

# STORMWATER UTILITY RATE STUDY

Update on Rate Study  
August 24, 2015

# STORMWATER UTILITY RATE STUDY

## SIX OPTIONS FOR RATE STRUCTURE

Modeled Rate Structure Option	Overall Rate Structure	Debt Financing for Some Capital	Partial Tax Funding	Method for Allocating Administrative Costs	Method for Allocating County-wide Infrastructure Maintenance Costs	Method for Re-allocating Costs from One Jurisdiction to another	Minimum Charge	Simplified Residential Rates
A	Impervious Area	No	Optional at Jurisdiction's Choice	Impervious Area SFU's	None	Optional at Jurisdiction's Choice	No	Yes
B	Impervious Area	Yes	Optional at Jurisdiction's Choice	Impervious Area SFU's	None	Optional at Jurisdiction's Choice	No	Yes
C	Impervious and Gross Area at 80/20 or 90/10	No	Optional at Jurisdiction's Choice	Per Account	Impervious and Gross Area	Optional at Jurisdiction's Choice	Yes	Yes
D	Impervious and Gross Area at 80/20 or 90/10	No	Optional at Jurisdiction's Choice	Impervious and Gross Area	Impervious and Gross Area	Optional at Jurisdiction's Choice	Yes	Yes
E	Impervious and Gross Area at 80/20 or 90/10	Yes	Optional at Jurisdiction's Choice	Per Account	Impervious and Gross Area	Optional at Jurisdiction's Choice	Yes	Yes
F	Impervious and Gross Area at 80/20 or 90/10	Yes	Optional at Jurisdiction's Choice	Impervious and Gross Area	Impervious and Gross Area	Optional at Jurisdiction's Choice	Yes	Yes

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- Allocation of CWI costs based on infrastructure distribution throughout County:

Unincorporated County	<b>83.6%</b> (v. 76.4%)
City of Beaufort	<b>2.2%</b> (v. 3.4%)
Town of Port Royal	<b>0.8%</b> (v. 1.0%)
Town of Bluffton	<b>7.6%</b> (v. 11.1%)
Town of Hilton Head Island	<b>5.8%</b> (v. 8.1%)

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- Countywide Infrastructure costs - about \$3.5M
- Current per SFU rates required to generate CWI monies are as follows:

Unincorporated County	<b>\$45.88</b> * per SFU	(v. \$42.28)
City of Beaufort	<b>\$5.15</b> per SFU	(v. \$8.05)
Town of Port Royal	<b>\$3.88</b> per SFU	(v. \$5.03)
Town of Bluffton	<b>\$18.13</b> per SFU	(v. \$26.34)
Town of Hilton Head Island	<b>\$5.52</b> per SFU	(v. \$7.66)

- Unlike the municipal areas, the CWI is included in the County SFU ( or IA/GA fees ), not in addition to.

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- OPTION E.2 -- Unincorporated County rates recommended in study:
  - Fixed charge per year: \$12.00 per parcel/account
  - Impervious charge: \$65.00 per Unit
  - Gross area charge: \$10.00 per Unit, declining blocks

**NO CHANGE IN COUNTY RATES**

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Declining block rates for gross area charges in the recommended unincorporated County rate structure:

- First 2 acres: \$10.00 per year
- Next 8 acres: \$5.00 per acre per year
- Next 90 acres: \$4.00 per acre per year
- All acres > 100: \$3.00 per acre per year

**NO CHANGE IN COUNTY RATES**

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How Option E.2 Compares -- Unincorporated County rates recommended in study:

## Example

Typical home on 1 acre lot

- Current charge: \$50 per year
- Option A.2 charge: \$100 per year (\$120 per year by 2019)
- Option E.2 charge: \$87 per year

Other examples have been prepared to show how the rate structure change and rate increase affects non-residential parcels.

# STORMWATER UTILITY RATE STUDY

Current utility rates across the County:

- Town of Hilton Head Island \$108.70 / SFU
- City of Beaufort \$105 / SFU
- Town of Bluffton \$98 / SFU
- Beaufort County \$50 / SFU
- Town of Port Royal \$50 / SFU

Proposed utility rate:

- Beaufort County \$87 / IA,GA, admin