

AGENDA NOTE – HRPDC EXECUTIVE COMMITTEE MEETING

ITEM #10-E: WATER/WASTEWATER UTILITY RATE STRUCTURE REPORT

SUBJECT:

The HRPDC staff has completed a report on water and wastewater utility rate structures that addresses how declining water demands may impact utility finances.

BACKGROUND:

Water and wastewater utilities across the country are developing strategies to address:

- Uncertain or declining revenues
- Increasing costs
- Lack of public awareness of revenue gaps

The utilities in Hampton Roads are experiencing this trend and many are considering how their rate structures could be changed to become more financially stable. The study describes why water usage is decreasing, the impacts on utility revenues and costs, and potential solutions.

This item and associated materials were presented under workshop agenda item #6.

RECOMMENDED ACTION:

Approve the report “Designing the Rate Structure of the Future” for distribution.