

Memorandum

To: Mayor and City Council Members
Steve Parker, City Manager

From: Tim Howe, Water & Wastewater Director

Through: Rick Cortes, Deputy City Manager

Subject: Fiscal Year 2024 CIP Review and Update

Date: March 19, 2024

Freese and Nichols (FNI) prepared the City's 2022 Water and Wastewater Masterplan which includes a schedule of capital improvement projects to meet future demands on the collection and distribution system. Because of the number of projects and the impact of development on the City's rate structure, it is critical to evaluate the current and projected growth to determine if the proposed projects in the 2022 Master plans remain current. The intent of this study is to update the 5-year capital improvement plan (CIP) for the collection and distribution system.

The study will update land use assumptions developed for the 2023 Water and Wastewater Impact Fee Update for use in projecting water demands and wastewater flows. FNI will utilize the City's existing hydraulic models to evaluate system facilities, pipeline capacity, and future system improvements. FNI will recommend, update, and reprioritize the 5-year water and wastewater CIP by fiscal year. The results of the study will update the City's water / wastewater 5-year CIP in preparation for the FY25 budget season.

This study continues to ensure smart use of rate payer money with a constant measure of the City's growth and impact on rates. Staff has evaluated FNI's proposal and recommends acceptance in the amount of \$85,960.00. I will be available at the March 19th Council meeting to address any questions or concerns.