

Indian Rocks Beach

Wastewater Collection System



Indian Rocks Beach Wastewater Collection System

Overview

- Approx 1,815 Customer Accounts
- 16.89 miles of Pipeline
- 7 Pump Stations
- 296 Manholes

History & Background

- City currently wholesale sewer & billing services customer of Pinellas County DEI
- IRB Citizens already retail potable & reclaim water customers of DEI
- City initiated discussion with Pinellas County for acquisition of Wastewater Collection System in December 2013

Indian Rocks Beach Wastewater Collection System

Condition Assessment Findings

- Pump Stations in mostly Good condition
- Pipelines (condition as expected) require continued Lining Program
- Initial Improvements estimated \$1,473,000

Indian Rocks Beach Wastewater Service Rate Comparison (Bi-Monthly FY15)

- Indian Rocks Beach

\$87.72 base charge per unit
flat rate

- Pinellas County

\$26.52 base charge per
unit, plus

\$4.84 per 1,000 gallons
(Single family capped at
20,000 gallons bi-monthly)

Indian Rocks Beach Wastewater Service Rate Comparison (Bi-Monthly FY15)

- Indian Rocks Beach

Base charge \$87.82

- Pinellas County

Base charge \$26.52

\$4.84 x 10kgal 48.40

Total \$74.92

Difference (Savings) \longrightarrow (\$12.90)

FY 2015 SEWER RATE IMPACTS OF SALE TO PINELLAS COUNTY

- Volumetric and Base rate billing codes
- County analysis projects \$1.6 million in annual sewer payments from all IRB customers
- City sewer annual revenues average \$2.0 million per year over past three audited years
- \$400,000 projected annual savings to all IRB sewer customers

FY 2015 SEWER RATE IMPACTS OF SALE TO PINELLAS COUNTY (Cont.)

- **Residential sewer customers savings for over 90% of households or 1383 individual customers**
- Commercial sewer customers with high water volume consumption impacted with higher sewer billings
- Other municipal commercial sewer rates compared to Pinellas County commercial sewer rates

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Key Points of Understanding

- Projected Annual Revenue FY15 \$1,653,321
- Net Purchase Price \$1,993,945
- Planned Closing Date 10/1/2014

FINANCIAL IMPACT OF SALE TO PINELLAS COUNTY

- City maintains projected \$1.6 million sewer operating and capital reserve funds
- Total funds made available to City from the sale of system projected to be \$3.6 million

RECOMMENDED ALLOCATION OF FUNDS FORM SEWER SYSTEM SALE

- Appropriation to Capital Improvement Fund to make infrastructure improvements and capital asset expenditures for the benefit of public purpose
- Establish General Fund reserve account to offset fund balances going forward five years.

INFRASTRUCTURE IMPROVEMENTS & CAPITAL EXPENDITURES

- Additional Street resurfacing
- Curb replacement
- Additional stormwater improvements
- Move forward existing Capital Projects with out year funding allocations

GENERAL FUND RESERVE ACCOUNT

- \$200,000 Projected impact to General Fund from sale of system.
- Cost allocation and Public Services direct operating charges.
- \$1.0 million reserve to be allocated @ \$200,000 per year for five (5) years as needed
- Balancing of the General Fund over five years

QUESTIONS

