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Utility complies with federal mandate, approves rate ordinance
Rate increases will fund sewer improvements and affect all customers

EVANSVILLE, Ind. – The Evansville Water & Sewer Utility (EWSU) Board has taken action to comply with the federal consent decree and is requesting City Council’s approval of sewer rate increases for 2014, 2015 and 2016 to help fund much-needed, mandatory upgrades to Evansville’s sewer system. Today, the Utility Board approved the sewer rate ordinance, which will now go to City Council for a reading on Aug. 26 and a vote on Sept. 23.

Rate increases would affect all EWSU customers – residential, commercial and industrial – although specific impacts vary by meter size and class of user. If approved, an average residential customer using 4,000 gallons per month can expect increases of 32 percent in 2014, 8 percent in 2015 and 18 percent in 2016.

Why a rate increase is needed now
EWSU and the City of Evansville must proceed with operational improvements specified in the consent decree and implement a 28-year, $540 million program – known as Renew Evansville – to address combined sewer overflows and other issues stemming from an aging sewer system. The City submitted the Integrated Overflow Control Plan to the Environmental Protection Agency (EPA) on May 31, 2013, and is awaiting the agency’s feedback and/or approval. Evansville faces fines and penalties for each day it does not meet the terms of the consent decree, the legally binding agreement with EPA, the U.S. Department of Justice and Indiana Department of Environmental Management.
How rate increases impact residential customers
Based on an average monthly residential usage of 4,000 gallons of water per month, a customer inside the City can expect their bill to increase from $27.12 in 2013 to $35.83 in 2014, $38.74 in 2015 and $45.72 in 2016. Similarly, outside city rates will increase from $36.60 in 2013 to $48.37, $52.24 and $61.66, respectively.

Financing needed for mandated improvements
Revenue generated from rate increases will finance improvements mandated by state and federal regulators. Through 2016, $120 million is needed to fund projects that include:

- $61.5 million for Renew Evansville, the long-term control plan to significantly upgrade Evansville’s sewer system and reduce combined sewer overflows and water pollution in our waterways. This will be the City’s largest capital improvement project to-date.
- $52.2 million for increased inspection, maintenance, repairs and “end of life” capital projects.
- $6.6 million for the final phase of the Cass Avenue sewer separation project to eliminate southeast side flooding.

“Historically, Evansville has underinvested in our sewer system, and through government-mandated inspections, we are seeing significant deficiencies in our sewer system daily,” said Allen Mounts, director of EWSU. “The Utility needs additional resources, including capital funding and manpower, to address the growing number of work orders to repair our sewer lines and comply with state and federal demands. We realize any increase in utility rates will impact our customers, but we feel these rates have been thoughtfully constructed. And, they are still lower than many of our neighboring communities.”

Mounts added, “Without a rate increase there would be insufficient capital money, and the City would begin missing deadlines on the mandated long-term control projects, which could result in major fines and other consequences.”

EWSU serves approximately 60,000 customers and operates and maintains more than 800 miles of combined and separated sanitary sewer pipes that collect and transport millions of gallons of wastewater each day. More information about the Utility and Renew Evansville is available at www.ewsu.com and www.RenewEvansville.com.

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