



THE

LAWRENCE LIFT



N E W S L E T T E R

ISSUE 50

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DEAR LAWRENCE UTILITY CUSTOMER,

STATEMENT FEE IMPLEMENTATION DELAY

Recently, we had informed customers that the Statement Fee, a charge to offset the cost to print and mail bills that was adopted with the 2017 Water Rate Ordinance, would start in July 2020.

Given the recent developments with the coronavirus outbreak and corresponding financial impacts, we will be delaying the implementation of this fee for the remainder of the year.

COVID-19 UPDATE

As you may be aware, we have had to make some operational adjustments due to the coronavirus outbreak. Many of you may already know that we have suspended service disconnections and are not applying late payment penalties to utility bills through April 21, 2020.

Please be aware that you are still responsible to pay your bill. We strongly encourage customers to pay their bill in full, or as much as they can in order to not face large balances coming due in the future. We are also aware that this is a fluid situation and conditions will change that will result in further operational changes.

We will be communicating impacts to Utility customers via this newsletter as well on our city webpage in the Utility News Section and the City's facebook page. We would like to encourage all our customers to heed the latest advice from health experts for reducing the spread of the virus, and be aware of local, state and federal declarations. We really are all in this together and the things you do, or don't do, can impact your loved ones, friends and neighbors.

Many of you are working from home now, children are home from school and this means that more water is being used than what would normally be the case. Then there is the recommended hand-washing regimen.



Now is a good time to start practicing water conservation. Turning off the water while washing hands, shaving, brushing teeth will reduce water usage. Limiting time in the shower. There are toilet fill/flush assemblies now that allow the handle to be flushed one way for flushing liquid waste and the other for solid waste.

While you're at home, maybe take the time to check all your visible plumbing and fixtures for leaks. Check toilets to make sure they are functioning properly. You can place some food dye in

the tank and wait about 5-10 minutes to see if it appears in the bowl. If it does, you most likely have a flapper valve leak (the thing that lifts up when you flush and allows water from the tank to get into the bowl).

Get to know your plumbing, and your water use habits. It will pay dividends in the long run by making you more aware and better able to spot problems or change water use habits that can ultimately save you money.



Please be assured that the City's water supply is safe and according to the World Health Organization (WHO), there is no evidence the new coronavirus that causes COVID-19 is present in or being transmitted by drinking water supplies. If you have any questions or concerns, please do not hesitate to email me at the address below.

INFRASTRUCTURE UPDATE

I am happy to report that our various water main projects are continuing and that we will continue to move forward with our sanitary sewer rehab project.

Keep in mind that the City's water and sewer systems did not get into the shape they are in overnight. Our present infrastructure issues were decades in the making and it is going to take time to address them. In fact, done properly, infrastructure renewal is something that is supposed to be a routine part of our operations.

Unfortunately, over the years, investment in infrastructure was deferred, much to our detriment. Rates were suppressed for political reasons and the utility operations fell further and further behind financially, until we found ourselves in the situation we did in 2017 with the water utility being virtually bankrupt and on the brink of failure.

As the Superintendent, I am not going to follow the old ways. My responsibility is to provide safe, reliable and adequate water supply to our customers and the safe and reliable removal of wastewater to the treatment plant.

I could not have picked a worse time to take this position, but I did so knowing full well the situation the utilities were in and that I would have to make hard decisions and take the heat. But I am not going to shirk my duties or kick the can further down the road to make my life easier and the next Superintendent's job harder.

Under Indiana Code Title 8 (8-1.5-3-8), municipalities owning a utility are required to have reasonable rates and charges for services that produce sufficient revenue to "pay all the legal and other necessary expenses incident to the operation of the utility", which includes maintenance costs; operating charges; upkeep; repairs; depreciation; interest charges on bonds or other obligations, including leases; and costs associated with the acquisition of utility property under IC 8-1.5-2.

Revenues must also provide a sinking fund for the liquidation of bonds or other obligations, including leases; provide a debt service reserve for bonds or other obligations, including leases, in an amount established by the municipality, not to exceed the maximum annual debt service on the bonds or obligations or the maximum annual lease rentals; provide adequate money for working capital; provide adequate money for making extensions and replacements to the extent not provided for through depreciation; and provide money for the payment of any taxes that may be assessed against the utility.

The code goes on further to state that *"It is the intent of this section that the rates and charges produce an income sufficient to maintain the utility property in a sound physical and financial condition to render adequate and efficient service. **Rates and charges too low to meet these requirements are unlawful.**"*

While some may believe that the rates are not "reasonable", I would strongly disagree. The 2017 rate increase made up for over a decade of inaction with respect to generating adequate revenue to run the water utility properly, with the one notable exception of a 12% rate decrease in 2008.

Without question, the 2017 rate increase had much catching up to do with years of increased operating costs and continued deterioration of critical infrastructure with little or no capital investment to address serious issues in the water plants, storage facilities, wells and distribution system.

Further, the rate increase has now made it possible to start handling future water rate increases in a more responsible manner, by implementing smaller, but more regular increases.

No one likes rising utility costs. But in order to enjoy the quality of life and health that we too often take for granted, it needs to be clearly understood that no utility can operate properly without adequate revenues to address all the items as noted above from the Indiana Code.

It is a simple fact that the causes and conditions that got us in this position do not have to be perpetuated, and should not be. We owe it to ourselves and future generations to act responsibly and restore our infrastructure systems for the benefit of all.

ONE LAST ITEM

If anyone calls you, or comes to your door, stating that they are a City of Lawrence Utility Employee, and tries to collect money from you by stating your water service could be disconnected, turn them away and call the Lawrence Police Department (911) to report them.

Also, please contact Lawrence Utilities Business Office at (317) 542-0511. Law-

rence Utilities does not notify customers about service disconnection in this manner.

Disconnect notices are communicated via your regular monthly bill. In addition, please remember that Lawrence Utilities has suspended service disconnections until April 21, 2020, unless they are requested by the property owner/account holder.

Thank you,



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