



MEMORANDUM

To: Mayor and City Council

From: Jennifer Miller, Director of Finance

Date: November 14, 2017

Reference: Consider approval of an Ordinance amending Chapter 3 of the Code of Ordinances of the City of Coppell, by amending Sections 3-1-5 and 3-2-2; adjusting monthly water rates; adjusting monthly sewer rates; providing a repealing clause; providing a severability clause; and providing an effective date.

2030: **Sustainable City Government**

Introduction:

The Finance Department enlisted the services of WILLDAN Financial Services/Economists.com to evaluate whether the City's current water and sewer rates would continue to deliver a revenue stream that would provide for the identified future needs of the fund as well as annual increases in the cost of water and the cost of sewer services provided by Dallas Water Utilities and Trinity River Authority, respectively.

Analysis:

The evaluation included the ability of the current revenue stream to cover:

- the increase in costs from DWU
- the increase in costs from TRA
- principle and interest payments on bonds issued for the identified Water Sewer Capital Projects

The rate study concluded that the current water and sewer rates would not deliver a revenue stream that would provide for the above items.

After review of various scenarios, it was determined that the rates included in the attached ordinance would allow the W/S Fund to provide for the above listed items.

Legal Review:

The City Attorney reviewed this ordinance.

Fiscal Impact:

Recommendation:

The Finance Department recommends approval.