

June 9, 2021

202102132

To: Mayor and Members of City Council

From: Paula Boggs Muething, City Manager

Subject: Ordinance – Setting Water Service Rates for 2022-2026

Attached is an Ordinance captioned:

REPEALING AND REORDAINING the provisions of Chapter 401, “Water Works,” Section 401-76, “Service Charges,” Section 401-77, “Water Commodity Charges,” Section 401-78, “Charges for Fire Protection Services,” Section 401-81, “Charges to Political Subdivisions,” and Section 401-89, “Direct Fire Protection Charges” of the Cincinnati Municipal Code for the purpose of revising the rates for water and related services furnished by the Greater Cincinnati Water Works, consistent with annual water rate increase of 3.75% in 2022 and 5.55% in each of 2023 through 2026.

Approval of this Ordinance will set the water rates for calendar years 2022 through 2026 to reflect an increase of 3.75% increase in water-related rates for 2022 and a 5.55% increase in each of 2023, 2024, 2025, and 2026. This translates to an average increase in the monthly water charge for a single-family residential account of \$1.21 in 2022 and \$1.83 to \$2.16 in 2023 through 2026 over the prior year.

The revenue generated by the rates will ensure that the Greater Cincinnati Water Works continues to address its mission of providing customers and the community with a plentiful supply of high-quality water, support environmental sustainability, and deliver excellent services in a financially responsible manner, including:

- *Excellent Service Delivery*—Planned implementation of Advanced Metering Infrastructure that will provide more detailed and accurate water usage information to customers and the City to help identify leaks, reduce waste, and provide more accurate billing
- *Safety and Growing Economic Opportunities*—Replacing and upgrading aging water main infrastructure to meet the changing uses of new development and address fire safety needs, as well as meet the Smale Commission’s recommended annual replacement of 1% of system infrastructure
- *Thriving Neighborhoods*—Ensure system wide compliance with Safe Drinking Water Act requirements, including meeting new lead and copper rule requirements, as well as ensuring that high quality drinking water is affordable to all

- *Fiscal Sustainability*--Addressing bond rating agency comments so that GCWW can continue to secure AAA bond ratings and obtain low cost for infrastructure finance

This Ordinance is in accordance with the "Sustain" initiative goals/strategies to "Become a Healthier Cincinnati" and "Create a Healthy Environment and Reduce Energy Consumption" as well as to "Manage Financial Resources" and "Spend Public Funds More Strategically" as described on page 182 and 200 of Plan Cincinnati.

The Administration recommends passage of this Ordinance.

CBB by psc

cc: Cathy B. Bailey, Executive Director/Greater Cincinnati Water Works