



# Wylie City Council

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## AGENDA REPORT

Department: Finance  
Prepared By: Melissa Brown

Account Code: \_\_\_\_\_

### Subject

Consider, and act upon, approval of Ordinance No. 2023-28 amending Wylie's Code of Ordinances, Ordinance No. 2021-17 as amended, Appendix C (Wylie Comprehensive Fee Schedule), Section I (Water and Sewer Fees), Subsection B (Water Rates), and Subsection C (Sewage Collection and Treatment Rates).

### Recommendation

Motion to approve the Item as presented.

### Discussion

On July 28, 2020, Council approved the final version of the water and sewer rate study prepared by NewGen Strategies & Solutions. The study incorporated the Water and Sewer Capital Improvements Plan (CIP) for five years, outstanding debt service, the estimated wholesale water rate increases and sewer treatment increases from the North Texas Municipal Water District, the transfer to the general fund, and future utility fund staffing needs. This study also incorporated the cash contribution of \$4 million for the Advanced Metering Infrastructure project as well as the \$3.3 million that is being financed over a 10-year period at a 2.1 percent interest rate. This study was reviewed by NewGen Strategies in July 2022 and it was determined that rates within the plan for budget year 2023 were still accurate. However, a recommendation was made to adjust the 2024 and 2025 rates to incorporate increasing inflationary costs at NTMWD, specifically for the expansion of Muddy Creek Wastewater Treatment Plant. The original rate study recommended a six percent increase in water rates for FY 2024 and the revised 2023 study recommends five percent. The original rate recommendation for sewer was a 1.5 percent increase for FY 2024, but was revised to a 5.5 percent increase in the most recent study.

The FY 2024 proposed budget is based on a water rate increase of 5.0 percent and a wastewater rate increase of 5.5 percent.