

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY
BOARD OF DIRECTORS MEETING
April 1, 2026

TENTATIVE BUDGET
ITEM 2

**Resolution 2026-03 ‘Resolution Setting Forth Preliminary
Schedules of Rates, Fees and Charges for FY 2027’**

Presenter - Ann Lee, MBA, CGFO, Finance & Budget Senior
Manager

Recommended Action - **Motion** to approve Resolution 2026-03 ‘Resolution
Setting Forth Preliminary Schedules of Rates, Fees and
Charges for FY 2027’.

Resolution 2026-03 formalizes the Board’s adoption of the Tentative Budget for FY 2027 and establishes its intent to set rates, fees and charges based upon the tentative budget. A public hearing is scheduled at which time the Board will consider adoption of the final schedule of rates, fees and charges for FY 2027 in conjunction with a regularly scheduled Board meeting on August 5, 2026.

Attachments:

Resolution 2026-03 ‘Resolution Setting Forth Preliminary Schedules of Rates, Fees and Charges for FY 2027’

PEACE RIVER MANASOTA REGIONAL WATER SUPPLY AUTHORITY

Resolution 2026-03

**RESOLUTION SETTING FORTH PRELIMINARY SCHEDULES
OF RATES, FEES AND CHARGES FOR FY 2027**

The Peace River Manasota Regional Water Supply Authority, created pursuant to Chapter 373.1962, Florida Statutes, subsequently reenacted as Section 373.713, Florida Statutes, and Interlocal agreement pursuant to Chapter 163.01, *et seq.*, Florida Statutes, in lawful session and in regular order of business properly presented, finds that:

WHEREAS, the Second Amended Interlocal Agreement Creating the Peace River Manasota Regional Water Supply Authority entered into on October 5, 2005 provides that:

'The Authority shall establish a tentative budget no later than May 15, for the ensuing Contract Year. The tentative budget shall include all anticipated expenditures of the Authority for its projects and activities for the ensuing Contract Year, including Operating and Maintenance Cost, Management and Planning Costs, and Debt Service Cost. As part of the budget process, the Authority shall adopt rates, fees, and charges to generate sufficient revenue to pay all budgeted expenditures on a water user basis for Authority Water Supply Facilities. Membership fees and rates shall be established annually and adopted by resolution at the time of budget adoption.' and

WHEREAS, the Authority has entered into the Peace River Manasota Regional Water Supply Authority Master Water Supply Contract with Charlotte County, DeSoto County, Manatee County, Sarasota County, and with the City of North Port on October 5, 2005 (as amended December 4, 2024) for the purpose of supplying water produced by the Authority from the Peace River Facility and new water supply sources; and

WHEREAS, the Master Water Supply Contract provides that:

'In conjunction with the Authority's annual budget development and adoption process, the Authority shall fix a Water Rate consisting of the Base Rate Charge (adjusted as necessary for customer financing), DeSoto Payment, and Water Use Charge to be paid on a monthly basis by the Customers for water furnished by the Authority. The rates are not subject to the supervision or regulation by any other commission, board, bureau, agency or other political subdivision or agency of the county or state.' and

WHEREAS, the Authority Board of Directors adopted the Tentative Budget for FY 2027 at their regularly scheduled meeting on April 1, 2026.

NOW, THEREFORE, BE IT RESOLVED:

Section 1. The Peace River Manasota Regional Water Supply Authority does hereby set forth preliminary schedules establishing rates, fees and charges for the period beginning October 1, 2026 through September 30, 2027 attached hereto as Exhibit A.

Section 2. Conservation Charge for Exceedance.

In the event a Customer, other than an ‘Exclusive Provider Customer’ as defined in the Master Water Supply Contract, should receive delivery of water in excess of their respective water allocation (as adjusted by New Water Supply Demand and/or Redistribution Pool) provided in the Master Water Supply Contract for the period beginning October 1, 2026 through September 30, 2027, the exceeding Customer shall pay an additional charge, Conservation Charge for Exceedance, derived as follows unless the exceedance is the result of an emergency transfer as determined by the Authority Board, in which case no additional charge shall be placed upon the excess water usage occasioned by the emergency.

The Conservation Charge for Exceedance shall be based solely on Annual Average Day (AAD) Water Allocation set forth in Exhibit B of the Master Water Supply Contract (the Conservation Charge for Exceedance does not apply to the Peak Month Average Day and the Maximum Day Water Allocations if exceeded). Delivery of water shall be as recorded by the Authority’s meters at the points of connection between the Authority transmission system and the distribution system of the customer.

Exceedance of AAD for Fiscal Year	Conservation Rate Calculation
1 st Exceedance	<u>No penalty.</u> Customer liable only for the Base Rate Charge set by resolution plus Water Use Charge set by resolution for their actual metered water usage. The Authority shall assist the customer in the performance of a water audit of its water system and implementation of audit recommendations.
2 nd Exceedance	Customer liable for the Base Rate Charge set by resolution plus <u>125% of the Redistribution Pool Water Base Rate Charge for water delivered in exceedance of Water Allocation</u> plus Water Use Charge set by resolution for their actual metered water usage.
3 rd Exceedance	Customer liable for the Base Rate Charge set by resolution plus <u>150% of the Redistribution Pool Water Base Rate Charge for water delivered in exceedance of Water Allocation</u> plus Water Use Charge set by resolution for their actual metered water usage.
4 th and all Subsequence Exceedances	Customer liable for the Base Rate Charge set by resolution plus <u>200% of the Redistribution Pool Water Base Rate Charge for water delivered in exceedance of Water Allocation</u> and Water Use Charge set by resolution for their actual metered water usage.

The Conservation Charge for Exceedance is progressive and penalty for exceedance is applied in subsequent fiscal years as provided above. The exceedances do not need to be in consecutive years and the number of exceedances does not reset each year. The Conservation Charge for Exceedance is not applicable to an Exclusive Provider Customer.

The additional revenue received from such exceedance will, at the discretion of the Authority Board, be applied to the funding for management and planning as provided in section 17 of the MWSC for future water supply development.

Done at Venice, Florida, on this Second day of April 2026.

Attest:

Peace River Manasota
Regional Water Supply Authority

Richard Anderson
Executive Director

Commissioner Ron Cutsinger
Chairman

Approved as to Form:

Douglas Manson
General Counsel for Peace River Manasota
Regional Water Supply Authority

**Peace River Manasota Regional Water Supply Authority
FY 2027 Tentative Budget**

WATER RATE [Authority Customers]

10/01/2026 to 09/30/2027

Total Monthly Water Charge to Customers	
[Charge per Month]	Monthly Charge = Base Rate Charge + (Water Use Charge x Actual Water Delivered)
Base Rate Charge	Totals
[Annual costs to be allocated]	
Other Rate Related Expenditures	
Fixed O & M Cost Component	16,148,853
Contribution to R & R Reserve	4,500,000
Transfer to CIP (PR ³)	-
Contingencies	500,000
Transfer to Utility Reserve Fund	-
Transfer to Disaster Recovery Reserve	500,000
Transfer to Administrative Fund	963,132
Projected Interest Earned	(40,000)
Transfer from Rate Stabilization Reserve	(500,000)
Funds Brought Forward	(2,000,000)
Sub-Total Other Rate Related Expenditures	\$ 20,071,984
Water Purchase	0
Total Other Rate Related Expenditures	\$ 20,071,984
Debt Service Cost	
2025C Bonds	2,436,250
2020 Bonds	4,795,050
2024 Bonds	4,314,000
2025A/B Bonds	6,410,832
Total Debt Service	\$ 17,956,132
Debt Service Coverage Payments	\$ 2,693,420
Debt Service Contributions	
	\$ -
County Payments	
DeSoto Payment	1,406,251
Total County Payments	\$ 1,406,251
System-Wide CIP Contribution	
Transfer out to CIP	500,000
Total Base Rate Charge	\$ 42,627,786

**Peace River Manasota Regional Water Supply Authority
FY 2027 Tentative Budget**

Annual Base Rate Charge By Customer												
	Total	Other Rate Related Expenditures	2024A (2014B) Bonds	2025C (2015) Bonds	2020 Bonds	2024B Bonds	2025A Bonds	2025B Bonds	Debt Service Coverage Payment	DeSoto Payment	System-Wide CIP Contribution	Pool Water Redistribution
Charlotte County	15,842,144	9,312,938	645,996	578,853	908,530	-	681,995	2,318,863	770,136	459,322	165,511	-
DeSoto County	1,140,576	390,449	20,172	174,923	33,464	-	227,332	-	68,384	211,338	14,515	-
Manatee County	137,078	-	-	-	-	-	-	-	-	93,750	43,328	-
Sarasota County	22,129,338	8,711,357	1,538,730	1,682,474	3,162,806	1,854,000	2,727,979	-	1,644,898	572,604	234,489	-
City of North Port	3,378,650	1,657,240	255,102	-	690,249	-	454,663	-	210,002	69,236	42,158	-
Total	\$ 42,627,785	\$ 20,071,984	\$ 2,460,000	\$ 2,436,250	\$ 4,795,050	\$ 1,854,000	\$ 4,091,969	\$ 2,318,863	\$ 2,693,420	\$ 1,406,251	\$ 500,000	\$ -

Monthly Base Rate Charge By Customer	
Charlotte County	1,320,179
DeSoto County	95,048
Manatee County	11,423
Sarasota County	1,844,111
City of North Port	281,554
Total	\$ 3,552,315

Water Use Charge	
[Charge per 1,000 gallons]	
	Total
Water Use Rate Charge	\$1.18

Master Water Supply Contract Water Allocation	
Million Gallons Per Day [MGD]	Annual Average Daily [MGD]
Charlotte County	16.100
DeSoto County	0.675
Manatee County	0.000
Sarasota County	15.060
City of North Port	2.865
Total	34.700

**Peace River Manasota Regional Water Supply Authority
FY 2027 Tentative Budget**

MEMBER FEE

10/01/2026 to 09/30/2027

Contribution Amount to be Derived			
		Totals	
Administrative Office Authority Support	\$	642,088	
Projected Interest Earned	\$	-	
Rental Income	\$	(122,876)	
Amount to be Derived	\$	519,212	
Population Basis			
		*Population 4/1/2025	% of Total Population
Charlotte County		223,430	18.45%
DeSoto County		33,514	2.77%
Manatee County		466,702	38.53%
Sarasota County		487,636	40.26%
Total		1,211,282	100.00%
Weighted Contribution			
		Base Contribution	Pro Rated Share
Charlotte County	\$	64,902	\$ 47,886
DeSoto County	\$	64,902	\$ 7,183
Manatee County	\$	64,902	\$ 100,025
Sarasota County	\$	64,902	\$ 104,512
Total Weighted Contribution			\$ 519,212

Member Contribution Formula:

Base Contribution = 1/2 amount to be derived divided by 4

Pro rated share = 1/2 amount to be derived times % of Population

* Source: 'Florida Estimates of Population 2025' [Bureau of Economic and Business Research; University of Florida, April 1, 2025]

**Peace River Manasota Regional Water Supply Authority
FY 2027 Tentative Budget**

PLANNING ASSESSMENT

10/01/2026 to 09/30/2027

Planning Assessments						
[Annual costs to be allocated]	Total	Planning Assessment Allocation (1)				
		MWSC Modifications	Polk Regional Water Cooperative Coordinating Committee	PFAS	Flatford Swamp	Regional Water Supply Feasibility Planning
Charlotte County	87,617	9,223	4,611	11,067	18,446	44,270
DeSoto County	13,142	1,383	692	1,660	2,767	6,640
Manatee County	183,016	19,265	9,632	23,118	38,530	92,471
Sarasota County	153,461	16,154	8,077	19,385	32,308	77,538
City of North Port	37,764	3,975	1,988	4,770	7,950	19,081
Total	\$ 475,000	\$ 50,000	\$ 25,000	\$ 60,000	\$ 100,000	\$ 240,000

(1) Planning Assessment invoiced annually on October 1st

(2) Planning Assessment Allocation Pro-Rata Population.

Population		
	*Population 4/1/2025	Population [Percentage]
Charlotte County	223,430	18.45%
DeSoto County	33,514	2.77%
Manatee County	466,702	38.53%
Sarasota County	391,335	32.31%
City of North Port	96,301	7.95%
Total	1,211,282	100.00%

* Source: 'Florida Estimates of Population 2025' [Bureau of Economic and Business Research; University of Florida, April 1, 2025]

**Peace River Manasota Regional Water Supply Authority
FY 2027 Tentative Budget**

INTERCONNECT WATER CHARGE [GOVERNMENT RATE] - OPTION 1

10/01/2026 to 09/30/2027

Water Charge to Municipalities Interconnected to Regional Transmission System	
[Charge per 1,000 Gallons]	
Water Rate	
[Charge per 1,000 Gallons]	
\$4.06	Water Rate Charge in \$/1,000 gallons metered water delivery for cumulative delivery to all interconnects up to quantity identified as 'Available from Pool' in the Redistribution Pool for the current fiscal year.
\$8.12	Water Rate Charge in \$/1,000 gallons metered water delivery for cumulative delivery to all interconnects in excess of the quantity identified as 'Available from Pool' in the Redistribution Pool for the current fiscal year.

Revenue received from these water sales will, at the discretion of the Authority Board, be applied as a credit toward the obligations of the Authority Customers apportioned to each of their allocations to the 'Available from Pool' in the Redistribution Pool for the current fiscal year. Water rate for emergency use unless Interlocal Agreement provides alternative water rate.

**Peace River Manasota Regional Water Supply Authority
FY 2027 Tentative Budget**

INTERCONNECT WATER CHARGE [GOVERNMENT RATE] - OPTION 2

10/01/2026 to 09/30/2027

Water Charge to Municipalities Interconnected to Regional Transmission System	
[Charge per 1,000 Gallons]	
Water Rate	
[Charge per 1,000 Gallons]	
\$4.47	Water Rate Charge in \$/1,000 gallons metered water delivery for cumulative delivery to all interconnects up to quantity identified as 'Available from Pool' in the Redistribution Pool for the current fiscal year.
\$8.94	Water Rate Charge in \$/1,000 gallons metered water delivery for cumulative delivery to all interconnects in excess of the quantity identified as 'Available from Pool' in the Redistribution Pool for the current fiscal year.

Revenue received from these water sales will, at the discretion of the Authority Board, be applied as a credit toward the obligations of the Authority Customers apportioned to each of their allocations to the 'Available from Pool' in the Redistribution Pool for the current fiscal year. Water rate for emergency use unless Interlocal Agreement provides alternative water rate.