



**FINAL PROPOSED
FY 2026 OPERATING BUDGET
Rates and Schedule of Fees**

BOARD OF WATER COMMISSIONERS

March 19, 2025

Budget Considerations

The DWSD Executive Team considered these factors in developing the Budget:

- ✓ **Affordability** – keep rate increases below 4% and support Water Conservation initiatives
- ✓ Compassionate and responsive **Customer Service**
- ✓ Operations that support and preserve **Public Health**; meet or exceed all Federal, State and Local Regulations
- ✓ Employee and Asset **Safety**
- ✓ Water and Sewer **Upgrades** (including Lead Service Line Replacement)
- ✓ **Employee Focus** – training, retention and recruitment

Current Budget Environment and Highlights

- The Proposed FY 2026 Operating Budget was developed with the goal to keep rate affordable and at the same time not compromise on service level initiatives. The Budget incorporates expenditures required to operate DWSD's Systems (Water and Sewer) for FY 2026.
- These expenditures become the basis for determining the Revenues required to operate and is termed as "Revenue Requirement". Total System-wide Revenue Requirement increased by 5.2% or \$25.9 million.
- Departmental or Direct expenses increased by 5.6% or approximately \$6.0 million and Non-Departmental or indirect expenses increased by 5.2% or \$20.2 million over FY 2025. Revenue Financed Capital is projected at \$2.6 million, a reduction of \$0.3 million over FY 2025.
- The increase in Revenue Requirement in FY 2026 is primarily due to increases in GLWA's Wholesale Charges (\$12.3 million), Bad Debt (\$6.1 million), Personnel expenses (\$2.1 million), Non-personnel expenses (\$3.4 million) and Pension expense (\$1.9 million).
- Personnel costs increase is due to addition of net 20 new positions. These new additions are for Operations and are critical to improving DWSD's service level and backlog reduction.
- The Total Systemwide Revenue Requirement of \$521.3 million is offset by non-rate revenue of \$25.9 million resulting in a rate revenue requirement of \$495.4 million. This represents a 4.8% rate revenue increase over FY 2025 on a System-wide basis.
- The 4.8% increase in Rate Revenue is offset by increase in volume and meter count averaging in the range of 1.1% to 2.0% over FY 2025. This offset resulted in a rate increase of 3.5% on a System-wide basis.
- This Budget proposes a 3.5% increase in rates across the System (except Private Fireline) to recover the Revenue required to operate the System and meet the budgetary considerations for FY 2026.

Revenue Requirement - Systemwide

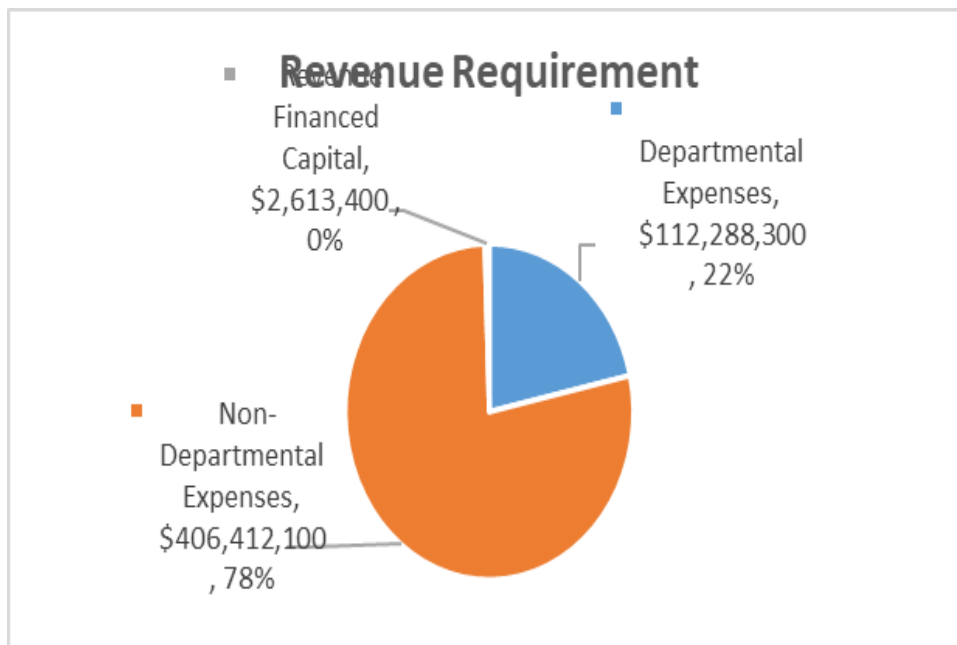


Water & Sewerage
Department

Water & Sewer Funds Combined	Approved Budget FY 2025	Proposed Budget FY 2026	Change	% Change
Revenue Requirement (Total Expenses)	\$ 495,421,400	\$ 521,313,800	\$ 25,892,400	5.2%
<i>What Makes up Revenue Requirement</i>				
Departmental Expenses	106,325,600	112,288,300	5,962,700	5.6%
Non-Departmental Expenses	386,174,600	406,412,100	20,237,500	5.2%
Revenue Finance Capital	2,921,200	2,613,400	(307,800)	-10.5%
Total Revenue Requirement	\$ 495,421,400	\$ 521,313,800	\$ 25,892,400	5.2%
<i>How Revenue Requirement is Financed</i>				
Retail Revenue	\$ 484,191,800	\$ 508,850,200	\$ 24,658,400	5.1%
Non-Retail Revenue:	11,229,600	12,463,600	1,234,000	11.0%
Total Revenue Requirement	\$ 495,421,400	\$ 521,313,800	\$ 25,892,400	5.2%
Revenue Requirement by Fund				
Water Fund Total Revenue Requirement	\$ 139,989,900	\$ 149,172,400	\$ 9,182,500	6.6%
Sewer Fund Total Revenue Requirement	\$ 355,431,500	\$ 372,141,400	\$ 16,709,900	4.7%
Total Revenue Requirement by Fund	\$ 495,421,400	\$ 521,313,800	\$ 25,892,400	5.2%

- Three components make up the Revenue Requirement and reflect the projected annual expense budget required to operate the System as a whole.
- Revenue Requirement is financed by Retail and Non-Retail Revenues.
- Water Fund Revenue Requirement increased by 6.6% while Sewer Fund Revenue Requirement increased by 4.7 % with an overall Systemwide Revenue Requirement increase of 5.2%.

Revenue Requirement - Systemwide



- This slide summarizes the projected share of each of the three components of Revenue Requirement.
- Departmental or direct expenses (generally controllable by DWSD) of \$112.3 million represents 22% of the total Revenue Requirement.
- Non-Departmental or indirect expenses (expenses over which DWSD has no or very little control) of \$406.4 million make up 78% of the total Revenue Requirement.

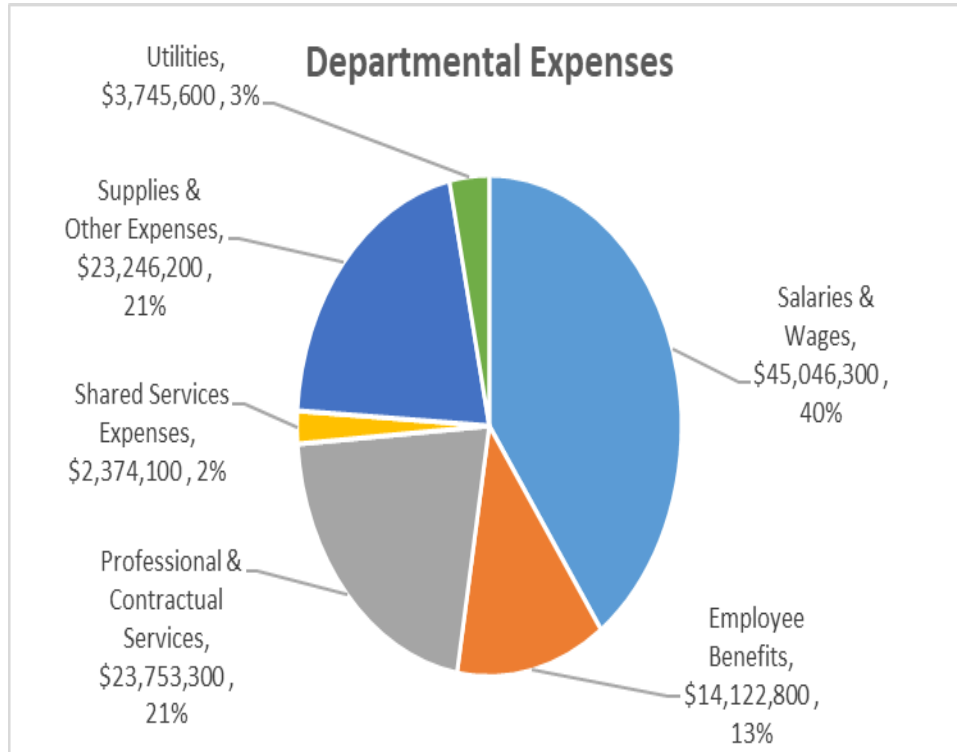


Departmental Expenses - Systemwide

Water & Sewer Funds Combined	Approved Budget FY 2025	Proposed Budget FY 2026	Change	% Change
Departmental Expenses				
Salaries/Wages	\$ 42,978,600	\$ 45,046,300	\$ 2,067,700	4.8%
Employee Benefits (Fringes)	13,585,800	14,122,800	537,000	4.0%
Professional & Contractual Services	23,523,100	23,753,300	230,200	1.0%
Shared Services Expense	2,770,000	2,374,100	(395,900)	-14.3%
Supplies & Other	19,863,300	23,246,200	3,382,900	17.0%
Utilities	<u>3,604,800</u>	<u>3,745,600</u>	<u>140,800</u>	<u>3.9%</u>
Total Departmental Expenses	<u>\$ 106,325,600</u>	<u>\$ 112,288,300</u>	<u>\$ 5,962,700</u>	<u>5.6%</u>

- Departmental expenses increased by 5.6% or approximately \$6.0 million over FY 2025.
- Majority of the increase is in Personnel and Non-personnel costs such as Supplies and Other costs to help improve service levels as well as to address back log in service deliverables.
- Increase in personnel costs is due to the addition of net 20 new positions to strengthen service level effort. Increase in Supplies and Other costs is due to increased activities planned with more Full Time Equivalents (FTEs).

Departmental Expenses - Systemwide



- This slide summarizes the share of the various departmental expenses in the Revenue Requirement structure.
- Personnel costs consisting of Salaries & Wages and Benefits make up 53% of the total Departmental expenses budget.
- Headcount is projected to increase by net 20 FTEs (addition of 22 in Operations and reduction of 2 FTEs in other non-operational areas) and is primarily to support DWSD's strategic initiatives to provide better service delivery and to also to catch up on backlog of service deliverables.

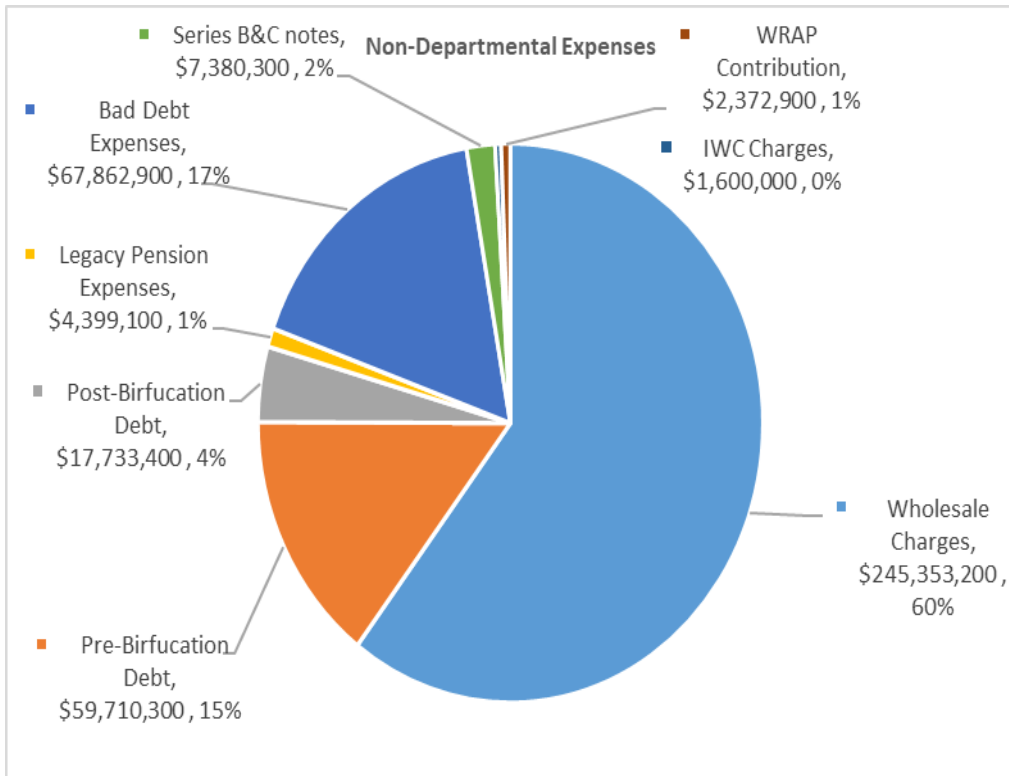
Non-Departmental Expenses - Systemwide



Water & Sewer Funds Combined	Approved Budget FY 2025	Proposed Budget FY 2026	Change	% Change
Non-Departmental Expenses				
Wholesale Charges	\$ 233,019,000	\$ 245,353,200	\$ 12,334,200	5.3%
Obligation to GLWA	59,710,300	59,710,300	-	0.0%
Post Bifurcation Debt Service	17,832,500	17,733,400	(99,100)	-0.6%
Pension	2,500,000	4,399,100	1,899,100	76.0%
B and C Notes	7,521,900	7,380,300	(141,600)	-1.9%
Bad Debt	61,741,400	67,862,900	6,121,500	9.9%
Industrial Waste Charges (IWC)	1,600,000	1,600,000	-	
Water Retail Assistance Program (WRAP)	2,249,500	2,372,900	123,400	5.5%
Total Non-Departmental Expenses	\$ 386,174,600	\$ 406,412,100	\$ 20,237,500	5.2%

- Non-Departmental expenses increased by 5.2% or \$20.2 million over FY 2025.
- Wholesale Charges increase of \$12.3 million is due increase in GLWA’s Revenue Requirements.
- Bad Debt increased by \$6.1 million due to increase in Revenue Requirement and adjustment to the collection rate.
- Increase in Pension expense is based on Required Contribution per the Actuary Report.

Non-Departmental Expenses - Systemwide



- This slide summarizes the share of each non-departmental or indirect expense in the Revenue Requirement structure.
- These expenses represent costs over which DWSD has no or little control.
- Wholesale Charges are based on GLWA's Revenue Requirement and makes up 60% of total Non-Departmental or indirect costs.
- Pre and Post Bifurcation debt are fixed commitments for DWSD and accounts for 19% of the total.
- Bad Debt is the 3rd largest cost category and accounts for 17% of the total Non-Departmental or indirect costs.



What Funds Revenue Requirement?

Water & Sewer Funds Combined	Approved Budget FY 2025	Proposed Budget FY 2026	Change	% Change
What Makes up Retail Revenue				
Rate Revenue				
Commodity Sales	\$ 232,985,800	\$ 244,608,300	\$ 11,622,500	5.0%
Service Charges	41,016,000	43,134,000	2,118,000	5.2%
Drainage Revenue	196,351,800	205,371,800	9,020,000	4.6%
Fireline Revenue	2,138,200	2,292,100	153,900	7.2%
Total Rate Revenue	\$ 472,491,800	\$ 495,406,200	\$ 22,914,400	4.8%
Non-Rate Revenue				
Permits, Fees, Etc.	\$ 11,700,000	\$ 13,444,000	\$ 1,744,000	14.9%
Total Non-Rate Revenue	\$ 11,700,000	\$ 13,444,000	\$ 1,744,000	14.9%
Total Retail Revenue	\$ 484,191,800	\$ 508,850,200	\$ 24,658,400	5.1%
What Makes up Non-Retail Revenue				
Shared Services Revenue	2,500,000	2,500,000	-	0.0%
IWC Charges	1,600,000	1,600,000	-	
GLWA Share of Legacy Costs	7,129,600	8,363,600	1,234,000	17.3%
Total Non-Retail Revenue	\$ 11,229,600	\$ 12,463,600	\$ 1,234,000	11.0%
Total Revenue Requirement	\$ 495,421,400	\$ 521,313,800	\$ 25,892,400	5.2%

- Revenue Requirement is funded by **Retail Revenue** (Rate Revenue and Non-Rate Revenue) and **Non-Retail Revenue** (Shared Services Revenue and GLWA's share of Legacy costs).

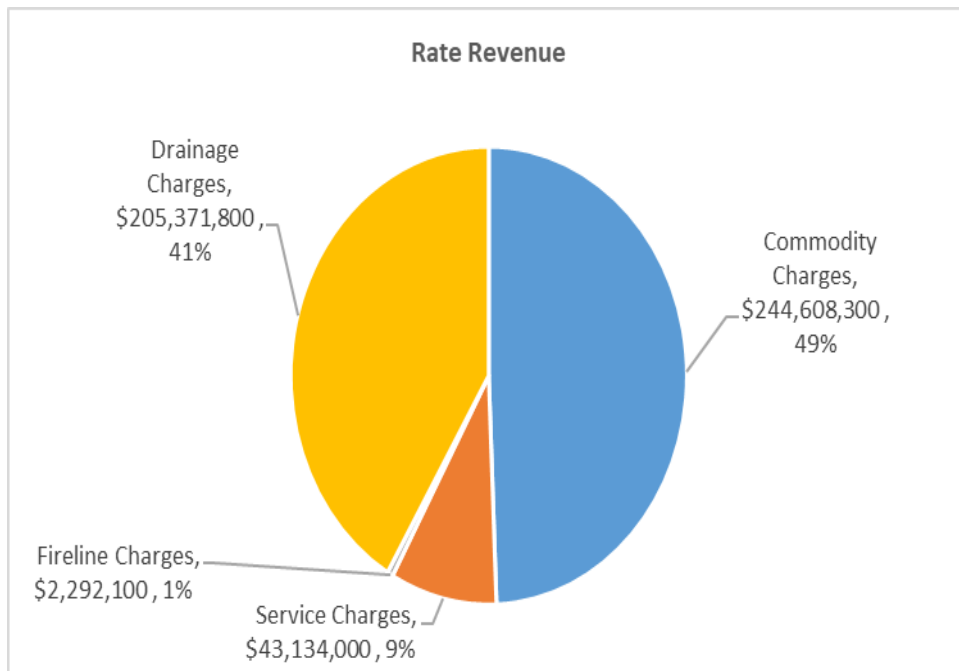


Components of Rate Revenue Requirement

Water & Sewer Funds Combined	Approved Budget FY 2025	Proposed Budget FY 2026	Change	% Change
Rate Revenue Requirement				
Commodity Charges	\$ 232,985,800	\$ 244,608,300	\$ 11,622,500	5.0%
Service Charges	41,016,000	43,134,000	2,118,000	5.2%
Fireline Charges	2,138,200	2,292,100	153,900	7.2%
Drainage Charges	196,351,800	205,371,800	9,020,000	4.6%
Total Rate Revenue Requirement	\$ 472,491,800	\$ 495,406,200	\$ 22,914,400	4.8%
Rate Revenue Requirement by Fund				
Water Fund Rate Revenue Requirement	\$ 132,829,100	\$ 140,140,100	\$ 7,311,000	5.5%
Sewer Fund Rate Revenue Requirement	339,662,700	355,266,100	15,603,400	4.6%
Total Rate Revenue Requirement by Fund	\$ 472,491,800	\$ 495,406,200	\$ 22,914,400	4.8%
Rate Revenue Requirement				
Total Revenue Requirement	\$ 495,421,400	\$ 521,313,800	\$ 25,892,400	5.2%
Less: Shared Services Revenue	(2,500,000)	(2,500,000)	-	-
Less: GLWA's share of Pension	(7,129,600)	(8,363,600)	(1,234,000)	17.3%
Less: IWC Charges	(1,600,000)	(1,600,000)	-	0.0%
Less: Non-Rate Revenue	(11,700,000)	(13,444,000)	(1,744,000)	14.9%
Total Rate Revenue Requirement	\$ 472,491,800	\$ 495,406,200	\$ 22,914,400	4.8%

- This chart breaks down Rate Revenue Requirement by revenue categories.
- Both Water and Sewer Fund Rate Revenue requirements are projected to increase by 5.5% and 4.6%, respectively with a System-wide increase of 4.8%.
- This increase in Rate Revenue Requirement is offset by the projected increase in Volume data for Water, Fireline, Sewer and Drainage.

Components of Rate Revenue Requirement



- This slide represents the share of each Rate Revenue source that is required to fund the Revenue Requirement.
- Commodity Charges make up 49% of total Rate Revenue Requirement.
- Service Charges make up 9%.
- Fireline Charges accounts for 1% of the Revenue Requirement.
- Drainage Charges make 41% of the total Rate Revenue Requirement.

Summary of Revenues and Expenses - Water Fund



Water & Sewerage
Department

Water Fund	Approved Budget FY 2025	Proposed Budget FY 2026	Change	% Change
Revenue Requirement				
Retail Revenue				
Commodity Sales	\$ 105,338,800	\$ 111,097,500	\$ 5,758,700	5.5%
Service Charges	25,352,100	26,750,500	1,398,400	5.5%
Firelines	2,138,200	2,292,100	153,900	7.2%
Permits, Penalties and Other Revenue	3,700,000	5,124,000	1,424,000	38.5%
Total Retail Revenue	\$ 136,529,100	\$ 145,264,100	\$ 8,735,000	6.4%
Non-Retail Revenue				
GLWA's Share of Legacy Costs	\$ 2,283,300	\$ 2,730,800	\$ 447,500	19.6%
Shared Services	1,177,500	1,177,500	-	0.0%
Total Non-Retail Revenue	\$ 3,460,800	\$ 3,908,300	\$ 447,500	12.9%
Total Revenue Requirement	\$ 139,989,900	\$ 149,172,400	\$ 9,182,500	6.6%
Revenue Requirement				
Departmental (Direct) Expense				
Administration	\$ 835,900	\$ 824,000	\$ (11,900)	-1.4%
Operations	26,710,000	28,666,100	1,956,100	7.3%
Compliance	13,572,100	14,822,400	1,250,300	9.2%
Finance	6,528,200	6,549,000	20,800	0.3%
Total Departmental (Direct) Expense	\$ 47,646,200	\$ 50,861,500	\$ 3,215,300	6.7%
Non-Departmental (Indirect) Expense	90,823,400	96,806,600	5,983,200	6.6%
Revenue Financed Capital	1,520,300	1,504,300	(16,000)	-1.1%
Total Revenue Requirement	\$ 139,989,900	\$ 149,172,400	\$ 9,182,500	6.6%



Summary of Revenues and Expenses - Sewer Fund

Sewer Fund	Approved Budget FY 2025	Proposed Budget FY 2026	Change	% Change
Revenue Requirement				
Retail Revenue				
Commodity Sales	\$ 127,647,000	\$ 133,510,800	\$ 5,863,800	4.6%
Service Charges	15,663,900	16,383,500	719,600	4.6%
Drainage Fees	196,351,800	205,371,800	9,020,000	4.6%
Permits, Penalties and Other Revenue	8,000,000	8,320,000	320,000	4.0%
Total Retail Revenue	\$ 347,662,700	\$ 363,586,100	\$ 15,923,400	4.6%
Non-Retail Revenue				
GLWA's Share of Legacy Costs	\$ 4,846,300	\$ 5,632,800	\$ 786,500	16.2%
IWC Charges	1,600,000	1,600,000	-	0.0%
Shared Services	1,322,500	1,322,500	-	0.0%
Total Non-Retail Revenue	\$ 7,768,800	\$ 8,555,300	\$ 786,500	10.1%
Total Revenue Requirement	\$ 355,431,500	\$ 372,141,400	\$ 16,709,900	4.7%
Revenue Requirement				
Departmental (Direct) Expense				
Administration	\$ 938,900	\$ 925,600	\$ (13,300)	-1.4%
Operations	28,786,200	30,595,400	1,809,200	6.3%
Compliance	19,758,600	20,683,000	924,400	4.7%
Finance	9,195,700	9,222,800	27,100	0.3%
Total Departmental (Direct) Expense	\$ 58,679,400	\$ 61,426,800	\$ 2,747,400	4.7%
Non-Departmental (Indirect) Expense	295,351,200	309,605,500	14,254,300	4.8%
Revenue Financed Capital	1,400,900	1,109,100	(291,800)	-20.8%
Total Revenue Requirement	\$ 355,431,500	\$ 372,141,400	\$ 16,709,900	4.7%

Combined Water and Sewer FTEs



Cost Center	Approved Budget FY 2025 FTE	Proposed Budget FY 2026 FTE	Increase (Decrease)
Operation & Maintenance (O&M)			
Chief Exec Officer	5	5	-
BOWC	1	1	-
Deputy Director	1	1	-
Facility Operation	16	16	-
Storm Water Management	28	28	-
Fleet Operation	22	22	-
Maintenance & Repairs	232	243	11
Meter Operation	63	74	11
General Counsel	9	7	(2)
Organization Development	18	17	(1)
Information Technology	38	38	-
Security	31	31	-
Public Affairs	6	8	2
Customer Service	96	96	-
Chief Financial Officer	3	3	-
Finance (Controller)	16	15	(1)
Procurement	26	26	-
Treasury	4	4	-
Budget	3	3	-
Billing & Collection	18	18	-
Internal Audit	2	2	-
Total for O&M	638	658	20
Improvement & Extension (I&E)			
Field Engineering	72	72	-
Lead Service	25	25	-
Total for I&E	97	97	-
Grand Total (O&M and I&E)	735	755	20

- FTEs increase by net 20 headcount for Operating budget and no change in the I&E Budget.
- Increase in FTEs is primarily in Operations Cost Centers.
- This strategy of increasing headcount for Operations is in keeping with DWSD's strategic initiative to enhance service levels and reduce backlog in service deliveries.

Summary of Volume & Rate Data - Water Fund



Water & Sewerage
Department

Water Fund	Approved Budget FY 2025	Proposed Budget FY 2026	Change	% Change
Volumetric Charges				
Units (Mcf)				
Tier 1 Volume (up to 0.6 Mcf)	851,000	867,400	16,400	1.9%
Tier 1 Volume Rate per Mcf	\$ 26.69	\$ 27.61	\$ 0.93	3.5%
Total Tier 1 Volumetric Charges	\$ 22,710,800	\$ 23,952,400	\$ 1,241,600	5.5%
Tier 2 Volume (> 0.6Mcf)	1,727,000	1,760,600	33,600	1.9%
Tier 2 Volume Rate per Mcf	\$ 47.84	\$ 49.50	\$ 1.65	3.5%
Total Tier 2 Volumetric Charges	\$ 82,628,000	\$ 87,145,100	\$ 4,517,100	5.5%
Total Volumetric Charges	\$ 105,338,800	\$ 111,097,500	\$ 5,758,700	5.5%
Services Charges				
Equivalent Units				
Customers (Meters)	193,200	198,000	4,800	2.5%
Service Line Equivalents	245,500	251,000	5,500	2.2%
Connections Equivalent	370,200	374,000	3,800	1.0%
Charges per Equivalent Unit per Month				
Customers (Meters)	\$ 3.04	\$ 3.13	\$ 0.09	3.0%
Service Line Equivalents	\$ 2.80	\$ 2.89	\$ 0.09	3.2%
Connections Equivalent	\$ 2.26	\$ 2.36	\$ 0.10	4.4%
Rate per 5/8" Equivalent Meter per Month	\$ 8.10	\$ 8.38	\$ 0.28	3.5%
Number of Months	12	12	12	
Total Service Charges	\$ 25,352,100	\$ 26,750,500	\$ 1,398,400	5.5%
Fireline Charges				
6" Equivalent Connections	2,057	2,170	113	0.05
Rate per 6" Equivalent Unit per Month	\$ 86.62	\$ 88.02	\$ 1.40	1.6%
Number of Months	12	12		
Total Fireline Charges	\$ 2,138,200	\$ 2,292,100	\$ 153,900	7.2%
Total Rate Revenue Requirement	\$ 132,829,100	\$ 140,140,100	\$ 7,311,000	5.5%

Summary of Volume & Rate Data - Sewer Fund



Water & Sewerage
Department

Sewer Fund	Approved Budget FY 2025	Proposed Budget FY 2026	Change	% Change
Volumetric Charges				
Units (Mcf)				
Residential Average Winter Usage	952,600	962,900	10,300	1.1%
Non-Residential Volume	1,212,400	1,225,600	13,200	1.1%
Total Volume	2,165,000	2,188,500	23,500	1.1%
Sewer Volume Rate per Mcf	\$ 58.96	\$ 61.01	\$ 2.05	3.5%
Total Volumetric Charges	\$ 127,647,000	\$ 133,510,800	\$ 5,863,800	4.6%
Service Charges				
Equivalent Units				
Customers (Meters)	193,000	195,300	2,300	0.01
Meter & Service Lines	193,200	195,300	2,100	0.01
Charges per Equivalent Unit per Month				
Customers (Meters)	\$ 3.17	\$ 3.27	\$ 0.10	3.2%
Service Line Equivalents	\$ 3.59	\$ 3.72	\$ 0.13	3.6%
Rate per 5/8" Equivalent Meter per Month	\$ 6.76	\$ 6.99	\$ 0.23	3.4%
Number of Months	12	12	12	
Total Service Charges	\$ 15,663,900	\$ 16,383,500	\$ 719,600	4.6%
Drainage Charges				
Impervious Acres	26,100	27,000	900.00	3.4%
Rate per Impervious Acre per Month	\$ 718.06	\$ 742.88	\$ 24.82	3.5%
Number of Months	12	12		
Total Drainage Charges	\$ 224,896,400	\$ 240,693,100	\$ 15,796,700	7.0%
Credits	(28,544,600)	(35,321,300)	(6,776,700)	23.7%
Total Drainage Charges	\$ 196,351,800	\$ 205,371,800	\$ 9,020,000	4.6%
Total Rate Revenue Requirement	\$ 339,662,700	\$ 355,266,100	\$ 15,603,400	4.6%



Summary of Rates – Water and Sewer Funds

Water Fund	Approved Budget FY 2025	Proposed Budget FY 2026	Change	% Change
Proposed Rates				
Volumetric Rate per Mcf				
Tier 1 (upto 0.6 Mcf)	\$ 26.69	\$ 27.61	\$ 0.93	3.5%
Tier 2 (> 0.6Mcf)	\$ 47.84	\$ 49.50	\$ 1.65	3.5%
Service Rate/equivalent unit per month	\$ 8.10	\$ 8.38	\$ 0.28	3.5%
Fireline Rate/equivalent unit per month	\$ 86.62	\$ 88.02	\$ 1.40	1.6%
Sewer Fund	Approved Budget FY 2025	Proposed Budget FY 2026	Change	% Change
Proposed Rates				
Volumetric Rate per Mcf	\$ 58.96	\$ 61.01	\$ 2.05	3.5%
Service Rate/equivalent unit per month	\$ 6.76	\$ 6.99	\$ 0.23	3.4%
Drainage Rate per Billable acre per month	\$ 718.06	\$ 742.88	\$ 24.82	3.5%

- DWSD is proposing a 3.5% rate increase over the FY 2025 Rate for Water, Sewer and Drainage services to meet its Revenue Requirements.
- The 3.5% increase translates to \$0.93 increase per Mcf or per 7,480 gallons for Tier 1 customers and \$1,65 increase per Mcf or per 7,480 gallons for Tier 2 water customers.
- The 3.5% Sewer Volumetric rate increase translates to \$2.05 increase per Mcf or per 7,480 gallons.
- Service Rates increased by \$0.28 and \$0.23 per equivalent unit per month for Water and Sewer.
- The 3.5% Drainage Charge increase translates to an increase of \$24.82 per acre per month. Fireline Charges are projected to increase by \$1.40 per unit per month.

Schedule of Fees – Water and Sewer Funds



Service Type	Approved Fee FY 2025	Proposed Fee FY 2026
Water and /or Sewer Services Permit Plan Review Fees		
Residential Zoning*	Complimentary	\$150.00/ 1st Cycle; \$ 75.00/ Subsequent Cycles
Non-Residential Zoning		
*Four (4) Units or Less		\$700.00/ 1st Cycle; \$ 350.00/ Subsequent Cycles
Stop Box Replacement	\$1,500.00	\$2,000.00
Water Turn On/Off (Maintenance & Repair and Meter Operations)	\$45.00	\$45.00
Real Estate Closing Fee (Non-AMR Accounts Only)	\$45.00	\$45.00
Water Service Line Reconnection Permit Inspection	\$660.00	\$650.00
Sewer Permit Inspection (fee relative to scope of work) <i>Permit valid for one year from issue date</i>	\$650.00	\$650.00
Water Permit Inspection (fee relative to scope of work) <i>Permit valid for one year from issue date</i>	\$650.00	\$650.00
Demolitions		
Water line disconnection (<i>restoration not included*</i>)	\$1,000.00	\$1,000.00
Hydrant water use for residential demolition	\$450.00	\$450.00
Hydrant water use for commercial demolition	\$2,450.00	\$2,450.00
Stormwater Management Plan Review Fees		
Preliminary plan review, and initial review of plans and comment letter, as-built plan review, and an inspection of the as-built project	\$2,550.00	\$2,550.00
Additional plan reviews (per plan review beyond initial)	\$400.00	\$400.00
Additional inspections (per inspection beyond initial)	\$750.00	\$750.00
*Cost for restoration by DWSD will vary based on type of restoration required, estimate will be provided		
o Grass	Same as FY 26 for all 3	Up to \$500.00
o Sidewalk		Up to \$1,500.00
o Road		Up to \$15,000.00
Hydro excavation (NEW)	-	\$400.00



Schedule of Fees – Water and Sewer Funds

Penalty Type	Approved Fee FY 2025	Proposed Fee FY 2026
NSF (non-sufficient funds)	\$40.00	\$40.00
Missed Appointment (any type)	\$45.00	\$45.00
Illegal Turn-on		
1st Offense	\$250.00	\$250.00
2nd Offense	\$500.00	\$500.00
On the second offense, unless full payment of all fees is made or a payment plan is initiated, the service line will be disconnected, and an additional fee will be assessed.	\$660.00	\$660.00
Tampered/Cut Cable (AMR)		
1st Offense	\$50.00	\$50.00
2nd Offense	\$100.00	\$100.00
3rd Offense	\$150.00	\$150.00
Illegal dig Up or Illegal Water and/or Sewer Taps		
1st Offense	\$1,000.00	\$1,000.00
2nd Offense	\$3,000.00	\$3,000.00
3rd Offense	\$5,000.00	\$5,000.00
Meter Operations		
Damaged Meter Equipment		
Meter sizes 5/8" - 1"	\$165.00	\$165.00
Meter sizes 1.5" - 2"	\$675.00	\$675.00
Meter sizes 3" - 12"	\$2,435.00	\$2,435.00
Damaged AMR equipment (MIU)	\$180.00	\$180.00
Unrecovered Meter	Per unrecovered meter depreciation charge table	Per unrecovered meter depreciation charge table
Late Fee (assessed for each bill on previous ending balance)	5%	5%
Tampering with lock (if digging is necessary)	\$800.00	\$800.00

Customer Impact of FY 2026 Budget

These value-added benefits will occur through the proposed Budget:

- **Clean 600 miles of Sewer** to provide capacity to the current design standards -- clean entire system in a five-year cycle.
- **Inspect and clean 8,000 Catch Basins** to reduce street flooding.
- **Replace at least 3,500 Lead Service Lines – 8,000 lines if additional State and/or Federal funding is received** – with a goal to remove all lines within 10 years – nearly 12,000 have been replaced since 2018.
- **Paint 5,000 Fire Hydrants** which reduces corrosion.
- Complete the **Far West project's detention basins and sewers to remove 100 million gallons of rainwater and snowmelt annually** from the combined Sewer System and construct and complete design of several other stormwater projects.
- Continue to provide and procure resources to support Water Affordability through the **Lifeline Plan** and an effective payment plan through **EasyPay** to the benefit of our customers in keeping water services on while **improving the collection rate**.



Next Steps

- DWSD is seeking the Board of Water Commissioners' approval of the FY 2026 Final Proposed Operating Budget, the Rates and the Schedule of Fees for FY 2026.
- City of Detroit Council review of DWSD's FY 2026 Operating Budget, the Rates and the Schedule of Fees will be on March 21, 2025.
- FY 2026 Rates and the Schedule of Fees become effective on **July 1, 2025**.



THANK YOU!

Detroit Water & Sewerage Department

For more information visit: www.detroitmi.gov/dwsd

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