

# FREQUENTLY ASKED QUESTIONS

## Stormwater and Wastewater Utility Rate Increases



### **UPCOMING WASTEWATER AND STORMWATER RATE ADJUSTMENTS:**

Richland's wastewater and stormwater systems are essential public services that protect public health, support daily life, and maintain critical infrastructure across the city. The following information explains why utility rate adjustments are being proposed and what they mean for our community.

### **WHY ARE WASTEWATER AND STORMWATER RATES INCREASING?**

The City is proposing rate adjustments to ensure these services remain reliable, safe, and financially sustainable.

A recent financial review found that current rates are no longer sufficient to cover operating and maintenance costs, debt obligations, and the capital improvements needed over the next ten years. City policy requires that utility rates recover the cost of providing service.

### **WHEN WERE RATES LAST INCREASED, AND WHY DOES THAT MATTER?**

The last rate increases for both wastewater and stormwater occurred in 2009. Since then, costs have steadily risen while rates remained unchanged. This long gap is the primary reason the proposed increases are more noticeable now.

### **WHY ARE THE INCREASES LARGER NOW INSTEAD OF SMALLER ANNUAL ADJUSTMENTS?**

Over the past 15 years, inflation and rising costs for labor, materials, and infrastructure have compounded. Because rates were not adjusted incrementally during that time, the City must now make more meaningful adjustments to catch up.

Going forward, the City plans to review rates more regularly to avoid large increases in the future.

### **WHAT IS DRIVING THE NEED FOR HIGHER RATES?**

Several factors are contributing, including rising operating costs, aging infrastructure, regulatory requirements, and the need to maintain financial reserves.

For wastewater, future debt associated with major capital projects is also a key driver.

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### **WHAT INFRASTRUCTURE IMPROVEMENTS ARE PLANNED?**

Over the next decade, the City is planning significant investments to maintain and improve these systems.

Wastewater improvements total approximately \$69 million and include upgrades to the treatment plant, pipe replacement, and system capacity improvements. Stormwater improvements total approximately \$6 million and focus on rehabilitation, replacement, and improving system reliability.

These investments are essential to maintaining safe and dependable service.

### **WHAT HAPPENS IF THE CITY DOES NOT MAKE THESE INVESTMENTS?**

Delaying infrastructure work can lead to system failures, emergency repairs, and higher long-term costs. It can also increase the risk of environmental impacts. Proactive investment is the most cost-effective and reliable approach.

### **WHAT RATE INCREASES ARE BEING PROPOSED?**

Wastewater rates are proposed to increase by about 6 percent annually from 2026 through 2028. Stormwater rates will also increase over this period, with a larger adjustment in the first year followed by smaller increases in later years. These increases are phased in to reduce the impact on customers.

### **WHAT WILL THIS MEAN FOR A TYPICAL HOUSEHOLD?**

For a typical residential customer, wastewater charges will increase gradually over the next three years. Stormwater charges will also increase, with the largest change occurring in the first year.

The City has structured these changes to phase in costs over time rather than applying a single large increase.

### **HOW DO RICHLAND'S RATES COMPARE, AND WHEN WOULD CHANGES TAKE EFFECT?**

Even with the proposed adjustments, Richland's rates are expected to remain competitive with other cities in the region.

If approved, the new rates would take effect on July 1, 2026, with additional adjustments in 2027 and 2028. The proposal was reviewed and recommended by the Utility Advisory Committee before being presented to the City Council.