

MEMO TO CITY COUNCIL

Request to Include Topic on the City Council Workshop Agenda

From: Laurelei McVey, Public Works Meeting Date: December 16, 2025

Presenter: Laurelei McVey, Public Works **Estimated Time:** 15 minutes

Topic: FY26 Water and Sewer Rate Increase Public Hearing

Recommended Council Action:

Approval of FY26 water and sewer rate resolution.

Background:

The FY26 proposal includes a 2.62% combined rate increase distributed over the rate structure as noted in the following table. This increase is expected to have an impact of approximately \$1.66/month for the average Meridian resident.

Fee	Current Fee	% Increase	Proposed Fee
Water rate - base (administrative fee)	\$5.94	9%	\$6.47
Water rate – use charge (per 1,000 gallons)	\$2.06	4%	\$2.14
Sewer rate - base (administrative fee)	\$9.35	3%	\$9.63
Sewer rate – use charge (per 1,000 gallons)	\$5.99	1%	\$6.05

The increase is needed to continue to fund operational and capital construction costs as well as meeting State and Federal safe drinking water and wastewater requirements.

The following above rates would become effective Jan 1st, 2026.

The proposed rate increase was discussed in the November 12th City Council meeting, published in the Nov 20th and December 5th utility bills, published in the December 2nd and December 9th newspapers, and is scheduled for a Public Hearing on December 16th, 2025.