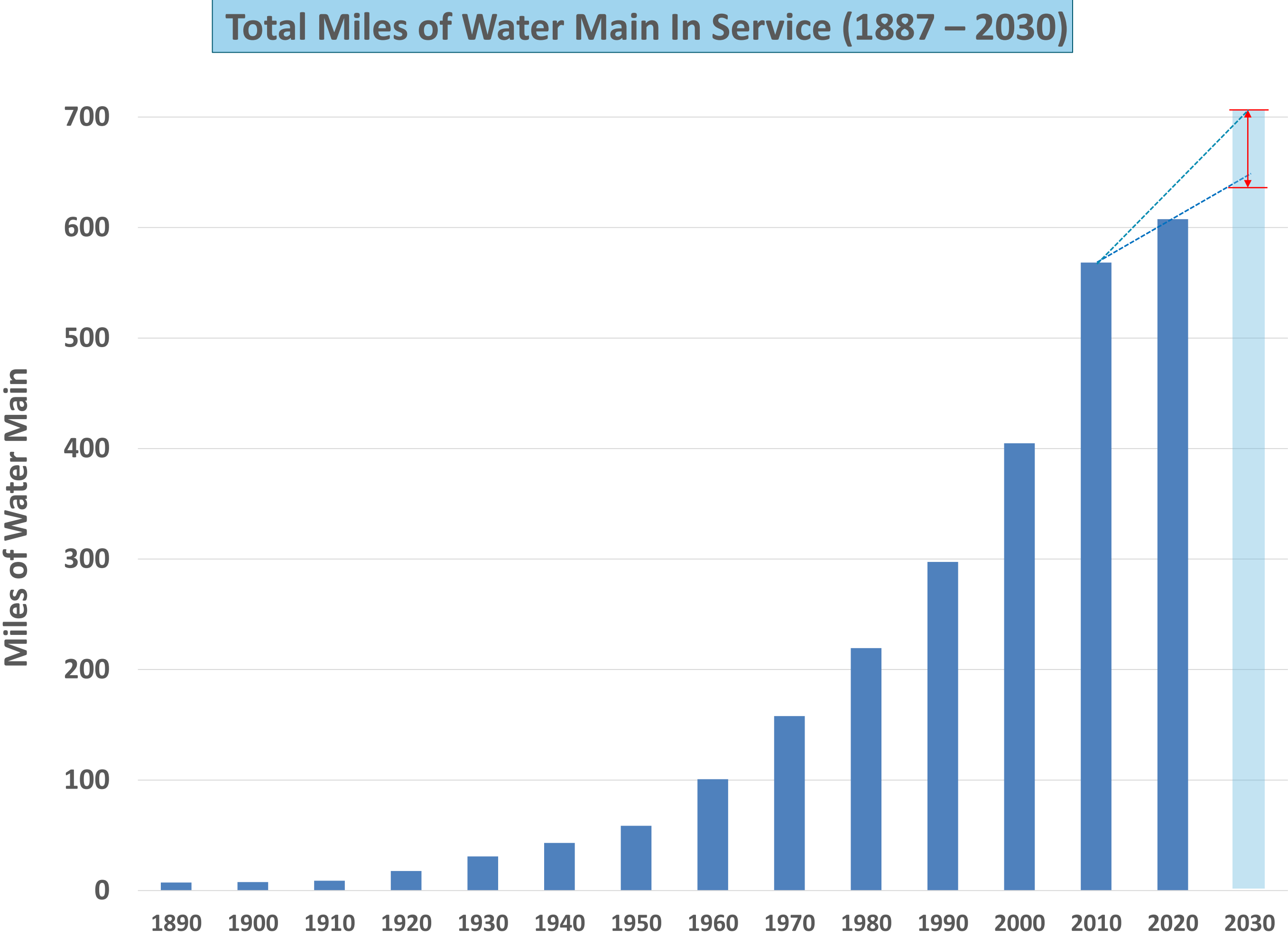


4.A. Budget Amendment for the 2025 Water Utility Budget Related to Water Main Oversizing Expenses

Rochester Public Utilities Board Meeting
November 25, 2025

Water Distribution System

Pipe Diameter	Percent of Total Miles
Distribution Mains	
2-inch Dia.	0.2%
4-inch Dia.	1.8%
6-inch Dia.	18.9%
8-inch Dia.	54.1%
Transmission Mains	
10-inch Dia.	0.6%
12-inch Dia.	23.1%
14-inch Dia.	0.2%
16-inch Dia.	0.9%
18-inch Dia.	0.0%
20-inch Dia.	0.1%
24-inch Dia.	0.1%



Water Main Oversizing Reimbursement

City Engineering Standards

*“Rochester Public Utilities will **reimburse the Owner/Developer the incremental cost** for constructing over-sized mains, valves and fittings **larger than eight (8) inches in diameter**” as directed by RPU to provide transmission capacity for the water distribution system.*

Five-year average length of 1,900 feet per year

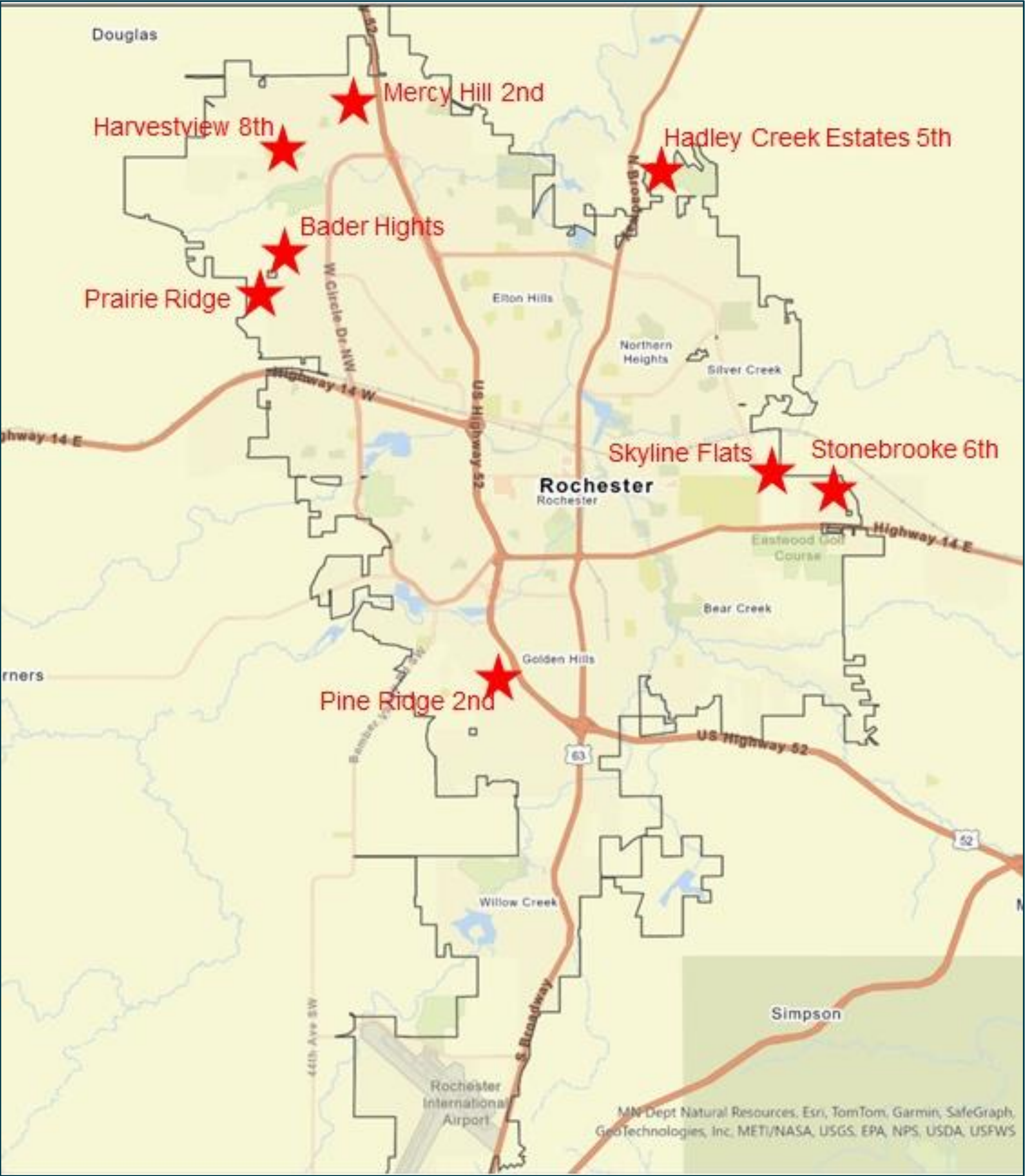
Budgeted capital expense of \$150,000 per year



2025 Water Main Oversizing

Project	12-inch Dia. Oversizing (Ft)	16-inch Dia. Oversizing (Ft)
Skyline Flats	1,700	-
Badger Heights NW	1,886	-
Hadley Creek Estates Fifth NE	863	-
Harvestview 8th Subd NW	227	-
Ponderosa Pine SW PH2	435	-
Prairie Ridge NW Extensions	1,620	2,330
Prairie Ridge NW Subd	881	3,536
Rochester Sand & Gravel Office	496	-
Stonebrook 6th SE	360	-
Total	8,468	5,866

Est. 2025 reimbursements total up to \$1,225,000
 (\$1,075,000 + \$150,000)



Water Infrastructure Funding Sources

1. **Water Utility Capital Funding:** annual capital budget from general utility rate revenue. For 2025, nearly all of the \$6,980,000 capital budget is encumbered for active projects.
2. **Water Availability Fee** (City Code 12-1-3a): Development charges on a per acre basis available to fund water storage facilities only. Current fund balance of \$2,541,000.
3. **Water Connection Charges** (City Code 12-1-3b): Charges levied on development parcels to recover expenses for infrastructure expansion projects. Current surplus fund balance of \$3,573,000 recovered from past capital investments.



Recommended Board Action

Adopt a resolution authorizing a 2025 budget amendment for the water utility to convert water main oversizing reimbursement costs up to \$1,075,000 from a water utility capital expense to a water connection charge expense for fiscal year 2025.

If approved, this budget amendment would be forwarded for City Council consideration on December 1, 2025.





Questions