



AGENDA ITEM SUMMARY

District Impacted

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

AGENDA DATE	<i>August 22, 2017</i>
DESCRIPTION	CONSIDER ON FIRST READING ORDINANCE NO. 2017-73; 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. 2016-37 DATED SEPTEMBER 27, 2016 AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH.
STAFF'S RECOMMENDED ACTION (be specific)	Approve On First Reading Ordinance No. 2017-73; 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. 2016-37 Dated September 27, 2016 And All Ordinances Or Parts Of Ordinances In Conflict Herewith.
CONTACT PERSON	Sandy Mattick
SUMMARY	<p>During the Budget meetings, Staff discussed the increases in GBRA raw water costs, TCEQ testing fees and inflation (CPI) based increases in operating costs. To cover this increase in costs, Staff proposed an increase in Water rates of 4%.</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 all increased 2%. This rate increase will primarily impact those using large amounts of water for irrigation and very large water customers and have less impact on low water users.</p>
COST	N/A
SOURCE OF FUNDS	N/A

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