

BILL NO. 9886

ORDINANCE NO. 9886

AN ORDINANCE INCREASING WATER AND SEWER RATES.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MOBERLY, MISSOURI, TO-WIT:

SECTION ONE: The rising costs of repair, replacement, maintenance of aging infrastructure and operational needs have outpaced current city rates for water, sewer and tap fees.

SECTION TWO: City staff have estimated that existing rates for water and sewer must be increased by five per cent (5%) in order to keep pace with inflation.

SECTION THREE: City staff recommends an across the board increase of five per cent (5%) for all water and sewer rates beginning July 1, 2025 as follows:

Inside City Limits (per 100 gallons)

Water: \$0.82596

Sewer: \$1.21860

Contiguous to City Limits

Water: \$2.55221

Sewer: \$3.76547

Non-Contiguous to City Limits

Water: \$1.70147

Sewer \$2.51032

Base Fee Adjustments (Inside and Outside City Limits)

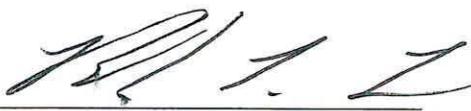
All base fees for water and sewer services increase by 5% across all meter sizes.

SECTION FOUR: The City Council hereby accepts the recommendation of city staff to increase all water and sewer rates by five per cent (5%) as described in Section Three.

SECTION FIVE: This Ordinance shall be in full force and effect from and after its passage and adoption by the Council of the City of Moberly, Missouri, and its signature by the officer presiding at the meeting at which it was passed and adopted.

PASSED AND ADOPTED by the Council of the City of Moberly, Missouri, this 19th day of May, 2025.

ATTEST:


Presiding Officer at Meeting

Shannon Hance
Shannon Hance, CMC/MRCC, City Clerk

In fall 2024, the City of Moberly completed a utility rate study to evaluate the financial health of its water and sewer systems. The study concluded that existing rates are not keeping pace with the revenue needed to support ongoing maintenance and infrastructure needs over the next decade.

Water rates have not been adjusted since July 2023. Staff are recommending a 5% rate adjustment for both water and sewer services to account for inflation. This recommendation is based on the Consumer Price Index (CPI) from the U.S. Bureau of Labor Statistics, which shows that \$1 in July 2023 is equivalent to \$1.05 today.

Although the cost of providing water and sewer services has risen by more than 5% over the past two years, the City has managed to absorb a portion of those increases through operational efficiencies and prudent financial management. This has limited the need to pass the full impact on to customers.

Estimated Customer Impact:

The average residential customer in Moberly uses approximately 2,741.99 gallons of water per month. Based on this usage, the proposed 5% adjustment would result in an estimated increase of \$3.62 per month on their bill.

Proposed Water & Sewer Rates Effective 07-01-2025

Inside City Limits - Rate per 100 gallons

	Current Rate	5%	New Rate	
Water	0.7866255	0.039331275	0.825956775	
Sewer	1.1605716	0.05802858	1.21860018	
			2.044556955	Total Rate

Contiguous to City Limits - Rate per 100 gallons

	Current Rate	5%	New Rate	
Water	2.4306729	0.121533645	2.552206545	
Sewer	3.5861661	0.179308305	3.765474405	
			6.31768095	Total Rate

Non-Contiguous to City Limits - Rate per 100 gallons

	Current Rate	5%	New Rate	
Water	1.6204486	0.08102243	1.70147103	
Sewer	2.3907774	0.11953887	2.51031627	
			4.2117873	Total Rate

Existing Base Fee Inside City Limits

Meter Size	Water	Sewer	Total
5/8" & 3/4"	\$9.00	\$10.00	\$19.00
1"	\$12.00	\$13.00	\$25.00
2"	\$25.00	\$26.00	\$51.00
3"	\$50.00	\$51.00	\$101.00
4"	\$100.00	\$101.00	\$201.00
6"	\$200.00	\$201.00	\$401.00

New Base Fee Inside City Limits

Meter Size	Water	Sewer	Total
5/8" & 3/4"	\$9.45	\$10.50	\$19.95
1"	\$12.60	\$13.65	\$26.25
2"	\$26.25	\$27.30	\$53.55
3"	\$52.50	\$53.55	\$106.05
4"	\$105.00	\$106.05	\$211.05
6"	\$210.00	\$211.05	\$421.05

Existing Base Fee Outside City Limits

Meter Size	Water	Sewer	Total
5/8" & 3/4"	\$18.00	\$20.00	\$38.00
1"	\$24.00	\$26.00	\$50.00
2"	\$50.00	\$52.00	\$102.00
3"	\$100.00	\$102.00	\$202.00
4"	\$200.00	\$202.00	\$402.00
6"	\$400.00	\$402.00	\$802.00

New Base Fee Outside City Limits

Meter Size	Water	Sewer	Total
5/8" & 3/4"	\$18.90	\$21.00	\$39.90
1"	\$25.20	\$27.30	\$52.50
2"	\$52.50	\$54.60	\$107.10
3"	\$105.00	\$107.10	\$212.10
4"	\$210.00	\$212.10	\$422.10
6"	\$420.00	\$422.10	\$842.10

City of Moberly City Council Agenda Summary

Agenda Number: #16
Department: Public Utilities
Date: May 19, 2025

Agenda Item: An Ordinance Increasing Water And Sewer Rates.

Summary: In Fall 2024, the City of Moberly completed a comprehensive utility rate study to assess the financial condition of the City's water and sewer systems. The study concluded that existing rates are not sufficient to support projected infrastructure maintenance and operational needs over the next ten years. To address inflationary cost increases and maintain long-term system sustainability, City staff recommend a 5% adjustment to both water and sewer rates, effective July 1, 2025. The proposed increase is based on the U.S. Bureau of Labor Statistics' Consumer Price Index (CPI), which indicates that \$1 in July 2023 is equivalent to approximately \$1.05 today. Despite operating cost increases exceeding 5% over the past two years, the City has absorbed part of the impact through operational efficiencies and sound financial management. This adjustment reflects only a portion of the actual cost growth and is aimed at keeping services financially stable without placing excessive burden on ratepayers.

Estimated Customer Impact:

The average residential customer, using approximately 2,741.99 gallons per month, would see an estimated increase of \$3.62 per month on their utility bill.

Proposed Rate Changes (Effective 07/01/2025):

Inside City Limits (per 100 gallons):

- Water: \$0.82596 (up from \$0.78663)
- Sewer: \$1.21860 (up from \$1.16057)

Contiguous to City Limits:

- Water: \$2.55221 (up from \$2.43067)
- Sewer: \$3.76547 (up from \$3.58617)

Non-Contiguous to City Limits:

- Water: \$1.70147 (up from \$1.62045)
- Sewer: \$2.51032 (up from \$2.39078)

Base Fee Adjustments (Inside and Outside City Limits):

All base fees for water and sewer services are also proposed to increase by 5% across all meter sizes.

Fiscal Impact:

This rate adjustment will help maintain financial health of the utility funds, support essential maintenance, and reduce reliance on reserves for operational costs.

Recommended Move to the May 19 regular council meeting where staff recommends
Action: approval of the proposed 5% adjustment to water and sewer rates, effective July 1, 2025.

Fund Name: Revenue Item, not Expenditure

Account Number: No Cost to the City

Available Budget \$: 0

ATTACHMENTS:		Roll Call	Aye	Nay
<input type="checkbox"/> Memo	<input type="checkbox"/> Council Minutes	Mayor		
<input type="checkbox"/> Staff Report	<input checked="" type="checkbox"/> Proposed Ordinance	M__ S__ Lucas	___	___
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Proposed Resolution			
<input type="checkbox"/> Bid Tabulation	<input type="checkbox"/> Attorney's Report	Council Member		
<input type="checkbox"/> P/C Recommendation	<input type="checkbox"/> Petition	M__ S__ Kimmons	___	___
<input type="checkbox"/> P/C Minutes	<input type="checkbox"/> Contract	M__ S__ McKeown	___	___
<input type="checkbox"/> Application	<input type="checkbox"/> Budget Amendment	M__ S__ Graff	___	___
<input type="checkbox"/> Citizen	<input type="checkbox"/> Legal Notice	M__ S__ Skubic	___	___
<input type="checkbox"/> Consultant Report	<input type="checkbox"/> Other _____		Passed	Failed