

AGENDA ITEM SUMMARY SHEET

City of Rollingwood

Meeting Date: January 6, 2026

Submitted By:

Staff

Agenda Item:

Discussion and possible action regarding the commissioning of a rate study for the City of Rollingwood's water utility system

Description:

During the December 27, 2025 meeting, City Council discussed the need for the City to conduct a rate study for its water utility system, noting that it has been several years since the last one was conducted. Council directed that staff present this request to the Utility Commission for discussion and possible recommendation to Council.

Regular reviews of water rates allows the City to assess changes in system operating and maintenance costs, allocation methodologies for both capital and operating costs, customer classes, usage rate pricing tiers, and consumption patterns.

Typically, the City would issue a Request for Qualifications (RFQ) for such services. The scope of work for the RFQ would outline specific tasks, including reviewing customer class profiles, consumption patterns, and growth associated with providing water to all customers; reviewing current rate methodology and validating that the proposed rates will generate sufficient revenues to fully fund operations, maintenance, replacements, capital improvements, equipment purchases, and existing debt service obligations and meet current and future financial performance measures.

Action Requested:

To consider recommending the issuance of a Request for Qualifications (RFQ) for a water rate study

Fiscal Impacts:

The City currently has \$5,000 budgeted for a water rate study under line item 200-5-60-5271 in its Fiscal Year 2025-2026 budget. If approved, the fiscal impact on the City is expected to be within this budgeted amount.

Attachments:

- Draft RFP - Water Rate Study