



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting of September 6, 2019
Second Reading Ordinance for the City Council Meeting of September 17, 2019

DATE: September 9, 2019
TO: Peter Zaroni, City Manager
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Ordinance adopting the City of Corpus Christi Code of Ordinances for water rates

CAPTION:

Ordinance amending the City Code of Ordinances, Chapter 55, Utilities, revising water rates as of January 1, 2020.

SUMMARY:

This item is the second reading of the Ordinance adopting the City of Corpus Christi Code of Ordinances for water rates for FY 2019-2020.

BACKGROUND AND FINDINGS:

City Charter requires City Council to review and act on changes to the Code of Ordinances. The City of Corpus Christi is proposing amending the City Code of Ordinances, Chapter 55, Utilities, revising water rates as of January 1, 2020.

By direction of the City Council during the Council meeting on September 6, 2019, staff is separating the original Ordinance brought forth for changes to the water rates. The original ordinance combined fee/rate changes for water, wastewater, Metrocom and Parks and Recreations. The ordinance was passed during the 1st reading, but Council directed staff to separate the four items into individual ordinances for the 2nd reading.

ALTERNATIVES:

Approval of the Rates and Fees is required to approve the Operating Budget. Staff is evaluating alternatives that will generate the same revenue. Three alternative scenarios are attached.

FISCAL IMPACT:

The financial impact of the water rate revenue increase is approximately \$3,400,000 for FY 2019-2020.

RECOMMENDATION:

Staff recommends amending the ordinance approved on its First Reading September 6, 2019 to adopt the change to the Code of Ordinances associated with Scenario 3.

LIST OF SUPPORTING DOCUMENTS:

FY 2019-2020 Ordinance for Fee Schedule

Ordinance Options:

Ordinance with 6.3% increase to the minimum rate – Scenario 1

Ordinance with 2.4% increase on user volume – Scenario 2

Ordinance with 1.7% increase on minimum rate and user volume – Scenario 3