

MSD board approves fiscal year 2025 preliminary rate resolution for Jefferson and Oldham counties

***Average monthly residential bill for Jefferson County customers to increase \$5.19
Oldham County customers to increase \$3.74
Rate assistance programs continue***

LOUISVILLE, KY – Much needed upgrades and repairs to Jefferson County’s wastewater treatment, stormwater management and flood protection infrastructure would move forward under the preliminary rate resolution Louisville MSD’s board approved yesterday. Under the fiscal year 2025 budget plan, MSD will invest more than **\$298.8** million to support **208** projects. The 6.9 percent rate increase would add \$5.19 to the average monthly Jefferson County residential bill, and \$3.74 to the average Oldham County residential bill, beginning August 1, 2024.

The Board also agreed to continue MSD’s wastewater rate assistance programs that provide a 30-percent discount for qualified low-income ratepayers in both counties.

The capital improvements are needed to repair sewer, flood protection, and drainage systems that have some major components built more than 100 years ago, and to meet mandated requirements of its Consent Decree with the U.S. Environmental Protection Agency brought on by environmental rules added long after those systems were built.

MSD Executive Director Tony Parrott noted that, “frequent sewer cave-ins and failures are examples of the challenges we face across our service area with outdated infrastructure that is long past its useful life.” MSD aggressively seeks to fund as much of these projects as possible through sources other than rates paid by customers. “We are using grants and low-interest loans for the critical work of replacing outdated biosolids processing at our Morris Forman Water Quality Treatment Center and replacing our Paddy’s Run Flood Pumping Station,” Parrott said.

MSD Board Chair Marita Willis added, “This is a necessary but measured rate increase, and I’m pleased that MSD has been aggressive about pursuing several innovative financing mechanisms, grants, and loans to help continue managing and improving the system in a fiscally responsible way.”

The agency has made great progress on its Consent Decree requirements of mitigating overflows of untreated wastewater that pollute the Ohio River and our streams. Annual combined sewer overflows have been reduced by 90 percent, from 6.5 billion gallons per typical rainfall year to 648

million gallons, through construction of required combined sewer overflow basins and our Waterway Protection Tunnel.

Alternative Funding Accelerates Projects

The pursuit of alternative funding streams helps MSD improve infrastructure as quickly and efficiently as possible. These funding mechanisms — which are currently providing more than \$225 million of support for in-progress projects — come in the form of grants and low-interest loans that expedite upgrades to the flood protection system, enhance odor mitigation efforts and help to protect the community. Nearly five percent of the \$298.8 million FY2025 Capital Improvement Plan is funded by grants.

“Growing MSD’s Alternative Funding Program over the last decade has played a crucial role in accelerating critical capital projects in a landscape where aging infrastructure, climate change resilience, and regulatory responsibilities vie for limited funding,” Infrastructure Planning Manager Stephanie Laughlin said.

Rate Assistance program extended

The FY2025 rate resolution also extends the Emergency Wastewater Rate Assistance Program (EWRAP), which provides a 30-percent wastewater charge discount for ratepayers whose household incomes are at 150 percent of the poverty line or below. MSD also offers a 30 percent discount on wastewater services for qualified senior citizens.

In the past seven years, MSD has contributed over \$1.2 million through the local Community Ministries and the Louisville Water Foundation’s [Drops of Kindness](#) program, which helps customers who have trouble paying their water and sewer bills.

To learn more and to apply, visit LouisvilleMSD.org/PayMyBill or call 502.540.6000.