



| RESOLUTION 140-25 IRRIGATION RATES
PUBLIC HEARING
MAY 21, 2025

Reservoir Purchase

- A. On October 16, 2024, the City approved, via Resolution 344-24 a land purchase contract for 1,202 acres MOL, of land and improvements lying north of the Lee County line, south of Zemel Rd., east of U.S. 41 and west of I-75 in Charlotte County for the purchase price of \$38,005,000. City has a 180-day due diligence period and is proposed to close on the property May 21, 2025.
- B. Prior to this resolution, City staff briefed the City Council on the purchase and provided financing options. The land purchase was not included in the rate plan the City Council approved in July 2024 that went into effect October 1, 2024.
- C. This acquisition would require a rate adjustment to support the purchase. Staff recommended a change to the irrigation rate from \$9.50 to \$13.40 with changes to other irrigation rates for multi-family and non-residential.

Reservoir Purchase

- A. On January 30, 2025, on the second day of the Winter Workshop, City staff provided an update on the Utilities Master Plan.
- B. By consensus, the City Council directed staff to move forward with the irrigation adjustment to increase 41% or \$3.90 from \$9.50/month to \$13.40, including miscellaneous irrigation rates which equates to the following:

Irrigation Service Rates	Current Rates	New Rates as of October 1, 2025	Adjustment
Single Family Residential and Duplex Flat Rate per month	\$ 9.50	\$ 13.40	\$ 3.90
Metered Multi-Family (3+ Units) and Non-Residential rate per thousand (1,000) gallons	\$ 0.50	\$ 0.71	\$ 0.21
Non-Metered Multi-Family (3+ Units) and Non-Residential Square Footage Charge per square foot	\$ 0.0012	\$ 0.0017	\$ 0.0005

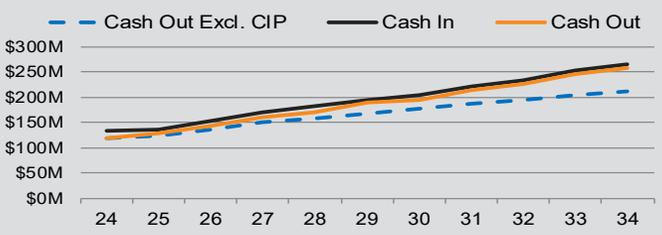
Proposed Rates with no change in water and sewer rate adjustments approved by Council. Includes Increase in Irrigation Rate of 41% from \$9.50 to \$13.40 per month.

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2029	FY 2034
Water and Sewer Rate Plan	0.00%	11.00%	11.00%	11.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	50.73%	92.40%
Last Plan	0.00%	11.00%	11.00%	11.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	50.73%	92.40%
Irrigation Rate Plan	0.00%	41.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	Scenario Manager	
Last Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
Senior Debt Coverage Ratio	1.21	1.39	1.45	1.35	1.42	1.45	1.46	1.54	1.54	1.61	1.65	North 1	Y
Last Plan	1.21	1.39	1.46	1.35	1.42	1.45	1.46	1.54	1.54	1.60	1.64		
Sub. Debt Coverage Ratio	1.48	3.49	3.98	3.89	4.19	4.31	3.52	4.39	4.70	5.61	6.23	North 3	Y
Last Plan	1.48	3.25	3.87	3.76	4.06	4.17	3.40	4.24	4.54	5.42	6.03		
All-In DSC	1.06	1.25	1.30	1.24	1.29	1.31	1.29	1.37	1.38	1.45	1.49	North 4	Y
Last Plan	1.06	1.24	1.31	1.23	1.29	1.31	1.29	1.37	1.38	1.44	1.48		
Average Residential Bill	\$105.54	\$120.00	\$131.75	\$144.75	\$151.30	\$158.19	\$165.44	\$173.05	\$181.03	\$189.43	\$198.25	North 5	Y
Last Plan	\$105.54	\$116.10	\$127.85	\$140.85	\$147.40	\$154.29	\$161.54	\$169.15	\$177.13	\$185.53	\$194.35		

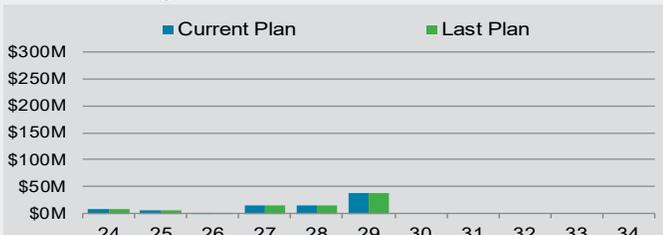
Operating Fund



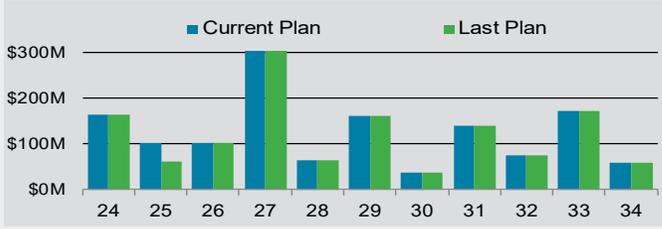
Revenues vs. Expenses



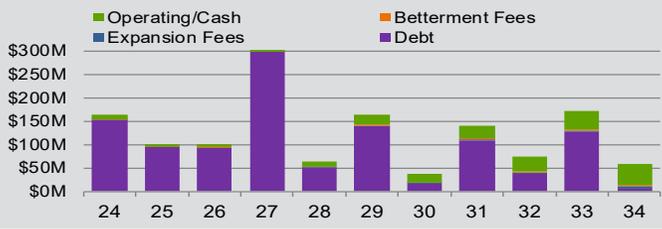
SRF Borrowing



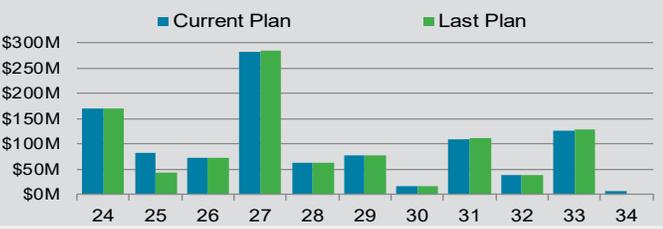
CIP Spending



CIP Funding



Long-Term Borrowing



Est. Phase I Reservoir Construction Costs and Available Funding

- Reservoir contract purchase price is \$38 Million
- Proposed US-41 Pipeline and Pump Station is currently estimated at \$30 Million – will be going out for bid in early June 2025
- Site improvements estimated at \$20 Million
- City has received \$7.615 Million in grant funding with additional funding potential (\$6M for construction & \$1.615M for Engineering)
- Estimated remaining cost for Phase I Reservoir Project construction is \$74M with grant funding
- Phase II permitting underway to tap into Cecil Webb-Babcock Ranch Water Supply (\$2.1M)

Thank you

