

# AGENDA STAFF REPORT

**MEETING NAME:** REGULAR BOARD MEETINGS  
**MEETING DATE(S):** OCTOBER 16 & 20, 2025  
**FROM:** MARION CHAMPION, ASSISTANT GENERAL  
 MANAGER  
**FOR:** ACTION   X   DIRECTION        INFORMATION       



## ADOPTION OF ORDINANCE NO. 2025-04 & NO. 2025-05 ESTABLISHING NEW WATER AND SEWER RATES

**STAFF RECOMMENDATION**

It is recommended that the Board adopt Ordinance No. 2025-04 and Ordinance No. 2025-05 establishing new water and sewer rates effective February 17, 2026, amending Ordinance No. 2016-01 and Resolution No. 2016-05.

**SUMMARY**

The District commissioned Raftelis to conduct a Water and Wastewater Financial Plan and Rate Study, which concluded that adjustments to water and sewer rates were necessary to generate sufficient revenue for ongoing operations and future capital needs. To further evaluate the study’s conclusions, MSWD formed a Community Listening Engagement and Advisory on Rates (CLEAR) committee, consisting of community volunteers interested in learning more about and influencing District decisions. At its Regular Meeting on August 18, 2025, the Board adopted Resolution 2025-18, expressing its intent to begin the rate adjustment process. In accordance with Proposition 218 requirements, the District mailed notices to all property owners and customers of record. These notices included details about the proposed rate increase, the calculation methodology, reasons for the adjustment, hearing schedule, and procedures for protests and objections. After distributing the Proposition 218 notice, the District organized multiple community meetings and delivered presentations to various service and community organizations to engage the public and educate them about the upcoming hearing, the process, and the necessity for adjusting revenue.

**ANALYSIS**

The analysis and justification for the proposed rate increases have been documented in the Water and Wastewater Financial Plan and Rate Study described above.

**FISCAL IMPACT & STRATEGIC PLAN IMPLEMENTATION**

The fiscal impact for the proposed rate and fee increase has been documented in the Water and Wastewater Financial Plan and Rate Study described above. This action aligns with Strategic Plan SMART Goal #s 3.1.1, 3.1.2, and 3.2.6.

**ATTACHMENTS**

Attachment A: Ordinance No. 2025-04 (Water)  
 Attachment B: Ordinance No. 2025-05 (Sewer)

FINANCIAL DATA		
Cost Associated with this action:	See Study	
Current FY cost:	\$0	
Future FY cost:	\$0	
Is it covered in current year budget:	YES <input type="checkbox"/>	NO <input type="checkbox"/>
Budget adjustment needed:	YES <input type="checkbox"/>	NO <input type="checkbox"/>
If yes, year needed:	N/A	
All previous contracts including dates, amounts and board approvals are attached or have been made available.		
FUNDING SOURCES		
Source of funds:	N/A	
BID/Job#	N/A	
Current BID/Job balance	N/A	
Balance remaining if approved:	N/A	