



## MEMORANDUM

**To:** Mayor and City Council

**From:** Kim Tiehen, Director of Strategic Financial Engagement

**Date:** November 14, 2023

**Reference:** Discussion regarding Water Sewer Rate Study.

**2040:** Sustainable Government

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**Introduction:**

City staff and NewGen (rate consultant), will present the results of the Water Sewer Rate Study.

**Background:**

During the Water Sewer budget workshop in July 2023, City Council was advised that city staff would be reviewing water sewer rates, and any recommendations would be brought forward to City Council for discussion and consideration in the November/December timeframe.

The city engaged with NewGen to perform a rate study since the last study was performed in 2020 and tiered water rates and winter-averaging were implemented after that study. NewGen will provide an overview of the key cost drivers impacting the water and sewer rates, a recommended rate structure, and a comparison of current and recommended rates to neighboring cities.

**Benefit to the Community:**

The benefit to the community is that the study provides a third-party analysis of water and sewer rates to support the operations of the city's water and sewer systems, provide for the maintenance and improvements of the water and sewer infrastructure, and ensure the fund can repay principal and interest on bonds.

**Legal Review:**

N/A

**Fiscal Impact:**

N/A

**Recommendation:**

Staff is seeking direction regarding the water sewer rates.