



2025 Utility Rates

The City’s Public Utilities System includes Water, Sanitary Sewer, and Storm Water Operations with more than 5,500 residential, industrial, and commercial accounts. The rates for operating these functions are comprehensive and include the evaluation of operating budgets, debt service, and capital projects. The City reviews these rates on an annual basis and conducts rate studies every few years to ensure that system revenues provide the resources necessary to operate.

The City Council, at their meeting on February 24, 2025, approved adjustments to the rates, and the changes will be reflected in the March 2025 billing statement from the City.

Water

The City is committed to providing water that meets current and future MN Department of Health guidelines and community expectations. Current projects underway include water filtration construction at two locations for improved water quality; identifying and drilling additional source water wells to meet growing demands; and extending watermains to ensure system resilience, water pressures, and water flow.

Water customers are charged a base rate depending on the size of the meter and are charged for usage based on the amount of water used for each billing cycle. Here is a comparison of rates for 2024 to 2025:

	2024	2025
Base Rate		
5/8" Meter	\$ 4.80	\$ 5.14
3/4" Meter	\$ 4.80	\$ 5.14
1.00" Meter	\$ 12.03	\$ 12.87
1.50" Meter	\$ 24.04	\$ 25.72
2.00" Meter	\$ 38.48	\$ 41.17
3.00" Meter	\$ 84.16	\$ 90.05
4.00" Meter	\$ 144.27	\$ 154.37
Residential & City Owned Consumption (per 1k)		
0 - 5,000 Gallons	\$ 2.66	\$ 2.85
5,000 - 15,000 Gallons	\$ 3.35	\$ 3.58
15,000 + Gallons	\$ 4.18	\$ 4.47
Commercial, Industrial & Institutional Consumption (per 1k)		
0 - 50,000 Gallons	\$ 2.66	\$ 2.85
50,000 + Gallons	\$ 3.35	\$ 3.58
Irrigation & Bulk Water Consumption (per 1k)		
All Usage	\$ 4.18	\$ 4.47

Sanitary Sewer

The City ensures wastewater treatment meets environmental standards set forth by the MN Pollution Control Agency. Current projects include treatment improvements and expansion of the West Wastewater Treatment Facility.

Sanitary Sewer customers are charged a base rate and are charged for usage based on the average of actual water usage during the months of December 2024, January 2025, and February 2025. Customers with no established water usage, primarily new construction, are charged a flat fee until three months of usage are defined. Here is a comparison of rates for 2024 to 2025:

	2024	2025
Base Rate		
Base Fee	\$ 17.41	\$ 17.76
Flat Fee	\$ 57.83	\$ 60.29
Consumption		
Per 1,000 Gallons of Water Usage	\$ 9.26	\$ 9.45

Storm Water

Storm Water can have an enormous impact on water quality, whether its runoff from agriculture or from urban hardscape. Rain and snow melts carry many types of pollutants into storm drains and surface water ponds. The City's storm water system operations are designed to mitigate those impacts in accordance with regulations from the MN Pollution Control Agency.

Storm Water customers are charged a rate based on their land classification as agricultural, residential, industrial, or commercial. Here is a comparison of rates for 2024 to 2025:

	Basis	2024	2025
Agricultural			
A-2	Parcel	36.42	39.46
Residential			
R-C / R-1 / R-2 / R-3	Lot	39.06	42.32
R-4 / R-4a	Lot	18.87	20.44
R-5	Unit	14.95	16.20
R-MH	Unit	10.08	10.92
R-6 Single Family	Unit	14.95	16.20
R-6 Other	Unit	7.80	8.45
R-7 Single Family	Unit	14.95	16.20
R-7 Townhome	Unit	7.80	8.45
R-7 Multi Family	Unit	3.51	3.80
Business	Acre	80.66	87.39
Industrial	Acre	80.66	87.39

The [City website](#) includes many additional resources including online payment capabilities, guidance on calculating your utility bill, the consumer confidence report, and much more.

<https://www.otsegomn.gov/210/Utility-Billing>

If you have any questions or need additional information, please contact Utility Billing staff:
(763) 441-2310 or Email: [Utility Billing](#)