



Legislation Text

File #: Ord. 2020-67(b), **Version:** 1

AGENDA CAPTION:

Consider approval of Ordinance 2020-67, on the second of two readings, increasing rates established for Water, Wholesale Water, Reclaimed Water, Wastewater Treatment, and Sewer Surcharges; and including procedural provisions; and providing an effective date.

Meeting date: September 15, 2020

Department: Melissa Neel, Assistant Director of Finance

Amount & Source of Funding

Funds Required: [Click or tap here to enter text.](#)

Account Number: [Click or tap here to enter text.](#)

Funds Available: [Click or tap here to enter text.](#)

Account Name: [Click or tap here to enter text.](#)

Fiscal Note:

Prior Council Action: [Click or tap here to enter text.](#)

City Council Strategic Initiative: [Please select from the dropdown menu below]

[Choose an item.](#)

[Choose an item.](#)

[Choose an item.](#)

Comprehensive Plan Element (s): [Please select the Plan element(s) and Goal # from dropdown menu below]

☐ Economic Development - [Choose an item.](#)

☒ Environment & Resource Protection - [Choose an item.](#)

☐ Land Use - [Choose an item.](#)

☐ Neighborhoods & Housing - [Choose an item.](#)

☐ Parks, Public Spaces & Facilities - [Choose an item.](#)

☐ Transportation - [Choose an item.](#)

☐ Not Applicable

Master Plan: *[Please select the corresponding Master Plan from the dropdown menu below (if applicable)]*

Choose an item.

Background Information:

The City of San Marcos conducts an annual water/wastewater rate study which was reviewed by the Citizen's Utility Advisory Board (CUAB) and staff. The CUAB recommends a 5% adjustment to water rates and a 3% adjustment to wastewater rates for fiscal year 2021. These adjustments will increase the average residential bill by \$3.75 per month or \$45.00 annually. In addition to the adjustment in fiscal year 2021, the CUAB recommends continuing the practice of implementing small increases annually over the next 2 to 4 years in order to offset a potentially much larger adjustment of 25% to 35% as the debt for the Alliance Regional Water Authority (ARWA) project is issued over several years. The ARWA project will supply San Marcos with an additional 50-year water supply once it is fully implemented.

During a work session council approved the restructure and fee adjustment to Stormwater in FY2021 at 6.5%. The average monthly bill will increase by \$0.78 or \$9.36 annually.

Resource Recovery rate adjustment has been proposed at 3%. This increase represents an average monthly increase of \$0.78 or \$9.36 annually.

Total citizen impact is \$5.31 monthly, or \$63.72 annually (water, wastewater, stormwater, and resource recovery).

Council Committee, Board/Commission Action:

Click or tap here to enter text.

Alternatives:

Click or tap here to enter text.

Recommendation:

Staff recommendation approval of rate increase ordinance.