



## AGENDA ITEM SUMMARY

	<h2 style="margin: 0;">AGENDA ITEM SUMMARY</h2>						
<b>Agenda Date</b>	December 10, 2024						
<b>Requested Action</b>	APPROVE ON SECOND READING ORDINANCE NO. 2024-23; AN ORDINANCE ESTABLISHING THE RATE CLASSIFICATIONS AND RATES TO BE CHARGED FOR WASTEWATER SERVICE PROVIDED BY THE CITY OF BOERNE UTILITIES, AND REPEALING AND REPLACING ORDINANCE NO. 2015-20 DATED AUGUST 25, 2015 AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH. <i>(Wastewater Service)</i>						
<b>Contact Person</b>	Sarah Buckelew, Finance Director						
<b>Background Information</b>	<p>During the October 22, 2024 City Council meeting, a presentation was made by Matthew Garrett, Partner and Managing Director at New Gen Strategies and Solutions as well as City Staff regarding a comprehensive rate study conducted on the Water, Sewer and Reclaimed utilities.</p> <p>The objectives of the study were:</p> <ul style="list-style-type: none"> <li>• To ensure rate revenues are adequate to meet rising operating costs, including wholesale water purchases.</li> <li>• Fund capital improvements proposed over the next several years (FY 2025- 2029).</li> <li>• Ensure utility financial policies are met, including adequate debt service coverage ratios and fund balances.</li> </ul> <p>Following the presentation, discussion over the study outcomes and rate impacts included:</p> <ul style="list-style-type: none"> <li>• Council support for strategic planning and adopting a gradual rate change each year for the next 5 years that would help keep annual rate increases manageable despite growing costs.</li> </ul> <p>This ordinance was passed on first reading on November 12, 2024. This agenda item brings forward for consideration on second reading an ordinance that considers Council feedback and sets rates that would be adequate to meet costs in Fiscal Year 2025. If adopted, the rates would be updated beginning January 1, 2025.</p>						
<b>Item Justification</b>	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;"> <input checked="" type="checkbox"/> Legal/Regulatory Obligation         </td> <td style="width: 50%; border: none;"> <input checked="" type="checkbox"/> Infrastructure Investment         </td> </tr> <tr> <td style="border: none;"> <input type="checkbox"/> Reduce Costs         </td> <td style="border: none;"> <input type="checkbox"/> Customer Pull         </td> </tr> <tr> <td style="border: none;"> <input checked="" type="checkbox"/> Increase Revenue         </td> <td style="border: none;"> <input type="checkbox"/> Service Enhancement         </td> </tr> </table>	<input checked="" type="checkbox"/> Legal/Regulatory Obligation	<input checked="" type="checkbox"/> Infrastructure Investment	<input type="checkbox"/> Reduce Costs	<input type="checkbox"/> Customer Pull	<input checked="" type="checkbox"/> Increase Revenue	<input type="checkbox"/> Service Enhancement
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