

Sewerage and Water Board Task Force
November 30, 2018 1:30 pm
Sewerage and Water Board Board Room, 625 St. Joseph St.

Roll Call:

Ramsey Green, Chair: Present, Arrived late

Councilmember Banks, Vice Chair: Present

Board of Liquidation, Poco Sloss Sloss: Present

La Engineering Society, Dr. Robichaux: Present for David Gereighty

S&WB, Ghassan Korban: Present

New Orleans & Co, Cheryl Teamer: Absent

Business Council of New Orleans, Elisa Speranza: Present

Councilmember Banks calls the meeting to order.

Minutes approved.

Roll is called, quorum reached.

District A,B,C have all had outreach meetings.

Comments have been put down on cards.

Tyler Antrup will write down the general themes of the comment cards and scan the comment cards out so everyone can be aware.

Elisa Speranza: At the meeting in Algiers it helped greatly when Councilmember Banks explained what was going on and what we are and aren't here for. We should do that at all the meetings.

Councilmember Banks: I agree. And there should be sessions in neighborhoods that will allow people to have concerns addressed that we were not there to address.

Tyler Antrup did an amazing job.

Elisa Speranza: Some people are leaving a little frustrated because they thought they were attending a different meeting.

Councilmember Banks: There is a public perception that this has to do with the S&WB and is a neighborhood meeting, but some people aren't understanding the small focus of the Task Force.

Elisa Speranza: We still got very good feedback in the midst of everything

Ghassan Korban arrives.

Tyler Antrup: Since Ghassan Korban just entered - there's obviously an appetite to vent constituent concerns and frustration with the S&WB at these sessions.

Ghassan Korban: I fully appreciate their concerns and knew that coming into this job.

Elisa Speranza: With respect to the Neighborhood engagement office process - I like the comment cards, but I don't think cutting people off is effective.

Councilmember Banks: I agree that it might be better just to let folks vent, so we can make sure people feel heard. Maybe we need to look at revamping that. We still need to say the purpose up front, but if people still want to go down that path then they can.

Poco Sloss: People need to realize that those issues will not be addressed by this Task Force.

Philadelphia Water Department Presentation by Joann Dahme, Public Affairs Manager for Philadelphia Water Department.

Wastewater, drinking water, and storm water utility - all are integrated.

They operate as a not for profit, fully municipal utility.

Ramsey Green, Chair arrives.

Public meetings are held when there is a rate increase.

Rate board was approved in 2012 by ballot approval.

The rates were presented to City Council, but the Council does not approve the rates.

Water commissioner made final recommendation.

- Felt that that was biased so there was change.

The water commissioner is now an active participant and the hearing officer is in a supporting role to the rate board.

Rate board members are voluntary and not paid.

We have a financial consultant who does all the financial planning.

Rate program that is income based rather than usage based.

The consumer advocate asks questions leading up to the technical hearing.

The rate board is transparent as possible.

The rate board spends time reviewing all documentation before making decisions.

We've never gotten exactly what we've asked for. Recently we tried to do a three year rate increase, but the rate board felt uncomfortable with our third year projected financials so they approved a two year increase.

Everything is very thorough and very transparent.

There is a failsafe in the rate board for emergencies.

We are regulated by the Philadelphia City Charter and city code and water department, but not the state.

There's a lot of technical documentation and a lot of public documents so we spend time making sure our documents are public-friendly. There are formal public meetings, but they're not very well attended. We are hoping that are rates aren't very controversial.

Presentation reviewed the composition of the rate board.

Water bills do go out to properties that don't have a water meter for stormwater service.

The public advocate is a third party - RFP position.

Councilmember Banks: How do you bill stormwater people that don't have a meter and what's the recourse if they don't pay?

Presentation goes into stormwater.

Review of changes for how stormwater is charged for:
Moved to a parcel based system.
The change was phased in over 4 years.
Significant public outreach and work with City Council.
The first two or three years were challenging.

There's an online stormwater parcel viewer that allows users to add and remove layers.

The premise of the stormwater fee is that it's not a tax it's a fee - it's based on a provided service.

We implemented credits for stormwater management on lots.

We did not charge city for vacant lots that it took over because they were involuntary landlords.

Residents are paying \$15.53 per month for stormwater management.
Residential properties pay the same amount, nonresidential are paying based on parcel.

We have a separate database based on stormwater.

All residential properties pay the same, even if one is a large property with very little grass area and one is small with mostly grass area.

For the one inch absorption credit - you have to show that you have an approved stormwater management system.

Individual homeowners are not eligible for credits at this time- most homes wouldn't be able to meet 1" standard. We did implement a raincheck program - where we will pay 80% of the cost for customers that want to take on permeable sidewalks and other improvements - 100% for rain barrels.

Tyler Antrup: to clarify you are using your fee to pay for that to offset other costs

Joann Dahme: That is correct.

Councilmember Banks: What's the penalty if they don't pay?

Joann Dahme: Services are shut off.

Councilmember Banks: What if I'm a parking lot?

Joann Dahme: We can place a lien on their property. We haven't had to do this yet.

Poco Sloss: What is the breakdown of commercial vs residential

Joann Dahme: We have about 70,000 non-residential properties and about 450,000 residential.

About halfway through the process we wound up providing exception for cemeteries through a unique public health service route, because they don't have much money.

An assistance program was created for the 4 year implementation program. We said no customer should see their rates go up more than \$100 or 10% between fiscal years, so we extended the phase on for customers that fit that description.

We have extensive community gardens in Philadelphia - we exempted them in our most recent rate case.

Stormwater grant program launched in 2012 with \$5 million budget, now at \$25 million.

Takeaways: Communication with everyone is key, be flexible and adaptable, and align incentives with environmental mandates.

Discussion around the presentation:

Poco Sloss: Recommending a rate setting entity could definitely be part of our directive.

Elisa Speranza: Remember that nonprofits, universities, and hospitals are paying a lot because they are not residential.

For stormwater you're only paying for surface area so tall buildings are in a good space.

Ghassan Korban: It's common to have larger lots pay the same as a smaller lot, but its based on an average.

Poco Sloss: Remember Raftelis told us they could figure out in 6 months what these rates would be.

Elisa Speranza: I think there are examples where the rates are based on land surface area.

Ramsey Green: my assumption is that we have pretty good data based on the Assessor.

Tyler Antrup: The Assessor only captures roof area, they don't have permeable vs. impervious.

Councilmember Banks: I'd be more inclined to figure it out than come out with a flat fee. It's going to be hard to sell a fee that doesn't look equitable. But eventually we will have to make changes. What we have isn't sustainable.

Ghassan Korban: In Milwaukee we had a similar flat fee. Milwaukee has a more predictable housing stock than we do.

Poco Sloss: When we get to a point when we give a recommendation - I presume it within our authority to recommend a stormwater fee and rate setting.

Tyler Antrup: the Task Force is able to recommend whatever level of granularity we want, it's just a recommendation.

Ghassan Korban: When the time comes for all these details it will be hours and hours of discussion that we just don't have.

Elisa Speranza: And hopefully a public process.

Ramsey Green: The public advocate function was very interesting. We don't have a public advocate for water in this city.

Poco Sloss: Does Entergy have that?

No, not defined.

Ramsey Green: in California we had specific programs that promoted efficiency.

Elisa Speranza: In Boston we had an advisory board that represented all the customers. They often scrutinized and found things that we wouldn't have found. It made us a better utility

Tyler Antrup: the purpose of the independent rate board discussion is for the task force to have ideas for how rate setting can be structured

Public comment:

No public comment heard

Tyler Antrup: In two weeks we have two gentlemen joining us that are stormwater utility experts from Chicago. Next Thursday in district D, then district E is our last public meeting.

Elisa Speranza: Can we have a little extra time for the December 12 meeting since people are flying in?

Public comment:

Harvey Stern:

Former employee of S&WB. Thanks to the Task Force and the Board for this conversation. I think, one of the points you need to make when talking about green infrastructure - the pumps at full capacity can take one inch the first hour and half an inch the second hour. The most recent climate change report shows stronger more severe storms for the southeast. 17.3 million gallons fall over a square mile of a city in a one inch rainfall. Given the entire city of Baltimore, which does have some progressive/green infrastructure in place - if a city could get to 5% of green infrastructure that would be a great thing for the city. To the new director, talk to the folks in the trenches.

Ramsey Green, Chair: We have a lot of innovative holding water projects in the pipeline right now.

Poco Sloss motions to adjourn, Councilmember Banks second, meeting adjourned.