



City of Hartford * County of Van Buren * State of Michigan

TO: Mayor Hall and the Hartford City Commissioners
FROM: Nicol Brown, City Manager
DATE: October 28, 2024
RE: **Sewer Rate Study**

ITEM BEFORE THE COMMISSION:

The item before the Commission is to approve Bendzinski & Co. to complete a sewer rate study.

DISCUSSION:

Bendzinski & Co. will draft a sewer rate study for the city to ensure it offers our customers the best rate to cover the current sewer bond payments. Bendzinski will complete the following tasks for a fee of \$7,500, including all out-of-pocket expenses and meeting attendance.

- Review and analyze historical operating expenses using audit and budget information.
- A “Test Year” is developed that reflects a “normalized” operating budget.
- Existing debt is analyzed.
- The customer base is analyzed, including the number of meter equivalents, billable flow, treated/pumped flow, and other methods.
- Capital improvement plans are analyzed and discussed.
- Cash reserve analysis.
- User rate management is considered, along with various options and scenarios.
- Meetings and Reports
- Usual and customary rate consultant services as may be requested by the Client.

RECOMMENDATION:

The Hartford City Commission approves Bendzinski & Co. to complete a sewer rate study with a fee of \$7,500, including all out-of-pocket expenses and meeting attendance,