



## **AGENDA MEMORANDUM**

**CONTACT:** ERIC FOERSTER-CITY MANAGER

**SUBJECT:** DISCUSS AND CONSIDER AMENDING WATER AND/OR SEWER RATE FEES AND CHARGES FOR  
RV/TRAILER PARKS

### **SUMMARY:**

The City Council is requested to discuss and consider adjustments to the current water and sewer rate structure applied to an RV park located outside the city limits. Options may include maintaining, amending, or eliminating the current rates and service agreement.

### **BACKGROUND INFORMATION:**

- On April 14, 2014, City Council approved the sale of water to the RV park at 1.5 times the in-city rate. This action was passed via consent agenda.
- On July 9, 2018, Council revised this structure, allowing the RV park to receive water at half rate until their usage exceeded a higher usage threshold, at which point a higher rate would apply.

### **ISSUE:**

**Key considerations for Council include:**

- Cost-sharing fairness compared to in-city users
- Water pressure impacts on the city's overall water system
- Ongoing benefits or burdens to the city, including system strain or infrastructure maintenance requirements

## **FISCAL IMPACT:**

**Potential loss of revenue if Council decides to discontinue or reduce service to the RV park. However, reduced income may be offset by:**

- **Potential gains in water pressure for city residents**
- **Reduced line wear and infrastructure maintenance outside the city**

## **RECOMMENDATION:**

**Staff recommends consulting with the city engineer to evaluate:**

- **The pressure gain potential from terminating service**
  - **Infrastructure maintenance savings from discontinuing or modifying the arrangement**
- This information can help inform Council's decision on whether continued service to the RV park is in the best interest of the city.**