

## **Pasco Florida Governmental Utility Authority (FGUA) Customer Fact Sheet**

Recently, some FGUA customers have contacted the Pasco FGUA Utility Customer Service Office with various inquiries about the operations of the utility. The following list of questions and answers has been created to address these inquiries and provide a clearer understanding of the utility's operations, recent decisions, and service improvement program.

### **Q: Why did the FGUA purchase Aloha Utilities?**

A: Aloha Utilities, Inc., was challenged by the poor water quality of the groundwater extracted from its wells and the difficulty that treating the water posed on the existing treatment facility. The Pasco County Board of County Commissioners and area legislators, particularly State Senator Mike Fasano, tried many approaches to assist Aloha Utilities customers with their expectations of better water quality. The Pasco County Board of County Commissioners joined the FGUA, seeking to obtain assistance in acquiring the Aloha Utilities System to bring about necessary improvements. Months of cooperation among the FGUA, the county staff, and Aloha customers proved successful, and the utility was purchased in February 2009.

### **Q: Does the FGUA gain a profit by purchasing and operating the system?**

A: The FGUA did not pursue the system to make a profit. The FGUA is a government entity and does not earn a profit. Rather, the FGUA is focused on meeting critical water and wastewater utility needs. The FGUA representatives received support from Aloha customers and county staff on an agreed sale price of \$90.5 million, which was a significant reduction from Aloha's asking price of \$135 million. The financing obtained by the FGUA provides funds for purchasing the utility and implementing the Capital Improvement Plan to address water quality concerns and improve customer service.

### **Q: Did the FGUA notify customers of the rate change before it was approved by the FGUA Board?**

A: Advertised Public Hearings were held regarding the acquisition and rates, beginning in October 2008. The acquisition hearings included presentations about the rate increase requirements. The FGUA notified the public, the Committee for Better Water Now and the Pasco Board of County Commissioners regarding the rate changes through press releases and letter notices before the FGUA Board unanimously approved the decision on October 7, 2008. The FGUA notified the public about the proposed purchase and provided notice to Aloha customers on October 21, 2008.

### **Q: Did the FGUA have customer and community support for the water rate changes?**

A: Customers represented by the Committee for Better Water Now and the Pasco Board of County Commissioners were fully aware that the rates proposed by the FGUA were well below the rates that customers would have experienced if Aloha Utilities remained the owner of the utility.

### **Q: I have not seen any changes to the system since the FGUA gained ownership. When will I see improvement in my water?**

A: Changes to the condition of the system and water quality improvements will require considerable investment. The FGUA has budgeted \$11.7 million for system improvements. The FGUA appreciates its customers' patience during the initial start-up period. Our focus is to address pipe corrosion, black water, odor, and improve pressure throughout the system. During the first 45 days, the FGUA has taken several actions to improve water quality and reliability throughout the system, including corrosion control improvements, system-wide

mapping, equipment condition assessment, and promoting active public participation through meetings in the community and with local leaders. During the next two years, the Capital Improvement Plan also provides for new Pasco County water interconnections and treatment system upgrades.

**Q: Wouldn't the utility rates have been less if Aloha Utilities retained ownership of the utility?**

A: Aloha Utilities had received approval from the Public Service Commission authorizing a 150% water rate increase in March 2008 to assist Aloha with funding improvements to the system, but these changes were not going to correct the water quality problems. Additional Phase II and Phase III increases of at least 50 to 100% more for further capital improvement plans and constructions of water storage facilities were scheduled by the PSC. This would have resulted in significantly higher water rates than the FGUA imposed rates and still not fixed the problems.

**Q: Why such a drastic increase in rates? Couldn't the FGUA phase the increases gradually?**

A: The rates for the increases must take effect in full immediately, in order to cover the acquisition and critically needed system improvements, change in ownership and the debt service. Without these initial increases financing could not be obtained.

**Q: I received the new rate tables that came with my last water bill. What do each of the terms on the new bill mean and how can I calculate my bill?**

A: **Water Charges** are charges customers pay for receiving water. They include the **Base Rate** (the rate a customer is charged for being connected and receiving water from the FGUA water system), the **Flow Charge** (the rate per 1,000 gallons used by the customer), and the **Total Water Charge** (the total of both the base rate and flow charge). Customers using less than 10,000 gallons per month are charged \$4.93 per 1,000 gallons used, while customers using more than 10,000 gallons are charged \$5.40 per 1,000 gallons used.

**Sewer Charges** are the charges for collecting and/or treating used water. The **Base Rate** is the charge for being connected to the FGUA sewer system for collected used water. The sewer **Flow Charge** is the charge for collecting used water per 1,000 gallons of water. The **Total Sewer Charge** is the total of both the base sewer rate and the base sewer flow charge.

Lastly, **Reclaim if Applicable** is the rate applied to customers receiving reclaimed water.

To use the rate table, review the following example: A customer using 8,000 gallons of water would pay a *base rate* of \$10.24 for being connected to the water system, would pay a water flow charge of \$39.44 (\$4.93 per 1,000 gallons used x 8), for a total water charge of \$49.68. Additionally, if the customer is connected to the sewer system, the customer is charged a base rate of \$16.19, plus \$31.60 in sewer flow charges (\$3.95 per 1,000 gallons used x 8). The total sewer charge would be \$47.79.

The total charge for 8,000 gallons of water and sewer usage would be \$97.47 (\$49.68 plus \$47.79). Additionally, if the customer uses reclaimed water, the customer would be charged \$2.64 (\$0.33 per 1,000 gallons used x 8). The total combined water, sewer and reclaimed water bill would be \$100.11.

**Q: I received my bill for the month of March. My bill substantially increased from last month. Where are the costs being increased?**

A: The bill for each customer is unique. Some customers may have increased their usage from last month. Customers who use more than 10,000 gallons of water are charged at a

higher rate (\$0.47 more per 1,000 gallons above 10,000 gallons) than customers who use less than 10,000 gallons. Higher usage may result from the length of the month being longer than the month of February, car washing, pressure washing, landscape watering, or other problems, such as irrigation timer errors or water leaks in your home or on your property. FGUA encourages customers to regularly read their billing statements, monitor their properties for water leaks and conduct regular maintenance of their water systems, as needed.

**Q: How will my customer service experience change as an FGUA customer?**

A: The FGUA's mission focuses on providing excellent water and wastewater utility service to its customers. In order to fulfill this mission, the FGUA Capital Improvement Plan includes a strong emphasis on public involvement and developing positive relationships with FGUA customers by increased communication with customers through community meetings and billing inserts as well as providing a Community Service Representative to address significant customer concerns.

**Q: What can consumers do if they have issues with their water quality?**

A: Customers are encouraged to report any issue to the Pasco FGUA Utility Customer Service Office at (727) 372-0115.

**Q: Will we be kept informed of progress, and where can I obtain the information?**

A: Yes, information on progress will be provided at community meetings, in billing inserts, and on the FGUA website at [www.fgua.com](http://www.fgua.com).