



September 30, 2026

To: Sam Anselm, City Administrator

From: Earlene Rich, Finance Director

Re: Utility Rates – Effective January 1, 2027

Executive Summary

The Finance Department, with the support of the Utility Department, recommends increasing the utility rates for electric, water, sewer, and sanitation effective January 1, 2027.

Discussion

Municipally owned utilities are funded by ratepayer charges and are not subsidized by tax revenues. Therefore, rates set for use of the utility should generate adequate annual revenue to pay the costs of operation, maintenance, replacement of existing infrastructure, reserves for future capital needs, and required debt obligations. The proposed utility rate increases were reviewed by Council during a work session on September 29 with discussion and comments addressed at that time.

The utility rates currently in effect for electric and sanitation were set at the beginning of the current fiscal year which was January 1, 2026. The rates currently in effect for water and sewer were set at the beginning of the previous fiscal year which was January 1, 2025.

The electric, water and sewer utility rate proposals are increasing 3% each and the sanitation utility rate proposal is an increase of 4%. The average household financial impact is estimated to be between \$5-7 per month depending on usage.

If utility rates are not approved, the current operating plan and capital improvement plan for the related utility will need to be revised. Operations will be impacted, but the extent of the impact would depend on the level of funding approved through rate increases.

Fiscal Impact

Recommended rate increases will be sufficient to fund current levels of operations and necessary investment in utility infrastructure.

BILL NO. 4837

ORDINANCE NO. _____

AN ORDINANCE INCREASING WATER RATES FOR CUSTOMERS OF THE CITY OF WEST PLAINS, MISSOURI.

WHEREAS, the City of West Plains has been providing water services to its citizens and charging a user fee therefor; and

WHEREAS, the current fee schedule was last revised in January 2025; and

WHEREAS, the City Council of West Plains desires to maintain user fees where revenues will cover operating expenses, overhead expense, and normal replacement costs; and

WHEREAS, the cost of providing water services to utility customers of the City of West Plains, Missouri, has continued to increase; and

WHEREAS, the City Council, in order to offset the increased costs, deems it necessary to increase the present rates to its customers; and

WHEREAS, the City of West Plains, Missouri has determined that fair and reasonable rates for water services are set forth in Sections 1, 2, and 3.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WEST PLAINS, MISSOURI AS FOLLOWS:

Section 1: That the City Council of the City of West Plains, Missouri does hereby authorize and ratify the increase of user fees, a true copy of said user fees being attached hereto and made a part of here as EXHIBIT A.

Section 2: That the minimum water rate shall continue to be charged to customers on the basis of water meter presence.

Section 3: That this Ordinance shall be in full force and effect from and after the date of its passage and approval with rates reflected on the January 2027 bill.

PASSED AND APPROVED THIS ____ DAY OF NOVEMBER 2026.

CITY OF WEST PLAINS, MISSOURI

BY: _____
MAYOR MICHAEL TOPLIFF

ATTEST:

CITY CLERK KELLIE MAYERS

EXHIBIT A

Water Rates		
	2026	2027
<u>Facility Charge (Treatment and Delivery)</u>		
<1"	\$ 16.16	\$ 16.64
1"-< 2"	\$ 33.66	\$ 34.67
>2"-4"≤	\$ 84.11	\$ 86.63
4">	\$ 244.60	\$ 251.94
<u>Usage Per 1,000 Gallon</u>		
>1,000	\$ 3.62	\$ 3.73
<u>Primacy Fee (MoDNR Mandate)</u>		
2027 Rates can be updated by MoDNR		
<1"	\$ 0.44	\$ 0.44
1"-< 2"	\$ 1.75	\$ 1.75
>2"-4"≤	\$ 8.50	\$ 8.50
4">	\$ 16.50	\$ 16.50