

## **CITY COUNCIL STAFF REPORT**

**TO:** *City Council*

**FROM:** *Jesse VanderZanden, City Manager*

**MEETING DATE:** *June 26, 2023*

**PROJECT TEAM:** *Paul Downey, Assistant City Manager/Finance Director  
 Gregory Robertson, Public Works Director*

**SUBJECT TITLE:** *Accepting CWS Rates for FY 2023-24*

**ACTION REQUESTED:**

<input type="checkbox"/>	<b>Ordinance</b>	<input type="checkbox"/>	<b>Order</b>	<input checked="" type="checkbox"/>	<b>X Resolution</b>	<input type="checkbox"/>	<b>Motion</b>	<input type="checkbox"/>	<b>Informational</b>
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*X all that apply*

**ISSUE STATEMENT:** Clean Water Services (CWS) sets rates and charges for services for sewer and surface water management (SWM) that it provides in addition to sewer and SWM system development charges (SDC). The City Council adopts a resolution authorizing the City to collect those funds on behalf of CWS. Staff has prepared a resolution for Council consideration that authorizes the City to collect fees based on the rates established by the CWS Board of Directors.

**BACKGROUND:** CWS has established the following rate increases to be effective July 1, 2023:

- Sewer rates – 4.0% increase
- SWM rates - 4.0% increase
- Sewer SDC – 3.0% increase from \$6,625 to \$6,824 per equivalent dwelling unit (EDU)
- SWM SDC – 3.0% increase from \$641 to \$660 per EDU.

The City collects CWS' sewer and SWM charges and remits the funds to CWS. The City collects the Sewer SDC and sends CWS its portion of the Sewer SDC fees collected while retaining the portion that belongs to the City. The City retains all of the SWM SDC but CWS establishes the rate. The impact to the monthly single-family residence for the increases in sewer and SWM fees were discussed in the resolutions increasing the City fees for sewer and SWM.

**FISCAL IMPACT:** The City retains 20% of the Sewer SDC and 100% of the SWM SDC so the City will collect more revenue for each permit issued. The total fiscal impact will be dependent on the number of permits issued.

**STAFF RECOMMENDATION:** Staff recommends the City Council approve the attached resolution accepting CWS rates for sewer and surface water management services.

**ATTACHMENT(s):** Resolution Accepting Clean Water Services' Sanitary Sewer Utility Rates, Surface Water Management Rates, Surface Water Management System Development Charges and Sanitary Sewer System Development Charges, Effective July 1, 2023, and repealing Resolution No. 2022-42