

CITY OF BUCKEYE
Regular Council Meeting
COUNCIL ACTION REPORT

MEETING DATE: 05/05/26	AGENDA ITEM: 5.D. WR - PH - Water and Wastewater Rates, Rate Components, Fees or Service Charges
DATE PREPARED: 05/05/26	DISTRICT NO.:
STAFF LIAISON: Terry Lowe, Water Resources Director, tlowe@buckeyeaz.gov, (623) 349-6102	
DEPARTMENT: Water Resources	AGENDA ITEM TYPE: Public Meeting / Non Consent - New Business

ACTION/MOTION: (This language identifies the formal motion to be made by the Council)
 Council to hold a public hearing and take action on Resolution No. 32-26 approving and adopting the rate schedule for water and wastewater rates, rate components, fees, or service charges set forth in the document entitled "Schedule of Fees;" setting an effective date; and repealing conflicting resolutions or parts of resolutions.

GOALS AND OBJECTIVES FOR THE STRATEGIC PLAN FOCUS AREAS:
 Infrastructure

SUMMARY

PROJECT DESCRIPTION:

In June 2025, Council established the 2025 Citizen Water and Wastewater Rates Committee (WRC) to evaluate the Water Resources Department (WRD) budget, operations, and rate study previously conducted by the Finance Department and a third-party consultant. On October 9, 2025, the WRC voted unanimously to recommend Council adopt the Gradualism Rate Scenario for a five-year rate plan. From October 2025 to January 2026, WRD received comments from the public through public outreach meetings, social media, a dedicated email inbox, and telephone. As a result of public feedback, WRD, in collaboration with the Finance Department, has further refined the Gradualism Rate Scenario with a recommended four-year rate plan. A Council work session was held on January 20, 2026. The final recommendations aim to right-size the rate structures, establish a reliable rate cycle, and implement rates that support healthy water and wastewater enterprise funds without creating too great a burden for customers. The 2025 Water and Wastewater Rate Study Report details these final recommendations. In 2020 City Council adopted the \$3.05 Repair and Replacement Fee for the purposes of supporting the Water Resource Department's (WRD) Asset Management activities. Prior to that action, the last water and wastewater increases were adopted by Council in March 2015 under Resolution No. 14-15, with the final increases taking effect on January 1, 2016. A notice of intention was adopted by motion at the February 3, 2026 regular council meeting. Since that time, the Water Resources staff has continued public outreach efforts. Now that the ninety-day comment period has passed, staff is requesting this public hearing on the proposed rate package.

BENEFITS:

Ensuring continued and reliable water and wastewater services by stabilizing both enterprise funds.

FUTURE ACTION:

If the Resolution is approved, the Rate Schedule would be reflected on the utility bills beginning June 10, 2026. As proposed, future rate adjustments will occur on January 1, 2027, January 1, 2028, and January 1, 2029.

FINANCIAL IMPACT STATEMENT:

The recommendations will increase overall Water utility revenues by 4.5% and Wastewater utility revenues by 7.0% each year throughout the four-year rate plan.

Items related to a project or facility location must include an attached vicinity map for Council Review.

ATTACHMENTS:

[Public Comments from April 7, 2026 Regular Council Meeting Re Water and Wastewater Rates.docx](#)

[2025_Rate_Study_Report_Revised_Final.pdf](#)

[Proposed Schedule of Fees.pdf](#)

[Resolution No. 32-26 Water Rates with Exhibits May 5th meeting.pdf](#)

[Council Presentation 5.05.26 Rate Adoption_Final.pdf](#)