

Memo

To: Mayor Russell and Council Members

From: Mark Latham, City Planner

Date: September 27, 2024

Subject: Water and Sewer

Staff is continuing evaluating the Water and Sewer departments, both with regarding revenue, operations, 10-year CIP, and future growth areas.

The goals are as follows:

- 1) Reduce the reliance of sales tax to fund the operations budgets. Currently at 25%.
- 2) Reduce current debit per capita by funding CIP with impacts fees, utilize cost share and recapture agreements with developers.
- 3) Reduce water loss to 15%, with a saving of over \$150,000 per year by investing in a fixed base system to monitor water loss.

James is recommending the Council approved the following:

- A. \$.58 per 1,00 gallons increase to water rates. 50% will go toward the increase from 2-ton next year.
- B. \$3.00 increase to base charge.
- C. Increasing water and sewer impact fees to 50%.

I am recommending the Council approve these changes to the Water and Sewer rates.

