



# STAFF REPORT

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**MEETING DATE:** February 19, 2024

**MEETING TYPE:** City Council

**SUBMITTED BY:** Maria Joyner

**AGENDA CAPTION:** DISCUSS AND CONSIDER ORDINANCE 2024-02-1188 OF THE CITY OF HUTCHINS, TEXAS, AMENDING THE CODE OF ORDINANCES BY AMENDING CHAPTER 13, TITLED "UTILITIES", BY AMENDING ARTICLE 13.02, TITLED "WATER WORKS," BY AMENDING §13.02.009 TO ADD PROVISIONS FOR PASS-THROUGH CHARGES FOR WATER PURCHASED FROM THE CITY'S SUPPLIERS; BY AMENDING CHAPTER 13, TITLED "UTILITIES", BY AMENDING ARTICLE 13.03, TITLED "SEWER USER CHARGES" BY AMENDING §13.03.002 TITLED "SEWER RATES TO ADD PROVISIONS FOR PASS-THROUGH CHARGES FOR SANITARY SEWER TREATMENT PURCHASED FROM THE CITY'S SUPPLIERS. Presented by: Maria Joyner, Director of Finance

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## **Background Information**

On July 26th 2023, Dallas Water Utilities sent a notice that as of October 1st 2023 the rates for treated water will be increased by 14.27% and sewer treatment costs by 4.34%. Without the ability to pass through mid-year rate increases charged by Dallas Water Utilities, the City must absorb the cost increase which results in less revenue for operation and maintenance of the City's water and sanitary sewer infrastructure.

## **Budget Implications**

By passing this ordinance it will help to lessen the financial impact of these price increases.

## **Operational Impact**

N/A

## **Legal Review**

The City Attorney reviewed and prepared the ordinance.

## **Staff Recommendation**

Staff recommends passing Ordinance No. 2024-02-1188

## **Supporting Documentation and Attachments**

1. ORD 2022-02-1188 Dallas Water Utilities Pass Through
2. Letter from the City of Dallas