

**Indian River County, Florida  
Department of Utility Services  
Board Memorandum**

**Date:** October 28, 2021

**To:** Jason E. Brown, County Administrator

**From:** Matthew Jordan, Interim Director of Utility Services

**Prepared by:** Cindy Corrente, Utilities Finance Manager

**Subject:** Resolution to Adopt Water, Sewer, and Reclaimed Rates, Fees, and Other Charges

**Background:**

On September 22, 2021, the Board of County Commissioners (BCC) of Indian River County (IRC) adopted the Fiscal Year (FY) 2021/22 budget. Included in the IRC Department of Utility Services' (IRCDUS) budget was a rate increase, based upon the Consumer Price Index (CPI) for all Urban Consumers, as was recommended in the 2018 Comprehensive Utility Rate Study (Study) that was performed by Raftellis Financial Consultants, Inc.

**Analysis:**

The pertinent CPI is 4.2%. However, the 2018 study recommended capping the rate increase at the lesser of either the CPI or 3%. Therefore, a 3% rate will be applied to all IRCDUS rates except the utility deposits, water and sewer service connections fees, and meter installation fees. The current deposit of \$50.00 per equivalent residential unit (ERU) is sufficient and applying the 3% to it is impractical for day-to-day business purposes. Leaving the deposit at \$50.00 allows for ease of computation by utility staff and customers, and remains sufficient to cover each ERU. The other three items are delineated in County Code as requiring public hearing before they can be modified. Staff does not recommend changing these items.

Since the bills produced in October will reflect usage for both September and October, staff recommends the effective date for the rate increase to be immediate so that the first bills mailed in November will create the new rates. This proposal allows for all usage prior to the new fiscal year to be billed at the current rates. Bills dated in November, and thereafter, will reflect usage that is entirely in the new fiscal year. Thus, it seems logical to enact the rate change at that time.

**Recommendation:**

Staff recommends that the Board of County Commissioners vote to approve the resolution as drafted, thereby adopting the utility rate increase to go into effect immediately.

**Attachments:**

Attachment A - Department of Utility Services Schedule of Water and Sewer Rates, Fees and Other charges

Attachment B - Proposed resolution

Attachment C - Comparison of existing vs new rates