

Water/sewer rates & projects

Important facts for the Miamisburg community

June 2014

This fact sheet is designed to provide important information regarding the City of Miamisburg's upcoming water and sewer system improvement projects and the rate increases that will fund those projects.

WHAT: The City of Miamisburg in 2014 is launching a series of improvement projects for its water and sewer systems. The cost of these projects is estimated at \$69 million. To fund them, Council approved five years of phased-in rate increases for users.

WHY: Any entity that provides a public utility **MUST** invest in it. The City worked with professional engineering consultants to review the existing systems and develop a master plan to repair and replace aging infrastructure, comply with regulatory requirements, expand existing services and prepare for current and future growth in the community. The vast majority of the planned work is necessary to meet EPA regulatory requirements.

WHEN: Planning and design for the first improvement projects has begun. The first actual construction work will begin in the fall of 2014 with the rehab/replacement of the City's four well houses. These structures date to the 1960s and 70s. It is anticipated that it will take 5-6 years to complete all planned projects. The first new rate increase will take effect with September 2014 usage, and customers will see the new rate for the first time on January bills.

HOW: Two engineering firms are providing consulting and design services, and private contractors will perform the construction work. The City has hired a part-time project manager to oversee the entire process.

BACKGROUND: Understanding the magnitude of the work needed, City Council and staff spent over a year in 2012-13 studying alternatives for the future of water and sewer service in Miamisburg. At issue was whether or not it was in the City's best interest to maintain control of the local systems and the financial responsibility that goes along with that, or to transition over to a regional provider such as Montgomery County or the City of Dayton for all or part of these services. The study process included two public meetings held solely for the purpose of hearing citizen input. In December 2013, Council determined that the best path forward was for the City to maintain ownership of these systems to ensure local control and the safety and service residents have come to expect. No matter which alternative City Council selected, an increase in rates would be necessary.

FREQUENTLY ASKED QUESTIONS:

Will residents see any direct benefits from the improvement projects?

Yes. There is a component to add softening of water to the water treatment process. Also, improvements to the water distribution system will reduce the frequency of water main breaks in the City.

How do Miamisburg's water and sewer rates compare within the region?

In the latest regional rate survey conducted by the City of Oakwood, Miamisburg's combined rate ranks in the middle 1/3 among 63 providers in southwest Ohio. Until the last series of increases was approved in 2009, Miamisburg had the absolute lowest combined rate among the 63 providers.

Weren't the rate increases that began five years ago supposed to pay for improvement projects?

Unfortunately, those revenues did not increase as projected due to the economic downturn and decreased water consumption. Also, normal expenditures increased for repair/replacement and maintenance of the systems. As a result, the City has been unable to tackle the major projects that are necessary.

How much are my rates increasing?

City Council adopted a new rate structure for the next five years. The following chart demonstrates quarterly cost projections for this period for 1) customers charged at the minimal usage level; and 2) customers who are average users.

Future water/sewer rate projections*

	Current	2015	2016	2017	2018	2019
Minimum User	\$86	\$104	\$125	\$140	\$144	\$148
Average User	\$180	\$217	\$262	\$294	\$303	\$312

*Quarterly costs (minimum user at 1,000 cu. ft., average user at 2,200 cu. ft.)

What happens to rates after 2019?

The new rate ordinance specifies that any adjustment to rates after 2019 will be tied to the nation's Consumer Price Index.

Do the new rates apply to commercial users and users with irrigation systems?

Yes.

Water Projects

Time Frame	Project
2014-19	Add softening to water treatment process
2014-15	Well House upgrades
2014-16	New Richard Street Tank & Transmission Main
2014-16	New Benner Rd. Pump Station & Transmission Main
2015-18	New Byers Road Water Storage Tank
2017-19	Transmission Main improvements

Sewer Projects

Time Frame	Project
2014-18	Water Reclamation Facility upgrades
2014-17	Wastewater Collection System upgrades
Ongoing	Wastewater Collection System inspection & operations/maintenance

Questions may be directed to the Public Works Department at 847-6635.