



## AGENDA ITEM SUMMARY

### District Impacted

- ☐ 1 = Anzolitto
- ☐ 2 = Woolard
- ☐ 3 = Boyd
- ☐ 4 = Cisneros
- ☐ 5 = Colvin
- ☒ X All

<b>DESCRIPTION</b>	CONSIDER ON FIRST READING ORDINANCE NO. 2016-37; AN ORDINANCE ESTABLISHING THE RATE CLASSIFICATIONS AND RATES TO BE CHARGED FOR WATER SERVICE PROVIDED BY THE CITY OF BOERNE UTILITIES, AND REPEALING AND REPLACING ORDINANCE NO. 2015-21 DATED AUGUST 25, 2015 AND ORDINANCE NO. 2012-26 DATED SEPTEMBER 11, 2012 AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH
<b>STAFF'S RECOMMENDED ACTION (be specific)</b>	APPROVE ON FIRST READING ORDINANCE NO. 2016-37; AN ORDINANCE ESTABLISHING THE RATE CLASSIFICATIONS AND RATES TO BE CHARGED FOR WATER SERVICE PROVIDED BY THE CITY OF BOERNE UTILITIES, AND REPEALING AND REPLACING ORDINANCE NO. 2015-21 DATED AUGUST 25, 2015 AND ORDINANCE NO. 2012-26 DATED SEPTEMBER 11, 2012 AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH
<b>CONTACT PERSON</b>	Sandy Mattick
<b>SUMMARY</b>	<p>During the Budget meetings, Staff discussed the increase in rates for FY 2016 and FY 2017 charged by Guadalupe-Blanco River Authority (GBRA) for reservation fees, debt service and maintenance and operations. The increase in fees for FY 2016 and FY 2017 will result in a total increase in the cost of GBRA water to the City of approximately \$55,000 per year. To cover this increase in cost, Staff proposed an increase in Water rates of 1.25%.</p> <p>As Staff has surveyed other cities to compare our rates, we have found that our base rates and lower tier rates are higher than average while our upper tier rates are lower than average. This rate structure does insulate our revenues from major swings during extreme wet and extreme dry weather but it does not send a strong enough conservation message. Therefore, Staff suggested that we scale the increase to have a larger impact on higher consumption and less on lower consumption.</p> <p>Attached is a PowerPoint showing the impact of the proposed increase on Residential and Commercial customers at various levels of water consumption. Base rates were not changed. This rate increase</p>

	will primarily impact those using large amounts of water for irrigation and very large water customers and little or no impact on low water users.
<b>COST</b>	N/A
<b>SOURCE OF FUNDS</b>	N/A
<b>ADDITIONAL INFORMATION</b>	

This summary is not meant to be all inclusive. Supporting documentation is attached.

**Form Revised 6/1/16**