



CITY COUNCIL MEETING

AGENDA ITEM

Prepared By: <i>Allie Polsfuss, City Administrator</i> <i>Joe Zierden, Public Works Supervisor</i>	Meeting Date: <i>3/02/2026</i>	Item Name: <i>Sewer Rate Study</i>
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BACKGROUND

As part of the 2026 Budget Process, the City Council approved funding for a sewer rate study to be completed in 2026. The purpose of the study is to ensure that current and future sewer rates are sufficient to support anticipated system expansions, capital improvements, operational costs, and long-term financial sustainability.

At the beginning of the year, staff issued Requests for Proposals (RFPs) to:

- Northland Securities
- Ehlers
- David Drown and Associates

The City received two proposals in response to the solicitation.

OVERVIEW

After review of the submitted proposals, staff determined that the lowest responsible and responsive proposal was submitted by David Drown and Associates (DDA) in the amount of \$4,500 (see Attachment A).

Staff has prior experience working with DDA in other communities, and the City of Breezy Point has previously utilized DDA for various financial advisory services. Based on qualifications, experience with municipal utilities, and cost proposal, staff believes DDA is well qualified to complete this study.

We will coordinate with Public Works, Engineering, Finance, and DDA to kick off this rate study and provide updates to the Finance Committee and Council as it progresses.

FINANCIAL IMPACT

The proposal of \$4,500 is less than the budgeted amount of \$15,000.

STAFF RECOMMENDATION

Approve the proposal from David Drown and Associates for the 2026 sewer rate study.