



**BUSINESS OF THE CITY COUNCIL
YAKIMA, WASHINGTON
AGENDA STATEMENT**

Item No. 7.I.
For Meeting of: March 18, 2025

ITEM TITLE: Resolution authorizing a Supplemental Agreement 2 with FCS Group to provide an Irrigation Rate Study

SUBMITTED BY: Scott Schafer, Public Works Director
*Mike Shane, Water/Irrigation Manager

SUMMARY EXPLANATION:

Irrigation customer rates finance the operation, maintenance, and improvement of City of Yakima irrigation system. The cost to support the system must be periodically assessed through a rate study to provide a basis for updated rates and fees that will meet current and projected requirements. The rate study will recommend appropriate rates that will reflect customer usage of the utility based on a review of the historical financial performance of the utility, an evaluation of existing financial policies/practices, capital funding analysis, existing and proposed debt service, operating forecast, revenue requirement analysis and rate design.

The City used the Municipal Research Services Center (MRSC) of Washington roster in selecting FCS Group, under Request for Qualifications #12342Q, as having the experience and expertise necessary to perform the rate study. On January 31, 2024 the City entered into an Agreement with FCS Group (Contract No. 2024-19) to provide consulting services to evaluate rates and fees for the domestic water utility.

Supplemental Agreement 2 to the Agreement will allow FCS Group to provide the required professional services for the irrigation rate study. The terms of Supplemental Agreement 2 to Contract No. 2024-019 between the City of Yakima and FCS Group would be in an amount not to exceed Forty-Two Thousand Seventy-Nine Dollars (\$42,079) to provide the Irrigation Rate Study. Funds are budgeted from Irrigation Operating Fund 475.

ITEM BUDGETED: Yes

STRATEGIC PRIORITY 24-25: A Resilient Yakima

RECOMMENDATION: Adopt Resolution.

ATTACHMENTS:

[Resolution_FCS Group_irrigation rate study](#)

[FCS_Irrigation Rate Study_Supplemental Agreement No. 2_FCS Signed.pdf](#)

[FCS - City of Yakima Water Utility Rate Study 2024 - Signed.pdf](#)

[FCS Group - Supplemental No. 1_Signed.pdf](#)