

**CITY OF BUCKEYE
Regular Council Meeting
COUNCIL ACTION REPORT**

MEETING DATE: 02/03/26	AGENDA ITEM: 5.D. WR - Notice of Intention to Adopt New or Increased Water and Wastewater Rates, Rate Components, Fees or Service Charges and Set a Public Hearing
DATE PREPARED: 02/03/26	DISTRICT NO.:
STAFF LIAISON: Terry Lowe, Water Resources Director, tlowe@buckeyeaz.gov, (623) 349-6102	
DEPARTMENT: Water Resources	AGENDA ITEM TYPE: Public Hearing and Non Consent - New Business Items

ACTION/MOTION: (This language identifies the formal motion to be made by the Council)
Council to take action adopting by motion a Notice of Intention to Adopt New or Increased Water and Wastewater Rates, Rate Components, Fees or Service Charges and setting a public hearing date of April 7, 2026.

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 2025, 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 must be adopted by motion at a regular council meeting held at least sixty days before the public hearing on the Charges. A copy of the notice of intention must be published in a newspaper of general circulation within City boundaries at least twenty days before the public hearing date. A written report or supply data supporting the Charges must be made available to the public by filing a copy in the office of the City Clerk and by posting to the City's website at least thirty days before the public hearing date.

The Notice of Intention sets a public hearing date of April 7, 2026, which is more than sixty days away, to be held at a regular meeting of the City Council in the City Council Chambers, 530 East Monroe Avenue, Buckeye, Arizona 85326. If approved by the Mayor and Council, the Charges will become effective on May 7, 2026.

BENEFITS:

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

FUTURE ACTION:

The notice of intention will set a public hearing for the proposed utility rate increases on April 7th. The public hearing will be followed by potential Council action to adopt the new rate plan. The new rates would then go into effect on the utility bills beginning May 13th. As proposed, there will be additional rate increases on January 1, 2027, January 1, 2028, and January 1, 2029.

FINANCIAL IMPACT STATEMENT:

This action sets the date for a future public hearing and does not have a financial impact at this time. 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.

CURRENT FISCAL YEAR TOTAL COST:

None.

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

ATTACHMENTS:

[NOI.attachment.pdf](#)

[02032026 V2 Presentation WR.pdf](#)