

**SUBJECT: WATER 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 water rates by bringing forth Ordinance Serial No. 99-27. The 5 percent increase will generate approximately \$16,000 based on the FY-00 budget estimated revenue.

We would like to point out that this will still leave a contribution of \$36,104 needed from the general fund balance in order to off set expenditures. A rate increase of approximately 16.3 percent would be needed in order to totally fund the \$52,104 contribution requested from the general fund balance for the FY-00 budget year.

Ordinance Serial No. 99-27 brings the service call charges in line with the actual costs to the City and eliminates the discrepancy between the sewer and water charges. This ordinance also provides a means to require water deposits and brings clarification to the Service connection charge.

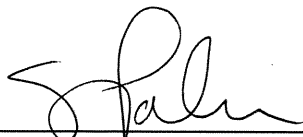
Generally the water system has supported its operation expenses..

**FISCAL IMPACT** \_\_\_No \_\_\_x Yes, increase revenue: \$16,000

Fund:06

**RECOMMENDED ACTION:** Consideration of Ordinance Serial No.99-27

**MAYOR REVIEW/COMMENT:**



Reviewed by: SARAH PALIN, Mayor

Presented with: Ord 99-27  
Date: 6/14/99 Verified by: HY.