



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Utilities Administration

CM/ DCM/ ACM: Mario Canizares, 349-8535

DATE: September 19, 2017

SUBJECT

Consider adoption of an ordinance amending the schedule of water rates contained in Ordinance No. 2016-274 for water service rates and water rates; amending the wholesale treated water service rate to the upper trinity regional water district (Schedule WW); amending the wholesale raw water service rate to Upper Trinity Regional Water District (Schedule WRW); amending the wholesale raw water pass through rate to Upper Trinity Regional Water district from Lake Chapman into Lake Lewisville (Schedule WCL); amending the special facilities rider; amending the special conditions rider; providing for a repealer; providing for a severability clause; and providing for an effective date. The Public Utilities Board recommends approval (7-0).

BACKGROUND

The attached Water Rate Ordinance (Exhibit 1) contains no retail rate increases per the direction of the Public Utility Board at the June 26th, 2017 meeting. An increase of 3% was recommended for wholesale treated water service (Schedule WW) per the cost of service mode. The Upper Trinity Regional Water District (UTRWD) wholesale raw water rate (Schedule WRW) and pass through rate (Schedule WCL) were adjusted based on contract requirements. The Special Condition and Special Facilities Riders were revised to require City Manager approval for expenditures less than \$100,000 and Public Utility Board and Council approval for items over \$100,000

RECOMMENDATION

Staff recommends approval of the ordinance, with an effective date of October 1, 2017.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

Proposed FY 2017-2018 Utilities budgets and FY 2017-2022 CIP's were presented to the PUB during May through July 2017. The rate ordinance was recommended for approved by the PUB on July 24, 2017 by a vote of 7-0. The budgets, including rate ordinances, were presented to the City Council for review on August 3, 2017.

FISCAL INFORMATION

The proposed rates will provide the revenues necessary to cover the cost of service to customers.

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Public Infrastructure

Related Goal: 2.3 Promote superior utility services and facilities

EXHIBITS

1. Agenda Information Sheet
2. Proposed FY 2017-2018 Water Rate Ordinance

Respectfully submitted:
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