

COBURG CITY COUNCIL ACTION/ISSUE ITEM



TOPIC: Resolution 2023-05, A Resolution Adopting Revised the Wastewater Service Rates

and

Resolution 2023-06, A Resolution Adopting Revised Water Rates

Meeting Date: May 9, 2023

Staff Contact: Anne Heath, City Administration/Budget Officer

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REQUESTED COUNCIL ACTION

- Adopt Resolutions 2023-05 and Resolutions 2023-06, adjusting Water and Wastewater Rates

Suggested Motions:

Resolution 2023-05 – *"I move to Adopt Resolution 2023-05, a Resolution adopting revised Wastewater Service rates."*

Resolution 2023-06 – *"I move to Adopt Resolution 2023-06, A Resolution Adopting Revised Water Rates."*

POLICIES OR CITY COUNCIL GOAL(S) ADDRESSED

2023-24 City Council Goals:

- Fiscal Stewardship
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BACKGROUND

Over the last year the Council has had multiple meetings and work sessions addressing both the water and sewer utilities, including work sessions on the capital projects for Water and the increase in the cost of operations for both Water and Sewer.

The Council gave direction for a public education campaign. Staff provided brochures, newsletter articles, Utility Bill inserts, letters to each user delivered by mail, and social media posts. All of this information provided background, and invited them to be part of the process by providing input regarding the recommended rate increases. All public comment on this matter to date has been provided to the City Council.

RECOMMENDATION OF FCS GROUP

On March 14, 2023, the Council received a presentation from FCS Group regarding their update of our utility models and recommendations for service fees for water and sewer. A copy of their presentation is attached to this staff report.

FCS Based their changes to the utility models based upon the increase in costs for capital projects, the increase in operational costs for both utilities, and a change in the development growth and future users projections.

STAFF DIRECTION

After March 14, 2023, the Council gave staff direction to bring resolutions raising the utility rates for both water and wastewater to the rates as recommended for July 1, 2024 by FCS Group, including 12% in water fees to a residential base rate of \$59.36, and a 2% increase in Sewer to \$88.43 per EDU.

Letters were mailed to all utility accounts in the week of March 13th. A copy of the final letter is attached to this report. This letter was also be included in the April utility bills. Additionally, information is being placed on social media, and at the post office in Coburg.

RECOMMENDATION

Due to the cost of maintaining the operations and capital projects of the utilities, the Staff recommends that the Council adopt both resolutions.

PUBLIC INVOLVEMENT

The Public has been encouraged to provide comment which could have taken place at the April 11, 2023 meeting, and also participate in the Public Hearing on May 9, 2023. Additionally, a three part approach was taken to inform the public including:

- Letters to all users mailed through US Mail
 - Our Town Articles and mini-newsletter articles placed in the Utility bills.
 - Social medial Posts
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NEXT STEPS

- In approved, the staff will move forward to update the approved utility fees as of July 1, 2023. These will be reflected in the August 10, 2023 bills received by users.
 - Continue to notify and educate the public
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ATTACHMENTS

1. Copy of FCS Presentation to City Council on March 14, 2023
2. Resolution 2023-05 - A Resolution Raising the Wastewater Service Fees
3. Resolution 2023-06 - A Resolution Adopting Revised Water Rates

REVEIWED THROUGH

Anne Davies, City Attorney
Sammy Egbert, City Recorder