



COLUMBIA COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM REQUEST FORM

The Board of County Commissioners meets the 1st and 3rd Thursday of each month in the Columbia County School Board Administrative Complex Auditorium, 372 West Duval Street, Lake City, Florida 32055. The first meeting of every month is at 9:30AM while the second meeting of every month takes place at 5:30PM. All agenda items are due in the Board's office one week prior to the meeting date.

Today's Date: 4/13/2023 Meeting Date: 4/20/2023

Name: John Crews Department: BCC Administration

Approved By:

A handwritten signature in blue ink, appearing to read "John Crews", is written over a light blue horizontal line.

1. Nature and purpose of agenda item:

2023 Price Index Adjustment - Lance Water

2. Recommended Motion/Action:

Approve 2023 Price Index Adjustment - Lance Water

3. Fiscal impact on current budget.

This item has no effect on the current budget.

Lance Water
5911 Trouble Creek Road
New Port Richey, FL 34652

Columbia County

Request for 2023 Price Index Adjustment

In support for the utilities request for a 2023 price index rate adjustment please find enclosed the following documents as required per Rule 25-30.420 F.A.C.

1. 2023 Price Index Application
2. Revised Tariff Sheets.
3. Computation of increase in annual revenue resulting from price index application.
4. Affirmation reflecting the authorized rate of return on equity required by Section 367.08(4)(c), F.S.
5. Annualized Revenue Statement
6. Copy of notice to customers.
7. Statement of Quality of Service.

The Utility's Florida Department of Environmental Protection Water Treatment Plant Operating Number is 2124409.

For the Utility,

Marianne McDonald

Chief Financial Officer

April 10, 2023

COLUMBIA COUNTY
2023 PRICE INDEX APPLICATION
TEST YEAR ENDED DECEMBER 31, 2022

Lance Water

DEP PWS ID NO. 2124409		
DEP WWTS ID NO.	WATER	WASTEWATER
Operation and Maintenance Expenses (1)	\$ 36,877	\$ -
LESS:		
(a) Pass-Through Items		
(1) Purchased Power	\$ (566)	\$ -
(2) Purchased Water	\$ (4,820)	\$ -
(3) Purchased Wastewater Treatment	\$ -	\$ -
(5) Other (2)	\$ -	\$ -
(b) Rate Case Expense Included in Expenses	\$ -	\$ -
(c) Adjustments to O&M Expense from last rate case, if applicable: (3)	\$ -	
(1)	\$ -	\$ -
(2)	\$ -	\$ -
Cost to be Indexed	\$ 31,491	\$ -
Multiply by Annual Commission-Approved Price Index	0.0707	
Total Indexed Cost	\$ 2,226	\$ -
Add Change in Pass-Through Items (4)		
(1) Purchased Power increase	\$ 7	\$ -
(2) Purchased Water increase	\$ 1,052	\$ -
Sum of Indexed Cost and Pass-Through Items	\$ 3,285	\$ -
Divide Index and Pass-Through Sum by RAF Expansion Factor for Regulatory Assessment Fees	0.9550	
Increase in Revenues	\$ 3,440	
Divided by Applicable Test Year Revenue (5)		
Actual Revenue (Less Misc. Rev.)	\$ -	\$ -
Annualized Revenue	\$ 33,657	\$ -
Percentage Increase in Rates	10.22%	

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- 1 This amount must match last year's annual report.
- 2 Other expense items may include increases in required Department of Environmental Protection testing, ad valorem taxes, permit fees charged by the Department of Environmental Protection or a local government authority, National Pollutant Discharge Elimination System fees, and regulatory assessment fees. These items should not be currently embedded in the utility's rates.
- 3 This may include adjustments that follow a methodology referenced in the Order from a utility's last rate case (I.e. average bad debt expense or excessive unaccounted for water percentage applied to chemicals expense).
- 4 This may include an increase in purchased power, purchased water, purchased wastewater treatment, required DEP testing, and ad valorem taxes, providing that those increases have been incurred within the 12-month period prior to the submission of the pass-through application. Pass-Through NPDES fees and increases in regulatory assessment fees are eligible as pass-through but not subject to the twelve month rule. DEP water and wastewater testing pass-through require invoices. See Rule 25-30.425 for more information.
- 5 If rates change after January 1 of applicable test year, the book revenues must be adjusted to show the changes and an explanation of the calculation should be attached to this form. See annualized Revenue Worksheet for instructions and a sample format.

ANNUALIZED REVENUE WORKSHEET

Have the rates charged for customer services changed since January 1, 2022?

- () If no, the utility should use actual revenues. This form may be disregarded.
- (X) If yes, the utility must annualize its revenues. Read the remainder of this form.

Lance Water
Water Revenues
Calculated Year 2022

	Customer Bills	Consumption K/Gallons	Authorized Tariff	Calculated Revenues
Jan-Apr 2022	172	793	\$27.31 \$4.04	\$4,697.32 \$3,203.35
All BFC per 1,000 gallons				
May-Dec 2022	344	1,432	\$31.77 \$7.76	\$10,928.88 \$11,110.70
All BFC per 1,000 gallons				
Actual	516	2,225		\$29,940.25
Per 2022 Annual Report				\$29,940.33
Difference (not material)				-\$0.08
Annualized 2022	Customer Bills	Consumption K/Gallons	Authorized Tariff	Calculated Revenues
All BFC per 1,000 gallons	516	2,225	\$31.77 \$7.76	\$16,393.32 \$17,263.67
Total Annualized	516	2,225		\$33,656.99

RATE CALCULATIONS

Lance Water Water Rates

Residential and General Service

<u>Meter Size</u>	<u>Current Rates</u>	<u>Increase Factor</u>	<u>Proposed Rates</u>
BASE FACILITY CHARGE:			
5/8" x 3/4"	\$31.77	110.22%	\$35.02
1"	\$47.65	110.22%	\$52.52
1-1/2"	\$79.43	110.22%	\$87.55
2"	\$158.84	110.22%	\$175.07
3"	\$254.15	110.22%	\$280.12
4"	\$476.52	110.22%	\$525.22
6"	\$794.22	110.22%	\$875.39
8"	\$1,588.42	110.22%	\$1,750.76
 <u>Gallon Charge</u>			
Per 1,000	\$7.76	110.22%	\$8.55

LANCE WATER
WATER TARIFF

REVISED JUNE 2023

LANCE WATER

Water Rates, Fees and Miscellaneous Charges

WATER RATES -

<u>Meter Sizes</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	35.02
1"	52.52
1 1/2"	87.55
2"	175.07
3"	280.12
4"	525.22
6"	875.39
8"	1750.76
Charge per 1,000 gallons	8.55

Misc. Fees and Charges

Late Fee	10.00
Initial Connection	25.00
Reconnection Fee	25.00
Meter Tampering Fee	75.00
Deposit	85.00
Return Check Charge	Pursuant to FL Statute 832.08(5)

MINIMUM CHARGE - Base Facility Charge

TERMS OF PAYMENT Bills are due and payable when rendered. In accordance with Rule 25.30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

TYPE OF FILING - 2023 Price Index

MICHAEL SMALLRIDGE
ISSUING OFFICER

MANAGING MEMBER
TITLE

NOTICE TO CUSTOMERS

Pursuant to Section 367.081(4)(a), Florida Statutes, water and wastewater utilities are permitted to adjust the rates and charges to its customers without those customers bearing the additional expense of a public hearing. These adjustments in rates would depend on increases or decreases in noncontrollable expenses subject to inflationary pressures such as chemicals, and other general operation and maintenance costs.

On April 10, 2023, Lance Water filed its notice of intention with Columbia County to increase water rates in Columbia County pursuant to this Statute. The filing is subject to review by the Staff for accuracy and completeness. Water rates will increase by approximately 10.22%. These rates should be reflected for service rendered on or after June 10, 2023.

AFFIRMATION

I, Marianne McDonald, hereby affirm that the figures and calculations upon which the change in rates is based are accurate and that the change will not cause Lance Water, to exceed the range of the most recent leverage formula.

I, the undersigned/receiver of the above-named utility, have read the foregoing and declare that, to the best of my knowledge and belief, the information contained in this application is true and correct.

This affirmation is made pursuant to my request for a price index and/or pass-through rate increase, in conformance with Section 367.081(4), Florida Statutes.

Further, I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree.

Signature:

Marianne McDonald

Name:

Marianne McDonald

Title:

Chief Financial Officer

Telephone Number: (727) 937-6275

Sworn to and subscribed before me this 10th day of APRIL, 20 23.

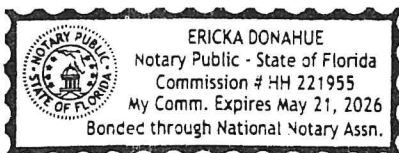
☒ Personally known

☐ Identification presented

My Commission expires:

MAY 21, 2026

(SEAL)



Ericka Donahue

Notary Public
State of Florida

STATEMENT OF QUALITY OF SERVICE

Pursuant to Rule 25-30.420(2)(h) and (i), Florida Administrative Code, Lance Water:

[X] does not have any active written complaints, corrective orders, consent orders, or outstanding citations with the Department of Environmental Protection (DEP) or the County Health Departments.

[] does have the attached active written complaint(s), corrective order(s), consent order(s), or outstanding citation(s) with the DEP or the County Health Department(s). The attachment(s) includes the specific system(s) involved with DEP permit number and the nature of the active complaint, corrective order, consent order, or outstanding citation.

Signature:



Name:

Marianne McDonald

Title:

Chief Financial Officer

Telephone Number: (727) 937-6275

Date:

4-10-23