



CITY OF NEW BEDFORD

JONATHAN F. MITCHELL, MAYOR

OFFICE OF THE CITY CLERK
NEW BEDFORD, MA

2022 APR -5 PM 4:00

CITY CLERK

April 5, 2022

City Council President Ian Abreu and
Honorable Members of the City Council
133 William St.
New Bedford, MA 02740

Dear Council President Abreu and Honorable Members:

As you recall, last year my administration submitted a five-year sewer rate increase proposal to ensure adequate funding to implement the City's five-year Integrated Capital Improvements Project Plan. As you know, the City is mandated to undertake these improvements to comply with a federal Administrative Order. As the Council determined it could only vote to approve the Fiscal Year 2022 rate increase, I am resubmitting for your approval a five-year rate proposal.

The attached Order details a series of proposed sewer rate increases, with the first one taking effect on July 1, 2022, the first day of Fiscal Year 2023. Subsequent rate increases would take effect on the first day of the four subsequent fiscal years—2024, 2025, 2026, and 2027.

I urge you to take up this matter with all deliberate speed, as failure to adopt the proposed rate increases and to authorize the associated FY 2023 loan order—which I am filing separately—by June 30, 2022, will result in the loss of State Revolving Fund (SRF) monies. As you may recall, the administration advised the Council of the risk of losing approximately \$11 million in grant funds should the City miss the Commonwealth's deadline, and that is exactly what happened when the previously requested \$57 million appropriation was not authorized in time.

Moreover, last year's delays have compressed the time within which the City can execute its five-year capital project plan. Any further delay in the approval of rates and associated appropriations will only exacerbate the situation, perhaps to a point at which default on the Administrative Order cannot be avoided.

City staff and consultants are available to thoroughly brief the Council on the details of the rate proposal and five-year capital project plan at your earliest convenience.

Thank you for your consideration in this matter.

Sincerely,

Jonathan F. Mitchell

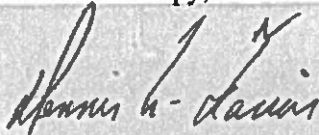
JFM/cto

Referred to the Committee on Finance as amended.

IN CITY COUNCIL, April 12, 2022

Dennis W. Farias, City Clerk

a true copy, attest:


City Clerk