

**PETERSBURG BOROUGH
ORDINANCE #2026-11**

**AN ORDINANCE UPDATING CHAPTER 14.08 OF THE MUNICIPAL CODE,
ENTITLED "SEWER UTILITY"**

WHEREAS, the annual rate review of the Borough Sewer Utility, utilizing the Waterworth rate review software, identified the need for greater-than-anticipated rate increases for FY2027 through FY2030 to address rising costs and expenses and future capital projects.

THEREFORE, THE PETERSBURG BOROUGH ORDAINS, Section 14.08.320A of Chapter 14.08 of the Petersburg Municipal Code, entitled Sewer Utility, is hereby amended as follows:

Section 1. Classification: This ordinance is of a general and permanent nature and shall be codified in the Petersburg Municipal Code.

Section 2. Purpose: The purpose of this ordinance is to update the rates for FY2027, FY2028, FY2029 and FY2030 for sewer utility service set out in Section 14.08.320A.

Section 3. Substantive Provisions: Section 14.08.320A of the Petersburg Borough Municipal Code is hereby amended as follows. The language proposed for addition is in blue and the language proposed for deletion is bracketed in red and struck through.

14.08.320 Sewer collection rates.

- A. The sewer utility rate shall apply to the owner of all houses, buildings or other structures designed or used for human occupancy, employment, recreation or other purpose provided that the public sewer is within 150 feet of the property line. The rate for the sewer utility shall be a minimum based on a unit fee predicated on the size of the water service, plus a water commodity charge as follows. In the event municipal water service is not connected, the monthly minimum for five-eighths inch service shall apply unless it is apparent to the borough that a larger amount of water is being used on the premises.

Sewer Utility Monthly Service Charge Rate Schedule

		FY2026 25% inc.	FY2027 {10% inc} 20% inc.	FY2028 10% inc.	FY2029 10% inc.	FY2030 10% inc.
Service Description	Size of Water Meter	Service Charge \$/mth	Service Charge \$/mth	Service Charge \$/mth	Service Charge \$/mth	Service Charge \$/mth
Residential	¾"	56.79	{62.47} 68.15	{68.71} 74.97	{75.58} 82.47	{83.14} 90.72
1" Sewer	1"	127.24	{139.96} 152.69	{153.96} 167.96	{169.35} 184.76	{186.29} 203.24
1½" Sewer	1½"	306.16	{336.78} 367.39	{370.46} 404.13	{407.50} 444.54	{448.25} 488.99
2" Sewer	2"	612.38	{673.61} 734.86	{740.97} 808.35	{815.07} 889.19	{896.58} 978.11
3" Sewer	3"	1,179.60	{1,297.56} 1,415.52	{1,427.32} 1,557.07	{1,570.05} 1,712.78	{1,727.05} 1,884.06
6" Sewer	6"	3,080.80	{3,388.88} 3,696.96	{3,727.77} 4,066.66	{4,100.54} 4,473.33	{4,510.60} 4,920.66

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Industrial Sewer		743.06	{817.37} 891.67	{899.11} 980.84	{989.02} 1,078.92	{1,087.92} 1,186.81
Sewer 3/Base Conspt	¾"	170.36	{187.40} 204.43	{206.14} 224.87	{226.75} 247.36	{249.43} 272.10
DBL Base+Conspt/Res	¾"	113.58	{124.93} 136.30	{137.43} 149.93	{151.17} 164.92	{166.29} 181.41
Sewer Conspt-Res	¾"	0.00	0.00	0.00	0.00	0.00
Sewer Base	¾"	56.79	{62.47} 68.15	{68.71} 74.97	{75.58} 82.47	{83.14} 90.72
Sewer Conspt-Com		0.00	0.00	0.00	0.00	0.00
Sewer-Condos		511.09	{562.20} 613.31	{618.42} 674.64	{680.26} 742.10	{748.28} 816.31
Sewer 3xBase +Conspt		170.36	{187.40} 204.43	{206.14} 224.87	{226.75} 247.36	{249.43} 272.10
Housing Apartments	¾"	340.73	{374.80} 408.88	{412.28} 449.77	{453.50} 494.75	{498.86} 544.23
Commercial Swr Base		127.24	{139.96} 152.69	{153.96} 167.96	{169.35} 184.76	{186.29} 203.24
Half Chg Senior Cit	¾"	28.40	{31.24} 34.08	{34.36} 37.49	{37.79} 41.24	{41.57} 45.36

Sewer Utility Commodity Charge Rate Schedule

		FY2026 25% inc.	FY2027 {10% inc.} 20% inc.	FY2028 10% inc.	FY2029 10% inc.	FY2030 10% inc.
Service Description	Size of Water Meter	\$/Kgal	\$/Kgal	\$/Kgal	\$/Kgal	\$/Kgal
All service levels	All	1.44	{1.58} 1.73	{1.74} 1.90	{1.91} 2.09	{2.10} 2.30

The commodity charge is billed from the rate schedule as presented in this chapter, for each unit. A unit shall be each separate residence, house, trailer, apartment, commercial or industrial premises, public restroom or any structure designed or used for dwelling or business purposes.

B. Fees for sewer services and administration shall be as follows:

Connect/reconnect fee. If water valve seals have been used to disconnect a private water system and facilitate the disconnection of sewer service, a \$30.00 fee shall be assessed when service is reconnected. When borough water service is being connected or reconnected, the connect fee for the water utility shall be billed but no connection fee for sewer shall apply.

Disconnect fee. In the event borough water service is disconnected to a unit, sewer service charges may be discontinued. If a unit is not served by borough water service, disconnection of the unit's water supply and installation of a borough valve seal on an accessible water control valve will meet the requirements for discontinuation of sewer charges. The borough shall bill the property owner the actual cost to discontinue the service. If borough seals are tampered with or broken before being removed by the borough in preparation to reconnect services, the property owner will be backbilled for all waived charges during the disconnection period.

Charges for Service. If Borough staff responds to a call for service and the cause of the problem is found to be located on private property, the property owner is responsible for all labor and equipment costs for repair of service.

New service fee:	
Four- or six-inch sewer line	\$150.00

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Eight-inch and larger sewer line	\$250.00
New service line installation:	Actual cost
Private sewage disposal:	\$4.00 per 100 gallons of liquid waste delivered to the wastewater treatment plant.
	\$50.00 per 55 gallon volume of waste containing at least ten percent solids by weight.
Vactor Service:	\$750.00 per load flat fee for septic tanks, outhouse or vault toilet pumping.
Portable toilet service:	\$300.00 flat fee for pumping of temporary, rented or privately-owned portable toilets.
Marine pumping: (Vessel pumps to Borough tanker)	\$800.00 flat fee per load. Responsibility for wastewater spills lies solely with vessel owner during pumping.
Camera Inspection Equipment:	An equipment fee of \$40.00 per hour is charged for pipeline inspection services on private sewer lines, with a 1 hour minimum. Actual personnel costs are charged in addition to the equipment fee.
Sewer Cleaning Equipment:	An equipment fee of \$40.00 per hour is charged for clearing of blockages on private property, with a 1 hour minimum. Actual personnel costs are charged in addition to the equipment fee.

- C. Nonresident rates and fees. Charges for all sewer services and fees for users outside Service Area 1 or the municipal limits shall be twice the Service Area 1 rate.
- D. Sewer rates and fees shall be reviewed annually by the sewer utility and finance departments and a recommendation made to the borough manager for the increase or decrease of rates as needed for the sound financial management of the sewer utility. The borough manager shall review the findings and present the recommendation to the borough assembly.
- E. Interest shall accrue on past due accounts: Maximum rate allowable by state law.

(Ord. No. 2018-07, § 3, 3-5-2018; Ord. No. 2022-06, § 3, 5-16-2022; Ord. No. 2023-06, § 3, 6-5-2023; Ord. No. 2025-09, § 3, 6-16-2025)

Section 4. Severability: If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected.

Section 5. Effective Date: This Ordinance shall become effective immediately upon final passage.

PASSED AND APPROVED by the Petersburg Borough Assembly, Petersburg, Alaska this 15th day of June 2026.

Robert Lynn, Mayor

ATTEST:

Rebecca Regula, Borough Clerk

Adopted:
Published
Effective:



PUBLIC WORKS DEPARTMENT

Memorandum

To: MAYOR LYNN AND BOROUGH ASSEMBLY

From: THOMAS RUMMEL, ASSISTANT PUBLIC WORKS DIRECTOR

Date: 05/18/2026

CC: STEVE GIESBRECHT, BOROUGH MANAGER

The Wastewater Treatment Utility is recommending a rate adjustment to maintain the long-term reliability, regulatory compliance, and financial sustainability of the Borough's wastewater system. The proposed increase is necessary to address rising operational costs, aging infrastructure, and increasing state and federal regulatory requirements impacting wastewater utilities throughout Alaska.

Over the past several years, the cost of operating and maintaining wastewater infrastructure has increased substantially. At the same time, the Environmental Protection Agency (EPA) and Alaska Department of Environmental Conservation (DEC) continue to implement increasingly stringent environmental compliance and reporting requirements which require additional monitoring, testing, engineering support, operational oversight, and long-term infrastructure planning.

In addition to regulatory pressures, much of the Borough's wastewater infrastructure is aging and will require significant repair and replacement in the coming years. Critical components including lift stations, piping, pumps, controls, and marine outfall infrastructure are approaching or have exceeded their intended service life. Deferred maintenance and escalating construction costs continue to increase the financial impact of these necessary capital improvement projects.

The proposed rate increase will help ensure the Borough can continue providing safe and reliable wastewater collection and treatment services while maintaining compliance with state and federal environmental regulations. Revenue generated through the adjustment will support ongoing operations and maintenance, future infrastructure replacement projects, and long-term utility system sustainability.

Even with the proposed increase, the Borough's wastewater rates remain generally comparable to similar Southeast Alaska communities facing many of the same operational and infrastructure challenges.

Staff respectfully recommends Assembly approval of the proposed wastewater rate adjustment to ensure continued safe, reliable, and compliant wastewater utility operations for the community.

Public Works Department

PO Box 329, Petersburg, AK 99833 – Phone (907) 772-4430 Fax (907) 772-4102

www.petersburgak.gov