



March 5, 2026

One Water FY 2027 Budget Presentation

BGIR Committee

Storm Water Services

Presentation to Budget, Governance and Intergovernmental Relations Committee

March 5, 2026



Committed to exceptional service every day.

What We Do

Serve the City of Charlotte by improving surface waters and conveying rainwater safely through well-maintained storm drainage systems

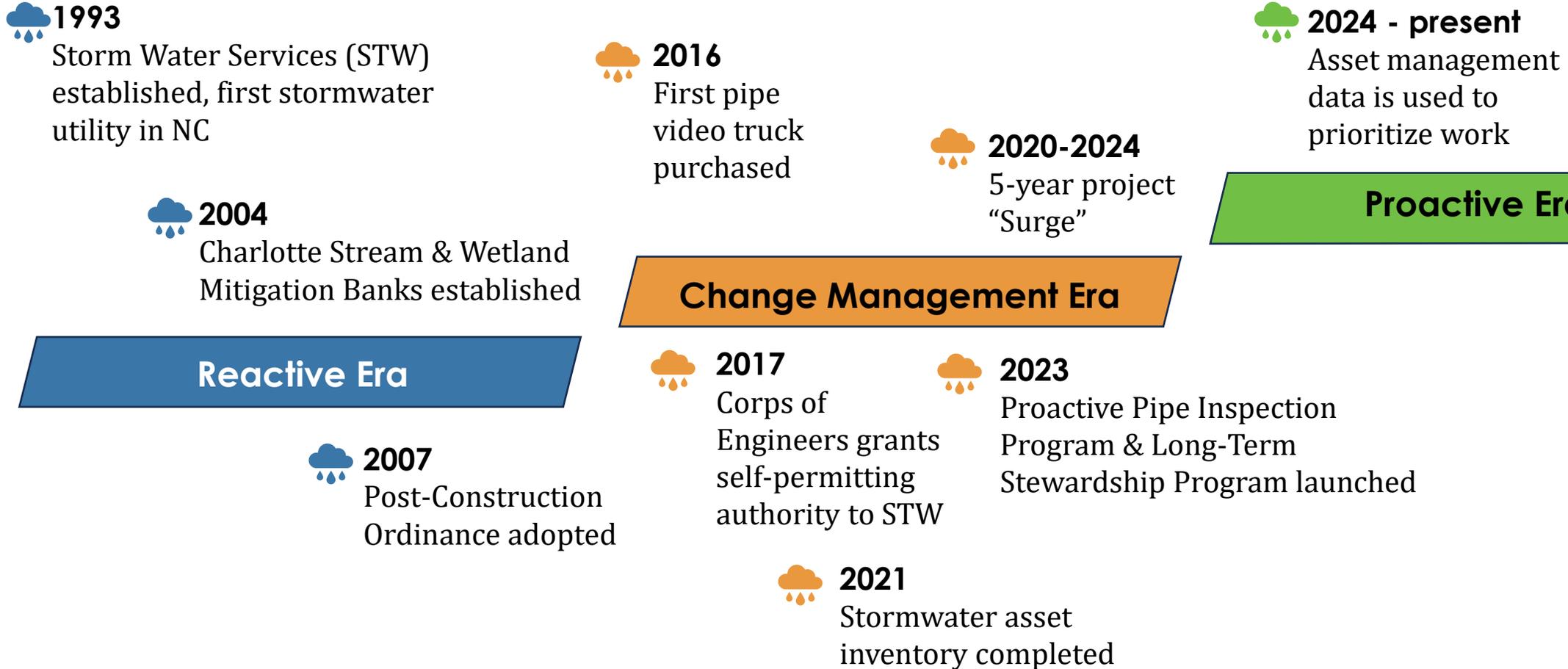


Ensure Adequate Public Drainage Infrastructure
(Water Quantity)



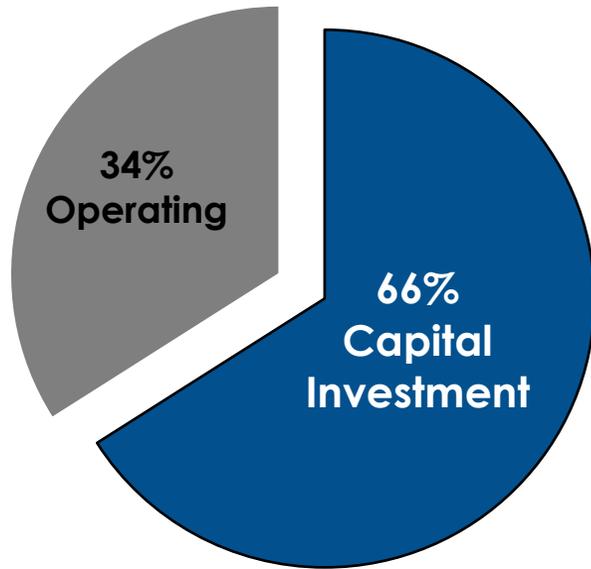
Protect Surface Waters / Federal Clean Water Act Compliance
(Water Quality)

Where We Are

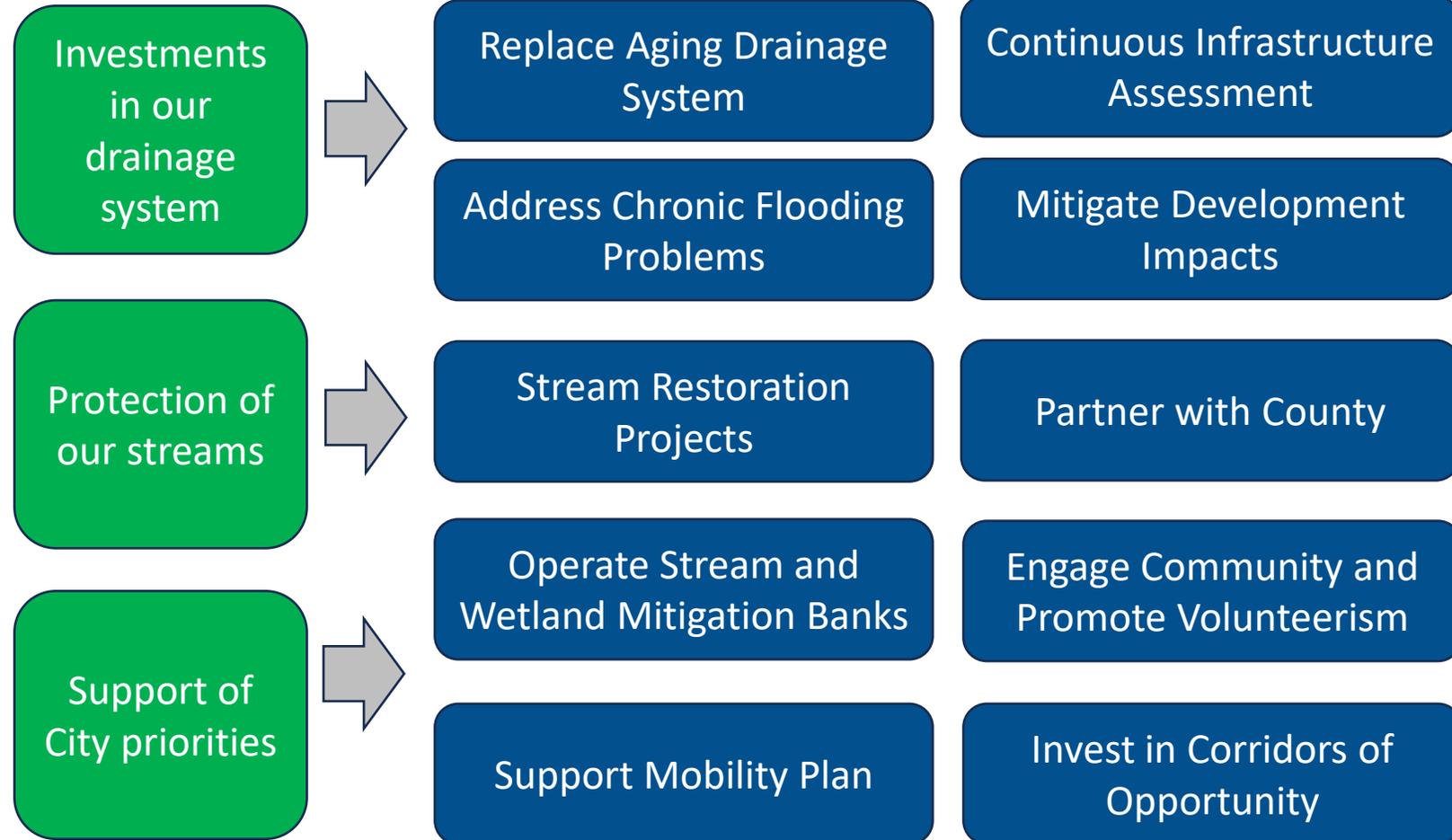


What's Proposed for FY2027?

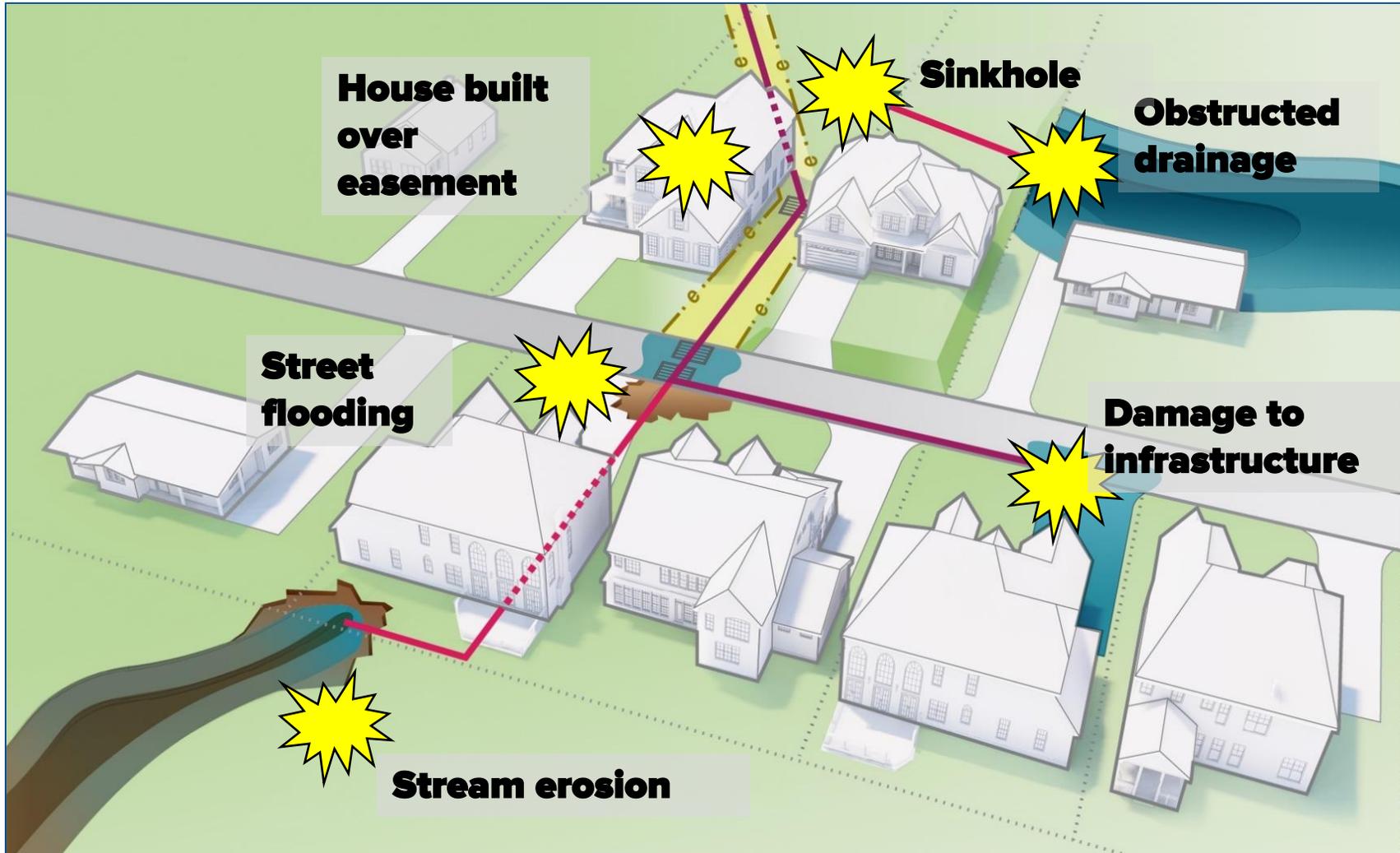
FY2027 Total Budget: \$137M



FY2027 – FY2031 5-Year CIP Budget: \$423M



Development Regulations Help Protect Property Owners



Drainage regulations seek to enable continued investment in homes while protecting existing property owners.



Planning for Financial Sustainability

- ✔ Support STW’s strategic priorities
- ✔ Meet all City finance requirements
- ✔ Sustain AAA ratings (Moody’s and S&P)
- ✔ Use sustained, moderate, annual fee increases to address inflation and system growth
- ✔ Preserve debt capacity for future

Fiscal Year	Actual/ Proposed*
2022	3.2%
2023	3.8%
2024	4.6%
2025	4.9%
2026	6.65%
2027	4.0 - 4.5%*

Stormwater Fee Increases by Year

A 4.5% increase is equivalent to \$0.72 or less per month for 90% of single-family rate payers

Discussion



FY 2027 Budget Presentation

Vision

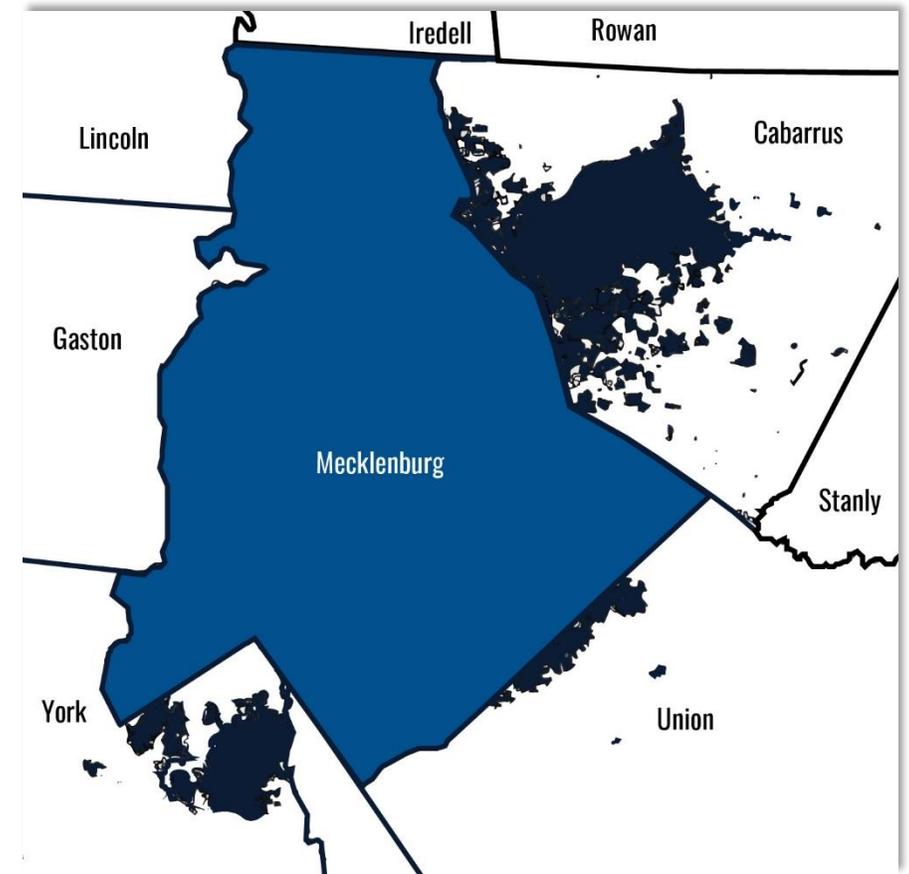
To be a leading utility, recognized for excellence, and dedicated to our people, community, region, and environment.

Mission

To consistently provide the highest quality water and wastewater services to our community

Regional Water and Sewer System

- ▶ **Regional water utility – 14 jurisdictions**
- ▶ **Water supply from Catawba River**
 - Lake Norman
 - Mt. Island Lake
- ▶ **Water Treatment - 3 plants**
 - 230 MGD permitted capacity
- ▶ **Pipelines - ~9,302 miles, 76 Lift Stations**
- ▶ **Wastewater Treatment - 6 plants**
 - 123.1 MGD design capacity



ECONOMIC IMPACT OF CHARLOTTE WATER ON THE REGIONAL ECONOMY

NOVEMBER 2025



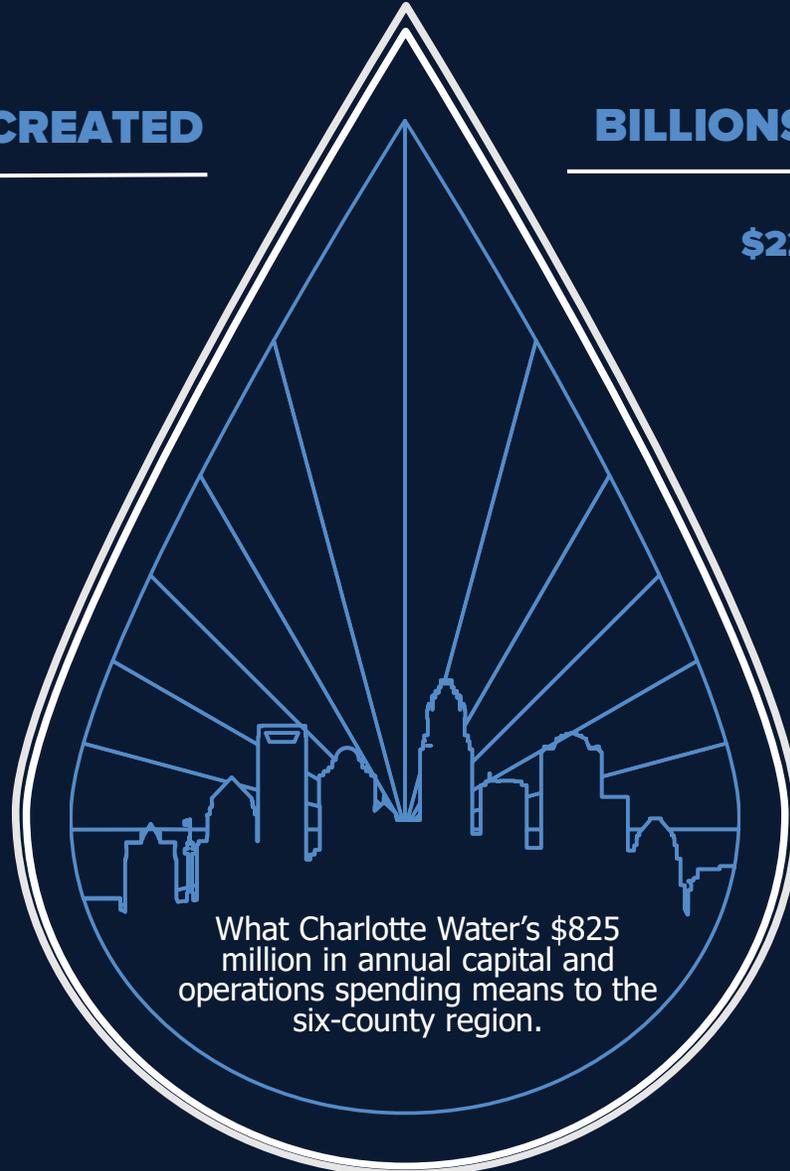
THOUSANDS OF JOBS CREATED

10 JOBS created for every **\$1 MILLION** spent

8,125 JOBS created from **\$825 MILLION** in O&M and capital spending in FY 2024

9,500 JOBS supported over the next **5 YEARS**

280,000 JOBS created in water-dependent industries in six-county region



What Charlotte Water's \$825 million in annual capital and operations spending means to the six-county region.

BILLIONS IN ECONOMIC OUTPUT

\$22 MILLION in growth for every **\$1 MILLION** spent

\$12.9 BILLION generated by Charlotte Water spending (last 10 years)

\$35.4 BILLION contributed to Mecklenburg County by water-dependent industries

\$51.4 BILLION contributed to six-county region by water-dependent industries



Charlotte Water's History of Apprenticeship & Career Training Academy Workforce Development Programs

- ▶ Created apprenticeship programs to develop a workforce skilled in much-needed entry-level positions. Expanded hiring roles through internships and co-ops.

FY21

FY22

FY23

FY24

FY25

88% Employed

86% Employed

85% Employed

74% Employed

74% Employed

9 Participants Hired
8 Participants Employed

22 Participants Hired
19 Participants Employed

20 Participants Hired
15 Participants Employed

31 Participants Hired
23 Participants Employed

41 Participants Hired
20 Participants Employed
30 In Program FY 25-26



Proposed Budgets

- ▶ **FY27-FY31 Capital Investment Program = \$2.57 Billion**
 - Investment in communities
 - Environmental enhancements
 - Regulatory compliance
 - Rehabilitation of existing assets
 - Increased capacity
- ▶ **FY 2027 Operating budget = \$682.6 Million**



Financial Plan

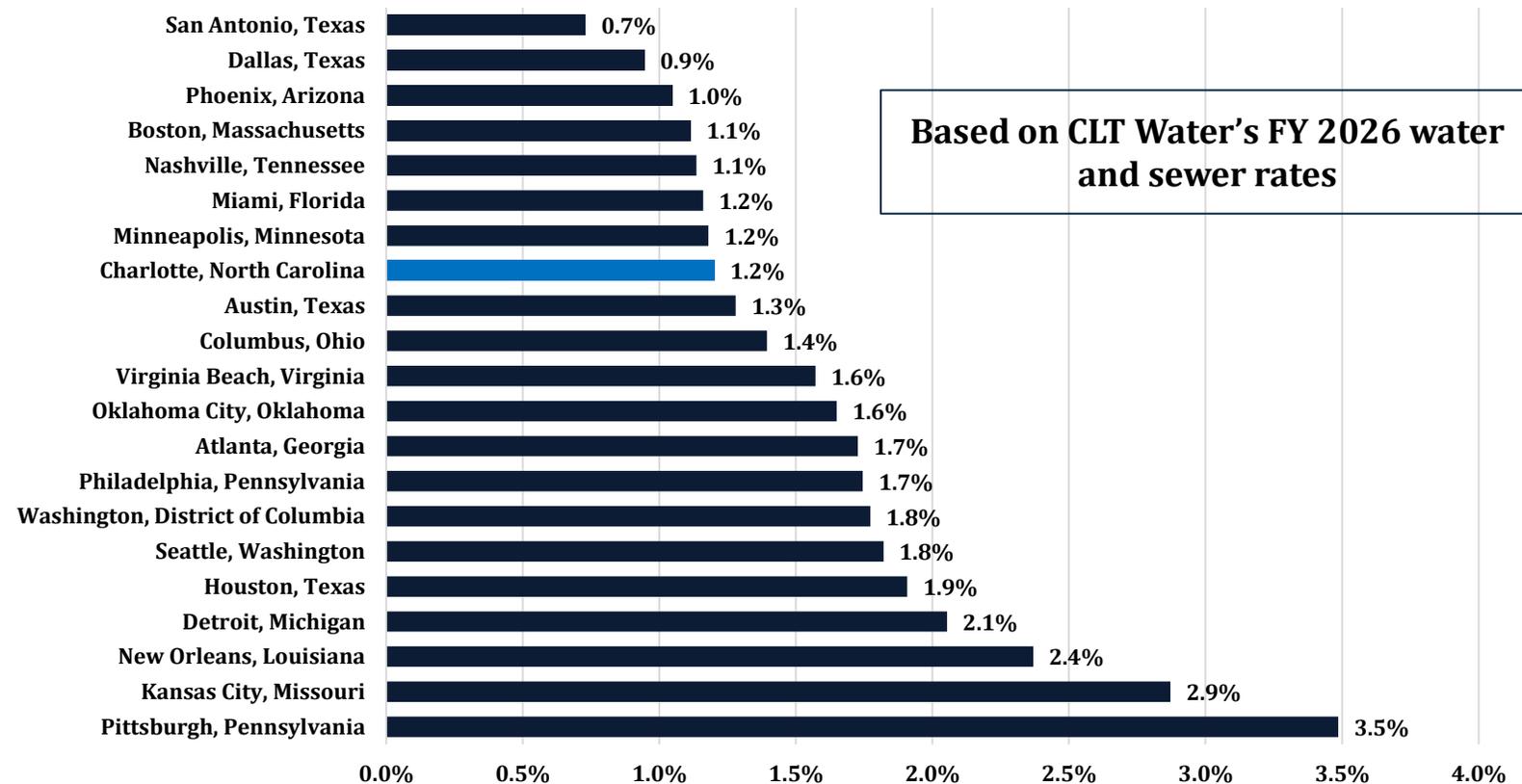
Fiscal Year	Adopted Rate Change	Projected Rate Change
2025	5.75%	-
2026	6.81%	-
2027	-	5.75%-7.00%
2028	-	5.75%-7.00%
2029	-	5.75%-7.00%

- ▶ **Supports regulatory requirements and strategic priorities**
- ▶ **Moderate annual fee increases to address Council priorities and system growth**
- ▶ **Ensure rate payer equity**
- ▶ **Sustain Aaa/AAA credit rating**
- ▶ **Meet financial targets and adhere to financial policies**

Affordability Comparison

▶ **Charlotte Water rates and affordability compare favorably to other large urban utilities**

Annual Residential Water & Sewer Bill (at 7 CCF/Mo)
as % of Median Household Income



Based on CLT Water's FY 2026 water and sewer rates

Source: Median Household Income from census.gov data.
Annual residential customer bill data from each utility's most recent rates and charges

Affordability Index

Assumptions	
Fiscal Year	2027
Family Size	4
% of Income	100%
AMI	\$112,200

Water & Wastewater Only (Potential Rate Increase Scenario of 7%)

Customer CCFs		1		2		3		4		5		6		7	
% of AMI	Income	Bill	Percent	Bill	Percent										
20.00%	\$22,440	\$411.29	1.83%	\$522.58	2.33%	\$633.87	2.82%	\$745.16	3.32%	\$864.07	3.85%	\$982.98	4.38%	\$1,101.89	4.91%
30.00%	\$33,660	\$411.29	1.22%	\$522.58	1.55%	\$633.87	1.88%	\$745.16	2.21%	\$864.07	2.57%	\$982.98	2.92%	\$1,101.89	3.27%
40.00%	\$44,880	\$411.29	0.92%	\$522.58	1.16%	\$633.87	1.41%	\$745.16	1.66%	\$864.07	1.93%	\$982.98	2.19%	\$1,101.89	2.46%
50.00%	\$56,100	\$411.29	0.73%	\$522.58	0.93%	\$633.87	1.13%	\$745.16	1.33%	\$864.07	1.54%	\$982.98	1.75%	\$1,101.89	1.96%
60.00%	\$67,320	\$411.29	0.61%	\$522.58	0.78%	\$633.87	0.94%	\$745.16	1.11%	\$864.07	1.28%	\$982.98	1.46%	\$1,101.89	1.64%
70.00%	\$78,540	\$411.29	0.52%	\$522.58	0.67%	\$633.87	0.81%	\$745.16	0.95%	\$864.07	1.10%	\$982.98	1.25%	\$1,101.89	1.40%
80.00%	\$89,760	\$411.29	0.46%	\$522.58	0.58%	\$633.87	0.71%	\$745.16	0.83%	\$864.07	0.96%	\$982.98	1.10%	\$1,101.89	1.23%
90.00%	\$100,980	\$411.29	0.41%	\$522.58	0.52%	\$633.87	0.63%	\$745.16	0.74%	\$864.07	0.86%	\$982.98	0.97%	\$1,101.89	1.09%
100.00%	\$112,200	\$411.29	0.37%	\$522.58	0.47%	\$633.87	0.56%	\$745.16	0.66%	\$864.07	0.77%	\$982.98	0.88%	\$1,101.89	0.98%

Note: Benchmarked against 2025 Income Limits as determined by Housing and Neighborhood Services. The results of this table are based on current assumptions should not be considered adopted.

Water Affordability Needs Assessment¹

EPA’s stated view on potable water—that it is affordable if it costs less than 2.5% of small community MHI—influences the perceived affordability of combined water and wastewater bills. Specifically, it is inferred that EPA would consider a combined annual water and wastewater bill of less than 4.5% of MHI to be affordable

¹ EPA-Water Affordability Needs Assessment (<https://www.epa.gov/waterfinancecenter/water-affordability-needs-assessment>)

Over \$536M Invested in Corridors of Opportunity

Beatties Ford/Rozzelles Ferry

Charlotte Water: 5 projects
 Storm Water: 34 projects
 Combined Capital Investment: \$78.3 M

Freedom/Wilkinson

Charlotte Water: 11 projects
 Storm Water: 86 projects
 Combined Capital Investment: \$82.6 M

West Boulevard

Charlotte Water: 6 projects
 Storm Water: 18 projects
 Combined Capital Investment: \$96.1 M

West Sugar Creek

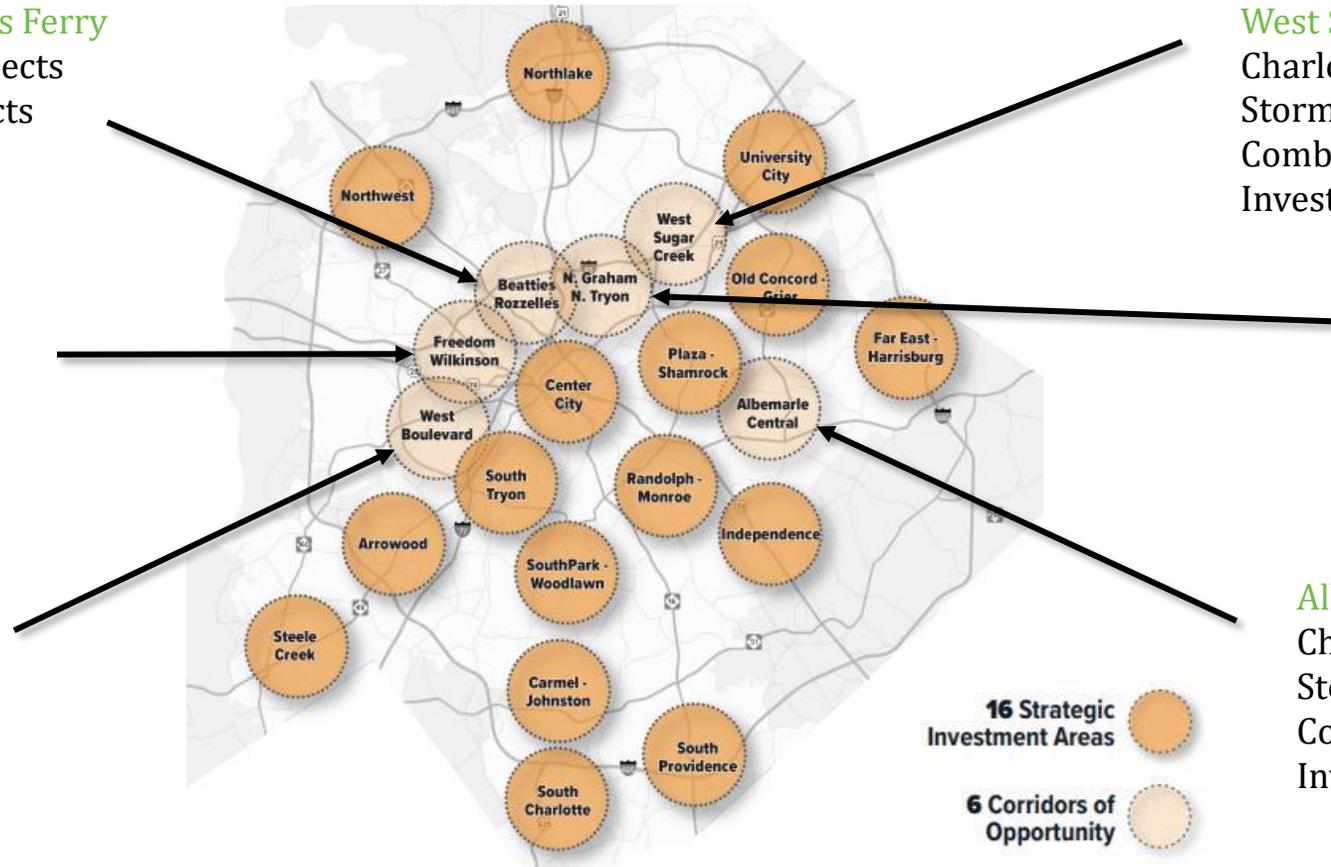
Charlotte Water: 9 projects
 Storm Water: 73 projects
 Combined Capital Investment: \$102.7 M

N. Graham/N. Tryon

Charlotte Water: 3 projects
 Storm Water: 29 projects
 Combined Capital Investment: \$48.1 M

Albemarle/Central

Charlotte Water: 4 projects
 Storm Water: 118 projects
 Combined Capital Investment: \$128.2 M



Storm Water Data includes projections through 2032

Discussion