

Understanding Your Utility Rates

A guide to new city billing rates and how we are investing in essential services.



City of Leavenworth

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cityofleavenworth.com/utility-rates

In January 2025, the City of Leavenworth (City) adjusted utility rates for water, wastewater, stormwater, and solid waste services. Guided by an in-depth study conducted by HDR Engineering, Inc., the Leavenworth City Council approved these changes to address aging infrastructure, rising operational costs, regulatory compliance requirements, and over \$85.9 million in critical capital improvements planned through 2031. The updated rate structure also introduces conservation-based tiered water pricing to protect our shared mountain water sources, the Icicle Creek and underground aquifers. For the average residential customer (4,000 gallons), this means a monthly bill increase from \$154.17 to \$167.45 in 2026—an investment in the long-term reliability and sustainability of our community’s essential utility systems.

Why are Leavenworth’s Utility Rates Increasing?



Aging Infrastructure

There have been over 80 documented water leaks since 2021. Underground pipes are nearing the end of their useful lifespan and need proactive replacement before costly emergency failures continue to occur.



Rising Operational Costs

Energy, chemicals, labor, materials, and equipment costs have all increased significantly.



Regulatory Compliance

Washington State Department of Ecology and Department of Health standards require ongoing investment.



Major Capital Projects

The ~\$85.9 million in water and sewer improvements planned for 2026-2031 require stable funding.



Conservation-Based Rate Redesign

New tiered water rates replace the 7,500-gallon allowance, rewarding conservation of our shared mountain water sources, Icicle Creek and underground aquifers.



The updates to the utility rate structure are designed to minimize the impact on customers while balancing rising operations costs, funding necessary capital improvements, and encouraging conservation practices.

— Leavenworth City Council, December 2024

Your City Utilities

When you turn on your faucet, flush your toilet, or watch rainwater flow into a street drain after a storm, you are interacting with one of the City’s utility systems.

Your utilities are not funded by property taxes.

Each utility operates as its own “enterprise fund,” meaning the money collected from your utility rates is the primary source of funding for operating, maintaining, and improving that system.



Water

Clean drinking water delivered to your tap from our mountain watershed

Managed by: City of Leavenworth



Stormwater

Rainwater and snowmelt managed to protect our waterways and prevent flooding

Managed by: City of Leavenworth



Wastewater

Used water from your home is safely treated and returned to the environment

Managed by: City of Leavenworth



Solid Waste

Garbage, recycle, compost, yard waste, and multifamily waste collection and disposal

Managed by: City of Leavenworth, Waste Management, and Winton Mfg.

What is an enterprise fund?

Think of each utility like a small business. It must bring in enough revenue to cover:

- Day-to-day operations and staffing
- Repairs and routine maintenance
- Future infrastructure upgrades
- Debt repayment on past projects
- State and federal compliance requirements
- Emergency reserves

When rates do not keep up with costs, the system runs a deficit and the infrastructure suffers.

Three Types of Water — Three Different Systems

Many residents are surprised to learn that “water” is three separate utility systems, serving different purposes, and maintained independently.

Drinking Water	Wastewater	Stormwater
Clean water in	Used water out	Rain and runoff
Treated water from the well field and Water Treatment Plant is delivered through pressurized pipes to your water meter, faucets, and taps.	Water collected from sinks, toilets, and showers is treated at the Water Resource Recovery Facility (wastewater plant) before release to the Wenatchee River.	Water that flows across streets, rooftops, and yards is conveyed to the Wenatchee River by a system of catch basins and storm drains.
Key Challenges: 80 documented leaks since 2021 - Poor water line pipe conditions - Storm-related reliability issues	Key Challenges: - Commercial St. sewer and lift station* - Systemwide updates needed - Combined sewer/storm systems	Key Challenges: - Climate-related flooding risks - Aging drainage capacity needs



Stormwater ≠ Wastewater

Most stormwater is NOT treated at the wastewater plant. When it rains, water flows across parking lots, streets, and yards—picking up oil, fertilizers, and pet waste—then flows directly into the Wenatchee River.

What you put in your yard goes to our waterways.

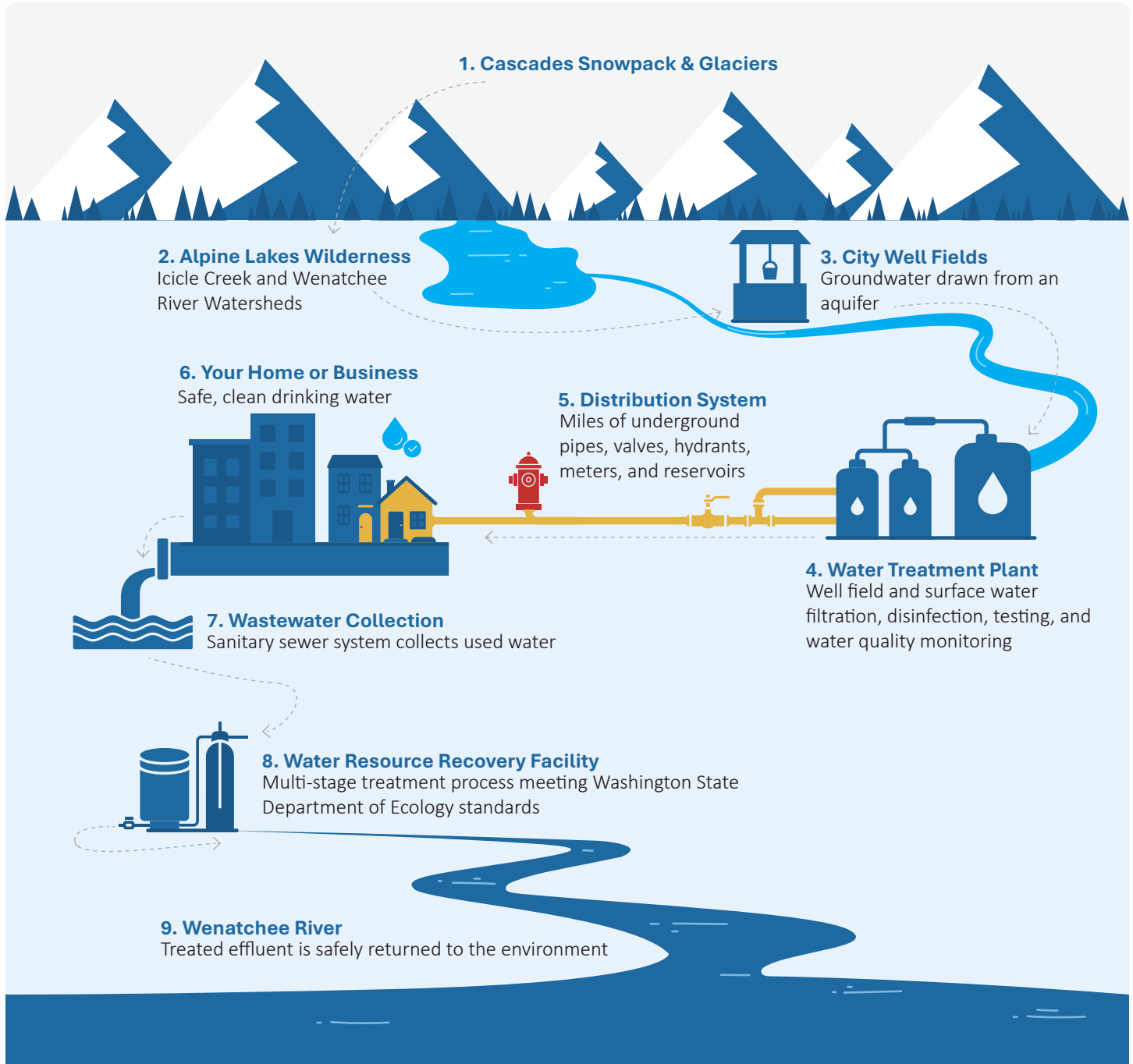
*Replacement needed

From Snowpack to Your Faucet: Leavenworth's Water Story

Leavenworth is fortunate. Nestled at the base of the Cascade Mountains, our community draws water from one of the most pristine mountain environments in Washington State.

Our water source includes groundwater drawn from well fields and surface water from Icicle Creek, fed by the snowpack and glaciers of the Alpine Lakes Wilderness. This water is naturally cold, clear, and remarkably clean.

Protecting this source matters. As climate change affects snowpack timing and volume, and as our regional population grows, maintaining our water infrastructure is not just about convenience; it is about ensuring Leavenworth has a reliable, safe water supply for generations to come.



Protecting Our Source Water

The Icicle Work Group is a regional collaborative of stakeholders, including the City of Leavenworth, that actively works to balance community water needs with the ecological health of Icicle Creek and its salmon habitat.

LEARN MORE



iciclestrategy.com

The Honest Truth: Our Infrastructure Needs Attention

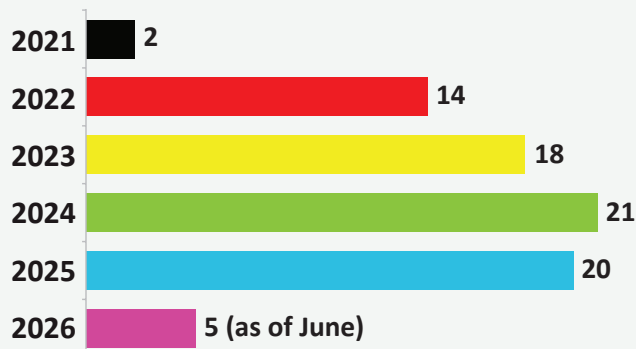
For many years, the City kept utility rates low. While a benefit to residents at the time, it meant that money was not always available to proactively maintain and replace aging infrastructure.

Underground utility systems are easy to ignore. You cannot see them. When they work, nobody thinks about them. But pipes, valves, and treatment systems don't last forever, and the data show our city systems need significant attention.



Documented Water Leaks by Year

Source: City of Leavenworth Water Leak Map, 2021–2026



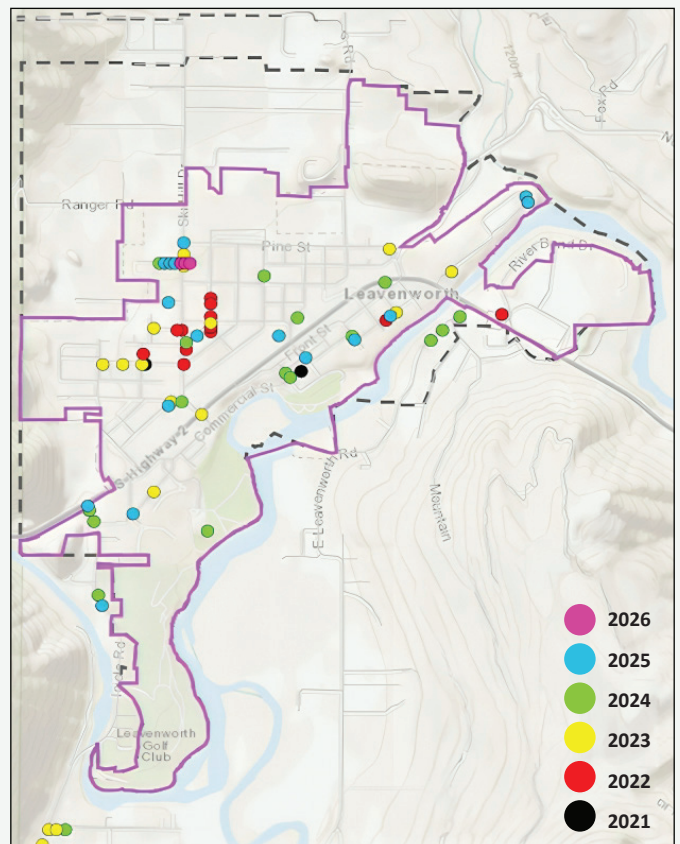
Total: 80 documented leaks

Proactive vs. Reactive Maintenance

Proactive upgrade: \$1.00

Reactive repair: \$3.00–\$5.00

Emergency repairs cost 3–5× more AND cause major disruption to roads, businesses, and residents.



LEGEND

— Leavenworth City Limits

— Leavenworth Urban Growth Area (UGA)

1. Pins are approximate and/or representative of the general locations for the documented leaks and repairs.
2. Pins identify known leaks and associated repairs and are not necessarily representative of all city-related water leaks and repairs throughout the past 5 years.

The State of Our Water Infrastructure

- Many underground utility lines are decades old and approaching or exceeding their useful lifespan.
- The City has identified multiple active leak sites throughout the distribution system (see Water Leak Map).
- Commercial Street's wastewater collection system requires significant sewer improvements—\$3 million in work is scheduled for 2027.
- Water main connections and upgrades are needed throughout the system.
- The water system needs backup generators to maintain reliability.



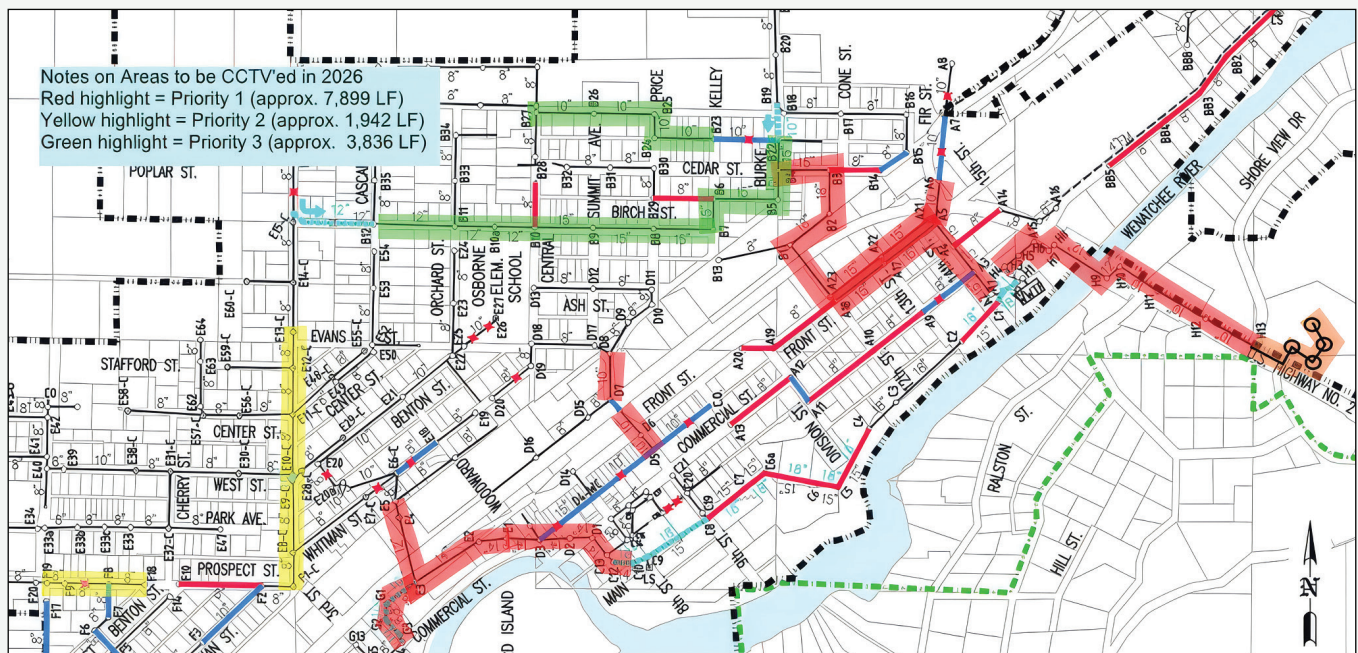
The “Swiss Cheese” Problem

Imagine an underground pipe that has been in service for 50 years. On the outside, everything looks fine. But inside, corrosion has slowly eaten away at the pipe walls, creating tiny holes and weak spots. Like Swiss cheese. These pipes do not fail dramatically all at once. They leak slowly, wasting thousands of gallons of treated water, and eventually fail at the worst possible moment, often under a paved road.

Looking Inside Our Sewer Pipes

The City uses **CCTV sewer inspection cameras** to look inside sewer pipes and catch problems before they occur. Inspections of existing sewer lines throughout the city help assess current conditions and to identify problematic areas that require attention.

This past spring, the City inspected over 14,700 linear feet of previously identified priority areas or pipe throughout city limits (see priority areas highlighted on map).



Source: Varela and Associates / Esvelt Environmental Engineering

Upgrades and Maintenance Require Significant Capital Investment

Upgrading our aging utility systems and keeping them reliable requires serious, sustained investment. The City's 2026–2031 Capital Improvement Plan outlines work that is essential to preventing failures, meeting state regulations, and ensuring safe, dependable service for residents and businesses for decades to come. From replacing deteriorating pipes to upgrading treatment facilities, these projects are funded directly by utility rates, meaning every bill paid contributes to the infrastructure that Leavenworth depends on every day.

Capital Improvement Summary

Source: City of Leavenworth 2026 Capital Improvement Plan

Total Capital Investment (2026–2031)



Water System
~\$47.9 million



Sanitary Sewer System
~\$37.5 million



Stormwater System
~\$485,000

Total: ~\$85.9 million

Capital Improvements – Your Money at Work

Dollars from rate increases do not just go into an account somewhere; they fund real projects that protect your water supply, prevent infrastructure failures, and keep Leavenworth's systems reliable.

UPCOMING UTILITY PROJECTS

Water

- Well field improvements
- Water Treatment Plant upgrades
- Distribution pipe replacement
- Generator and backup systems

Wastewater / Sanitary Sewer

- Commercial St. sewer replacement
- Pipe rehabilitation citywide

Stormwater

- Drainage capacity improvements
- Climate resilience upgrades
- Stormwater system plan update
- Pipe rehabilitation citywide

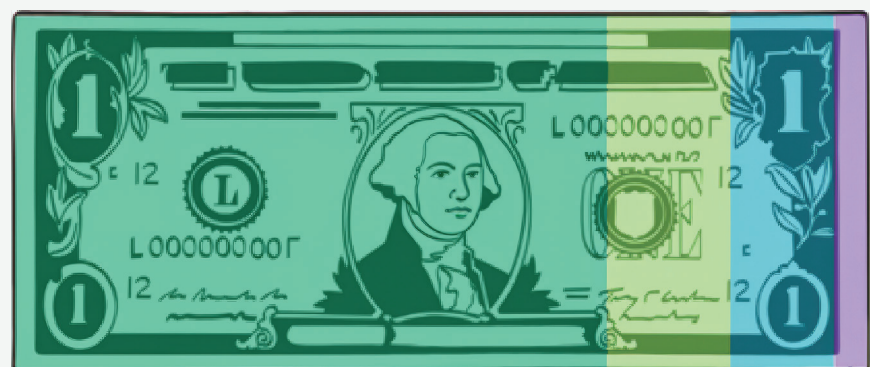
Every Dollar Has a Job

When you pay your utility bill, here is where your dollar goes. This is based on the 2025 budgets for residential utility rates, including water, wastewater, and stormwater.

The biggest takeaway: Nearly **two-thirds of every utility dollar** goes directly toward fixing, restoring, and improving the infrastructure that delivers safe water to your home, treats what goes down your drain, and manages the water that flows through our community.

Where does my utility dollar go?

CENTS PER \$1.00



\$0.66
Infrastructure
Restoration + Investment

\$0.17
System
Operations +
Maintenance

\$0.13
Safety +
Compliance
Reserves

\$0.04
Past
Project
Financing

Based on 2025 budgets for residential utility rates including water, wastewater, and stormwater.

A Transparent and Studied Process

In 2023, the City contracted with independent engineering firm HDR Engineering, Inc. (HDR), to conduct a comprehensive Utility Rate Study—a thorough, data-driven analysis of the true costs of operating, maintaining, and improving Leavenworth’s water, wastewater, stormwater, and solid waste systems.

The findings were clear: years of low rates, rising operational costs, and aging infrastructure have created a gap between what the City collects and what it needs to keep systems safe, reliable, and compliant.

Independent Consultants

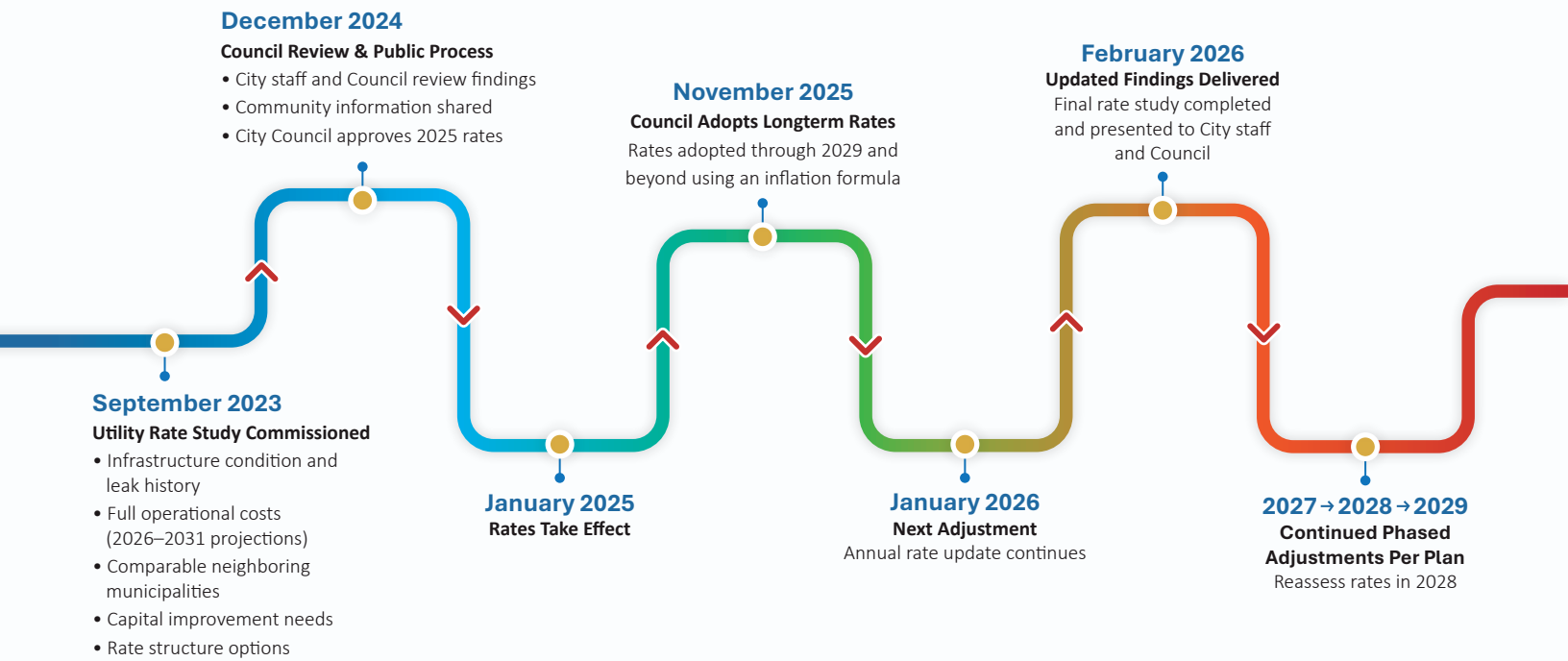
HDR conducted a comprehensive Utility Rate Study, analyzing all four utility systems

City Staff

Public Works, Finance, and Administration teams reviewed findings and brought options to the City Council

City Council

Elected representatives reviewed the study, held public discussions, and voted to adopt new rates

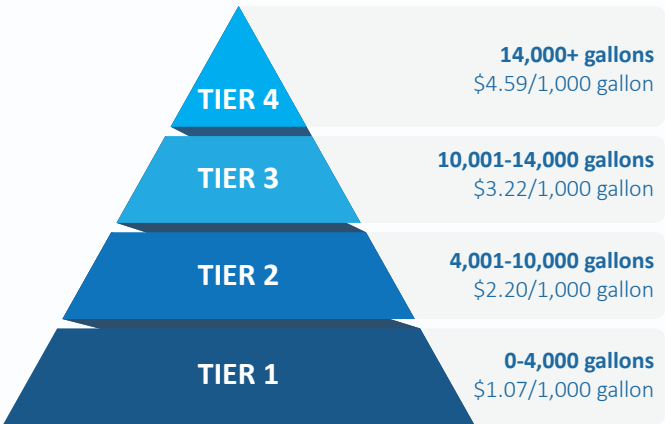


The new rate structure puts you in control. The less water you use, the less you pay, and the more you protect the watershed that provides Leavenworth’s clean, clear drinking water.

Old Structure vs. New Structure

Old – Before 2025	New – 2025 Forward
First 7,500 gallons included, regardless of actual usage	Billing starts at the first gallon, but the Tier 1 rate is very affordable
No incentive to conserve within the allowance	Every gallon saved = money saved on your bill
All rate payers effectively subsidize high users	Higher users pay proportionally - fair for all customers
No conservation signal sent to customers	Clear financial incentive to reduce water use

Use less, pay less



Based on 2026 rates

What the Rate Changes Mean for Your Monthly Bill

The rate increases are structured as **annual adjustments over five years** rather than a single large increase. This phased approach minimizes the impact on household budgets while ensuring the City can fund critical infrastructure.

Rate Adjustment Schedule

Year	Water	Sewer	Storm	Solid Waste
2025*	+18.0%	+12.0%	+2.0%	+3.0%
2026*	+15.0%	+12.0%	+2.0%	+3.0%
2027*	+15.0%	+12.0%	+2.0%	+3.0%
2028*	+15.0%	+12.0%	+2.0%	+3.0%
2029*	+3.0%	+6.0%	+2.0%	+3.0%

Percentages noted above are approximate averages for all customer classes within the utility.

* Approved rates

Typical Residential Monthly Utility Bill

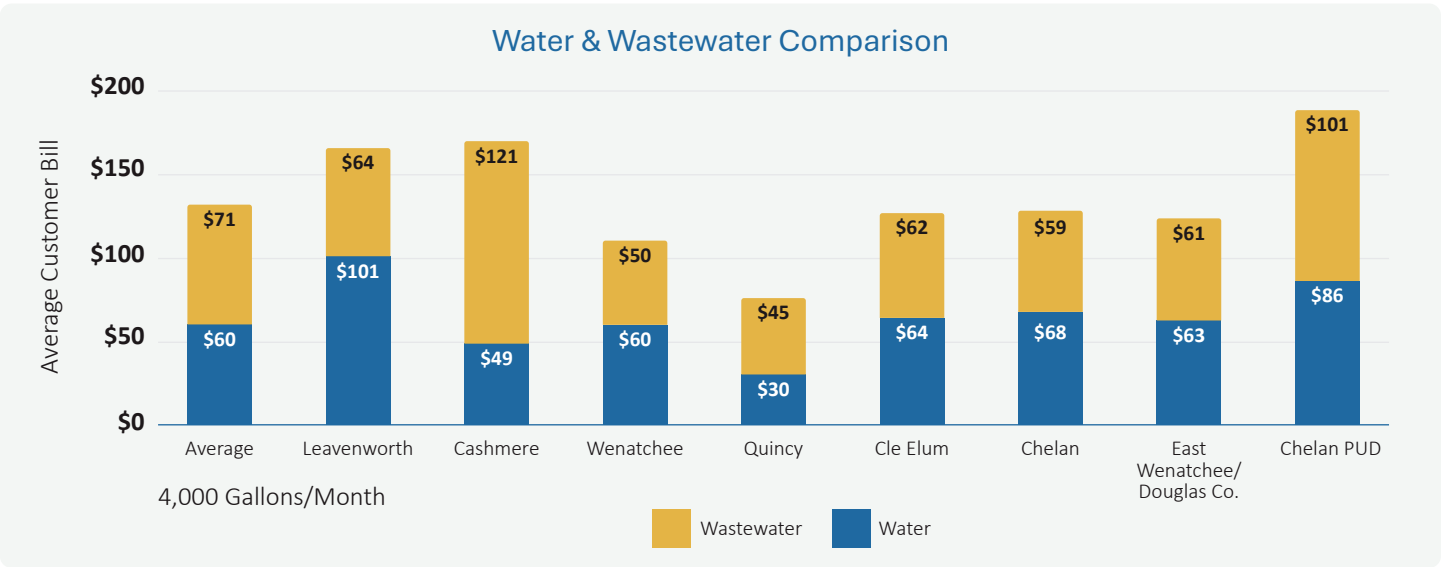
Average single-family home (4,000 gallons/month)

Year	Water	Sewer	Storm	Total	vs. Previous
2024	\$77.36	\$64.45	\$6.16	\$147.97	-
2025	\$83.44	\$64.45 (held)	\$6.28	\$154.17	+4.2%
2026	\$96.59	\$64.45 (held)	\$6.41	\$167.45	+8.6%
2027	\$110.92	\$68.64	\$6.54	\$186.10	+11.1%
2028	\$127.35	\$73.10	\$6.67	\$207.12	+11.3%
2029	\$130.97	\$77.49	\$6.80	\$215.26	+3.9%

NOTE: Residential sewer rates are held flat through 2026 based on the cost-of-service analysis. Increases begin in 2027 as costs realign.

How We Compare to Neighboring Communities

Despite rate increases, Leavenworth’s rates remain relatively competitive with regional peers, particularly given the significant infrastructure investments being made. Larger communities with more customers also drives costs down.



Conservation = Savings: How to Lower Your Bill

With Leavenworth's new tiered rate structure, every gallon you save is money back in your pocket. Here are practical, actionable tips for every household. Potential savings provided by the US EPA at epa.gov/watersense.

	SHOWERS • Reduce shower time by 2 minutes = saves ~10 gallons • Install a WaterSense low-flow shower head • Turn off the water while shampooing	POTENTIAL SAVINGS: Up to 2,700 gallons/year per person
	Toilets • Fix running toilets immediately (can waste 200+ gallons/day!) • Install a WaterSense-certified toilet • "If it's yellow, let it mellow."	POTENTIAL SAVINGS: Up to 13,000 gallons/year
	KITCHEN & LAUNDRY • Run dishwasher only when full • Thaw food in the refrigerator, not under running water • Keep a pitcher of water in the fridge (vs. running tap until cold) • Choose Energy Star appliances when replacing older models	POTENTIAL SAVINGS: Up to 5,000 gallons/year using a dishwasher cascadeclean.com
	WATER LEAKS • A dripping faucet: 3,000 gallons/year • A leaking toilet: up to 200 gallons/DAY • A leaking hose bib: up to 6,000 gallons/year • Check your meter for silent leaks (turn everything off, does the meter move?)	POTENTIAL SAVINGS: Significant, and you might not even know you have a leak! Smart meters can track your consumption.
	IRRIGATION • Water early morning (6–10 am) to reduce evaporation • Water deeply but infrequently to encourage deeper root growth • Install a smart/weather-based irrigation controller • Check sprinklers for broken heads and overspray • Use drip irrigation for gardens and shrubs • Grass needs only ~1 inch of water per week (including rainfall)	POTENTIAL SAVINGS: 30-50% of outdoor water use
	XERISCAPING Xeriscaping uses drought-tolerant plants, native species, and smart landscaping design to dramatically reduce outdoor water needs while creating a beautiful, low-maintenance yard. • Replace thirsty turf with native ground covers • Use mulch to retain soil moisture • Group plants by water needs • Choose plants native to the Cascade foothills that thrive in our climate naturally	POTENTIAL SAVINGS: Up to 60% less outdoor water use vs. traditional landscaping chelanpud.org/conservationhome/water-conservation/xeriscape

Conservation Resources

Washington State Department of Ecology - Water Conservation

State resources for residential and commercial water conservation programs

ecology.wa.gov

Chelan PUD - Conservation Programs

Regional resource for energy and water conservation rebates and tips

chelanpud.org/conservation

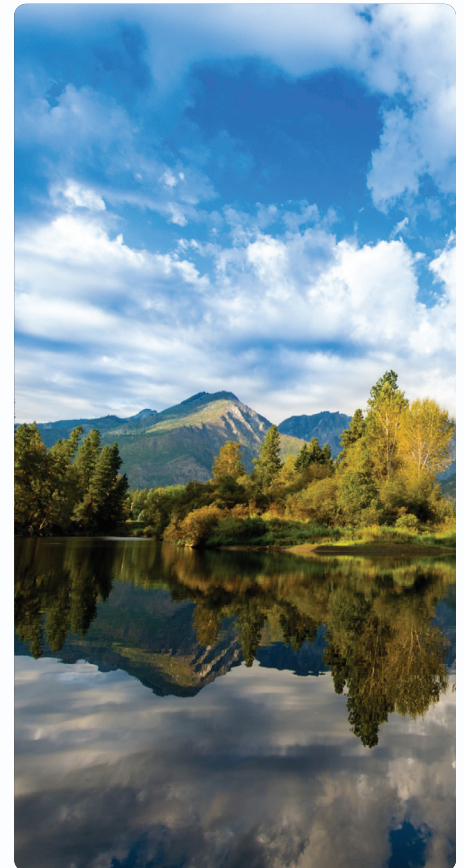
Icicle Work Group

Regional water stewardship collaborative

iciclestrategy.com

Native and Waterwise Plants

extension.wsu.edu/chelan-douglas/mg-home/gardening-resources/native-and-waterwise



WATER SMART GARDEN PROGRAM

Leavenworth participates in the Water Smart Garden Program, connecting residents with resources, plant guides, and demonstration gardens designed for our local climate. Residents can also receive financial support to replace thirsty lawns with beautiful, water-efficient landscaping.

LEARN MORE



iciclestrategy.com/projects/water-smart-gardens

Financial Assistance

We understand that utility rate increases can be challenging for households on fixed or limited incomes. Assistance programs exist, and we encourage eligible residents to apply.

The City offers reduced utility rates (water, sewer, garbage) for qualifying residents:

Low-income discount

- Age 62+ or permanently disabled
- Combined household income $\leq$ \$50,000/year
- Must reside in the home within city service area
- No other assets beyond primary residence

At or below poverty level

- Same eligibility criteria
- Income threshold: $\leq$ \$25,000/year

Contact City Hall to Apply

 (509) 548-5275 Option 4

 frontdesk@cityofleavenworth.com

Additional Resources

Chelan-Douglas Community Action Council

Assistance with utility bills and other essential household costs
cdcac.org

Chelan PUD Assistance Programs

Low-income electric bill assistance and weatherization support
Call 509-661-8002

Washington 2-1-1

Statewide resources connection service, available 24/7
Dial 2-1-1 or visit wa211.org

Upper Valley Mend

Water and electricity bill relief
Call 509-293-8062



Stay informed with Everbridge!

Sign up online or download the mobile app to receive city alerts on water outages, road closures, and more. To receive alerts from the City of Leavenworth:

- Log in with your Everbridge username and password (must create account first)
- Allow Everbridge to send push notifications
- Select "Find an organization or subscription"
- Search **Leavenworth-WA**
- Select **City of Leavenworth, WA**

