

AGENDA ITEM # \_\_\_\_\_

DATE: April 14, 2014

COAC NUMBER: 14-5242

**CITY OF GOODYEAR  
CITY COUNCIL ACTION FORM**

**SUBJECT: Resolution establishing the  
Water Planning Committee.**

**STAFF PRESENTER:** Anna Dizack,  
Administrative Services Supervisor

**COMPANY**

**CONTACT:**

**RECOMMENDATION:**

ADOPT RESOLUTION 14-1612 ESTABLISHING THE WATER PLANNING COMMITTEE; PROVIDING FOR THE TERMINATION OF THE WATER PLANNING COMMITTEE; ADOPTING BY-LAWS FOR THE WATER PLANNING COMMITTEE; AUTHORIZING THE CITY MANAGER AND/OR APPROPRIATE STAFF TO TAKE ALL ACTIONS NECESSARY TO CARRY OUT THE INTENT OF THE RESOLUTION; AND ESTABLISHING AN EFFECTIVE DATE.

**PURPOSE:**

The establishment of the Water Planning Committee and the adoption of the proposed by-laws, which charge the committee with providing recommendations to City staff and the City Council on matters related to the Integrated Water Master Plan and utility rate study, will facilitate a water and sewer utility structure and rates that reflect the community's priorities.

**BACKGROUND AND COMMUNITY BENEFIT:**

The City of Goodyear currently has 17,313 water meters and 16,915 sewer connections serving a total population of more than 43,000 residents. The City maintains 311 miles of water mains, 235 miles of wastewater mains, and three wastewater treatment plants. In fiscal year (FY) 2013, the City supplied an average of 7.9 million gallons of drinking water and treated 3.9 million gallons of wastewater per day.

City of Goodyear Budget policies state that Enterprise Funds should be self-sufficient. The Council has determined that the City's water and wastewater utility services should not be subsidized by the General Fund and that rates should be adequate to cover the costs of the services being provided. Within its Fiscal Years 2013-2016 City of Goodyear Strategic Action Plan, under the Fiscal and Resource Management goal, the Council included an action item to complete a cost of service study for water and wastewater services.

Through a competitive proposal process in late 2013, Economists.com was selected to perform the City's utility rate study for its water and wastewater services. Objectives of the rate study include analyzing and making recommendations for rates, fees, and charges for water, wastewater, and pretreatment services to recover costs for administration, operations, and maintenance of the utilities, capital projects included in the City's Capital

Improvement Plan (CIP) that are not directly supported by Development Fees, and the operating, maintenance, and projected financial impacts of these capital projects. Economists.com will develop an economic model that will be used to analyze the effect of changes in the operating, maintenance, and capital plans under various conditions or “what if” scenarios provided by the City.

The utility rate study will be carried out in conjunction with the update to the City’s Integrated Water Master Plan (IWMP) planned for fiscal year (FY) 2015. During this process the Water Planning Committee will play a vital role in reviewing the IWMP, the City’s future water needs, and the utility rate structure and making recommendations to City staff and the Council. The City believes that public involvement is critical during this process.

### **PREVIOUS ACTIONS AND DISCUSSION:**

The last major modification to the City’s utility rate structure was adopted on May 18, 2009. This four-year water and wastewater rate structure became effective on January 4, 2010 with calendar year 2013 being the last year with a rate increase. Since 2013, the City has maintained its rates for water and wastewater services.

Under the proposed by-laws, the Water Planning Committee will consist of up to 15 members and three alternates. As an alternate, members would be entitled to participate in the Committee discussions but not vote. If a vacancy occurs on the Water Planning Committee, one of the alternates would be appointed as a voting member. To ensure that the Water Planning Committee reflects Goodyear water and sewer customers, the proposed by-laws require that at least 75% of the members be Goodyear residents living within the City of Goodyear water and/or sewer service area. Up to 25% of the members appointed to the Committee may be non-residents that have a long-term commitment to the community, i.e. a non-resident or representative of a non-resident who owns and operates a business or owns property within the City of Goodyear water and/or sewer service area.

### **FISCAL ANALYSIS:**

Establishing the Water Planning Committee does not have any financial impact but does ensure that Goodyear water and/or sewer customers are involved in the utility rate setting process.

### **ATTACHMENTS:**

1. Resolution 14-1612
2. Exhibit A: City of Goodyear Water Planning Committee By-Laws