



Wastewater Sewer User Fee Increase

May 26, 2026

Wastewater Sewer User Fee Increase

Purpose of Increase

- Maintain reliable wastewater service
- Keep pace with operational cost increases
- Continue funding long-term capital reserves
- Support aging infrastructure operations

Request

- Approve Resolution 2026-29
- 4% increase effective July 1, 2026



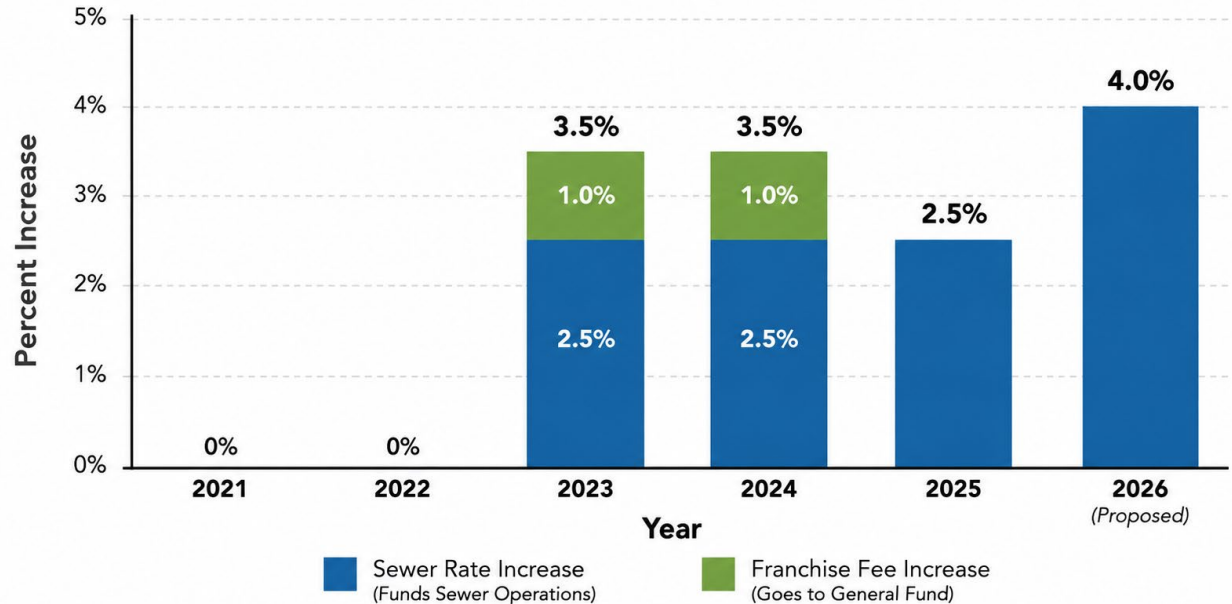
Wastewater Rate History

Consistent & Measured Rate Planning

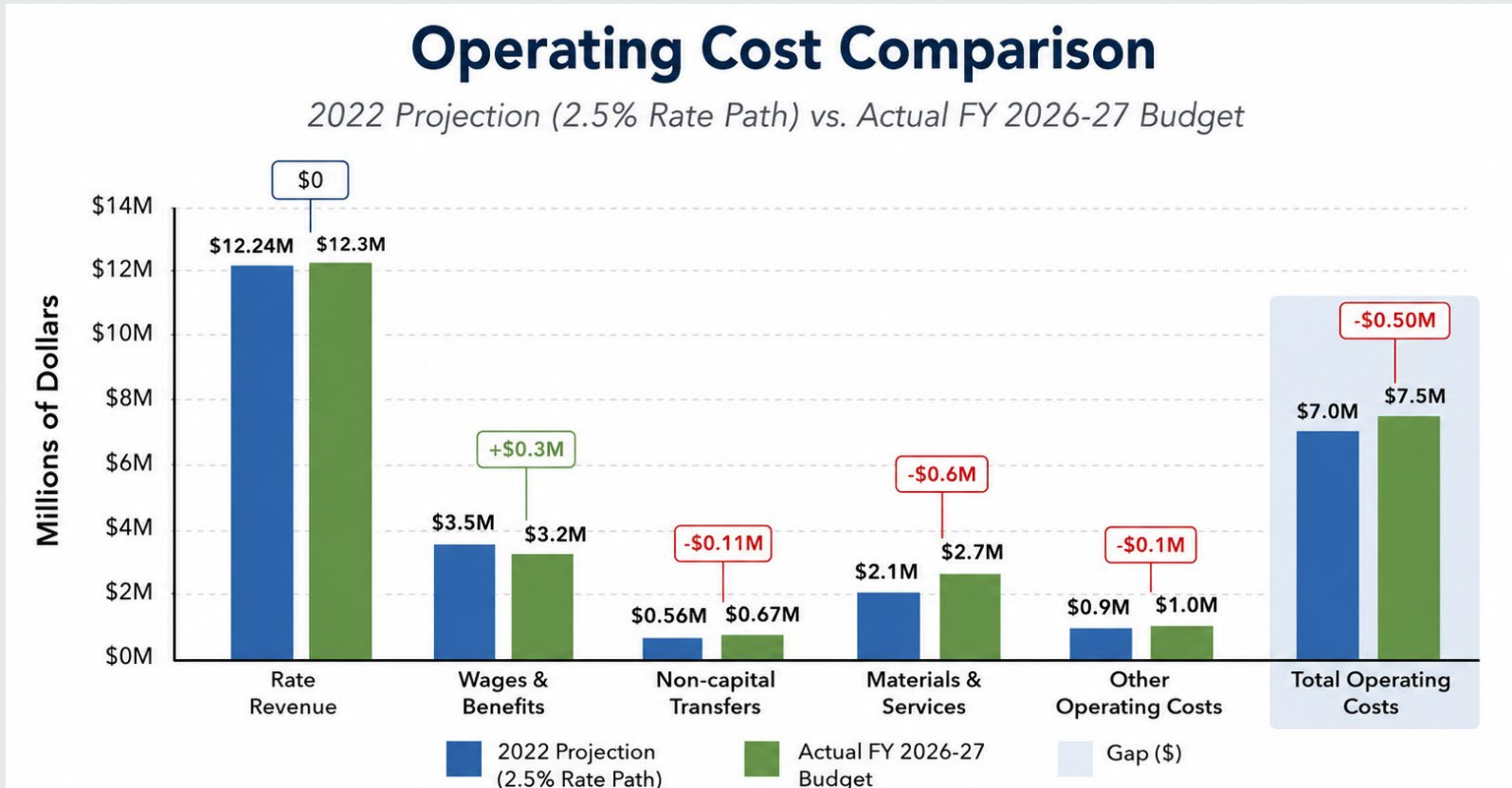
- No increases in 2021 or 2022
 - COVID-related sensitivity to ratepayers
- 2022 rate study recommended:
 - 2.5% annual increases
- Implemented in:
 - 2023
 - 2024
 - 2025
- Additional 1% in 2023 & 2024 funded City franchise fee

Rate History: Annual Increase in Sewer User Fees

Percent Increase in Rates



2022 Projections vs. Current Budget



Key Takeaways

- Revenues aligned closely with projections
- Labor costs below projections
- Operational materials & services increased significantly

Increasing Maintenance Demands

System Age

Wastewater Treatment Plant and two major pump stations are 30 years old with much original equipment still in service

Operational Impacts

- Increased preventive maintenance
- More frequent equipment replacement
- Higher maintenance service costs
- Increased operational complexity

Staff Response

- Conservative operational management
- Strong preventive maintenance practices
- Extending useful life of infrastructure

What the 4% Increase Supports

Supports

- Utilities & fuel
- Chemicals & consumables
- Preventive maintenance
- Small equipment replacement
- Required contracted services
- Reliable plant operations

Does NOT Fund

- Major capital projects
- Growth infrastructure
- Large rehabilitation projects
- Major plant expansion

Long-Term Planning

- Larger infrastructure needs being evaluated through Wastewater Master Plan

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Staff Recommendation

Approve Resolution 2026-29 adopting a 4% increase to the sanitary sewer user fee schedule effective July 1, 2026.

Financial Impact

- Proposed increase stabilizes operational funding

Average Residential Monthly Bill

- Current: **\$64.50**
- Proposed: **\$67.10**
- Increase: **\$2.60/month**

