Derrick Mostella

Mayor

Chrystal St. John City Clerk



P.O. Box 70 211 8th Street Ashville, AL 35953

Phone 205-594-4151 Fax 205-594-4292

ORDINANCE 2025-013

AN ORDINANCE OF THE CITY OF ASHVILLE, ALABMA INCREASING THE RATES AND CHARGES FOR THE USE AND SERVICES REDERED BY THE WATER AND SEWER DEPARTMENT OF THE CITY.

WHEREAS, the City of Ashville (the "City") has established, acquired, and financed its water/sewer infrastructure for the purpose of providing for the furnishing of drinking water and treating wastewater for the inhabitants in and around the City; and

WHEREAS, the City was reviewed by S&P Global Ratings in October 2025 and the report findings state that the credit rating was lowered from BBB+ to BBB- on the water and sewer warrants outstanding. The report also states that the rating action reflects S&P Global's view of the city's failure to raise rates for longer than previously anticipated, which they expect will yield insufficient debt service coverage.

WHEREAS, the City Council of Ashville, Alabama has not increased water and sewer rates since 2016; and

WHEREAS, the City Council of Ashville, Alabama finds and believes that the current rates and charges for the use of and services rendered by the water and sewer department do not produce sufficient revenues to pay all the legal and necessary expenses incident to the operation of water and sewer services, including but not limited to maintenance cost, operating charges, repairs, contract services, and bond payments or other obligations of the water and sewer department, and;

WHEREAS, the City Council of Ashville, Alabama finds that the rates and charges set forth herein are based upon the cost of providing service to the customers of the water and sewer departments and will enable the City to meet is legal revenue requirements for the water and sewer department; and

NOW THEREFORE, be it ordained by the City Council of Ashville, Alabama, as follows:

- **Section 1**: The revised schedule of rates and charges for the water and sewer services charged by the City attached as Exhibit A hereto and incorporated herein by reference is hereby approved and shall go into effect on the January 2026 billing period.
- Section 2. Minimum Rates for both water and sewer shall increase \$1.00 for years 2027 2029 and the rate per thousand shall increase at a rate of 5% each year hereafter.
- **Section 3.** All ordinances and parts of ordinances, and all provisions of the City of Ashville code in conflicted herewith are hereby repealed.

Section 4. The provisions of this ordinance are severable. If any part of the Ordinance is declared invalid or unconstitutional, the remainder of the Ordinance shall not be affected thereby but shall remain in full force and effect.

Section 5. This ordinance shall be in full force and effect from and after its passage and execution by the Mayor.

ADOPTED and **APPROVED** this the 17th day of November 2025.

CITY OF ASHVILLE, ALABAMA

Derrick Mostella, Mayor

ATTEST: Chuptul Stohn
Chrystal St. John, City Clerk

CERTIFICATION

I, the undersigned, City Clerk of the City of Ashville, Alabama, do hereby, certify that the above is a true and correct copy of an Ordinance duly adopted by the City Council at its meeting held on November 17, 2025, and as same appears of record in Minute Book of said City, and approved by the City Council on the 17th day of November 2025.

GIVEN UNDER MY HAND AND CORPORATE SEAL of the City of Ashville, Alabama, this 17th day of November 2025.

City Clerk St John

EXHIBIT A
City of Ashville Water & Sewer Rates
Effective January 1, 2026

	M	Water	sewer	/er
Customer Type	Monthly Minimum Charge first 2,000 gallons	Cost per 1,000 gallons above	Monthly Minimum Charge	Cost per 1,000 gallons @ 75%
Residential	\$25.00	\$5.00	\$15,00	\$5.00
Commercial*	\$50.00	\$5.00	\$15.00	\$5.00
Industrial*	\$100.00	\$5.00	\$15.00	\$5.00
Wholesale	\$100.00	\$5.00		
* Commercial custom	ers are defined as commercial acco	* Commercial customers are defined as commercial accounts with a 2 inch or smaller meter		

commercial customers are defined as commercial accounts with a 2 inch or smaller meter

^{**}Industrial customers are defined as commerical accounts with a meter larger than 2 inches