



LT MUNICIPAL
CONSULTANTS

Water and Sewer Rate Study

City of Fort Bragg

March 23, 2026





Background

- The City last raised rates in 2019. Both utilities are currently doing well financially with reasonable reserves and positive net revenues (i.e. revenues are covering expenses)
- The City has been very successful in securing grants for many infrastructure projects. However, rate increases are needed fund improvements that likely won't be covered by grants.
- This rate study proposes new rates each July 1 from 2026 to 2030
- The notice of intent to raise rates was mailed to all customers and property owners on February 6
- A customer outreach meeting was held on February 17



WATER ENTERPRISE



Current Water System Financial Standing

- Primary driver of the rate adjustment is funding capital costs
- The City must fund needed infrastructure improvements via rates totaling \$1.55M over the next 5 years
 - Noyo River Crossing (\$1.2M)
 - Cedar Street Water Line Design (\$320,000) – from the Master Plan; will upsize to a 16” main
 - Oak Street Valves (\$30,000) - Addition of two isolation valves to 10-inch water main on Oak Street
- Plus, the Cedar Street Water Line Construction of \$3.3M is proposed to be debt financed and will result in annual payments of \$168,400 beginning in FY2029/30



Proposed Water Meter Fees

Meter Size	Current	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31
Residential Customers						
5/8 & 3/4"	\$36.86	\$25.49	\$27.53	\$29.73	\$32.11	\$34.68
1"	\$52.42	\$39.94	\$43.14	\$46.59	\$50.32	\$54.35
1.5"	\$62.80	\$76.08	\$82.18	\$88.74	\$95.83	\$103.51
2"	\$109.16	\$119.44	\$129.02	\$139.32	\$150.45	\$162.51
3"	\$157.76	\$190.00	\$222.46	\$254.92	\$287.38	\$319.85
4"	\$206.38	\$265.00	\$322.96	\$380.92	\$438.88	\$496.85
6"	\$498.01	\$600.00	\$697.13	\$794.26	\$891.39	\$988.51
Non-Residential						
5/8 & 3/4" Low-Usage	\$36.86	\$25.49	\$27.53	\$29.73	\$32.11	\$34.68
5/8 & 3/4"	\$74.98	\$25.49	\$27.53	\$29.73	\$32.11	\$34.68
1"	\$115.09	\$39.94	\$43.14	\$46.59	\$50.32	\$54.35
1.5"	\$141.83	\$76.08	\$82.18	\$88.74	\$95.83	\$103.51
2"	\$275.53	\$119.44	\$129.02	\$139.32	\$150.45	\$162.51
3"	\$409.24	\$235.06	\$253.92	\$274.20	\$296.11	\$319.85
4"	\$542.94	\$365.14	\$394.44	\$425.94	\$459.97	\$496.85
6"	\$1,234.61	\$726.48	\$784.78	\$847.44	\$915.13	\$988.51

SAME



Proposed Water Usage Rates (\$/HCF)

	Current
<u>Single Family Residential</u>	
Tier 1: 0-5 HCF	\$3.49
Tier 2: 6-10 HCF	\$5.23
Tier 3: 11+ HCF	\$7.84
<u>Non-Single Family Residential</u>	
All Use	\$6.01



All usage (\$/HCF)

FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31
\$7.74	\$8.36	\$9.03	\$9.75	\$10.53

1 HCF = 748 gallons



Current & Proposed Avg Water Bill

Current

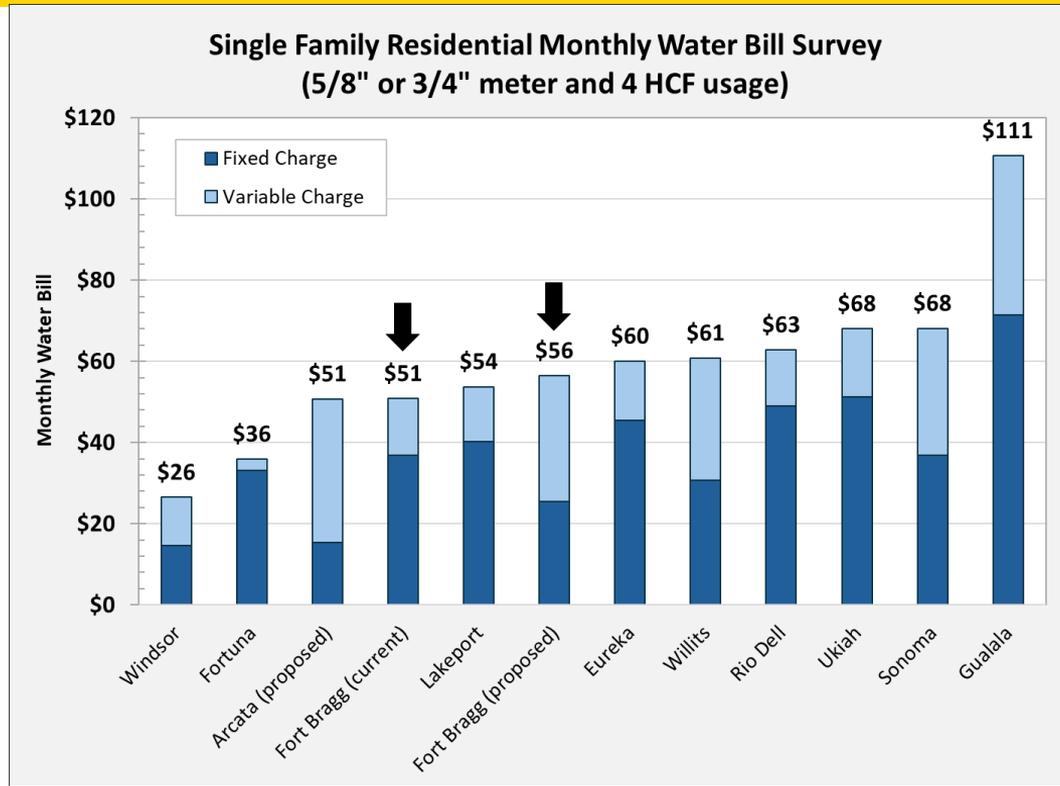
Proposed July 1, 2026

	Rate	Count	Charges
Meter Fee 5/8"	\$36.86	X 1	\$36.86
Usage Rates			
Tier 1: 0-5 HCF	\$3.49	X 4	\$13.96
Tier 2: 6-10 HCF	\$5.23	X 0	\$0.00
Tier 3: 11+ HCF	\$7.84	X 0	\$0.00
TOTAL MONTHLY BILL			\$50.82

	Rate	Count	Charges
Meter Fee 5/8"	\$25.49	X 1	\$25.49
Usage Rates			
All Usage	\$7.74	X 4	\$30.96
TOTAL MONTHLY BILL			\$56.45
			+11%



Water Bill Survey





SEWER ENTERPRISE



Current Sewer System Financial Standing

- This year, the City will draw down reserves about **\$2.6M** to fund the biosolid dryer building design, biosolids storage building, and pipeline work
- Main drivers for the rate adjustment are building reserves back up and funding additional improvements
- The City's wastewater master planning team has identified \$12M of sewer pipeline improvements. This rate study will fund the first \$5M via rate revenues.
 - This is an on-going program to repair sewer mains that are failing when leak repairs have become chronic or a significant source of inflow & infiltration (I&I) has been identified.
- Plus, the Wastewater Treatment Plant Main Replacement of \$4.5M is proposed to be debt financed and will result in annual payments of \$230,000 beginning in FY2029/30. This the 36" line that leads to the plant.



Proposed Fixed Sewer Charges

Customer Type	Current	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31
Residential Customers	Per dwelling		+12%	+12%	+12%	+12%
All Residential Customers	\$28.89	\$14.47	\$16.21	\$18.16	\$20.34	\$22.78
Non-Residential Customers	Per business					
All businesses	\$28.89	\$14.47	\$16.21	\$18.16	\$20.34	\$22.78



Proposed Sewer Flow Rates (\$/HCF)

Customer Type	Current	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31
Residential Customers			+12%	+12%	+12%	+12%
Single Family Residential	\$7.31	\$12.93	\$14.48	\$16.22	\$18.17	\$20.35
Multi-Family Residential	\$3.28	\$12.93	\$14.48	\$16.22	\$18.17	\$20.35
<i>Mobile Home Parks</i>	<i>\$0.23</i>	<i>\$4.25</i>	<i>\$8.27</i>	<i>\$12.29</i>	<i>\$16.31</i>	<i>\$20.35</i>
Non-Residential Customers						
Low Strength	\$9.90	\$11.39	\$12.76	\$14.29	\$16.00	\$17.92
Medium Strength	\$10.19	\$12.93	\$14.48	\$16.22	\$18.17	\$20.35
Breweries	\$20.30	\$20.01	\$22.41	\$25.10	\$28.11	\$31.48
High Strength	\$25.38	\$22.98	\$25.74	\$28.83	\$32.29	\$36.16

HCF = hundred cubic feet

1 HCF = 748 gallons

Single family residential sewer flow is based on winter water usage subject to a 2HCF minimum



Current & Proposed Single Family Sewer Bill

Current

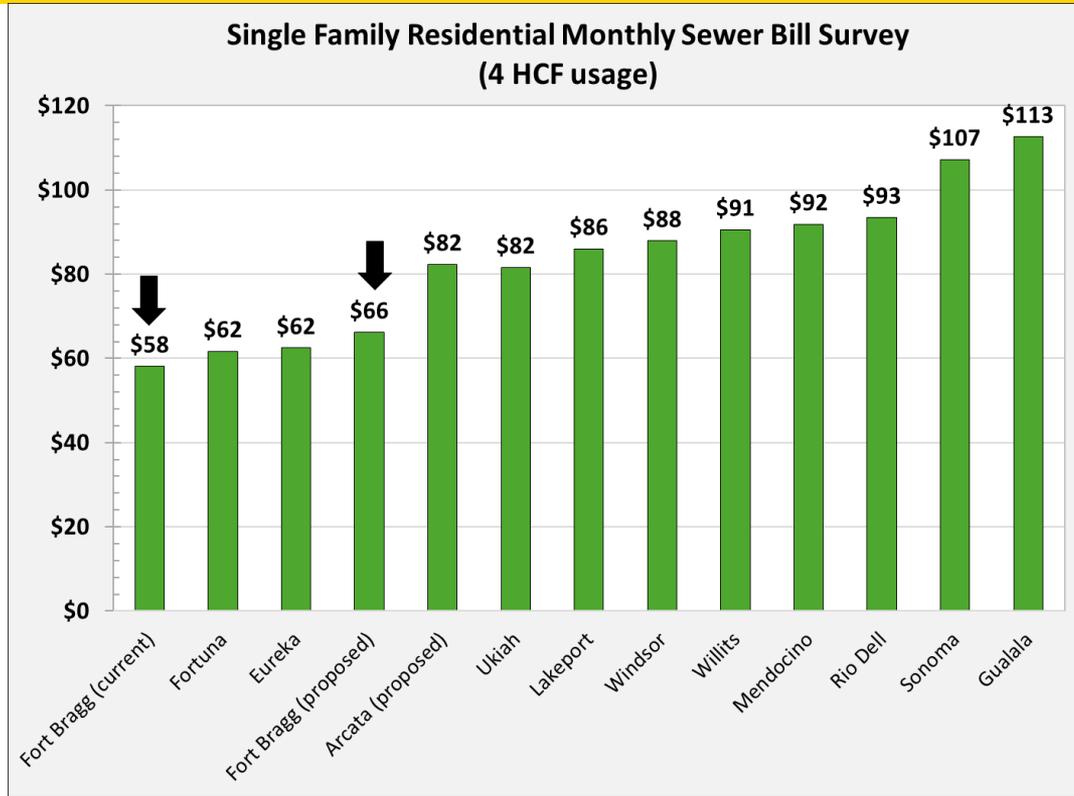
	Rate		Count	Charges
Fixed Fee	\$28.89	X	1	\$28.89
Flow Rate	\$7.31	X	4	\$29.24
TOTAL BILL				\$58.13

Proposed July 1, 2026

	Rate		Count	Charges
Fixed Fee	\$14.47	X	1	\$14.47
Flow Rate	\$12.93	X	4	\$51.72
TOTAL BILL				\$66.19
				+14%

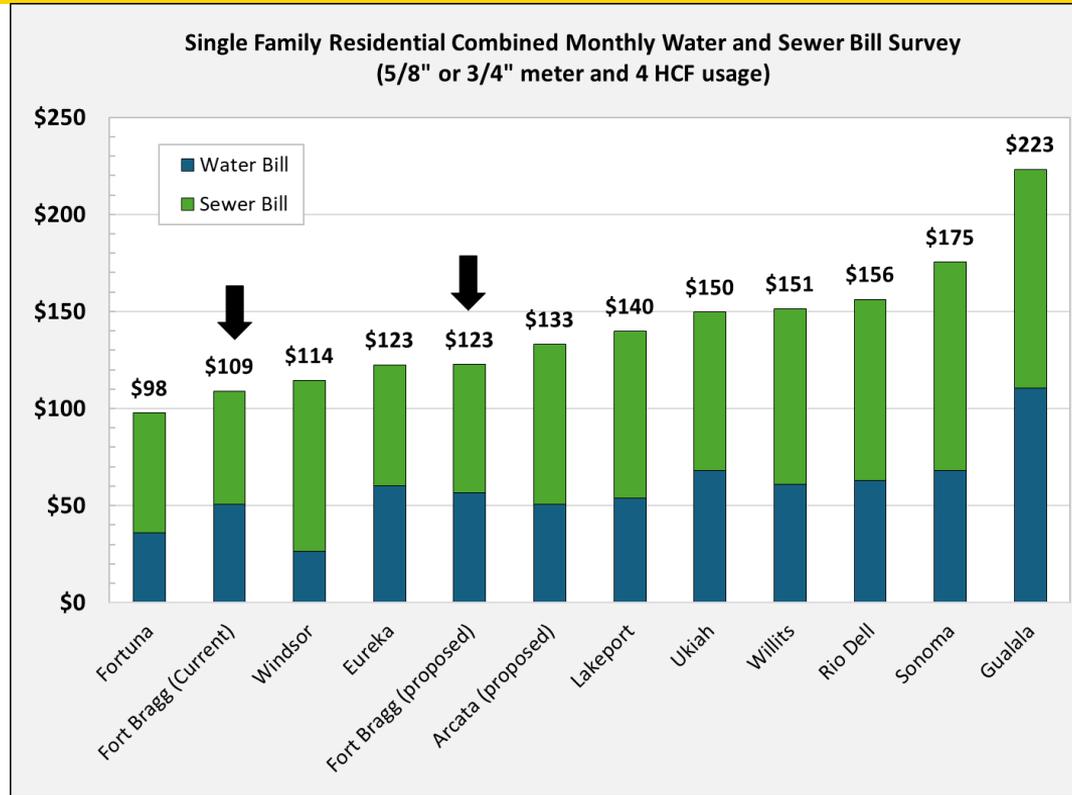


Sewer Survey





Water & Sewer Combined Survey





Wrap Up

- The rates shown in the Proposition 218 notice are the legal maximum rates that the City could adopt
- The City has a Utility Bill Assistance Program that offers up to \$800 of assistance to eligible households
- Customers and property owners have the right to submit written protests. Only one protest per parcel will be counted
- If a majority of impacted parcels protest, the rates cannot be adopted. There are 2,657 parcels. A majority is 1,329 valid protests.
- Absent a majority protest, the rates can go into effect on July 1, 2026

