



FORT WAYNE CITY UTILITIES Frequently Asked Questions Southwest Water Transition

December 1, 2014

Q: When will I begin receiving Fort Wayne water?

A: The sale of the Aqua Indiana southwest water utility to Fort Wayne City Utilities will be completed on December 4, 2014. After the closing, City Utilities water will be phased in during the transition process, much like what was done for Aqua North. Therefore, the exact transition date for your house or business will depend on where it is located. Customers in the Phase 1 area on the attached map will receive City Utilities water on the day of or shortly after the closing. Customers in Phase 2 and 2A can expect to receive City Utilities water early in 2015. Phase 3 will consist of several sub-phases with all customers receiving City Utilities water by fall of 2015.

You will receive notice in the mail about one week before the actual physical transition to City water with more specific information including a transition date and information about what to expect during the transition.

Q: Will my water bill go down?

A: Your individual cost savings will largely depend on two things: 1) whether you live inside or outside the City of Fort Wayne and 2) how much water your household uses.

City Utilities has different rates for customers within the city limits and those outside the City. Most residents who live inside the City and will become new City Utilities water customers can expect to save \$100 to \$140 annually. The exact amount saved will depend on how much water is used each month. City Utilities does not charge a minimum usage fee, therefore customers that use less than Aqua's 4,000-gallon minimum are likely to save the most.

Collectively, Aqua Indiana customers will save the following with a transition to City water:

1. Over \$1 million annually in rate savings,
2. Over \$1 million in reductions in expenses related to softening costs and
3. The expense of replacing clothing and appliances as frequently.

City households located in the former Aqua North territory (including Pine Valley, NW Lima Woods, Lima Valley) have each saved more than \$2,000 since the transition to City Utilities in 2008. See below for some sample bill calculations.

Q: What will I need to do if I already have my City Utilities bill (for Garbage and Stormwater) paid on-line, through a third party or through Express Pay?

A: On the date of closing when you become a water customer of Fort Wayne City Utilities, your City Utilities account number will change thus making the information that you currently use obsolete. You will need to contact the bank or service you use to make automatic payments to make account number changes. If you use Express Pay, the alternative is to contact City Utilities

Customer Relations Department to get a new Express Pay form to file with City Utilities. New account numbers will be assigned after the closing, but you will need to receive their first bill with water charges before you can change your banking information. Should you choose to use City Utilities' online payment system, you will need to wait until after your first bill is issued, as the online system will not have the new account number until a bill is actually issued.

Q: There are already pipes in the ground connected to all of our homes and businesses in the Aqua area. Why is there a several month phase-in period for the delivery of water from City Utilities?

A: Some of the Aqua southwest area includes neighborhoods that are already near connection points between the Aqua and City Utilities' water systems. You may remember that a few neighborhoods were connected to City Utilities' water during the drought of 2012. Those neighborhoods will be transitioned first.

The area roughly south of Aboite Center Road will be the second phase to be connected. Customers in this area are close to pipes that City Utilities already has in operation near Airport Expressway. A new water line along part of Branstrator Road will need to be built to ensure adequate pressure and reliability.

The third phase is an area where there is not an existing feeder main from City Utilities. Installation of a pipe along Bass Road and several interconnection points will be required to serve customers with water from City Utilities. Within phases 2 and 3 there are likely to be some neighborhoods that are transitioned earlier and some later.

Much like when you close the sale on a home, City Utilities, as the purchaser of the Aqua assets, cannot begin the construction of new pipe to feed the customers in phase three until City Utilities and Aqua complete the sale/purchase transaction.

Q: How can I find out more about the transition to City water?

A: Mayor Henry and City Utilities will mail information directly to each customer approximately one week before the transition date(s) for water service. Additional information will be relayed through neighborhood meetings, open houses, news media, and social media (Facebook and Twitter). City Utilities will also have updated information available at www.cityoffortwayne.org/aquatransition throughout the transition process.

Q: What benefits can I expect when I get City Water?

A: You can expect softer, better-tasting water with a billing structure that will likely save you between \$100 and \$140 annually. City Utilities rates will be in place on the first day of the transition, regardless of when City water starts running through your pipes. City Utilities does not have a minimum water use charge; customers pay for what they use. The basic water rate structure is a monthly meter charge and a water consumption fee. Also City Utilities provides local customer service, from the call center staff to in-person bill payment at Citizens Square to local decision makers.

Q: What will happen to my sewer bill?

A: The acquisition does not include Aqua’s sewer system. If you receive sewer service from Aqua Indiana, you will continue to receive service and billing from Aqua for sewer use. For most customers (those who have both water and sewer utility service), the sewer bill will be calculated from the water use, as measured by City Utilities after the transition.

Aqua has committed to freezing current sewer rates for their southwest Fort Wayne area customers through the end of 2015. Starting in 2016, Aqua agrees to first present rate increases to the Fort Wayne City Council before starting the normal process of requesting rate approval from the Indiana Utility Regulatory Commission.

Q: Will I still need to use my water softener after the transition?

A: The decision about whether or not to continue to use a water softener is up to you. City Utilities provides water that has been “pre-softened,” and, as a result, most customers do not use a water softener. Some customers, after transitioning to City water, decide to temporarily disconnect their water softeners to see if they still want it. Savings from City-softened water can be an additional \$10-\$20 per month and more importantly, can also extend the life of major water-using appliances such as dishwashers, washing machines and ice makers by as much as 30%.

Q: What’s the history of the Aqua Indiana water system acquisition by City Utilities?

A: Mayor Tom Henry first ordered the pursuit of the southwest system in May 2008, just days after the transition of the former Aqua North system was completed and only a few months into his first term as Mayor. He has continued to be committed to providing all City residents with the top quality water and excellent customer service provided by the Fort Wayne water utility. In the summer of 2012, as a result of the drought where City Utilities sold water to Aqua, Mayor Henry renewed his commitment to acquisition of Aqua’s southwest water assets so that City residents in Aboite Township could have a reliable water supply. After the City made preliminary moves toward condemnation of Aqua’s southwest water assets in late 2012 and early 2013, Aqua Indiana began intensive negotiations with City Utilities to arrive at an agreement that serves the interests of customers of both utilities.

Examples of water bills for customers using various amounts of water from Fort Wayne City Utilities:

City Utilities bills are based on the number of cubic feet of water that go through your water meter. On “unit” is 100 cubic feet or about 748 gallons. City Utilities only bills in whole units. Partial units are always rounded down.

With City Utilities, your bill is always based on the amount of water you use. There is no minimum usage.

Units* per month	Equivalent gallons	Inside-City** cost	Outside City** cost
4	2,992	\$ 20.09	\$ 23.14
7	5,236	\$ 26.33	\$ 30.34
9	6,732	\$ 30.49	\$ 35.14
13	9,724	\$ 38.81	\$ 44.74

* 1 unit = 748 gallons

** Example numbers do not include 7% Indiana sales tax but do include monthly public fire protection fee and assume a typical residential water meter size of 5/8" or 3/4".
Calculated amounts in the table do not include State sales tax of 7%.
Rates used are effective January 1, 2015.

Other notes on how City Utilities water bills are calculated:

Fort Wayne's residential water billing is made up of three components – a meter charge, a usage charge and a public fire protection fee.

Meter Charge: A typical house will usually have a 3/4" or a 5/8" water meter. The monthly meter charge for a 3/4" or 5/8" meter is \$9.23 inside the City limits and \$10.62 for outside City.

Usage Charge: For inside City residents, the amount of water used is billed at a per unit rate of \$2.08. Outside the City, water consumption is billed at a per unit rate of \$2.40. State sales tax is also applied to the amount of water used.

Public Fire Protection: This fee helps cover the cost of investments in the water distribution system necessary for adequate water flow and pressure for fire-fighting. It also covers the cost of fire hydrant maintenance. The public fire protection fee amount is determined by water meter size. For inside City customers with a typical 5/8" or 3/4" residential water meter, the public fire protection fee amount is \$2.54 per month. For a similar customer outside the City the fee is \$2.92 per month.

Sales Tax: City Utilities is required to collect State sales tax on water at a rate of 7%.

*** If you live inside the City limits of Fort Wayne, your bill for the Stormwater Utility fee of \$3.65 and a Garbage Collection fee of \$9.95 will be combined with your new water bill. If your sewer service is provided by City Utilities, you will also have sewer charges on your bill. If you have sewer service provided by Aqua Indiana that will not change. You will continue to receive a bill from Aqua Indiana for sewer.**