



AGENDA ITEM SUMMARY

Agenda Date	August 26, 2025
Requested Action	APPROVE ON FIRST READING ORDINANCE NO. 2025-14; 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. 2024-23 DATED DECEMBER 10, 2024, AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH. (<i>Establishing Sewer Rates</i>)
Contact Person	Sarah Buckelew, Finance Director
Background Information	<p>During fiscal year 2025 a comprehensive rate study was conducted on the Water, Sewer and Reclaimed utilities.</p> <p>The objectives of the study were:</p> <ol style="list-style-type: none">1. To ensure rate revenues are adequate to meet rising operating costs, including wholesale water purchases.2. Fund capital improvements proposed over the next several years (FY 2025- 2029).3. Ensure utility financial policies are met, including adequate debt service coverage ratios and fund balances. <p>Following the presentation, discussion over the study outcomes and rate impacts included:</p> <ol style="list-style-type: none">4. 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. <p>This agenda item sets rates that would be adequate to meet costs in Fiscal Year 2026. If adopted, the rates would be effective October 1, 2025.</p>
Strategic Alignment	<p>C1 – Quality Customer Experiences F1 - Committing to Strategic, responsible, and conservative financial management F2 – Investing in and maintaining high-quality infrastructure systems and public assets B1 – Utilizing data to drive smart decision making</p>

Financial Considerations	The sewer rates proposed are included in the attached ordinance, and will be discussed in detail during this agenda item presentation.
Citizen Input/Board Review	N/A
Legal Review	N/A
Alternative Options	N/A
Supporting Documents	Ordinance No. 2025-14