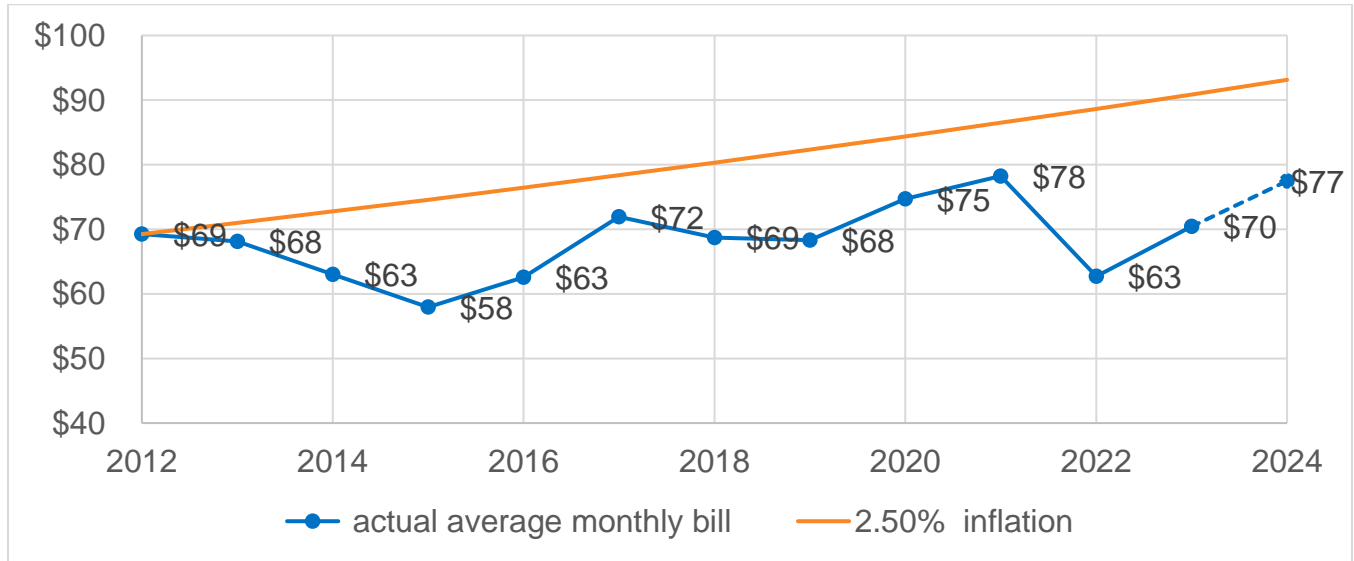


Water Rate Increase Info



AVERAGE CUSTOMER BILL CHANGES

The City Council is considering options of how to address a significant funding gap for the water utility and put the drinking water system on a fiscally solvent path. The current average monthly bill is lower now than it was in 2021 as shown in the graph below. The water rate change recommended by the Public Utilities Advisory Board brings average water bills back to 2020 & 2021 levels.



RATE INCREASE OPTIONS

- Option 1: Advisory Board: 10% now and annual increase of 3 to 5% to keep up with increasing costs.
- Option 2: Wait another year. Then increase rates 15 to 17%, then 4 to 6% annually for several years.
- Option 3: 6.5% now followed by 5.5 to 6.5% to “right the ship” over the next few years.

Below are projected annual revenue and expenses for each option.

