



# Proposed Water Services Rates Update

City Council Workshop April 22, 2025





# Meeting Agenda

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- Public Outreach Update
- Proposed Five-Year Rates
  - Water and Sewer Rates
  - Stormwater Rates
  - Urban Irrigation Rates
- Next Steps



# Public Outreach Update

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- Dedicated webpage
- Dedicated email address
- February Edition of the Glendale at a Glance (Billing insert)
- Mayor and Council Newsletters
- Social Media Posts
  - Facebook, X, Nextdoor
- Print and News Media
- Two Open House Meetings



# Council Consensus Proposed Rate Revenue Increase – Option 2B

Effective Date	Option 2B with Stormwater Fee				SF Bill*
	Water	Sewer	Stormwater	Combined	Impact
10/2025	13.3%	4.5%	\$3.00	11.0%	\$9.44
1/2026	0.0%	0.0%	0.0%	0.0%	\$0.00
1/2027	13.3%	7.5%	5.0%	8.9%	\$7.94
1/2028	13.3%	7.5%	5.0%	8.9%	\$8.81
1/2029	13.3%	7.5%	5.0%	8.9%	\$9.89
1/2030	13.3%	7.5%	5.0%	8.9%	\$10.94

\*Single-family (SF) bill using average 9,000 gallons per month



# Stormwater Fee Options

Option	Class	5/8"	3/4"	1"	1.5"	2"	3"	4"	6"&>	Revenue Dist %
1	Single Family	\$3.00	3.00	3.00	3.00	3.00	3.00	NA	NA	88%
	All Other	\$3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	12%
2	Single Family	\$2.00	2.00	2.00	2.00	2.00	2.00	NA	NA	59%
	All Other	\$2.30	2.30	4.82	11.55	16.00	42.22	65.15	98.97	41%
3	Single Family	\$1.75	1.75	3.67	8.79	12.18	32.13	NA	NA	69%
	All Other	\$1.75	1.75	3.67	8.79	12.18	32.13	49.57	75.31	31%



# Urban Irrigation Rate Update

	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Forecast	April 2026 Proposed	April 2027 Proposed
Annual Rate for 1.0 Lot	\$328.34	\$328.34	\$328.34	\$328.34	<b>\$399.27</b>	<b>\$485.11</b>
Revenue	\$90,773	88,131	88,039	94,140	112,426	134,153
Expenses	284,482	194,526	213,278	230,235	248,541	268,306
(Under) / Over	(193,709)	(106,395)	(125,239)	(136,095)	(136,116)	(134,153)
Recovery %	32%	45%	41%	40%	48%	50%
# of Customers	278	278	280	276	271	266



# Next Steps

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- April 22, 2025 - Voting Meeting
  - Consider Notice of Intention and Set Public Hearing Date
- June 24, 2025 - Voting Meeting
  - Conduct Public Hearing on Proposed Rate Adjustments
  - Formal Vote on Proposed Rate Adjustment
- October 1, 2025
  - Effective Date for new rates, if Approved
- April 1, 2026
  - Effective Date for Urban Irrigation Rates, if Approved

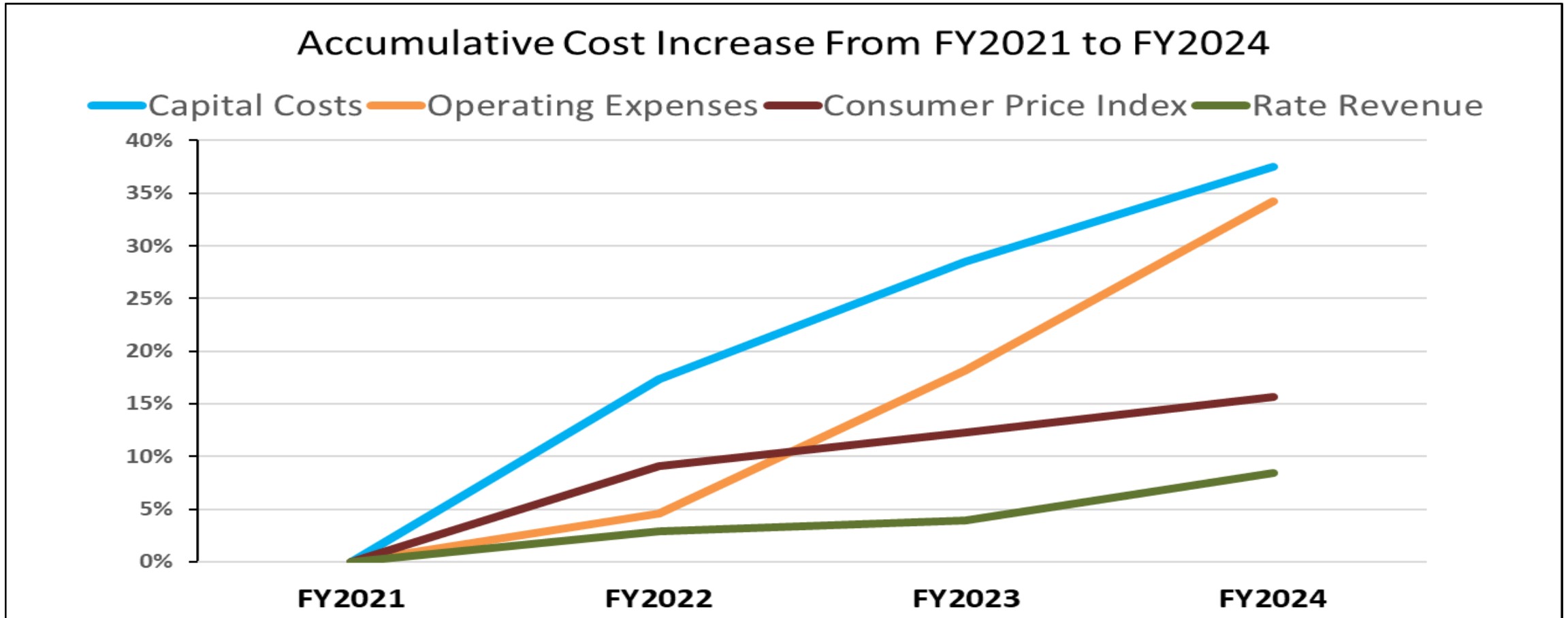


# Questions





# O&M and Capital Increases





# 2026 5-Year Capital Improvement Plan

	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30
<b>Water &amp; Wastewater</b>	<b>69,102,510</b>	<b>70,424,850</b>	<b>65,642,640</b>	<b>64,435,000</b>	<b>57,244,775</b>
<b>Water Resources</b>	<b>3,874,048</b>	<b>552,064</b>	<b>6,736,940</b>	<b>17,963,240</b>	<b>12,271,160</b>
<b>Advanced Metering</b>	<b>4,000,000</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>6,000,000</b>	<b>0</b>
<b>Total Capital</b>	<b>76,976,558</b>	<b>80,976,914</b>	<b>82,379,580</b>	<b>88,398,240</b>	<b>69,515,935</b>



# Five-Year Forecast Without Rate Adjustments

	FY24-25 Revised Budget	FY25-26 Budget	FY26-27 Budget	FY27-28 Budget	FY28-29 Budget	FY29-30 Budget
Beginning Fund Balance	53,897,040	40,739,680	37,906,376	19,745,762	(1,687,041)	(30,468,636)
Operating Revenue	114,330,519	119,483,003	122,538,830	123,151,809	123,767,568	124,386,406
Other Revenue	17,825,284	14,375,776	13,968,010	13,902,292	14,116,818	14,364,241
Bond Proceeds	36,000,000	63,500,000	55,000,000	60,000,000	59,000,000	35,000,000
Operating Expenditures	(84,677,127)	(92,263,025)	(99,019,291)	(104,925,628)	(110,547,936)	(116,087,188)
Debt Service	(27,709,806)	(28,952,500)	(29,671,249)	(31,181,696)	(26,719,805)	(30,886,720)
Capital Outlay	(66,926,230)	(76,976,558)	(80,976,914)	(82,379,580)	(88,398,240)	(69,515,935)
Contingency	(2,000,000)	(2,000,000)	-	-	-	-
<b>Total Surplus/(Deficit)</b>	<b>(13,157,360)</b>	<b>(2,833,304)</b>	<b>(18,160,614)</b>	<b>(21,432,803)</b>	<b>(28,781,595)</b>	<b>(42,739,196)</b>
Ending Fund Balance	40,739,680	37,906,376	19,745,762	(1,687,041)	(30,468,636)	(73,207,833)
<b>Fund Balance Policy 50% Operating</b>	<b>42,338,563</b>	<b>46,131,513</b>	<b>49,509,646</b>	<b>52,462,814</b>	<b>55,273,968</b>	<b>58,043,594</b>



# Five-Year Forecast – Proposed Rate Adjustments

	<b>FY24-25 Revised Budget</b>	<b>FY25-26 Budget</b>	<b>FY26-27 Budget</b>	<b>FY27-28 Budget</b>	<b>FY28-29 Budget</b>	<b>FY29-30 Budget</b>
<b>Beginning Fund Balance</b>	53,897,040	40,739,680	43,192,342	38,522,802	41,965,599	50,564,246
<b>Operating Revenue</b>	114,330,519	124,768,969	136,029,905	148,027,409	161,147,810	175,501,134
<b>Other Revenue</b>	17,825,284	14,375,776	13,968,010	13,902,292	14,116,818	14,364,241
<b>Bond Proceeds</b>	36,000,000	63,500,000	55,000,000	60,000,000	59,000,000	35,000,000
<b>Operating Expenditures</b>	(84,677,127)	(92,263,025)	(99,019,291)	(104,925,628)	(110,547,936)	(116,087,188)
<b>Debt Service</b>	(27,709,806)	(28,952,500)	(29,671,249)	(31,181,696)	(26,719,805)	(30,886,720)
<b>Capital Outlay</b>	(66,926,230)	(76,976,558)	(80,976,914)	(82,379,580)	(88,398,240)	(69,515,935)
<b>Contingency</b>	(2,000,000)	(2,000,000)	-	-	-	-
<b>Total Surplus/(Deficit)</b>	<b>(13,157,360)</b>	<b>2,452,662</b>	<b>(4,669,539)</b>	<b>3,442,797</b>	<b>8,598,647</b>	<b>8,375,532</b>
<b>Ending Fund Balance</b>	40,739,680	43,192,342	38,522,802	41,965,599	50,564,246	58,939,778
<b>Fund Balance Policy 50% Operating</b>	42,338,563	46,131,513	49,509,646	52,462,814	55,273,968	58,043,594