UTILITY TRANSFER APPROVED BY BOARD OF WATERWORKS

Board’s Vote Refers Proposal to the City-County Council for Final Consideration

INDIANAPOLIS – The proposed transfer of the water and wastewater utilities gained approval from the Indianapolis Board of Waterworks during the board’s meeting today. Resolution No. 28, 2010, regarding the proposed transfer of the City of Indianapolis’ water and wastewater utilities to Citizens Energy Group was approved by a 4-1 vote.

“The Board of Waterworks’ decision to refer the proposal to the Council is in the best long-term interests of our water system. This board, unlike any other, has had to work through significant challenges and I appreciate their efforts,” said Mayor Greg Ballard. “In particular, I thank Dr. Marvin Scott, who has served as chairman of the board this year. His leadership has served the citizens well.”

The Board of Waterworks reconvened today after three members voted in favor of the transfer of the utilities on June 8. The measure fell short of passing because one member voted against the measure while the fifth member chose to abstain from the vote to give more time for research. After learning more about the transfer, Dr. Scott assembled the board for a second vote.

This approval follows similar measures from the Board of Public Works and endorsements from the Greater Indianapolis Progress Committee, the Builders Association of Greater Indianapolis, the Interdenominational Ministerial Alliance, the Indianapolis Convention and Visitors Association and the Indianapolis Business Journal.

“By transferring the water and wastewater systems to Citizens, ratepayers can expect to see more stable rates and experience excellent customer service,” said Carey Lykins, president and CEO of Citizens. “As we conclude final negotiations, we will use feedback shared by the Board of Waterworks and other community leaders to shape the definitive agreements.”
Once the City and Citizens Energy Group have finalized the transfer agreements, the Council will review the definitive agreements and must provide final approval. If approved by the Council, the Indiana Utility Regulatory Commission will then review the proposal through its public process. It is hoped that the Commission will approve the transfer by the end of 2010.

On May 17, the City-County Council voted in favor of an ordinance allowing the City to begin the final negotiation of the transfer to Citizens in accordance with the Memorandum of Understanding. An ordinance allowing the City to begin the process of funding more than $425 million for infrastructure also was approved during the Council meeting.

Pending final approval from the Council, the transfer will provide the City with approximately $425 million in revenue that will be invested in infrastructure improvements. On May 11, Mayor Ballard previewed the planned investments in the City’s ailing infrastructure that will result from revenue from the proposed transfer. The investments will create thousands of Indianapolis jobs while rebuilding crumbling roads, sidewalks and bridges and demolishing unsalvageable abandoned homes.

For more information about the utility transfer or to submit feedback, visit www.indy.gov/utilities, log on to the FTP site, ftp://ftp.indygov.org/utilities (username: public; password: public) or call (317) 327-4MAC.

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