



Phoenix Water and Wastewater Rates FAQs

What is the proposed water/sewer rate increase?

The City of Phoenix Water Services Department is recommending a three percent increase for water rates and a two percent increase for sewer rates, which results in a combined 2.6 percent increase for 2016. These recommendations will go to full City Council for review on Wednesday, December 2. If approved, the rates will go into effect March 1, 2016. The proposed plan also includes a recommended two percent rate increase for 2017.

If approved, how much will my monthly bill go up?

The proposed rates roughly translate into a 2016 monthly increase of \$1.59 for the average water customer. With the new rates in place, the average single-family residential water customer will pay \$30.00 per month, and the average single-family residential sewer customer will pay \$24.68 per month. Both of these rates are still among the lowest in the nation.

Why is the city recommending a water and sewer rates increase?

While we like to think of Phoenix as a young city, but in reality, we've been providing water and sewer services for 100 years. Our critical infrastructure is aging and needs to be replaced. Phoenix operates one of the largest water and sewer utilities in the country, running and maintaining 7,000 miles of water pipelines, 5,000 miles of sewer lines, 8 water treatment plants, dozens of pump stations, wells, and reservoirs.

If approved, what will the proposed rate increase pay for?

Phoenix Water spends 60% of its annual budget on capital infrastructure, to ensure the delivery of water supplies, and to safely remove wastewater from our homes. In order to ensure reliable deliveries of clean, safe water to our community, we must continue to invest in the replacement and rehabilitation of our infrastructure. In addition to aging infrastructure, the cost of raw water supplies, electricity and chemicals are increasing. We also expect the cost of Colorado River water to increase as we face shortages in the coming years.

When was the last water/sewer rate increase?

This is the first recommended increase in almost four years for water rates and six years for wastewater rates.

How is the Phoenix Water Services Department funded?

The water and wastewater utilities of the City of Phoenix do not operate for profit, they are owned by the citizens of Phoenix. The Phoenix Water Services Department, which runs the utilities, aims to earn enough revenue to cover the cost of debt service, operations, needed rehabilitation, replacement and development of capital infrastructure. This all needs to be done with enough revenue left over to end the fiscal year with a cash fund balance large enough to pay for catastrophic and unforeseen needs and to maintain a triple-A rating, which keeps the cost of borrowing low.

How can Phoenix residents find out more information about the proposed rate increase?

Phoenix Water will be hosting several open houses to provide information and garner comments from public. City staff will be on hand at the open houses to provide information on the city's rate setting process, including how the department will use these additional funds. Interested residents can get details on how to sign up for the open houses by either visiting www.phoenix.gov/water and clicking on the tab "Water Rates" or emailing watersmart@phoenix.gov.

Phoenix Water Open House Schedule:

- 91st Avenue Wastewater Treatment Plant - 9 a.m. Monday, November 9
- Phoenix City Hall Assembly Rooms A & B - 12 p.m. – 1 p.m. Friday, November 13
- Deer Valley Water Treatment Plant - 6 p.m. Thursday, November 19
- 24th Street Water Treatment Plant - 5 p.m. Monday, November 30