



Marion Utilities
1540 N Washington St.
Marion, IN 46952
www.marionutilites.com

PRESS RELEASE - October 31, 2022 Please contact communications@marionutilities.com for further information.

Marion Utilities is asking the community to support the water utility as officials there seek a rate increase.

The Utility is comprised of four separate utilities – water, wastewater, stormwater and solid waste – and it's been more than 17 years (2005) since the water utility has increased its prices.

"Over the last several years, the water utility's financial position has deteriorated," explained Chuck Binkerd, Executive Director of Marion Utilities. "This coupled with the need for capital improvements puts us in a position where we need a rate increase in order to ensure continued quality and reliable service for the city."

Presently, the utility's assets are decreasing in value as depreciation is outpacing replacement. In addition, capital improvements are essential to the utilities' viability - they include lead and copper abatement, overhead tank coatings and improvements, the present water meter replacement project, and water main replacements. Many of the water mains throughout the city of Marion are more than 100 years old.

The economy of the city has changed over the years as well, and water sales have fluctuated greatly as a result. Records show the utility sold 191 million gallons of water in 2002, but just 119 million gallons in 2021.

The Utility is ultimately asking for an incremental increase in the rate for the water utility, to be phased in over five years. As an example, the average residential user pays about \$20.87 per month for water right now. That will increase to \$25.54 in late 2023, and incrementally ramp up to \$32.38 per month when the increase is fully implemented in 2027.

Low usage customers (750 gallons per month) may actually see a decrease in their bill at first – that's because the current rate has minimum charges that the new proposal does away with.

"The new five-year plan removes the minimum use charge, giving customers more control over how much they spend by adjusting their water usage," Binkerd explained. "It's more fair and promotes affordability."

In 2027, all users will pay the same rate for every 1,000 gallons used. Residential customers will pay more of the increase in the early years, and less in the later years as it is fully implemented. At that time revenues collected by each user class (residential, commercial, industrial, etc.) will be essentially equal to the actual cost to serve, and will be adequate for maintaining and upgrading the current system.

"We have worked hard to keep cost in check over the past 17 years and that is still our goal moving into the future," Binkerd said. "After all of that time, it was inevitable that we would have to increase water rates eventually. With that in mind, we've been committed to developing a plan that would be both fair and affordable."

Anyone who has questions about the rate increase is encouraged to email the utility at communications@marionutilities.com.



www.marionutilites.com
EEO/AAP

