

FOR IMMEDIATE RELEASE

Helena Utility Board Announces Proposed Water and Wastewater Rate Adjustment to Address Years of Deferred Investment

Helena, Alabama – February 5, 2026 – The Helena Utility Board is announcing a proposed upcoming adjustment to water and wastewater rates that would take effect April 2026.

This adjustment is necessary to address infrastructure and financial challenges that have developed over many years due to prolonged underinvestment in the water and wastewater system.

A Legacy of Deferred Action

For an extended period, utility rates were not adjusted to reflect the true and rising cost of providing safe, reliable water and wastewater service. As a result, essential expenses, such as treatment chemicals, electricity, staffing, routine maintenance, and regulatory compliance, were funded without sufficient rate support.

At the same time, critical capital improvements were repeatedly deferred. These decisions reduced near-term costs but created a growing gap between system needs and available funding. That gap has now reached a point where immediate action is required.

The Cost of Delay

Water and wastewater systems rely on long-term planning and steady reinvestment. When rate increases are postponed for years at a time, the result is not avoidance of cost, but higher costs concentrated into shorter timeframes.

The system now faces:

- Aging pipelines, pump stations, and treatment facilities
- Increased risk of service interruptions and emergency repairs
- Higher long-term costs due to delayed replacement and maintenance
- Reduced financial flexibility to respond to unexpected failures.

Continuing to postpone necessary investment would increase the likelihood of system failures and even steeper rate adjustments in the future.

Why Action Is Required Now

The current rate adjustment allows the utility to begin correcting years of underfunding and to move toward a sustainable financial footing. Funds will be used exclusively for water and wastewater system needs, including:

- Replacing aging and failing infrastructure
- Upgrading treatment facilities to meet regulatory standards.
- Improving system reliability and resilience
- Reducing the risk of costly emergency repairs
- Ensuring safe drinking water and environmentally responsible wastewater treatment

Acknowledging Customer Impact

We recognize that for some customers, this proposed increase represents a significant percentage change from their current bill. The utility understands this concern and has worked to limit the adjustment to what is necessary to address immediate needs while beginning long-term recovery of the system.

Even with this adjustment, local rates remain in line with similar systems that have maintained regular reinvestment and financial planning.

A Commitment to Better Planning Going Forward

The Helena Utility Board is committed to breaking the cycle of deferred maintenance and delayed decision-making. Going forward, regular financial reviews and long-range capital planning will be used to promote smaller, more predictable adjustments, avoiding the sudden impacts caused by years of postponement.

Customer Engagement and Support

Customers with questions about the rate increase or who may need assistance are encouraged to contact Jefferey Nelson (Jnelson@cityofhelena.org). To learn more about the rate increase, an information session will be provided at Helena City Hall on February 12, 2026 at 4:00 PM CT.

The utility remains committed to serving the community with integrity, transparency, and a renewed focus on sustainability.