

STATEMENT AFFIRMING MY VOTE OF DISAPPROVAL FOR AN INCREASE WATER AND SEWERAGE RATES

BY COUNCIL MEMBER KWAME KENYATTA
February 26, 2007

Detroit City Council voted yesterday to disapprove a proposed 9.3% increase in water and sewerage rates for Detroit customers and a 3.9% increase for suburban customers. I voted in opposition of the increase along with 7 other council members who voted similarly and 1 who dissented.

I voted for the water and sewerage rate rise last year because I believe that along with the responsibility associated with owning the water system comes a duty to maintain and improve the system. At that time, Water Department Director, Victor Mercado, assured me that no Water Department employees would be laid off. However, in the week following my vote, Water Department employees were indeed laid off.

Additionally, I was assured last year that \$5 million, collected from late fees charged to Detroit residents, would be safely earmarked for a water affordability plan without an accompanying rise in water and sewerage rates. Yet, with the proposal of this year's water and sewerage rate increase, 2% of the 9.3% increase was attributed to the need to replace the \$5 million previously intended to fund the water affordability plan.

It is my contention that the City Council cannot raise rates legally as an add-on to the bills of all other regular paying customers in order to fund the water affordability plan. By voting to raise rates as they now stand that is exactly what would happen. Further contradiction exhibited by the Water Department as it pertains to their ability to instigate a water affordability plan has been evidenced by the implementation of a voluntary monthly fee program for Detroit residents, which was accomplished immediately.

In light of these matters, I have no faith in the Director of the Water Department in delivering on his word to City Council. It is my position that the administration instead would be better served by reviewing and reworking their calculations of the water and sewerage rates and to devise a plan for the implementation of the water affordability plan in short order. That is the only way I may feel comfortable with any recommendations that they bring to the table.

Furthermore, we have asked repeatedly for:

- Information with regards to the Water Department working group convened by Judge Feikens
- Information on the expenses of money being spent on the "special master" assigned by Judge Feikens, Tom Lewand along with any recommendations that are forthcoming from that group

The administration has failed to provide any information whatsoever on the aforementioned issues.