Legislation Details (With Text)

File #:	Res 1224-2012	**Version:**	*	**Name:**	NYC Water Board to set water and sewer rates.
Type:	Resolution			**Status:**	Filed
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On agenda:	2/29/2012				
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Title: Resolution calling upon the New York City Water Board to set water and sewer rates to cover only the capital and operating expenses related to operating, maintaining, protecting, and improving the City's drinking water and wastewater systems, and not to set these fees to pay money into the general fund of the city or for other functions undertaken by the Department of Environmental Protection not related to water and wastewater management.

Sponsors:

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Attachments:

Date	Ver.	Action By	Action	Result
2/29/2012	*	City Council	Introduced by Council	
2/29/2012	*	City Council	Referred to Comm by Council	
12/31/2013	*	City Council	Filed (End of Session)	

Res. No. 1224

Resolution calling upon the New York City Water Board to set water and sewer rates to cover only the capital and operating expenses related to operating, maintaining, protecting, and improving the City's drinking water and wastewater systems, and not to set these fees to pay money into the general fund of the city or for other functions undertaken by the Department of Environmental Protection not related to water and wastewater management.

By Council Members Halloran, Comrie, Gentile, Koo, Rose, Wills, Vacca, Oddo and Ulrich

Whereas, The New York City Municipal Water Finance Authority Act gives the New York City Water Board the authority to "establish, fix, revise, charge and collect and enforce the payment of all fees, rates, rents and other service charges" for water supply and wastewater services in order to pay for debt service, upkeep, and other requirements to keep the water supply and wastewater systems self-sustaining and operational; and

Whereas, Money raised from such fees, rates, rents and other service charges is kept and used by the Water Board to perform its responsibilities, and the excess money raised is paid to the City's General Fund; and

Whereas, In 1984 the Water Board and the City joined in a lease agreement that transferred control of

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all of the City's water- and sewer-related real and personal property to the Water Board for the term of the lease; and

Whereas, The lease agreement allows for payments to the City by the Water Board for such services as maintaining and repairing the leased property, capital costs incurred by the City for construction of capital improvements to the leased property, legal services provided by the City, services of any City officer and employee provided on a full-time or part-time basis to the Water Board, and reconciliation payments, and other services provided by the City; and

Whereas, The lease agreement also allows the City to collect rent payments from the Water Board, in an amount requested by the City each fiscal year not to exceed the greater of: (1) principal and interest for the fiscal year in City general obligation bonds issued for water and sewer purposes, or (2) 15 percent of principal and interest on Water Authority debt for the fiscal year; and

Whereas, From 2007 to 2011 the rental payment increased by an average of $16.6 million per year, and it is expected to continue to increase into the future; and

Whereas, The Water Board sets water and sewer rates each year that will cover the Department of Environmental Protection's capital and operating costs related to the treatment and transport and distribution of drinking water and wastewater, the maintenance of water and sewer infrastructure, and the rental charge; and

Whereas, Revenue raised by the payment of water and sewer rates are also used to pay for governmental expenses accrued by other City agencies and offices that perform work indirectly related to the water and sewer system; and

Whereas, Most properties in the City are charged a uniform water rate based on metered water use, and a wastewater rate of 159% of water charges, while about 6% of the City's properties are charged rates based on the length of the properties frontage on the street, the number of families living at the property, fixtures, and similar variables; and

Whereas, Higher rental fees and other Water Board expenditures that do not directly impact the drinking

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water and wastewater systems raise property owners' water and sewer bills; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the New York City Water Board to set water and sewer rates to cover only the capital and operating expenses related to operating, maintaining, protecting, and improving the City's drinking water and wastewater systems, and not to set these fees to pay money into the general fund of the city or for other functions undertaken by the Department of Environmental Protection not related to water and wastewater management.

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