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December 9, 2025

MEMORANDUM

TO: Board of Commissioners
FROM: George Sidhu
SUBJECT: Adopting the Final Budget for the Calendar Year 2026

Requested Action:

Approve Resolution No. 2316-25, adopting the final budget for the calendar year 2026.

Background:

The 2026 Budget focuses on maintaining existing water system infrastructure as well as replacing critical infrastructure that is nearing the end of its useful life. The budget was presented at a public hearing on October 14, 2025, and department managers presented their operation and capital budget requests during work sessions following the public hearing. Based on these discussions and updated financial information, the 2026 Budget is presented to you tonight for adoption.

Fiscal Impact:

The 2026 Budget incorporates a five-percent increase in water rates as well as increases in the tiered water rates for high consumption. The rate increases take effect January 1, 2026, and are projected to increase rate revenue by \$1.6 million, which will be used to finance the Capital Improvements Plan. The 2026 Budget authorizes an operations budget of \$21,720,606 and capital spending of \$16,000,000.

Enclosures:

1. [2026 Adopted Budget](#)
2. [Resolution 2316-25](#)