



701 East Broadway, Columbia, Missouri 65201

Department Source: City Utilities

To: City Council

From: City Manager & Staff

Council Meeting Date: November 3, 2025

Re: Authorizing an agreement with Stantec Consulting Services Inc to perform cost of service studies for Sanitary Sewer and Solid Waste Utilities

Impacted Ward: Citywide

### Executive Summary

Staff has prepared for council consideration a resolution authorizing the City Manager to execute an agreement with Stantec Consulting Services Inc to perform cost of service studies for both the Sanitary Sewer and Solid Waste Utilities.

### Discussion

A cost of service study is typically performed every five years for each utility. The most recent Sanitary Sewer and Solid Waste Utilities studies were completed in FY 2021. The purpose of the study is to review revenue sufficiency, the cost to provide service and a review of rates and fees. Each study includes a ten-year planning horizon and both studies will be completed in time for the FY 2027 budget process.

Stantec Consulting Services, Inc proposes the scope of services for both the Sanitary Sewer and Solid Waste utilities will include the following:

1. Determination of utility revenue requirements
2. Determine appropriate rate of return on utility assets
3. Calculate debt coverage ratios and rate adjustments to meet or exceed debt coverage ratios (Sewer only)
4. Recommend the minimum cash reserve levels
5. Identify cost and rate design to serve each type of customer class
6. Review connection fees (Sewer only)
7. Review Boone County Regional Sewer District Rates, Fees and Policy Analysis (Sewer only)

In addition, Stantec Consulting Services will conduct a public workshop during the planning and fieldwork portion of this work to explain the rate study process to the public and gain input from the community on expectations of the study. The public outreach will include a workshop with the City Council to explain the rate study process and rate study objectives. Stantec Consulting will present the findings and recommendations from the cost of service study in separate meetings with Management and with the City Council, in either a work session or City Council meeting.

The total for the Sanitary Sewer study is \$77,550 and the Solid Waste study is \$67,250. These funds are included in the FY 2026 operating budgets for both utilities.

**Fiscal Impact**

Short-Term Impact: A total of \$144,800 for both cost of service studies

Long-Term Impact: None

**Strategic & Comprehensive Plan Impact**[Strategic Plan Impacts:](#)

Primary Impact: Reliable and Sustainable Infrastructure, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

[Comprehensive Plan Impacts:](#)

Primary Impact: Infrastructure, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

**Legislative History**

Date	Action
N/A	N/A

**Suggested Council Action**

Approve the resolution.