

# **Ogden City**

Ogden City Council Work Session Notice March 21, 2012 – 6:00 p.m. Megaplex Theatre Building 2351 Kiesel Avenue, 2<sup>nd</sup> Floor Director's Suite Ogden, Utah

## CITY COUNCIL WORK SESSION

Notice is hereby given that the Ogden City Council will meet for a Work Session on Wednesday, March 21, 2012 at 6:00 p.m., in the Director's Suite on the second floor of the Megaplex Theatre Building in Ogden City, Weber County, Utah.

The purpose of the Work Session is to conduct the Utility Rate Policy Discussion and discuss Council business.

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In compliance with the Americans with Disabilities Act, persons needing auxiliary communicative aids and services for these meetings should contact the Management Services Department at 629-8701 (TDD# 629-8949) or by email: <a href="mailto:ADACompliance@ci.ogden.ut.us">ADACompliance@ci.ogden.ut.us</a> at least 48 hours in advance of the meeting.

#### **CERTIFICATE OF POSTING**

The undersigned, duly appointed City Recorder, does hereby certify that the above notice and agenda was posted in three public places within the Ogden City Limits on this 19th day of March, 2012. These public places being: 1) City Recorder's Office on the 2nd floor of the Municipal Building; 2) 2nd floor foyer of the Municipal Building; and 3) the Weber County Library. A copy was also provided to the Standard-Examiner and posted on the Ogden City Website on the 19th day of March, 2012.

CINDI MANSELL, MMC/CRM OGDEN CITY RECORDER

Visit the Ogden city Web Site @ www.ogdencity.com Ogden City Council Agenda Information – 629-8159

# **WORK SESSION FOR UTILITY RATE STUDY**

# PURPOSE OF WORK SESSION:

 To build consensus between the Council and the Mayor on capital projects and policy direction for the development of a Utility Rate Ordinance

# Background

At this work session, the Council will review proposed capital projects included in the Culinary Water Master Plan, the Storm Sewer Master Plan, and the Capital Improvement Plan, and review the policy considerations for the development of a utility rate ordinance. The purpose of the work session is to build consensus between the City Council and the Administration on which capital projects should be included in the CIP and the rates model and to build consensus on which policies should be included in the development of a utility rate structure and related ordinance.

There will be several presentations at the meeting. The City's consultants will be facilitating the meeting and will begin by reviewing the capital projects listed in the master plans and the CIP and will guide the Council through the consideration and timing of each project. Following the review of the capital projects, the consultants will be reviewing and discussing each of the policy considerations for the development of a rate structure as identified throughout the study process. With each of the issues, the consultants, an Administrative staff member or a Council staff member will provide additional background information to the Council to assist in the review. It is critical that consensus is built regarding the inclusion of projects, the timing of those projects, and the structure of the rate ordinance in order to develop a final ordinance for the Council's consideration.

A town meeting is scheduled for Thursday, April 5, 2012 to review the Utility Rate proposal as developed by the internal steering committee. The proposal will be developed using the direction given to the steering committee by the City Council from this and other Council work sessions.

# Timeline of Events

#### July 2007

The City contracts with LYRB to begin a utility rates study that includes rates for water, sewer and storm sewer and a process of identifying major infrastructure needs for the purposes of bonding.

#### December 2007

The City Council adopts the utility rates study and the proposed fee schedule that resulted from the Water Horizons study process.

# January 1, 2008

The rate schedule from the utility rates study takes effect. The rate schedule includes built-in annual increases that go through June 2012.

#### May 2008

The City issues approximately \$50 million in bonds for capital projects identified through the utility rates study.

#### October 2008

The Council approves an amendment to the rate schedule to reduces the highest tier rates from the "punitive" rate to a rate more in line with the graduated tier rates adopted in December 2007.

#### *November 1, 2011*

The last of the built-in rate increases takes effect based on the 2007 rate study.

## November 15, 2011

Council introduces and adopts Resolution 2011-31 outlining the intent of the Council to complete a new utility rates study and the anticipated timeline for the new study.

#### December 13, 2011

A work session was held to review and educate the Council about the policy considerations established with the 2007 Water Horizons utility rates study. At the meeting, representatives from Lewis Young Robertson and Burningham reviewed the policy considerations established with the 2007 study and reviewed the notes and comments received from Council members when those policies were considered.

#### January 31, 2012

A work session was held to review policy considerations for the 2012 Utility Rates Study and to gather information from Council members regarding the policies and considerations that Council members felt were necessary for moving forward.

# February 21, 2012

A work session was held to review preliminary analysis of revenue sufficiency for the water utility. Several general scenarios were presented to the Council for the funding of capital projects included in the proposed capital improvements plan and the proposed culinary water master plan.

#### March 6, 2012

A fact finding work session is held at which Council Staff and Administration presented background information on the Utility Rates Study and reviewed public comments received from an online survey. The Council accepted public input on the rate study at the meeting and reviewed revenue sufficiency data for the sewer and storm sewer utilities.

#### March 13, 2012

The Council reviewed the proposed Culinary Water Master Plan and the proposed Storm Water Master Plan at a work session.

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