

## Government

### City water rates will rise 9 percent; counties also face rate hikes

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Baltimoreans' water bills are rising, and city Comptroller Joan Pratt doesn't like it one bit.

On Wednesday, the Board of Estimates, the city spending panel on which Pratt sits, voted 4-1 to approve a 9 percent increase in water and wastewater rates. The comptroller's was the one opposing vote.

"The citizens are being asked to fund this when we have not done all we could do to prevent these increases," Pratt said. "Water is going to be more costly than property taxes, the way we're headed."

Increases will apply to consumers in Baltimore City, as well as Howard, Anne Arundel and Carroll counties, effective immediately. Baltimore City, which owns the three main reservoirs in the region — Loch Raven, Prettyboy and Liberty — sells water at city-determined rates to the counties, and local authorities determine consumer rates.

The city also owns the water system in Baltimore County, which establishes its own customer rates through a city-county agreement. A city Department of Public Works official said that Baltimore County residents will likely face a 5 percent rate hike.

According to a city report, the cost of water in Baltimore has doubled since 2000, and a series of increases over the next six years is expected to double it again. With Wednesday's changes, a typical family of four with

moderate water usage will pay \$225.73 per quarter. In 2000, that figure was \$118.11.

The problem, according to officials from the Department of Public Works, is a combination of waste and more stringent water treatment and environmental requirements handed down by the federal and state governments.

According to the DPW, between 20 percent and 23 percent of all the water in the city system goes unaccounted for between the treatment plant and the faucets and toilets of city customers. This is due to defective water meters, water main breaks and other leakages.

"We lose enough water every single day to fill the World Trade Center [building] downtown," said David E. Scott, the city's public works chief.

A water main break last month on Lombard Street that shut down large swaths of the downtown business district cost the city \$2.2 million, according to Mayor Sheila Dixon, and there have been nearly 2,000 water main breaks so far this year, according to a DPW report.

Keisha Powell, the DPW's head of water and wastewater, told the board that it's been a "sobering winter of water main breaks," and said the city needs to invest \$2.2 billion in the city's water infrastructure over the next six years.

The rate hike is meant to address these costs, in the face of a lower-than expected amount of funds for water investments from the federal stimulus package. The city requested \$700 million from the package, but only received \$12 million.

"We are asking the people of Baltimore for understanding," Powell said. "For less than a penny for an 8-ounce glass of water, we are investing billions now, to save millions later."

Powell projected that the 9 percent increase will generate \$6.3 million in additional water revenue and \$8.6 million in wastewater revenue, about half of which will go toward capital improvements in the next fiscal year's budget.

Pratt's opposition to the rate hike stems from her view that a little bit of foresight could have saved the city a lot of money. In 2006, New York-based private equity firm KKR produced a \$1.2 million audit that recommended significant changes in the city's water meter maintenance policies.

In a conference room following Wednesday's meeting, Pratt, showed a reporter city documents that indicated that the top 30 water users in Baltimore, including the Johns Hopkins University, the University of Maryland and the Kennedy Krieger Institute, were being measured for usage with meters that haven't been serviced since 2000.

Many of these institutions are expanding, Pratt said, and if DPW had only properly inspected its meters, the rate hike might only be 5 percent, instead of 9 percent.

"We paid \$1.2 million for some advice that we didn't even follow, and then you want me to pay for it? I don't get that," she said. "The DPW knew it had a problem, but it abandoned the consultants' findings."

But Scott, of the DPW, said the problem is mostly one of aging infrastructure, but admitted that meters in need of service were a major issue as well.

"If we don't capture and bill correctly, then we have this loss. Somewhere between treatment and billing, it gets lost," he said. "There's something we could have done in the last 100 years, or the last 50 years."

For now, at least, the burden of rapidly rising water costs will fall on city residents, and infrastructure problems aren't going away. Wednesday's increase coincided with a DPW report of a water main break on York Road in Baltimore.