



**SPRINGFIELD WATER AND SEWER COMMISSION
P.O. BOX 995, SPRINGFIELD, MA 01101**

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FOR IMMEDIATE RELEASE

FY 2018 Water and Sewer Budget and Rates Approved by Commission

Following a public hearing held on June 6, 2017, the Springfield Water and Sewer Commission met on Thursday, June 22, 2017 to vote on the proposed fiscal year 2018 (FY18) budget, capital improvement program, schedule of rates, fees and charges, and revisions to Commission rules and regulations.

The Commission voted to approve a combined water and sewer rate increase of approximately 4.0% for residential customers. The rate increases will be applied to water and sewer use beginning July 1, 2017, and our customers will see the rate increases beginning with bills issued in August 2017. For FY18, the residential water rate will increase from \$2.89 per 100 cubic feet (CCF) to \$3.01 per CCF. The residential sewer rate will increase from \$4.74 to \$4.93 per CCF. The typical household water and sewer bill is estimated to increase an average of \$38.13 annually, or approximately \$3.18 per month.

The rate increases are primarily driven by strategic reinvestment in water and sewer infrastructure which includes critical repairs, upgrades, and replacements, as well as unfunded federal and state regulatory mandates. Increased operational costs including inflationary factors, contractual agreements including operation of the Springfield Regional Wastewater Treatment Facility, pension costs due to the City's more aggressive funding schedule, funding to address OPEB liability, and increased health insurance costs are also a factor in the rate increases.

"The Commission continues to work to balance the need for reinvestment in the water and sewer infrastructure and projects required by unfunded regulatory requirements with the important goal of maintaining affordable water and sewer rates. We will continue to look for innovative ways to manage these competing priorities while providing high quality services to the residents of Springfield, Ludlow, and the surrounding communities," said Daniel Rodriguez, Chairman of the Board of Commissioners.



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The Commission approved the FY18 Total Operating Budget of \$66.8 million (which includes total operations and debt service), the FY18 Capital Improvement Program Budget of \$22.1 million, the three-year Capital Improvement Plan for fiscal years 2018-2020 which projects capital spending totaling \$120.4 million over the next three fiscal years, and the proposed revisions to the Rules and Regulations,

Some of the Commission's recently completed, ongoing, or planned Capital Improvement Projects include:

- Water Treatment Plant optimization projects
- The South Transmission Main Replacement project
- Multiple infrastructure improvement projects within the City of Springfield
- The Main Interceptor Rehabilitation and CSO Improvements project
- The CT River Crossing and York Street Pump Station project

END