

SUBJECT: SEWER RATES

REQUESTED BY: Council Member Chappel / Public Works

PREPARED BY: Dept. of Public Works

DATE: May 18, 1999

FOR AGENDA OF: Monday, May 24, 1999

SUMMARY:

The Public Works Department is supportive of the need to increase the sewer rates by bringing forth Ordinance Serial No. 99-28. The 5 percent increase will generate approximately \$17,500 based on the FY-00 budget estimated revenue.

We would like to point out that this will still leave a contribution of \$77,500 needed from the general fund balance in order to off set expenditures. A rate increase of approximately 26.1 percent would be needed in order to totally fund the \$95,000 contribution requested from the general fund balance for the FY-00 budget year.

Ordinance Serial No. 99-28 brings the service call charges in line with the actual costs to the city and eliminates the discrepancy between the sewer and water charges.

Sewer has been subsidized every year since construction..

FISCAL IMPACT __No __x Yes, increase revenue: \$17,500

Fund: 05

RECOMMENDED ACTION: Consideration of Ordinance Serial No. 99-28

MAYOR REVIEW/COMMENT:


Reviewed by: SARAH PALIN, Mayor

Presented with: Ord 99-28
Date: 6/14/99 Verified by: PL