.6%	22.8%	\$ 159.63	\$ 168.59	\$ 8.96	5.6%
3	69	6.8%	29.6%	\$ 169.45	\$ 179.79	\$ 10.34	6.1%
4	46	4.5%	34.1%	\$ 179.27	\$ 190.99	\$ 11.72	6.5%
5	44	4.3%	38.4%	\$ 189.09	\$ 202.19	\$ 13.10	6.9%
6	33	3.3%	41.7%	\$ 198.91	\$ 213.39	\$ 14.48	7.3%
7	32	3.2%	44.8%	\$ 208.73	\$ 224.59	\$ 15.86	7.6%
8	34	3.3%	48.2%	\$ 218.55	\$ 235.79	\$ 17.24	7.9%
9	19	1.9%	50.0%	\$ 228.37	\$ 246.99	\$ 18.62	8.2%
10	20	2.0%	52.0%	\$ 238.19	\$ 258.19	\$ 20.00	8.4%
20	8	0.8%	68.3%	\$ 336.39	\$ 370.19	\$ 33.80	10.0%
30	3	0.3%	75.5%	\$ 434.59	\$ 482.19	\$ 47.60	11.0%
40	3	0.3%	81.0%	\$ 532.79	\$ 594.19	\$ 61.40	11.5%
50	1	0.1%	84.5%	\$ 630.99	\$ 706.19	\$ 75.20	11.9%
60	3	0.3%	87.2%	\$ 729.19	\$ 818.19	\$ 89.00	12.2%
70	2	0.2%	90.2%	\$ 827.39	\$ 930.19	\$ 102.80	12.4%
80	-	0.0%	91.1%	\$ 925.59	\$ 1,042.19	\$ 116.60	12.6%
90	1	0.1%	92.5%	\$ 1,023.79	\$ 1,154.19	\$ 130.40	12.7%
100	1	0.1%	93.6%	\$ 1,121.99	\$ 1,266.19	\$ 144.20	12.9%
200	-	0.0%	97.9%	\$ 2,103.99	\$ 2,386.19	\$ 282.20	13.4%
300	-	0.0%	99.5%	\$ 3,085.99	\$ 3,506.19	\$ 420.20	13.6%
400	-	0.0%	99.8%	\$ 4,067.99	\$ 4,626.19	\$ 558.20	13.7%
500	-	0.0%	99.8%	\$ 5,049.99	\$ 5,746.19	\$ 696.20	13.8%

Current M1 Analysis		
<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
\$ 195.90	\$ 55.91	39.9%
\$ 212.14	\$ 62.33	41.6%
\$ 228.38	\$ 68.75	43.1%
\$ 244.62	\$ 75.17	44.4%
\$ 260.86	\$ 81.59	45.5%
\$ 277.10	\$ 88.01	46.5%
\$ 293.34	\$ 94.43	47.5%
\$ 309.58	\$ 100.85	48.3%
\$ 325.82	\$ 107.27	49.1%
\$ 342.06	\$ 113.69	49.8%
\$ 358.30	\$ 120.11	50.4%
\$ 520.70	\$ 184.31	54.8%
\$ 683.10	\$ 248.51	57.2%
\$ 845.50	\$ 312.71	58.7%
\$ 1,007.90	\$ 376.91	59.7%
\$ 1,170.30	\$ 441.11	60.5%
\$ 1,332.70	\$ 505.31	61.1%
\$ 1,495.10	\$ 569.51	61.5%
\$ 1,657.50	\$ 633.71	61.9%
\$ 1,819.90	\$ 697.90	62.2%
\$ 3,443.90	\$ 1,339.91	63.7%
\$ 5,067.90	\$ 1,981.90	64.2%
\$ 6,691.89	\$ 2,623.91	64.5%
\$ 8,315.89	\$ 3,265.91	64.7%

1% of All Bills Were Issued for 1" Meter COM Accounts

2" COM Water & Sewer Bill Comparison

<u>Water Use (TGAL)</u>	<u># of Bills</u>	<u>% of Bills</u>	<u>Agg. % of Bills</u>	<u>Current</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
0	11	2.1%	2.1%	\$ 448.06	\$ 452.37	\$ 4.31	1.0%
1	10	1.9%	4.1%	\$ 457.88	\$ 463.57	\$ 5.69	1.2%
2	10	1.9%	6.0%	\$ 467.70	\$ 474.77	\$ 7.07	1.5%
3	5	1.0%	7.0%	\$ 477.52	\$ 485.97	\$ 8.45	1.8%
4	9	1.7%	8.7%	\$ 487.34	\$ 497.17	\$ 9.83	2.0%
5	7	1.4%	10.1%	\$ 497.16	\$ 508.37	\$ 11.21	2.3%
6	2	0.4%	10.4%	\$ 506.98	\$ 519.57	\$ 12.59	2.5%
7	3	0.6%	11.0%	\$ 516.80	\$ 530.77	\$ 13.97	2.7%
8	4	0.8%	11.8%	\$ 526.62	\$ 541.97	\$ 15.35	2.9%
9	4	0.8%	12.6%	\$ 536.44	\$ 553.17	\$ 16.73	3.1%
10	2	0.4%	13.0%	\$ 546.26	\$ 564.37	\$ 18.11	3.3%
20	6	1.2%	25.0%	\$ 644.46	\$ 676.37	\$ 31.91	5.0%
30	10	1.9%	38.3%	\$ 742.66	\$ 788.37	\$ 45.71	6.2%
40	6	1.2%	45.5%	\$ 840.86	\$ 900.37	\$ 59.51	7.1%
50	3	0.6%	52.8%	\$ 939.06	\$ 1,012.37	\$ 73.31	7.8%
60	2	0.4%	58.6%	\$ 1,037.26	\$ 1,124.37	\$ 87.11	8.4%
70	2	0.4%	64.2%	\$ 1,135.46	\$ 1,236.37	\$ 100.91	8.9%
80	3	0.6%	69.8%	\$ 1,233.66	\$ 1,348.37	\$ 114.71	9.3%
90	2	0.4%	73.7%	\$ 1,331.86	\$ 1,460.37	\$ 128.51	9.6%
100	1	0.2%	75.4%	\$ 1,430.06	\$ 1,572.37	\$ 142.31	10.0%
150	1	0.2%	82.6%	\$ 1,921.06	\$ 2,132.37	\$ 211.31	11.0%
200	-	0.0%	85.5%	\$ 2,412.06	\$ 2,692.37	\$ 280.31	11.6%
300	-	0.0%	94.0%	\$ 3,394.06	\$ 3,812.37	\$ 418.31	12.3%
400	-	0.0%	96.5%	\$ 4,376.06	\$ 4,932.37	\$ 556.31	12.7%
500	10	1.9%	100.0%	\$ 5,358.06	\$ 6,052.37	\$ 694.31	13.0%

Current M1 Analysis		
<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
\$ 612.34	\$ 164.28	36.7%
\$ 628.58	\$ 170.70	37.3%
\$ 644.82	\$ 177.12	37.9%
\$ 661.06	\$ 183.54	38.4%
\$ 677.30	\$ 189.96	39.0%
\$ 693.54	\$ 196.38	39.5%
\$ 709.78	\$ 202.80	40.0%
\$ 726.02	\$ 209.22	40.5%
\$ 742.26	\$ 215.64	40.9%
\$ 758.50	\$ 222.06	41.4%
\$ 774.74	\$ 228.48	41.8%
\$ 937.14	\$ 292.68	45.4%
\$ 1,099.54	\$ 356.88	48.1%
\$ 1,261.94	\$ 421.08	50.1%
\$ 1,424.34	\$ 485.28	51.7%
\$ 1,586.74	\$ 549.48	53.0%
\$ 1,749.14	\$ 613.68	54.0%
\$ 1,911.54	\$ 677.88	54.9%
\$ 2,073.94	\$ 742.08	55.7%
\$ 2,236.34	\$ 806.28	56.4%
\$ 3,048.34	\$ 1,127.28	58.7%
\$ 3,860.34	\$ 1,448.28	60.0%
\$ 5,484.34	\$ 2,090.28	61.6%
\$ 7,108.34	\$ 2,732.28	62.4%
\$ 8,732.34	\$ 3,374.28	63.0%

0.5% of All Bills Were Issued for 2" Meter COM Accounts

4" COM Water & Sewer Bill Comparison

<u>Water Use</u> <u>(TGAL)</u>	<u># of</u> <u>Bills</u>	<u>% of</u> <u>Bills</u>	<u>Agg. %</u> <u>of Bills</u>	<u>Current</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
0	-	0.0%	0.0%	\$ 1,400.25	\$ 1,398.76	\$ (1.49)	-0.1%
50	-	0.0%	24.1%	\$ 1,891.25	\$ 1,958.76	\$ 67.51	3.6%
100	-	0.0%	39.8%	\$ 2,382.25	\$ 2,518.76	\$ 136.51	5.7%
200	-	0.0%	49.1%	\$ 3,364.25	\$ 3,638.76	\$ 274.51	8.2%
250	-	0.0%	50.9%	\$ 3,855.25	\$ 4,198.76	\$ 343.51	8.9%
300	-	0.0%	53.7%	\$ 4,346.25	\$ 4,758.76	\$ 412.51	9.5%
350	-	0.0%	60.2%	\$ 4,837.25	\$ 5,318.76	\$ 481.51	10.0%
400	-	0.0%	67.6%	\$ 5,328.25	\$ 5,878.76	\$ 550.51	10.3%
450	-	0.0%	72.2%	\$ 5,819.25	\$ 6,438.76	\$ 619.51	10.6%
500	-	0.0%	75.9%	\$ 6,310.25	\$ 6,998.76	\$ 688.51	10.9%
550	1	0.9%	81.5%	\$ 6,801.25	\$ 7,558.76	\$ 757.51	11.1%
600	-	0.0%	83.3%	\$ 7,292.25	\$ 8,118.76	\$ 826.51	11.3%
700	-	0.0%	87.0%	\$ 8,274.25	\$ 9,238.76	\$ 964.51	11.7%
800	-	0.0%	88.0%	\$ 9,256.25	\$ 10,358.76	\$ 1,102.51	11.9%
900	-	0.0%	90.7%	\$ 10,238.25	\$ 11,478.76	\$ 1,240.51	12.1%
1000	5	4.6%	95.4%	\$ 11,220.25	\$ 12,598.76	\$ 1,378.51	12.3%

<u>Current M1 Analysis</u>		
<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
\$ 1,899.58	\$ 499.33	35.7%
\$ 2,711.58	\$ 820.33	43.4%
\$ 3,523.58	\$ 1,141.33	47.9%
\$ 5,147.58	\$ 1,783.33	53.0%
\$ 5,959.58	\$ 2,104.33	54.6%
\$ 6,771.58	\$ 2,425.33	55.8%
\$ 7,583.58	\$ 2,746.33	56.8%
\$ 8,395.58	\$ 3,067.33	57.6%
\$ 9,207.58	\$ 3,388.33	58.2%
\$ 10,019.58	\$ 3,709.33	58.8%
\$ 10,831.58	\$ 4,030.33	59.3%
\$ 11,643.58	\$ 4,351.33	59.7%
\$ 13,267.58	\$ 4,993.33	60.3%
\$ 14,891.58	\$ 5,635.33	60.9%
\$ 16,515.58	\$ 6,277.33	61.3%
\$ 18,139.58	\$ 6,919.33	61.7%

1 Customer with 4" Meter

6" COM Water & Sewer Bill Comparison

<u>Water Use</u> <u>(TGAL)</u>	<u># of</u> <u>Bills</u>	<u>% of</u> <u>Bills</u>	<u>Agg. %</u> <u>of Bills</u>	<u>Current</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
0	-	0.0%	0.0%	\$ 2,800.45	\$ 2,790.51	\$ (9.94)	-0.4%
50	-	0.0%	0.0%	\$ 3,291.45	\$ 3,350.51	\$ 59.06	1.8%
100	-	0.0%	0.0%	\$ 3,782.45	\$ 3,910.51	\$ 128.06	3.4%
150	-	0.0%	0.0%	\$ 4,273.45	\$ 4,470.51	\$ 197.06	4.6%
200	-	0.0%	0.0%	\$ 4,764.45	\$ 5,030.51	\$ 266.06	5.6%
250	-	0.0%	0.0%	\$ 5,255.45	\$ 5,590.51	\$ 335.06	6.4%
300	-	0.0%	0.0%	\$ 5,746.45	\$ 6,150.51	\$ 404.06	7.0%
350	-	0.0%	0.0%	\$ 6,237.45	\$ 6,710.51	\$ 473.06	7.6%
400	-	0.0%	2.1%	\$ 6,728.45	\$ 7,270.51	\$ 542.06	8.1%
450	-	0.0%	4.2%	\$ 7,219.45	\$ 7,830.51	\$ 611.06	8.5%
500	-	0.0%	6.3%	\$ 7,710.45	\$ 8,390.51	\$ 680.06	8.8%
600	-	0.0%	14.6%	\$ 8,692.45	\$ 9,510.51	\$ 818.06	9.4%
700	-	0.0%	18.8%	\$ 9,674.45	\$ 10,630.51	\$ 956.06	9.9%
800	-	0.0%	20.8%	\$ 10,656.45	\$ 11,750.51	\$ 1,094.06	10.3%
900	1	2.1%	27.1%	\$ 11,638.45	\$ 12,870.51	\$ 1,232.06	10.6%
1000	-	0.0%	45.8%	\$ 12,620.45	\$ 13,990.51	\$ 1,370.06	10.9%
1100	-	0.0%	70.8%	\$ 13,602.45	\$ 15,110.51	\$ 1,508.06	11.1%
1200	-	0.0%	77.1%	\$ 14,584.45	\$ 16,230.51	\$ 1,646.06	11.3%
1300	-	0.0%	87.5%	\$ 15,566.45	\$ 17,350.51	\$ 1,784.06	11.5%
1400	-	0.0%	87.5%	\$ 16,548.45	\$ 18,470.51	\$ 1,922.06	11.6%
1500	-	0.0%	87.5%	\$ 17,530.45	\$ 19,590.51	\$ 2,060.06	11.8%
1600	-	0.0%	89.6%	\$ 18,512.45	\$ 20,710.51	\$ 2,198.06	11.9%
1700	-	0.0%	89.6%	\$ 19,494.45	\$ 21,830.51	\$ 2,336.06	12.0%
1800	-	0.0%	89.6%	\$ 20,476.45	\$ 22,950.51	\$ 2,474.06	12.1%
1900	-	0.0%	91.7%	\$ 21,458.45	\$ 24,070.51	\$ 2,612.06	12.2%
2000	-	0.0%	91.7%	\$ 22,440.45	\$ 25,190.51	\$ 2,750.06	12.3%

<u>Current M1 Analysis</u>		
<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
\$ 3,792.58	\$ 992.13	35.4%
\$ 4,604.58	\$ 1,313.13	39.9%
\$ 5,416.58	\$ 1,634.13	43.2%
\$ 6,228.58	\$ 1,955.13	45.8%
\$ 7,040.58	\$ 2,276.13	47.8%
\$ 7,852.58	\$ 2,597.13	49.4%
\$ 8,664.58	\$ 2,918.13	50.8%
\$ 9,476.58	\$ 3,239.13	51.9%
\$ 10,288.58	\$ 3,560.13	52.9%
\$ 11,100.58	\$ 3,881.13	53.8%
\$ 11,912.58	\$ 4,202.13	54.5%
\$ 13,536.58	\$ 4,844.13	55.7%
\$ 15,160.58	\$ 5,486.13	56.7%
\$ 16,784.58	\$ 6,128.13	57.5%
\$ 18,408.58	\$ 6,770.13	58.2%
\$ 20,032.58	\$ 7,412.13	58.7%
\$ 21,656.58	\$ 8,054.13	59.2%
\$ 23,280.58	\$ 8,696.13	59.6%
\$ 24,904.58	\$ 9,338.13	60.0%
\$ 26,528.58	\$ 9,980.13	60.3%
\$ 28,152.58	\$ 10,622.13	60.6%
\$ 29,776.58	\$ 11,264.13	60.8%
\$ 31,400.58	\$ 11,906.13	61.1%
\$ 33,024.58	\$ 12,548.13	61.3%
\$ 34,648.58	\$ 13,190.13	61.5%
\$ 36,272.58	\$ 13,832.13	61.6%

Marco Shores

5/8" RES (SR) Water & Sewer Bill Comparison

Current M1 Analysis										
<u>Water Use</u>										
<u>(TGAL)</u>	<u># of Bills</u>	<u>% of Bills</u>	<u>Agg. % of Bills</u>	<u>Current</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
0	2,800	43.8%	43.8%	\$ 42.95	\$ 40.32	\$ (2.63)	-6.1%	\$ 28.67	\$ (14.28)	-33.2%
1	1,041	16.3%	60.1%	\$ 59.21	\$ 53.57	\$ (5.64)	-9.5%	\$ 49.04	\$ (10.17)	-17.2%
2	970	15.2%	75.2%	\$ 75.47	\$ 66.82	\$ (8.65)	-11.5%	\$ 69.41	\$ (6.06)	-8.0%
3	772	12.1%	87.3%	\$ 91.73	\$ 80.07	\$ (11.66)	-12.7%	\$ 89.78	\$ (1.95)	-2.1%
4	447	7.0%	94.3%	\$ 107.99	\$ 93.32	\$ (14.67)	-13.6%	\$ 110.15	\$ 2.16	2.0%
5	174	2.7%	97.0%	\$ 124.25	\$ 106.57	\$ (17.68)	-14.2%	\$ 130.52	\$ 6.27	5.0%
6	80	1.3%	98.2%	\$ 140.51	\$ 119.82	\$ (20.69)	-14.7%	\$ 150.89	\$ 10.38	7.4%
7	39	0.6%	98.9%	\$ 146.37	\$ 133.07	\$ (13.30)	-9.1%	\$ 171.26	\$ 24.89	17.0%
8	24	0.4%	99.2%	\$ 152.23	\$ 146.32	\$ (5.91)	-3.9%	\$ 191.63	\$ 39.40	25.9%
9	13	0.2%	99.4%	\$ 158.09	\$ 159.57	\$ 1.48	0.9%	\$ 212.00	\$ 53.91	34.1%
10	4	0.1%	99.5%	\$ 163.95	\$ 172.82	\$ 8.87	5.4%	\$ 232.37	\$ 68.42	41.7%
11	3	0.0%	99.5%	\$ 169.81	\$ 186.07	\$ 16.26	9.6%	\$ 252.74	\$ 82.93	48.8%
12	6	0.1%	99.6%	\$ 175.67	\$ 199.32	\$ 23.65	13.5%	\$ 273.11	\$ 97.44	55.5%
13	3	0.0%	99.7%	\$ 181.53	\$ 212.57	\$ 31.04	17.1%	\$ 293.48	\$ 111.95	61.7%
14	7	0.1%	99.8%	\$ 187.39	\$ 225.82	\$ 38.43	20.5%	\$ 313.85	\$ 126.46	67.5%
15	5	0.1%	99.9%	\$ 193.25	\$ 239.07	\$ 45.82	23.7%	\$ 334.22	\$ 140.97	72.9%
16	4	0.1%	99.9%	\$ 199.11	\$ 252.32	\$ 53.21	26.7%	\$ 354.59	\$ 155.48	78.1%
17	-	0.0%	99.9%	\$ 204.97	\$ 265.57	\$ 60.60	29.6%	\$ 374.96	\$ 169.99	82.9%
18	-	0.0%	99.9%	\$ 210.83	\$ 278.82	\$ 67.99	32.2%	\$ 395.33	\$ 184.50	87.5%
19	-	0.0%	99.9%	\$ 216.69	\$ 292.07	\$ 75.38	34.8%	\$ 415.70	\$ 199.01	91.8%
20	-	0.0%	99.9%	\$ 222.55	\$ 305.32	\$ 82.77	37.2%	\$ 436.07	\$ 213.52	95.9%

91% of All Bills Were Issued for RES (SR) Accounts

MU Water & Sewer Bill Comparison:

30

Units

<u>Water Use</u>		<u>% of</u>	<u>Agg. %</u>				
<u>(TGAL)</u>	<u># of Bills</u>	<u>Bills</u>	<u>of Bills</u>	<u>Current</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
0	-	0.0%	0.0%	\$ 607.93	\$ 995.29	\$ 387.36	63.7%
10	-	0.0%	0.0%	\$ 790.93	\$ 1,127.79	\$ 336.86	42.6%
20	-	0.0%	16.7%	\$ 973.93	\$ 1,260.29	\$ 286.36	29.4%
30	-	0.0%	29.2%	\$ 1,156.93	\$ 1,392.79	\$ 235.86	20.4%
40	-	0.0%	45.8%	\$ 1,339.93	\$ 1,525.29	\$ 185.36	13.8%
50	-	0.0%	50.0%	\$ 1,522.93	\$ 1,657.79	\$ 134.86	8.9%
60	-	0.0%	62.5%	\$ 1,705.93	\$ 1,790.29	\$ 84.36	4.9%
70	1	4.2%	70.8%	\$ 1,888.93	\$ 1,922.79	\$ 33.86	1.8%
80	-	0.0%	75.0%	\$ 2,071.93	\$ 2,055.29	\$ (16.64)	-0.8%
90	1	4.2%	79.2%	\$ 2,254.93	\$ 2,187.79	\$ (67.14)	-3.0%
100	-	0.0%	95.8%	\$ 2,437.93	\$ 2,320.29	\$ (117.64)	-4.8%
150	-	0.0%	100.0%	\$ 3,352.93	\$ 2,982.79	\$ (370.14)	-11.0%
200	-	0.0%	100.0%	\$ 4,267.93	\$ 3,645.29	\$ (622.64)	-14.6%
250	-	0.0%	100.0%	\$ 5,182.93	\$ 4,307.79	\$ (875.14)	-16.9%
300	-	0.0%	100.0%	\$ 6,097.93	\$ 4,970.29	\$ (1,127.64)	-18.5%
350	-	0.0%	100.0%	\$ 7,012.93	\$ 5,632.79	\$ (1,380.14)	-19.7%
400	-	0.0%	100.0%	\$ 7,927.93	\$ 6,295.29	\$ (1,632.64)	-20.6%
450	-	0.0%	100.0%	\$ 8,842.93	\$ 6,957.79	\$ (1,885.14)	-21.3%
500	-	0.0%	100.0%	\$ 9,757.93	\$ 7,620.29	\$ (2,137.64)	-21.9%

<u>Current M1 Analysis</u>		
<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
\$ 381.35	\$ (226.58)	-37.3%
\$ 583.35	\$ (207.58)	-26.2%
\$ 785.35	\$ (188.58)	-19.4%
\$ 987.35	\$ (169.58)	-14.7%
\$ 1,189.35	\$ (150.58)	-11.2%
\$ 1,391.35	\$ (131.58)	-8.6%
\$ 1,593.35	\$ (112.58)	-6.6%
\$ 1,795.35	\$ (93.58)	-5.0%
\$ 1,997.35	\$ (74.58)	-3.6%
\$ 2,199.35	\$ (55.58)	-2.5%
\$ 2,401.35	\$ (36.58)	-1.5%
\$ 3,411.35	\$ 58.42	1.7%
\$ 4,421.35	\$ 153.42	3.6%
\$ 5,431.35	\$ 248.42	4.8%
\$ 6,441.35	\$ 343.42	5.6%
\$ 7,451.35	\$ 438.42	6.3%
\$ 8,461.35	\$ 533.42	6.7%
\$ 9,471.35	\$ 628.42	7.1%
\$ 10,481.35	\$ 723.42	7.4%

2% of All Bills Were Issued for MU Accounts

5/8" COM Water & Sewer Bill Comparison

<u>Water Use</u> <u>(TGAL)</u>	<u># of</u> <u>Bills</u>	<u>% of</u> <u>Bills</u>	<u>Agg. %</u> <u>of Bills</u>	<u>Current</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
0	74	28.7%	28.7%	\$ 42.95	\$ 40.32	\$ (2.63)	-6.1%
1	40	15.5%	44.2%	\$ 61.25	\$ 53.57	\$ (7.68)	-12.5%
2	22	8.5%	52.7%	\$ 79.55	\$ 66.82	\$ (12.73)	-16.0%
3	17	6.6%	59.3%	\$ 97.85	\$ 80.07	\$ (17.78)	-18.2%
4	18	7.0%	66.3%	\$ 116.15	\$ 93.32	\$ (22.83)	-19.7%
5	15	5.8%	72.1%	\$ 134.45	\$ 106.57	\$ (27.88)	-20.7%
6	14	5.4%	77.5%	\$ 152.75	\$ 119.82	\$ (32.93)	-21.6%
7	7	2.7%	80.2%	\$ 171.05	\$ 133.07	\$ (37.98)	-22.2%
8	6	2.3%	82.6%	\$ 189.35	\$ 146.32	\$ (43.03)	-22.7%
9	2	0.8%	83.3%	\$ 207.65	\$ 159.57	\$ (48.08)	-23.2%
10	3	1.2%	84.5%	\$ 225.95	\$ 172.82	\$ (53.13)	-23.5%
20	2	0.8%	93.8%	\$ 408.95	\$ 305.32	\$ (103.63)	-25.3%
30	1	0.4%	96.1%	\$ 591.95	\$ 437.82	\$ (154.13)	-26.0%
40	1	0.4%	98.1%	\$ 774.95	\$ 570.32	\$ (204.63)	-26.4%
50	1	0.4%	98.4%	\$ 957.95	\$ 702.82	\$ (255.13)	-26.6%
60	-	0.0%	98.4%	\$ 1,140.95	\$ 835.32	\$ (305.63)	-26.8%
70	-	0.0%	99.2%	\$ 1,323.95	\$ 967.82	\$ (356.13)	-26.9%
80	-	0.0%	99.2%	\$ 1,506.95	\$ 1,100.32	\$ (406.63)	-27.0%
90	-	0.0%	99.6%	\$ 1,689.95	\$ 1,232.82	\$ (457.13)	-27.1%
100	-	0.0%	99.6%	\$ 1,872.95	\$ 1,365.32	\$ (507.63)	-27.1%
500	-	0.0%	100.0%	\$ 9,192.95	\$ 6,665.32	\$ (2,527.63)	-27.5%

Current M1 Analysis		
<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
\$ 66.63	\$ 23.68	55.1%
\$ 86.56	\$ 25.31	41.3%
\$ 106.49	\$ 26.94	33.9%
\$ 126.42	\$ 28.57	29.2%
\$ 146.35	\$ 30.20	26.0%
\$ 166.28	\$ 31.83	23.7%
\$ 186.21	\$ 33.46	21.9%
\$ 206.14	\$ 35.09	20.5%
\$ 226.07	\$ 36.72	19.4%
\$ 246.00	\$ 38.35	18.5%
\$ 265.93	\$ 39.98	17.7%
\$ 465.23	\$ 56.28	13.8%
\$ 664.53	\$ 72.58	12.3%
\$ 863.83	\$ 88.88	11.5%
\$ 1,063.13	\$ 105.18	11.0%
\$ 1,262.43	\$ 121.48	10.6%
\$ 1,461.73	\$ 137.78	10.4%
\$ 1,661.03	\$ 154.08	10.2%
\$ 1,860.33	\$ 170.38	10.1%
\$ 2,059.63	\$ 186.68	10.0%
\$10,031.63	\$ 838.68	9.1%

4% of All Bills Issued were for 5/8" Meter COM Accounts

1" COM Water & Sewer Bill Comparison

<u>Water Use</u> <u>(TGAL)</u>	<u># of</u> <u>Bills</u>	<u>% of</u> <u>Bills</u>	<u>Agg. %</u> <u>of Bills</u>	<u>Current</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
0	5	6.9%	6.9%	\$ 107.20	\$ 89.72	\$ (17.48)	-16.3%
10	-	0.0%	13.9%	\$ 290.20	\$ 222.22	\$ (67.98)	-23.4%
20	-	0.0%	47.2%	\$ 473.20	\$ 354.72	\$ (118.48)	-25.0%
30	2	2.8%	62.5%	\$ 656.20	\$ 487.22	\$ (168.98)	-25.8%
40	-	0.0%	72.2%	\$ 839.20	\$ 619.72	\$ (219.48)	-26.2%
50	-	0.0%	76.4%	\$ 1,022.20	\$ 752.22	\$ (269.98)	-26.4%
60	-	0.0%	77.8%	\$ 1,205.20	\$ 884.72	\$ (320.48)	-26.6%
70	-	0.0%	79.2%	\$ 1,388.20	\$ 1,017.22	\$ (370.98)	-26.7%
80	-	0.0%	79.2%	\$ 1,571.20	\$ 1,149.72	\$ (421.48)	-26.8%
90	1	1.4%	80.6%	\$ 1,754.20	\$ 1,282.22	\$ (471.98)	-26.9%
100	-	0.0%	80.6%	\$ 1,937.20	\$ 1,414.72	\$ (522.48)	-27.0%
200	-	0.0%	100.0%	\$ 3,767.20	\$ 2,739.72	\$ (1,027.48)	-27.3%
300	-	0.0%	100.0%	\$ 5,597.20	\$ 4,064.72	\$ (1,532.48)	-27.4%
400	-	0.0%	100.0%	\$ 7,427.20	\$ 5,389.72	\$ (2,037.48)	-27.4%
500	-	0.0%	100.0%	\$ 9,257.20	\$ 6,714.72	\$ (2,542.48)	-27.5%

<u>Current M1 Analysis</u>		
<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
\$ 156.91	\$ 49.71	46.4%
\$ 356.21	\$ 66.00	22.7%
\$ 555.51	\$ 82.30	17.4%
\$ 754.81	\$ 98.60	15.0%
\$ 954.11	\$ 114.91	13.7%
\$ 1,153.41	\$ 131.21	12.8%
\$ 1,352.71	\$ 147.51	12.2%
\$ 1,552.01	\$ 163.81	11.8%
\$ 1,751.31	\$ 180.11	11.5%
\$ 1,950.61	\$ 196.41	11.2%
\$ 2,149.91	\$ 212.71	11.0%
\$ 4,142.91	\$ 375.71	10.0%
\$ 6,135.91	\$ 538.71	9.6%
\$ 8,128.91	\$ 701.71	9.4%
\$ 10,121.91	\$ 864.70	9.3%

1% of All Bills Were Issued for 1" Meter COM Accounts

2" COM Water & Sewer Bill Comparison

<u>Water Use (TGAL)</u>	<u># of Bills</u>	<u>% of Bills</u>	<u>Agg. % of Bills</u>	<u>Current</u>	<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
0	15	8.6%	8.6%	\$ 342.95	\$ 270.83	\$ (72.12)	-21.0%
10	-	0.0%	16.0%	\$ 525.95	\$ 403.33	\$ (122.62)	-23.3%
20	-	0.0%	22.3%	\$ 708.95	\$ 535.83	\$ (173.12)	-24.4%
30	1	0.6%	27.4%	\$ 891.95	\$ 668.33	\$ (223.62)	-25.1%
40	1	0.6%	33.1%	\$ 1,074.95	\$ 800.83	\$ (274.12)	-25.5%
50	-	0.0%	34.3%	\$ 1,257.95	\$ 933.33	\$ (324.62)	-25.8%
60	-	0.0%	37.7%	\$ 1,440.95	\$ 1,065.83	\$ (375.12)	-26.0%
70	-	0.0%	41.1%	\$ 1,623.95	\$ 1,198.33	\$ (425.62)	-26.2%
80	-	0.0%	45.1%	\$ 1,806.95	\$ 1,330.83	\$ (476.12)	-26.3%
90	-	0.0%	47.4%	\$ 1,989.95	\$ 1,463.33	\$ (526.62)	-26.5%
100	1	0.6%	49.7%	\$ 2,172.95	\$ 1,595.83	\$ (577.12)	-26.6%
150	-	0.0%	61.7%	\$ 3,087.95	\$ 2,258.33	\$ (829.62)	-26.9%
200	1	0.6%	72.0%	\$ 4,002.95	\$ 2,920.83	\$ (1,082.12)	-27.0%
300	-	0.0%	85.7%	\$ 5,832.95	\$ 4,245.83	\$ (1,587.12)	-27.2%
400	-	0.0%	92.0%	\$ 7,662.95	\$ 5,570.83	\$ (2,092.12)	-27.3%
500	8	4.6%	100.0%	\$ 9,492.95	\$ 6,895.83	\$ (2,597.12)	-27.4%

Current M1 Analysis		
<u>Proposed</u>	<u>\$ Chg.</u>	<u>% Chg.</u>
\$ 487.89	\$ 144.94	42.3%
\$ 687.19	\$ 161.24	30.7%
\$ 886.49	\$ 177.54	25.0%
\$ 1,085.79	\$ 193.84	21.7%
\$ 1,285.09	\$ 210.14	19.5%
\$ 1,484.39	\$ 226.44	18.0%
\$ 1,683.69	\$ 242.74	16.8%
\$ 1,882.99	\$ 259.04	16.0%
\$ 2,082.29	\$ 275.34	15.2%
\$ 2,281.59	\$ 291.64	14.7%
\$ 2,480.89	\$ 307.94	14.2%
\$ 3,477.39	\$ 389.44	12.6%
\$ 4,473.89	\$ 470.94	11.8%
\$ 6,466.89	\$ 633.94	10.9%
\$ 8,459.89	\$ 796.94	10.4%
\$ 10,452.89	\$ 959.94	10.1%

2% of All Bills Were Issued for 2" Meter COM Accounts

Conclusions

- Revenue Sufficiency Analysis

- A plan of annual rate adjustments as follows...

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Rate Increase	0%	6%	6%	3%	3%	3%

- Will provide sufficient revenue to meet all of the utility's requirements

- This plan includes surcharge adjustments as follows:

- Road Resurfacing Surcharge from: 4% to 3% in FY 2012
 - STRP Surcharge from: 8% to 3% in FY 2012
 - Road Resurfacing Surcharge from: 3% to 0% in FY 2016
 - STRP Surcharge from: 3% to 5% in FY 2016



Conclusions (Cont'd)

- Cost Allocation and Rate Design
 - The recommended rates properly allocate costs to Marco Island and Marco Shores and to water and sewer within each service area
 - The MI approach results in
 - Significant increases in the monthly water and sewer bills to commercial customers of all meter sizes
 - Small increases in single family bills and
 - Little increase in multi-family bills
 - The M54 approach results in
 - Moderate increases in the monthly water and sewer bills to commercial customers of all meter sizes
 - Moderate increases in single family bills and
 - Little increase in multi-family bills

Decision Alternatives

- Revenue Sufficiency Analysis
 - No overall rate revenue increase is required in FY 2012, so no action to increase rate revenues in FY 2012 is required
 - Reductions to surcharges can be implemented as follows:
 - FY 2012 (effective as soon as possible)
 - Road Resurfacing Surcharge from: 4% to 3%
 - STRP Surcharge from: 8% to 3%
 - FY 2016 (October 1, 2015)
 - Road Resurfacing Surcharge from: 3% to 0%
 - STRP Surcharge from: 3% to 5%
 - 6% increases in rate revenue in FY 2013 and FY 2014 are required
 - 3% annual rate revenue increases are required thereafter



Decision Alternatives

- Cost Allocation and Rate Design
 - Alternative I
 - Implement the recommended rates as soon as possible in FY 2012, then
 - Implement the FY 2013 across the board increase of 6% to the adopted rates on January 1, 2013, then
 - Implement the FY 2014 across the board increase of 6% to the then current rates on October 1, 2013, then
 - Implement 3% across the board increases in the rates on October 1 of each year thereafter.



Decision Alternatives

- Cost Allocation and Rate Design

- Alternative 2

- Implement the recommended rates on October 1, 2012 but include in the rates the 6% increase in rate revenue required for FY 2103, then
 - Implement the FY 2014 across the board increase of 6% to the adopted rates on October 1, 2013, then
 - Implement 3% across the board increases in the rates on October 1 of each year thereafter.



Recommendations

- Adopt the following plan of surcharge adjustments...
 - FY 2012 (effective as soon as possible)
 - Road Resurfacing Surcharge from: 4% to 3%
 - STRP Surcharge from: 8% to 3%
 - FY 2016 (October 1, 2015)
 - Road Resurfacing Surcharge from: 3% to 0%
 - STRP Surcharge from: 3% to 5%
- Adopt the following plan of annual rate revenue adjustments...

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Effective Date	NA(1)	1/1/13(1)	10/1/13	10/1/14	10/1/15	10/1/16
Rate Increase	0%	6%	6%	3%	3%	3%

(1) Assumes the recommended new rate structure is implemented as soon as possible in FY 2012 as recommended on the next slide.

Recommendations (Cont'd)

- Adopt the recommended rates presented herein, effective as soon as possible, that include the following features...
 - M54 cost allocation and rate design
 - A customer cost component of the fixed monthly charge for water customers allocated equally per meter to recover customer costs such as meter reading, billing, collection and customer service



Recommendations (Cont'd)

- Adopt the recommended rates presented herein, effective as soon as possible, that include the following features...
 - A capacity cost component of the fixed monthly charge that includes all debt service
 - Residential single family and commercial - Allocated by meter size using AWWA meter equivalency factors
 - Multi-family - Demand factor of .35 for water and .85 for sewer (for the purpose of calculating the monthly capacity charge) based upon evaluation of multi-family water/sewer demand per unit (including potable, irrigation and reclaimed demand for the water analysis) compared to water/sewer demand per single family unit during the maximum usage month of FY 2011.



Recommendations (Cont'd)

- Adopt the recommended rates presented herein, effective as soon as possible, that include the following features...
 - Inclining block rates for single family residential customers based upon meter size without regard to lot size
 - An affordability block for usage from 0 – 6,000 gallons per month.
 - Sewer cap for single family residential of 6,000 gallons per month ▲

Recommendations (Cont'd)

- Recommended rates are presented on the following slides...

Marco Island

Recommended Water Rates

Fixed Monthly Charge:

Customer Charge	per meter
Capacity Charge	per dwelling unit or scaled by meter size

Customer Class						
SR	MU-IM	MU-MM	COM	IR	BULK	RAW
\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.01	\$ 7.01
\$ 36.76	\$ 12.87	\$ 12.87	\$ 36.76	\$ 36.76	\$ 36.76	\$ 2.12

Usage Charge:

Blocks	Customer Class						
	SR	MU-IM	MU-MM	COM	IR	BULK	RAW
	Block Usage Range in Gallons per Month						
1	6,000	All Use	All Use	All Use	15,000	All Use	All Use
2	21,000				26,000		
3	32,000				26k+		
4	32k+						

Customer Class						
SR	MU-IM	MU-MM	COM	IR	BULK	RAW
Rate per 1,000 gallons						
\$ 2.66	\$ 2.66	\$ 2.66	\$ 3.99	\$ 3.98	\$ 3.99	\$ 1.54
\$ 3.98				\$ 5.98		
\$ 5.98				\$ 8.96		
\$ 8.96						

Recommended Sewer Rates

Fixed Monthly Charge:

Customer Charge	per meter
Capacity Charge	per dwelling unit or scaled by meter size

Customer Class					
SR	MU-IM	MU-MM	COM	RW	BULK
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 18.91	\$ 16.07	\$ 16.07	\$ 18.91	\$ 2.12	\$ 18.91

Usage Charge:

Blocks	Customer Class					
	SR	MU-IM	MU-MM	COM	RW	BULK
	Block Usage Range in Gallons per Month					
1	6,000	All Use	All Use	All Use	All Use	All Use
2	6k+					

Customer Class					
SR	MU-IM	MU-MM	COM	RW	BULK
Rate per 1,000 gallons					
\$ 7.21	\$ 7.21	\$ 7.21	\$ 7.21	\$ 1.54	\$ 7.21

Marco Shores

Recommended Water Rates

Fixed Monthly Charge:

Customer Charge	per meter
Capacity Charge	per dwelling unit or scaled by meter size

Customer Class						
SR	MU-IC	MU-MM	COM	IR	BULK	RAW
\$ 7.39	\$ 7.39	\$ 7.39	\$ 7.39	\$ 7.39	NA	NA
\$ 22.16	\$ 22.16	\$ 22.16	\$ 22.16	\$ 22.16	NA	NA

Usage Charge:

Blocks	Customer Class						
	SR	MU-IC	MU-MM	COM	IR	BULK	RAW
	Block Usage Range in Gallons per Month						
1	All Use	All Use	All Use	All Use	15,000	NA	NA
2					26,000		
3					26k+		
4							

Customer Class						
SR	MU-IC	MU-MM	COM	IR	BULK	RAW
Rate per 1,000 gallons						
\$ 6.70	\$ 6.70	\$ 6.70	\$ 6.70	\$ 10.05	NA	NA
				\$ 15.08		
				\$ 22.62		

Recommended Sewer Rates

Fixed Monthly Charge:

Customer Charge	per meter
Capacity Charge	per dwelling unit or scaled by meter size

Customer Class						
SR	MU-IC	MU-MM	COM	RW	BULK	N/A
\$ -	\$ -	\$ -	\$ -	\$ -	NA	NA
\$ 10.77	\$ 10.77	\$ 10.77	\$ 10.77	\$ 0.27	NA	NA

Usage Charge:

Blocks	Customer Class						
	SR	MU-IC	MU-MM	COM	RW	BULK	N/A
	Block Usage Range in Gallons per Month						
1	All Use	All Use	All Use	All Use	15,000	NA	NA
2					26,000		
3					26k+		

Customer Class						
SR	MU-IC	MU-MM	COM	RW	BULK	N/A
Rate per 1,000 gallons						
\$ 6.55	\$ 6.55	\$ 6.55	\$ 6.55	\$ 2.34	NA	NA

Next Steps

- A decision is needed regarding reduction of the Road Resurfacing and STRP surcharges.
- A decision is needed as to whether a new rate structure is to be considered for adoption and the timing of consideration of adoption of a new rate structure
- If a new rate structure is to be considered for adoption at the rate hearing scheduled for March 19, 2011, direction is needed as to what new rate structure should be included in a rate resolution or ordinance for potential adoption at the hearing
- If a new rate structure is to be considered for adoption later than the rate hearing scheduled for March 19, 2012, direction is needed as to alternative rate structure features to be evaluated, if any



Discussion
