



AGENDA ITEM COMMENTARY

MEETING NAME: City Council
MEETING DATE: September 16, 2024
ITEM TITLE: Consider and take appropriate action on Ordinance No. 2024-024, amending water rates
STAFF INITIATOR: Randy Criswell, City Manager

BACKGROUND:

As we discussed throughout the budget process and while working through impact fees, you will remember the Newgen rate study includes a water rate increase for FY 2025. The increase is 2.7% and is shown in the attached documentation from Newgen. Let me draw your attention to page 5 of 11 of the Newgen report. There, you can see the EDR Fee is not proposed to change, and the minimum monthly fee increases from \$75.62 to \$77.66 (a \$2.04 increase for the base 3000 gallon user). For an 8,000 gallon per month average customer, the rate increase will be \$2.49/month. An ordinance has been prepared to adopt the amended water rates.

Summarized, here is the rate comparison:

Fiscal Year	2024	2025
EDR Fee	\$7.29	\$7.29
Minimum Fixed Fee	\$75.62	\$77.66
0 to 3000 gallons	\$0	\$0
3000 – 15000 gallons	\$7.79/kgal	\$7.88/kgal
15,000 – 30,000 gallons	\$8.96/kgal	\$9.08/kgal
30,000 – 50,000 gallons	\$10.52/kgal	\$10.68/kgal
50,000 + gallons	\$12.64/kgal	\$12.86/kgal
Frenship rate	\$6.36/kgal	\$6.36/kgal

EXHIBITS:

Ordinance 2024-024
Newgen Projected Water Rates report
2023 Ordinances establishing water rates

COUNCIL ACTION/STAFF RECOMMENDATION:

Staff recommends adoption of Ordinance No. 2024-024