



CLACKAMAS

## WATER ENVIRONMENT SERVICES

# Budget in Brief

Fiscal Year 2025-26

## TOTAL BUDGET - \$247.6 Million

Clackamas Water Environment Services' (WES) proposed budget for the fiscal year (FY) 2025-26 reflects the resources needed to continue delivering essential services for nearly 200,000 residents, businesses, and other key stakeholders within our diverse service area.

### Mission: Why We're Here

Clackamas Water Environment Services produces clean water, protects water quality and recovers renewable resources. We do this by providing wastewater services, stormwater management, and environmental education. It's our job to protect public health and support the vitality of our communities, natural environment, and economy.

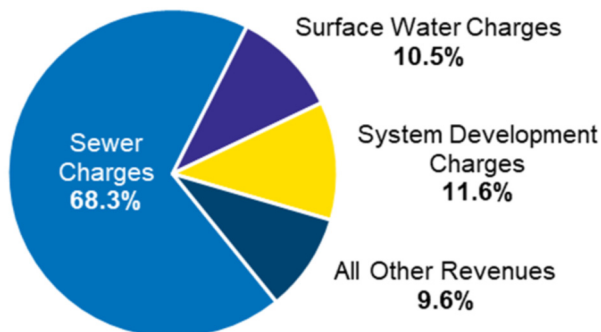
### Vision: Where We Are Going

Be a collaborative partner in building a resilient clean water future where all people benefit and rivers thrive.

Kellogg Creek Water Resource Recovery Facility  
Milwaukie, Oregon

## Budgeted Revenue- \$69.3 Million

In FY 2025-26, WES' budgeted revenue comes from:



## How WES is Funded

WES is 100% funded by our customers. Monthly sewer and surface water rates, along with system development charges (SDCs) for new connections, fund the cost of operating, maintaining, and building WES' systems.

WES sets rates carefully to:

- Cover the day-to-day operating costs necessary to treat wastewater, manage stormwater, and protect water quality.
- Fund major capital projects to renew aging infrastructure and support growth.
- Repay debt for system improvements in a responsible, affordable manner.

## The Bottom Line: Household Impact

FY 2025-26 rate increases support growing operating and maintenance costs and provide funding for capital projects necessary to maintain safe, reliable infrastructure.

Proposed rate increases average \$1.25 per month, or \$15.00 annually, for most residential customers.

Even with these necessary increases, WES' monthly rates for wastewater and surface water remain below the average rates in the surrounding area.



## Proposed Rate Increases

Service	Proposed Rate	Existing Rate	Change	Area Average <sup>2</sup>
Wastewater <sup>1</sup>	\$ 54.40	\$ 53.60	\$ 0.80 (1.5%)	\$ 60.89
Surface Water	\$ 9.55	\$ 9.10	\$ 0.45 (4.9%)	\$ 16.04
<b>Total Monthly Bill</b>	<b>\$ 63.95</b>	<b>\$ 62.70</b>	<b>\$ 1.25 (2.0%)</b>	<b>\$ 76.93</b>

<sup>1</sup> Wastewater rate reflects Rate Zone 2 retail rate, which includes wastewater treatment, local collection, and legacy debt rate components

<sup>2</sup> Area Average rates reflect rates as of January 1, 2025

# What does WES' Budget Support?

## Budgeted Expenditures - \$101.2 Million

Budgeted expenditures include investments in capital infrastructure, operating costs, debt service, and other expenses.

Capital Infrastructure:  
\$51.5 M

Operating Costs:  
\$33.6 M

Debt Service:  
\$13.1 M

Other Expenses: \$3.0 M

## Capital Infrastructure: \$51.5 Million

The most significant annual expense for WES is infrastructure spending through the Capital Improvement Plan (CIP). The budget funds 25 distinct wastewater and stormwater capital projects, and 11 recurring capital programs that ensure service reliability and support future growth.

Key projects funded by the FY 2025-26 budget include:



Intertie 2 Pump Station Expansion  
and Force Main Project  
\$9.0 Million

Expanding capacity to ensure reliable  
sewer service



Tri-City Water Resource Recovery  
Facility Outfall Project  
\$5.5 Million

Building a new outfall to handle future  
peak wastewater flows



Three Creeks  
Water Quality Project  
\$3.8 Million

Restoring wetlands, floodplains and  
wildlife habitat



## Operating Costs: \$33.6 Million

Operating costs consist of all budgeted expenses incurred to provide sewer and surface water management services to meet customer needs and maintain WES' treatment and collection systems.

The budget funds a dedicated staff of 121 full-time positions to ensure our critical facilities operate around the clock to protect public health and the environment.



## Debt Service: \$13.1 Million

WES uses long-term financing to spread the cost of major capital projects over time, helping to keep rates predictable and affordable. Strong financial management has earned WES a **AAA credit rating**, the highest rating available.

## Other Expenses: \$3.0 Million

Other Expenses include special payments for city right-of-way (ROW) fees, good neighbor agreements, and a required federal arbitrage rebate payment.

## WES by the Numbers

- ◆ **Nearly 200,000** customers served across urban and rural communities
- ◆ **15+ million gallons** of wastewater treated each day
- ◆ **Over 600 miles** of sewer and stormwater pipes maintained
- ◆ 24/7 operations of **5 Water Resource Recovery Facilities** and **23 Pump Stations**

## Get Involved

WES' Budget Committee will meet on May 27, 2025 to review the proposed budget. The Board will consider WES' budget and rates for adoption in June. Visit [www.clackamas.us/budget](http://www.clackamas.us/budget) for additional details.

## Clackamas Water Environment Services

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[clackamas.us/wes](http://clackamas.us/wes)