

July 16, 2004, 12:36AM

Rate increase in effect

City plans to use revenue for work to reduce flooding, improve drainage

By **KRISTEN MACK**
Copyright 2004 Houston Chronicle

If you haven't already received your July water bill, then brace yourself for a change — a water and sewer rate increase that went into effect this month.

The average residential bill went up 9 percent. The additional revenue will go toward improving storm water drainage, which could decrease the chance of flooding.

The bill includes a glossy "Dear Customer" insert explaining the increase Houston City Council approved in April.

"Without these improvements, seepage from broken and unsealed sewers threatens to contaminate our ground and waterways.

"The damage would become far more costly to fix if left unchecked," it reads.

The rate increase, along with a restructuring and refinancing of the water and sewer system's debt, is expected to provide about \$50 million annually over a three-year period to finance storm-water drainage improvements. It also will provide about \$30 million a year for maintenance and operation of the drainage system.

This is the first time the city has increased rates in more than a decade. From now on, there will be automatic, inflation-based rate increases each year. City officials expect that increase to be about 2.5 percent annually.

Mayor Bill White's plan passed swiftly, sharply contrasting the yearlong debate over former Mayor Lee Brown's more comprehensive flood-control plan.

Brown's failed plan, which included a \$2-a-month drainage fee for the average residential ratepayer, was designed to help pay for \$1.2 billion worth of flood-control work over 15 years, but it ultimately was rejected after drawing opposition.

The city will be able to rebuild undersized and aging storm sewer systems as well as create detention basins and install larger sewer lines.



CHRONICLE