

Mayor and Council Communication

DATE: 10/27/20

M&C FILE NUMBER: M&C 20-0811

LOG NAME: 60WHOLESALE RATES 2021 AMEND

SUBJECT

(ADJACENT TO ALL) Adopt Ordinance Amending Wholesale Water and Wastewater Volume Service Rates and Amending Chapter 35 - Water and Sewers, Article III - Charges, Division 1 – Generally, Section 35-56 (g) RAW WATER SERVICE of the City Code with an Effective Date of Billing on or after November 1, 2020 for Usage and Flows from and after October 1, 2020 for Water and Wastewater Service

RECOMMENDATION:

It is recommended that the City Council adopt the attached ordinance amending wholesale water and wastewater volume service rates and amending chapter 35 - water and sewers, article III - charges, division 1 – generally, section 35-56 (g) raw water service of the city code with an effective date of billing on or after November 1, 2020 for usage and flows from and after October 1, 2020 for water and wastewater service.

DISCUSSION:

On September 22, 2020 Mayor and Council Communication (M&C 20-0698), the City Council approved the FY2021 wholesale rates calculated under the terms of the uniform wholesale customer contracts to recover the cost of providing wholesale water and wastewater services. An element of the cost of service for water is the cost of untreated water supplied by the Tarrant Regional Water District. The preliminary rate for untreated water was \$1.25451 per 1,000 gallons for use both inside and outside the district and was used in (M&C 20-0698). However, the Tarrant Regional Water District Board of Directors approved the FY2021 Revenue Fund Budget on September 15, 2020 with a budgeted rate for water sales of \$1.25448 effective October 1, 2020. Using the approved rate and adjusting for street rental and system loss, the raw water charge to customers is \$1.36738 and is a direct “pass through” cost to wholesale water customers.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and adoption of the ordinance, funds will be deposited into the Water & Sewer Fund. The Water Department (and Financial Management Services) is responsible for the collection and deposit of funds due to the City.

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