



RESOLUTION 26-673

A RESOLUTION TO SET THE SEWER RATE AND CHARGES FOR THE TOWN OF MOUNT CARMEL, TN, WITH AN EFFECTIVE DATE OF APRIL 1, 2026

BEFORE THE MAYOR AND ALDERMEN OF THE TOWN OF MOUNT CARMEL,
TENNESSEE

WHEREAS, the provision of the sewer system and facility is essential to the preservation of the public's health and welfare of our estimated 2,020 customers, and,

WHEREAS, the sewer rates in effect at the present time and effective since April 1, 2025, remain inadequate to provide revenues equal to the required expenditures to operate and maintain the Town's wastewater plant and system, and,

WHEREAS, the Town remains under a referral to the Tennessee Board of Utility Regulation, from the State of Tennessee Comptroller to address a deficit budgeting situation for the Sewer Fund with an order to conduct a rate study and enact new rates, University of Tennessee-Municipal Technical Advisory Service commissioned rate study is now due on August 15, 2026 after a 6 month extension was approved based on a request from the Town on behalf of UT-MTAS, which is incompatible to the direction provided in Resolution 25-647, and,

WHEREAS, the Mount Carmel Board of Mayor and Aldermen have determined the proposed new sewer rate to be adequate, reasonable and just, and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AN ALDERMEN OF THE TOWN OF MOUNT CARMEL, TENNESSEE, as follows

SECTION I. The Mount Carmel Board of Mayor and Aldermen, deeming it both advisable and necessary to increase the sewer rate for all users, hereby adopts the following rate beginning April 1, 2026; and

SECTION II. That the minimum monthly sewer service charge of \$45.90 be established for the first 2,000 gallons of usage and a fee of \$7.41 will be charged for each additional 1,000 gallons of sewage discharged based upon a discharge rate equal to ninety (90%) percent of water consumed.

SECTION III. If not preempted by the required and commissioned rate study implementation timeline, and upon completion of the rate study implementation, on or about February 1, of

every year thereafter staff will review the CPI-U for the water and sewage maintenance line, and present to the Board of Mayor and Aldermen a resolution to address the findings and recommended actions needed, to ensure financial homeostasis is maintained, during the preceding March Board of Mayor and Aldermen meeting for any action to take effect on April 1.

Be It Resolved, the 26th day of March 2026

This Resolution was duly considered and adopted by the Board of Mayor and Aldermen, in and for the Town of Mount Carmel, Tennessee, this 26th day of **March 2026**.



John Gibson, Mayor

Attest: 

Tyler Williams, Town Recorder

