



FY26 Strategic Plan Stormwater Fee



Work Session

September 15, 2025



FY26 Strategic Plan Stormwater Fee



FISCAL & RESOURCE MANAGEMENT

ACTION ITEM	DESCRIPTION
Stormwater Fee	Evaluate a stormwater fee to support stormwater operations and projects throughout the city



FY26 Strategic Plan Stormwater Fee

TASK	Council Action	Timing
Citizen’s Water Advisory Committee recommends rate plan	N	Sep 10 th
Stormwater Fee work session	N	Sep 15th
Adopt Notice of Intent and set public hearing	Y	Sep 22 nd
Utility Rate Work session at the Council Retreat	N	Oct 21 st
Public Hearing and action on rates	Y	Dec 15 th
Effective Date	N	Jan/Feb 2026

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- Stormwater Purpose
 - Protect against flood and water damage
 - Prevent pollutants from entering the water system
 - Regulatory compliance





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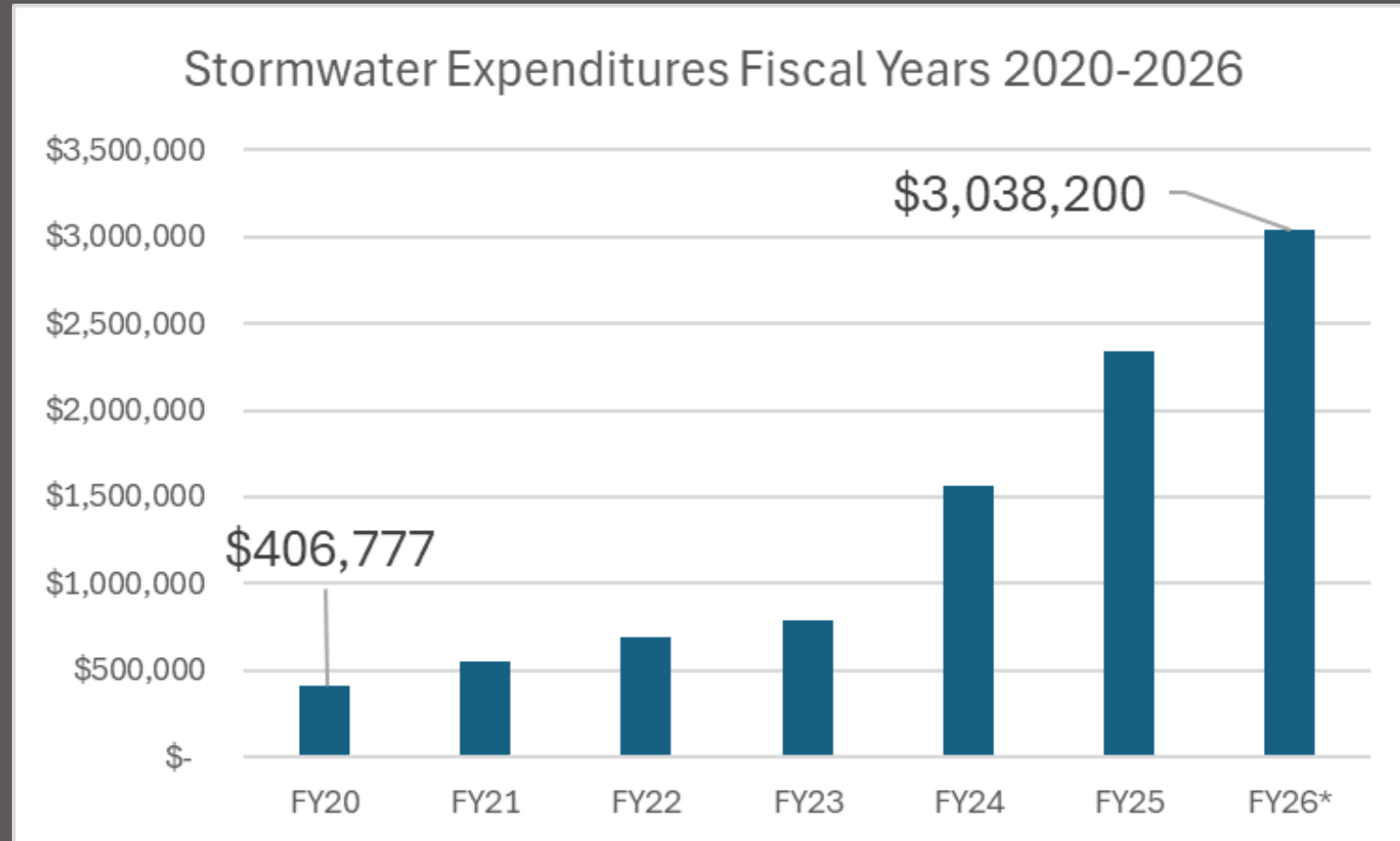
- No current fee
- General Fund supported
- Fee proposal discussed with 2020 rate study



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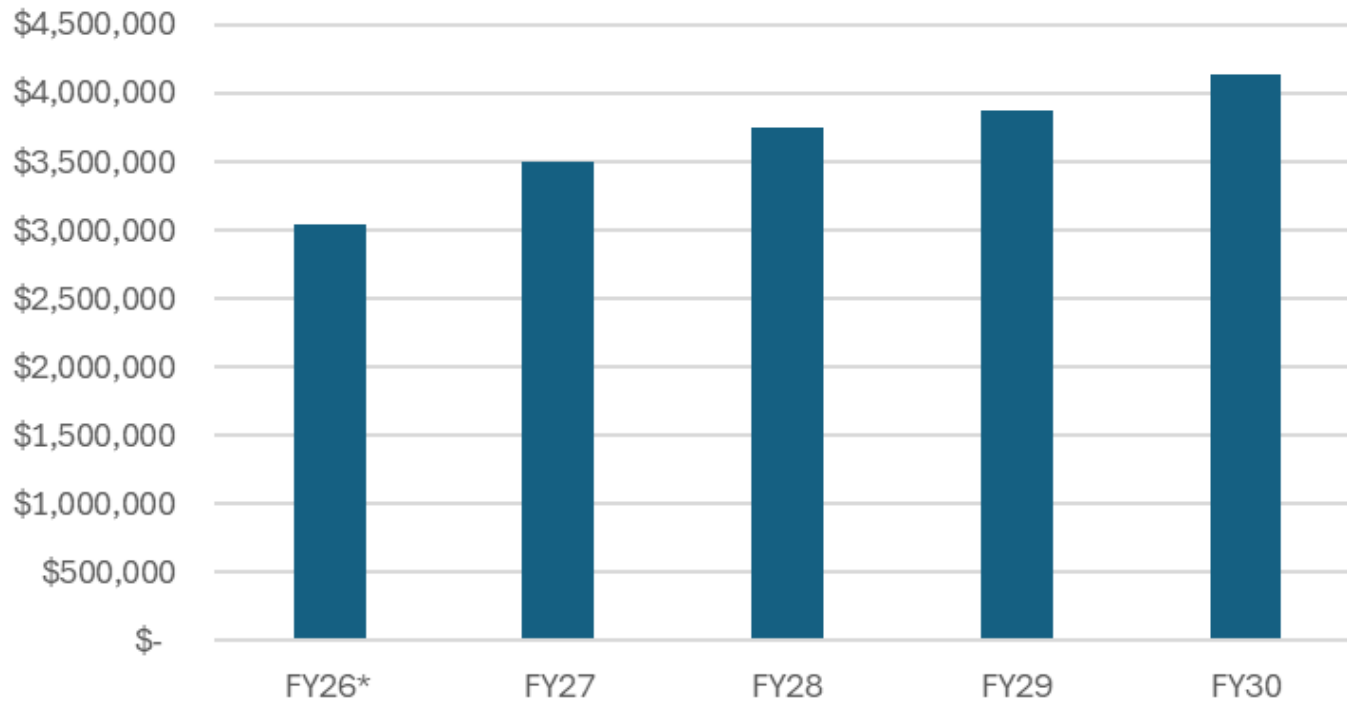
- Expenditures have risen since 2020
- Increased focus on maintenance in FY2024
- Phased approach to FY2024-26

*FY26 is budgeted amount



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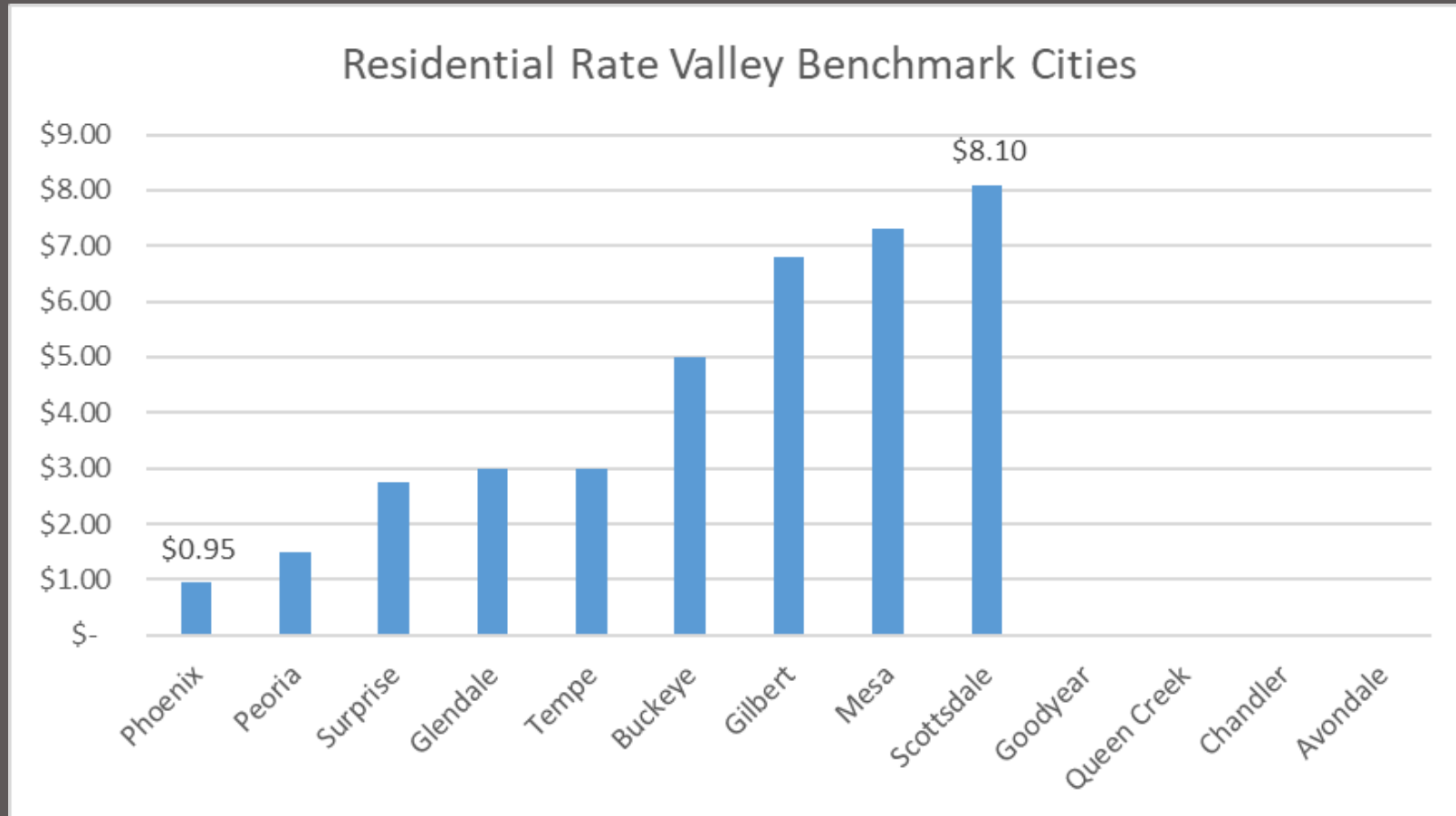
Forecasted Expenditures Fiscal Years 2026-2030



- Continued pressure on the General Fund
- Utility rate is a stable revenue source

*FY26 is budgeted amount

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Enterprise Funds pay for:

- Operating costs
- Reserves
- Capital costs



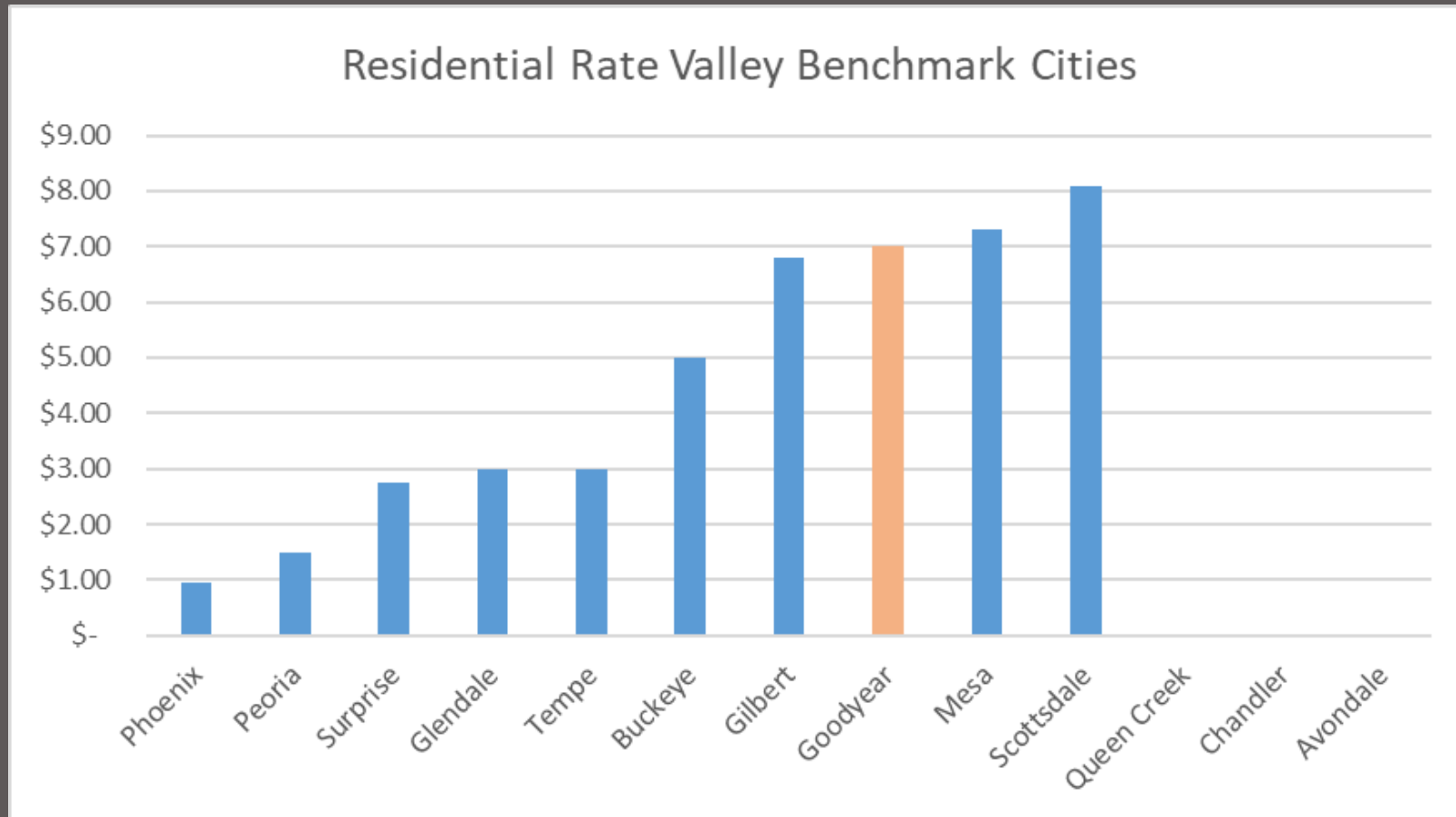
FY26 Strategic Plan

Stormwater Fee

100% Operating Cost Recovery in Fiscal Year 2027				
Fiscal Year	FY26	FY27	FY28	FY29
Residential rate per month	\$7.00	\$7.00	\$8.00	\$9.00
Commercial rate per month	\$12.25	\$14.25	\$15.00	\$17.00
Revenue in millions	\$1.8	\$3.6	\$4.1	\$4.8
Operating cost recovery	59%	100%	100%	100%
Funds Available for capital?	No	No	Yes	Yes

FY26 Strategic Plan

Stormwater Fee



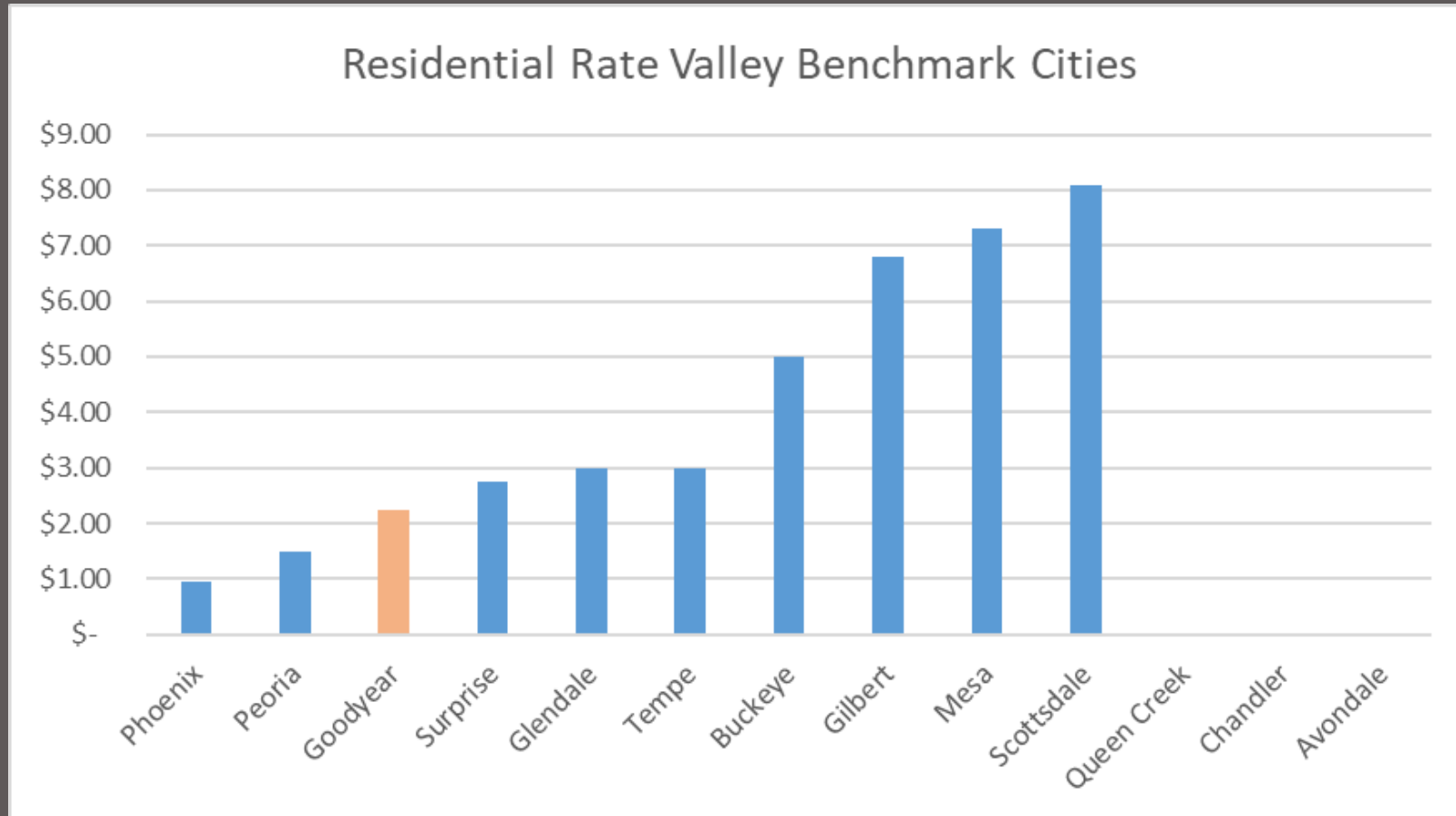


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Stormwater Fee

100% Operating Cost Recovery in Fiscal Year 2029				
Fiscal Year	FY26	FY27	FY28	FY29
Residential rate per month	\$2.25	\$4.50	\$6.75	\$9.00
Commercial rate per month	\$4.25	\$8.50	\$12.75	\$17.00
Revenue in millions	\$0.6	\$1.7	\$3.1	\$4.5
Operating cost recovery	19%	49%	82%	100%
Funds Available for capital?	No	No	No	Yes

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FY26 Strategic Plan **Stormwater Fee**

Recommendation:

Implement Stormwater fee incrementally over the next four years.



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Citizen's Water Advisory Committee Rate Recommendation				
Fiscal Year	FY26	FY27	FY28	FY29
Water	6.75%	6.75%	6.75%	6.75%
Wastewater	5.50%	5.50%	5.50%	5.50%
Solid Waste*	8.00%	8.00%	8.00%	8.00%
Stormwater	100%	100%	50%	33%
Overall rate increase	7.30%	7.20%	7.00%	6.90%
Monthly residential impact	\$10.75	\$11.30	\$11.88	\$12.51

*Includes funding for Municipal Operations Center



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Recommendation:

Adopt a Notice of Intent on 9/22 that includes a phased implementation of a Stormwater fee.