



WADE KAPSZUKIEWICZ

MAYOR

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May 29, 2019

The Honorable Jaime Callender
Chairman Ohio House Public Utilities Committee
77 S. High Street, 11th Floor
Columbus, Ohio 43215

Dear Rep. Callender:

I write on behalf of the City of Toledo in opposition to HB 163, which seeks to use local government fund dollars as a weapon against municipalities that have voluntarily extended their water systems to surrounding communities. Purchasing water from larger municipalities has allowed suburban cities and townships to avoid the prohibitive costs of building their own water plants and distribution systems.

The bill seeks to interfere with contracts that were mutually acceptable to the parties for any number of reasons. More troubling, though, is the threat once again that tax dollars that flow from citizens of Ohio cities will be withheld from benefiting those same citizens because some feel that State government should control local governments.

In Toledo, we have spent the last few years engaged in numerous complex discussions with the communities that purchase water from our utility. As a result of listening to their concerns, we believe we are on the verge of creating a regional water system that represents a new way of doing business. Following a rate phase-in period, our community partners would be buying water at a wholesale rate and they would then add on their own retail charges based on the needs of their respective systems. All communities that sign long-term contracts will have a seat on a rate-setting regional water commission. We are not there yet, but Toledo and its surrounding communities have been working in good-faith to create a regional system that could be used as a model around the state.

All of this has been done without legislation that seeks to threaten municipalities into subservience and without creating a nebulous legal process that will do nothing but create complicated and costly litigation for all parties.

On behalf of the City of Toledo, I ask respectfully ask you to oppose this bill.

Very truly yours,

Wade Kapszukiewicz
Mayor

cc: Ohio House of Representatives, Public Utilities Committee