



## City of Phoenix

# City of Phoenix Water Services Department 2020 Water Rate Increase

### **Background:**

- **On January 9, 2019, the Phoenix City Council approved a 6% water rate increase for 2020.**
  - There is no sewer rate increase.
- This rate roughly translates into a monthly increase of \$2.37 in 2020 for the average residential water customer.
- The City of Phoenix cares about the affordability of its water for those that are economically disadvantaged. Phoenix water rates contain a generous “allowance” of water that is included each month in the fixed charge. For those that keep their water consumption within this allowance, average monthly bills will increase by only approximately 83¢ per month in 2020. Phoenix water bills rank as among the most affordable in the country. \*
- The 2020 rate increase will go into effect on February 1, 2020.

### **Why did the Water Services Department recommend this rate increase?**

#### **Drought & Shortage on the Colorado River**

- With shortages looming on the Colorado River, we must build the infrastructure needed to pump and move alternative water supplies to portions of our distribution system normally served with Colorado River water.

#### **Rehabilitation & Replacement of Aging Infrastructure**

- Although people think of Phoenix as a young city, its water utility has been in operation for more than 110 years. Our water infrastructure is aging, with some pipes as old as 100 years, still servicing residents. Our water infrastructure consists of:
  - 7,000 miles of water pipelines and 450,000 service lines
  - 5 large surface water treatment plants
  - 160,000 valves
  - Hundreds of pump stations, wells, tanks, and reservoirs.
  - 50,000 fire hydrants.
- To ensure reliable deliveries of clean, safe water to our community, we must continue to invest in the replacement and rehabilitation of aging infrastructure.

\*Taken from the “Measuring Household Affordability for Water and Sewer Utilities 2018 paper by Manuel P. Teodoro, Texas A&M University.