



## Agenda Item Cover Sheet

### Agenda Title:

- Public Hearing - An Amendment to Appendix B - Fee Schedule for Water and Sewer Rates

### Department/Contact Person:

- Finance/Amy Johnson

### Background Information:

#### Sewer:

- The City Council establishes sewer rates annually as part of the budget process. The proposed rate increases are needed to offset the increase in costs the city will incur from the issuance of debt from the Middle Beek Creek Sewer District, as well as to offset regular sewer department cost increases.
- Charges for sewer services require a public hearing under state statutes.
- The proposed sewer rates are expected to increase an average customer's bill by \$7.25/month.

#### Water:

- The City Council establishes water rates annually as part of the budget process. The proposed rate increases are needed to offset the increase in costs the city will incur from the increased cost of water purchase from KC Water, as well as to offset the deficit between revenues and expenditures from several years of no water rate increases.
- The proposed water rates are expected to increase an average customer's bill by \$2.55/month.

### Financial Information:

Sewer Rates	Current	Proposed
Residential Base Rate	\$ 20.85	\$ 25.85
Commercial & Industrial Base Rate	\$ 23.60	\$ 28.60
Flat Rate	\$ 60.00	\$ 65.00
1000 gallon rate	\$ 5.84	\$ 6.44
Vacant Sewer Rate	\$ 37.00	\$ 41.00

If approved, the sewer rate increase is expected to generate \$302,524.

<b>Water Rate</b>	<b>Current</b>	<b>Proposed</b>
Base Rate	\$ 15.55	\$ 17.55
1000 to 29000 gallon rate	\$ 8.62	\$ 8.82
Over 30000 gallon rate	\$ 6.48	\$ 6.68
Water District Rate	\$ 5.11	\$ 5.81

If approved, the water rate increase is expected to generate approximately \$107,000.

**Staff Recommendation:**

Staff recommends approval

**Attachments:**

- Public Hearing Notice