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IN THE MATTER OF  
THE PHILADELPHIA WATER DEPARTMENT'S  
PROPOSED INCREASE IN RATES  
FOR WATER AND WASTEWATER UTILITY SERVICES

- - -

PUBLIC INPUT HEARING

- - -

Thursday, July 24, 2008  
6:30 p.m.

- - -

YMCA  
5120 Chestnut Street  
Philadelphia, PA

- - -

BEFORE: HARRIS T. BOCK, ESQ.  
Hearing Officer

- - -

VERITEXT NATIONAL COURT REPORTING COMPANY  
KNIPES COHEN  
1801 Market Street - Suite 1800  
Philadelphia, Pennsylvania 19103

APPEARANCES:

ANDRE C. DASENT, ESQ.  
Counsel to Philadelphia Water Department

COMMUNITY LEGAL SERVICES, INC.  
BY: THU TRAN, ESQ.  
Counsel to Public Advocate

- - -

ALSO PRESENT:

MICHAEL L. GALBRAITH, ESQ.  
The Dispute Resolution Institute

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1           THE HEARING OFFICER: Good evening,  
2           everyone. My name is Harris Bock and I  
3           am the Hearing Officer that's been  
4           appointed by the Mayor, the President of  
5           City Council, as well as the City  
6           Controller to preside over the rate  
7           increase request that's been made by the  
8           Philadelphia Water Department.

9           These hearings that we're having  
10          tonight and at other places throughout  
11          the City over the last several days are  
12          required by the regulations of the Water  
13          Department to give individuals who are  
14          going to be affected by the rate increase  
15          an opportunity to be heard, an  
16          opportunity to say their piece, an  
17          opportunity to make their feelings part  
18          of the record that ultimately I will  
19          consider as well as the Water  
20          Commissioner in making the final decision  
21          with regard to this matter.

22          Tonight's hearing is intended to  
23          give you that opportunity to say what you  
24          have to and put your comments on the  
25          record so that they may be considered in

1 the future.

2 We have representatives here from  
3 the Water Department. We have  
4 representatives here from the Water  
5 Revenue Bureau. We have representatives  
6 here from both of those departments that  
7 may be able to answer some questions that  
8 you may have.

9 As for myself, it's my  
10 responsibility to preside over the  
11 hearing, not to answer questions per se.  
12 We will, if you do have questions, try to  
13 get them answered by the appropriate  
14 individuals.

15 We have certain people here from the  
16 Water Department. We might as well have  
17 them introduce themselves now to  
18 everyone.

19 MR. CLARE: Hi there. I'm Deputy  
20 Commissioner Joseph Clare. I'm in charge  
21 of Finance and Administration for the  
22 Water Department. Welcome tonight.

23 MS. McCARTY: Hi. My name is Debbie  
24 McCarty. I'm the Deputy Commissioner of  
25 Operations for the Water Department.

1 Glad to see you all.

2 MR. DASENT: My name is Andre  
3 Dasent, outside counsel for the  
4 Philadelphia Water Department, and with  
5 us also in the back are an array of folks  
6 from the Water Revenue Bureau -- I hope  
7 some of them will identify themselves --  
8 as well as general counsel for the Water  
9 Department, Gerry Leatherman.

10 Erin, I always mess up your last  
11 name. Is it McDevit?

12 MS. McDEVIT-FRANTZ: McDevit-Frantz.

13 MR. DASENT: I got it right.

14 And our rates whisperer or manager,  
15 we call him either one, James Palladino;  
16 and Jim Aleo also from the Water  
17 Department is in the back row.

18 And if you would from the Water  
19 Revenue Bureau introduce yourself as  
20 well, that would be great.

21 MS. WATSON: Byronette Watson,  
22 customer service assistant manager, Water  
23 Revenue Bureau.

24 THE HEARING OFFICER: In addition,  
25 besides the appointment of a Hearing

1       Officer, the regulations of the Water  
2       Department provide that a Consumer  
3       Advocate be specially appointed by the  
4       Mayor and by the President of City  
5       Council and the City Controller as well,  
6       and we have a representative here, the  
7       Consumer Advocate who is here tonight,  
8       and that's Thu Tran, an attorney with  
9       Community Legal Services.

10            She as well as another person in her  
11       office has been specially appointed to  
12       represent the interests of consumers in  
13       this overall rate proceeding.

14            So I think it would be helpful if we  
15       have a little opening statement by a  
16       representative of the Water Department  
17       and the Consumer Advocate, so I'm going  
18       to ask Mr. Dasent to proceed on that  
19       basis first. Thank you.

20            MR. DASENT: Thank you, Your Honor.

21            Good evening, everyone. We're here  
22       tonight to talk about the Philadelphia  
23       Water Department's rate increase as it's  
24       been proposed.

25            Many of you are probably aware of

1 the fact that there's a revenue shortfall  
2 that the Department is faced with and to  
3 get enough revenues into the Department  
4 to maintain its debt service, to maintain  
5 coverage, to maintain payments on an  
6 array of things from salaries and  
7 benefits to materials and supplies, to a  
8 host of other matters that we have to  
9 deal with on an annual basis, we have to  
10 raise revenue from time to time.

11 In years past we would wait, let's  
12 say, four-year intervals, sometimes even  
13 longer, to come back to raise rates, and  
14 we've been doing that more or less to  
15 tell you that we can structure a rate  
16 increase in a way that you can budget for  
17 it, you can plan for it, and it's not in  
18 steps that are unaffordable.

19 This particular rate increase is  
20 6.9% over four years. The steps that  
21 we're proposing are to allow us to have  
22 sufficient revenues to pay all our bills,  
23 as we must have those revenues to satisfy  
24 investor requirements, to do those  
25 necessary things that we do in our

1 household; for example --

2 MR. HOLMES: Excuse me. Could you  
3 hold off for just a minute until this  
4 noise is finished?

5 THE HEARING OFFICER: Sir, I think  
6 that's a good point and I was just about  
7 to say that, so thank you for doing that.

8 MR. HOLMES: Thank you very much.

9 - - -

10 (Brief interruption.)

11 - - -

12 MR. DASENT: As I was saying, we're  
13 here tonight to talk about the proposed  
14 rate increase and the purpose of these  
15 hearings really is to listen to you, to  
16 hear your concerns, to spread on the  
17 record for the Water Commissioner and the  
18 Hearing Officer here tonight so that they  
19 can make a reasoned and fair decision  
20 concerning increased rates.

21 The rate increase, as I described it  
22 as it impacts residential customers, is  
23 6.9% over four years. For commercial  
24 customers it's 7% over that same period  
25 of time. And the impact is spread in a

1 way hopefully that we can all afford it  
2 and it can be budgeted to take care of  
3 the necessary expenses that the  
4 Department must pay on an annual basis.

5 Just like any other enterprise,  
6 whether we're dealing with salaries and  
7 benefits, whether we're dealing with  
8 other concerns, whether it's materials  
9 and supplies, electricity and fuel costs,  
10 and so many other things that any other  
11 business would face, so does the Water  
12 Department.

13 But with 500,000 customers, it just  
14 adds six figures to those numbers that  
15 you would normally think of a small  
16 business having, and you will get an idea  
17 of the magnitude of dollars. And this is  
18 all to serve the customers, yourselves.

19 It's a City-owned utility so it's a  
20 not-for-profit enterprise. We're in a  
21 situation where we're simply just trying  
22 to pay the bills, just trying to make  
23 sure your water is safe, trying to make  
24 sure that the sewage treatment plant and  
25 the water treatment plants, plural, are

1 all handled in a way so that the  
2 infrastructure is working to serve you  
3 best, protecting the environment and  
4 doing those things that we must to make  
5 sure, for example, that our employees are  
6 paid.

7 Just over 2,000 employees, that's  
8 not a small number of folks, but  
9 recognize that also costs a fair amount  
10 of money. Our debt service also on the  
11 infrastructure that we have is  
12 significantly high. It's about 25% of  
13 this increase. Materials and supplies,  
14 whether chemicals to treat the water,  
15 which is necessary to make the water safe  
16 for you, or fuel or electricity or  
17 maintenance or security, all these things  
18 are a component of the rate increase that  
19 we're asking for.

20 Escalating regulatory requirements  
21 also factor into this rate increase  
22 because as the Federal Government or  
23 State Government indicates certain  
24 environmental requirements must be met,  
25 we have to be in a situation where we can

1 pay those costs associated with those  
2 requirements.

3 The rate increase, as I said before,  
4 is structured over four years to try to  
5 make it as affordable as possible. I'm  
6 hopeful in this particular situation you  
7 can see the logic of coming in and  
8 talking to you about structuring a rate  
9 increase that's fair to you and it's as  
10 fair as it can be.

11 To the degree you have concerns,  
12 obviously you need to state those for the  
13 record. Just as we are stating for the  
14 record that we need rate relief, you may  
15 also have a different point of view in  
16 terms of the impact on your budget.

17 Whether it's because of inflation and  
18 other costs, whether it's electricity and  
19 so many other things that come into play  
20 in the current economy, those sorts of  
21 things you need to share with the Hearing  
22 Officer.

23 As someone with elderly parents, I  
24 know certainly that a lot of folks can't  
25 fit additional expenses into their

1 budget. So I think it's important to  
2 emphasize in any testimony in any hearing  
3 like this what's affordable to you. So  
4 I'm hoping you will tell us that, as well  
5 as any other concerns that you have  
6 concerning the operation of the Water  
7 Department or the quality of service that  
8 we provide.

9 But this hearing is about you and  
10 we're here to listen to you, and I thank  
11 you for coming.

12 THE HEARING OFFICER: Thank you,  
13 Mr. Dasent.

14 Ms. Tran?

15 MS. TRAN: Good evening. Thank you  
16 all for being here to bring your voice to  
17 this very important case.

18 My name is Thu Tran. I'm a lawyer  
19 with Community Legal Services. CLS has  
20 been appointed the Public Advocate to  
21 represent residential water customers in  
22 this case.

23 In this case, if the Philadelphia  
24 Water Department is granted its whole  
25 rate increase request, in less than 36

1 months water bills will go up at a rate  
2 of \$180 more a year. That's a 30%  
3 increase compared to today's rates.

4 Now, we can't expect incomes to rise  
5 more than a small fraction of that and  
6 nowhere near 30% even in four years. At  
7 these levels it's very hard to plan for  
8 or budget for.

9 Now, the Philadelphia Water  
10 Department has not made an adequate case  
11 for such a big rate increase and given  
12 the current quality of customer service  
13 from the Water Revenue Bureau, we don't  
14 think they deserve a rate increase.

15 In this case the rate increase  
16 should not be granted unless it can meet  
17 the constitutional legal standard of just  
18 and reasonable rates.

19 CLS as the Public Advocate is  
20 working with a team of experts to examine  
21 the financial figures provided by the  
22 Water Department and to evaluate the  
23 customer service practices of the Water  
24 Revenue Bureau. Our experts are of the  
25 opinion that the rate increase request is

1 not reasonable because it is based on  
2 projections upon projections and  
3 estimates upon estimates.

4 Also, a rate increase at this time  
5 is not just or fair given the current  
6 state of customer service at the Water  
7 Revenue Bureau. Too often we're seeing  
8 Philadelphia citizens leave the Water  
9 Revenue Bureau having received answers  
10 that are incorrect or inconsistent or  
11 having their request denied for arbitrary  
12 reasons. We're talking about requests  
13 for new water service or for restoration  
14 of water service or for an affordable  
15 payment agreement.

16 Time and again requests are denied  
17 without an opportunity for appeal or an  
18 opportunity to dispute a wrong decision.  
19 This is not acceptable when we're talking  
20 about a life-essential service such as  
21 water.

22 There is a long-standing principle  
23 that service precedes rates. That means  
24 the service needs to come before a rate  
25 increase. That means that the water rate

1       increase should not be granted unless the  
2       Philadelphia Water Department and the  
3       Water Revenue Bureau can show that it can  
4       provide adequate service, which includes  
5       the quality of customer service, not just  
6       the quality of service that comes to your  
7       homes.

8               Now, please come forward and provide  
9       your input so that can be considered in  
10       this rate case. It is important for the  
11       Hearing Officer to know that there are  
12       many real-life people in our community  
13       for whom a 30% increase would be a real  
14       burden and not a realistic increase.

15               Unaffordable rates will result in  
16       more people being shut off from being  
17       unable to pay their bills. And it's just  
18       as important to consider the quality of  
19       customer service that the Philadelphia  
20       citizens are receiving or not receiving.

21               We have some blue fliers that we are  
22       distributing. They're in the back. They  
23       look like that that that young woman is  
24       holding up. Please take copies and give  
25       them to your friends, relatives,

1 neighbors. There are two more public  
2 input hearings coming up that are listed  
3 in the fliers and we would appreciate  
4 your help in spreading the word about  
5 those hearings.

6 Thank you.

7 - - -

8 (Applause.)

9 - - -

10 THE HEARING OFFICER: Let me just  
11 say, as the Hearing Officer I appreciate  
12 all of you coming out tonight and taking  
13 time out of your schedule to be here with  
14 us tonight. I encourage everyone to  
15 speak. I don't want anybody to be  
16 nervous. We're not grading anybody on  
17 your speaking in any way whatsoever. If  
18 you want to do it sitting down, that's  
19 fine. If you want to do it standing up,  
20 that's fine. Whatever makes you  
21 comfortable. The important part is that  
22 we get to hear what you came here to tell  
23 us tonight with regard to this matter.

24 I think Mr. Dasent started a list  
25 with regard to speakers.

1           MR. DASENT:  Yes.  On the list we  
2           have Mrs. Jan Horne as our first witness.

3           THE HEARING OFFICER:  Okay.

4           MS. HORNE:  Good evening.

5           THE HEARING OFFICER:  Good evening.  
6           How are you?

7           MS. HORNE:  I am personally  
8           terrorized by the Water Department.  I'm  
9           also a senior citizen.  I have been  
10          dealing with the Water Department for the  
11          last six months.

12          In December '07 my water bill was  
13          \$41.52.  The rate has risen each month  
14          for the last five months.  It went from  
15          \$41 to -- wait a minute.  Let me put my  
16          glasses on.  This is really important  
17          because it was \$41 and then in January it  
18          was \$90 -- wait a minute.  It gets  
19          better.

20          Okay.  Here it is.  It was \$95 and  
21          then they did something and they took off  
22          some and then it was \$59.  Then it was  
23          \$96.  And then it was \$75.  And then last  
24          month, this current month, I received a  
25          bill for \$1,227 for one month.  The month

1 before that it was \$1,040.

2 I have called the Water Department  
3 each month. They tell me to call back  
4 each month. So when I finally talked to  
5 one of the advocates on Monday, I went  
6 and bought a newspaper, put my bill next  
7 to the meter. I have a digital camera.  
8 I printed it. And you can see the  
9 difference between what my meter says and  
10 what the bill says.

11 It is ridiculous. I have had  
12 anxiety. I've been upset. I have been  
13 treating water like it's gold. Okay?  
14 I'm afraid to use the water.

15 I mean, when I called them and said  
16 there's something wrong with this meter  
17 or something is wrong, you need to give  
18 me some help, Monday I was told that I  
19 wouldn't know anything for 45 days and to  
20 pay the usage charge.

21 That does not give me any relief  
22 because I don't understand how it went  
23 from \$41. Now, this was for one month,  
24 \$1,000 for one month. Okay? For water.  
25 But there are no leaks and I think that

1       if I let the water run all day long, I  
2       couldn't imagine it would be \$1,000 for  
3       one month.

4               I can't imagine how they would  
5       increase a customer's water bill when  
6       they are incompetent. Okay? I actually  
7       called the Water Department two months  
8       ago -- I have all my bills, I have the  
9       photographs here for you to see -- to say  
10       I never received a bill. Oh, there's  
11       something wrong with the computer. And  
12       so I was billed for two months. Okay?

13               So there's nothing consistent in  
14       here. And I brought this here because I  
15       believe that maybe I could get some help  
16       because when I call, my customer service  
17       is zero. I get nothing. Okay? Except  
18       to call back the next month. And each  
19       time I open this bill, I have an anxiety  
20       attack.

21               THE HEARING OFFICER: That's  
22       certainly understandable.

23               Mr. Dasent, maybe you can respond to  
24       that and talk about the difference  
25       between the Water Department and the

1 Water Revenue Bureau.

2 MS. HORNE: I hope I get this  
3 resolved here, please.

4 MR. DASENT: That's exactly what  
5 we're going to do. We're going to look  
6 at your bill and hope that we can find,  
7 one, a contact that you can work with  
8 over time to resolve this issue; but,  
9 two, to get to the bottom of your issue.

10 MS. HORNE: Okay.

11 MR. DASENT: Now, I'm going to  
12 suggest that Byronette Watson, who is in  
13 the room, sit down and talk with you and  
14 see if we can't reasonably address this  
15 problem.

16 MS. HORNE: Can I just say this,  
17 sir? I pay my bill on time. I have  
18 never had a large water bill, nor have I  
19 had one that was ever a deficit where I  
20 didn't pay it. It was never any of that  
21 situation. This just keeps going and  
22 going. Nobody wants to send anybody out  
23 there to see anything. Nobody wants to  
24 tell me anything on the phone.

25 MR. DASENT: We're here en masse

1 back here in a row of folks, but  
2 Byronette Watson particularly can help  
3 resolve your problem --

4 MS. HORNE: I certainly hope so.

5 MR. DASENT: -- and we're hopeful  
6 that's a first step along the way.

7 MS. McCARTY: If I might add that I  
8 apologize because I can feel how upset  
9 you are and it's very understandable, as  
10 the Hearing Officer and Mr. Dasent  
11 mentioned. But there could be a number  
12 of things going on and I can assure you  
13 that Water Revenue and we will work to  
14 figure this out.

15 It could be something that got  
16 screwed up with our billing system. It  
17 could be because you were getting  
18 estimated meter readings and then we got  
19 an actual meter reading. But we'll work  
20 through it and figure out what's going on  
21 and get this resolved.

22 MS. HORNE: I certainly hope so  
23 because I have everything here.

24 THE HEARING OFFICER: Thank you.

25 Our next person?

1           MR. DASENT: Our next witness is  
2 Pearl Johnson.

3           MS. TRAN: Before we move on, can we  
4 ask Ms. Horne to provide her address,  
5 please?

6           MS. HORNE: Yes. 5433 Spruce  
7 Street.

8           THE HEARING OFFICER: And if all the  
9 witnesses would provide their address,  
10 that would be helpful to us, when you  
11 give us your name, please.

12          MR. DASENT: Pearl Johnson.

13          MS. JOHNSON: My name is Pearl  
14 Johnson and I'm a senior citizen and I'm  
15 concerned about this water bill. I have  
16 received a water bill in the last two  
17 months that has gone up. The rate  
18 increase is just now being proposed. So  
19 why did my bill go up?

20                 And I don't agree with every time  
21 the City has something or the Department  
22 has something, they pass it on to the  
23 consumers and the consumers have to pay  
24 the bill. I'm on a fixed income and I  
25 oppose this water increase.

1 THE HEARING OFFICER: Thank you.

2 MS. McCARTY: Can we get her  
3 address?

4 If you give us your contact  
5 information, we can look into what's  
6 going on with you if you would like.

7 MS. JOHNSON: 5716 Pine Street.

8 MS. McCARTY: And your phone number,  
9 your contact number?

10 MS. JOHNSON: 215-747-7977.

11 THE HEARING OFFICER: Ask them to go  
12 out in the hall because it's interrupting  
13 the hearing.

14 MR. DASENT: Our next witness is  
15 Martha Spears.

16 MS. SPEARS: My name is Martha  
17 Spears.

18 THE HEARING OFFICER: Hold on just a  
19 second. We want to ask them to go  
20 outside because we want to make sure your  
21 comments are well heard and everybody can  
22 hear you in the room.

23 Thank you.

24 MS. SPEARS: I am Martha Spears and  
25 I am a senior citizen myself and I just

1           can't afford an increase in my water bill  
2           because I'm a widower by myself and I  
3           just can't afford no more bills. I just  
4           can't afford it. So I oppose it.

5           THE HEARING OFFICER: Thank you.

6           MR. DASENT: What is your address  
7           also for the record?

8           MS. SPEARS: 1551 North 62nd Street.

9           MR. DASENT: Thank you very much,  
10          Mrs. Spears.

11          Lillian Mingo is also in the room,  
12          Your Honor.

13          MS. MINGO: Yes. Lillian Mingo,  
14          5403 Lebanon Avenue. My bill used to be  
15          like 40 or 50 dollars, sometimes 30. But  
16          it's like that in the summertime. It  
17          varies. But in the wintertime it's  
18          lower.

19          But in March of this year I received  
20          a bill for over \$1,100 for just one  
21          month, and after that it went up to 14.  
22          I went to the municipal building and  
23          talked to different ones down there.  
24          Every month I got the runaround.

25          I've been going there for five

1 months trying to get this straightened  
2 out and every month it's something  
3 different, it's in review, it's in  
4 review, you'll be hearing from us in a  
5 few days. I haven't heard nothing yet  
6 from them.

7 And one month it went up to \$1,900.  
8 Then I went down there again, they said  
9 they're going to adjust it. Well, they  
10 did adjust it. They adjusted it to  
11 \$1,400. That's no adjustment to me. I'm  
12 a senior citizen. I'm on a fixed income,  
13 too. And it's not fair and I don't  
14 approve of this increase.

15 THE HEARING OFFICER: Do you want to  
16 respond to that?

17 MR. DASENT: I think also in your  
18 case, Mrs. Mingo, if you have some  
19 billing information that you can sort of  
20 share with someone to see if there's an  
21 adjustment that can be made, if you're  
22 eligible for any programs that we might  
23 have, just as a way to resolve your  
24 problem.

25 But, again, we do have people from

1 Water Revenue in the room and between the  
2 Water Department folks here and Water  
3 Revenue we should be able to get to the  
4 bottom of your issue and, if there is  
5 some assistance to offer, make sure that  
6 you are aware of it.

7 MS. MINGO: Furthermore, I forgot to  
8 say, I did have a faulty meter. They  
9 came out to check that. The first person  
10 said I had a flood in my house. The  
11 water people came out, they checked, I  
12 didn't have no flood. I did have a  
13 defective meter. They came out. They  
14 did change the meter. But that's all  
15 they did. Nothing else was done.

16 THE HEARING OFFICER: How long have  
17 you been living in your house?

18 MS. MINGO: 40 years, and I never  
19 had no trouble with paying my bills. I  
20 always paid it on time. I was never in  
21 default. But when it's time for the  
22 Water Company to do something for me and  
23 look after me, they just like threw me  
24 aside.

25 MS. McCARTY: So your bill went up

1 after we came out and changed the meter?

2 MS. MINGO: It went up before. Then  
3 I went to Revenue and they finally sent  
4 someone out. This was in March. They  
5 finally sent somebody in May or the end  
6 of April. They gave me a new water meter  
7 and still it's no better because they're  
8 still sending me a great big bill.

9 MS. McCARTY: But was that when it  
10 went from 1,900 to 1,400?

11 MS. MINGO: Yes.

12 MS. McCARTY: Okay. We'll look into  
13 this. Do you want to give us your phone  
14 number?

15 MS. MINGO: 215-473-4908.

16 MS. McCARTY: Okay. We'll look into  
17 it. I mean, your other meter may not  
18 have been accurately recording what your  
19 usage was so you may have been  
20 underbilled all those many months and  
21 then when we came out to put the new  
22 meter in that is accurate, we could get  
23 the read on the old meter that wasn't  
24 accurately sending the reading to our  
25 truck that drives around and picks up

1 what your meter readings are.

2 THE HEARING OFFICER: Excuse me. We  
3 are really not sure, so we're going to  
4 check into it.

5 MS. McCARTY: We're going to look  
6 into it.

7 THE HEARING OFFICER: Thanks.

8 The Hearing Officer is also  
9 directing, with regard to the two cases  
10 that have just been pointed out to us,  
11 that he wants an explanation filed by the  
12 Water Department, not just as to talking  
13 with the customers, but something of  
14 record as to what transpired with both of  
15 these accounts.

16 MR. DASENT: Okay. Thank you. We  
17 will.

18 Mr. Jonathan Harris, Your Honor, is  
19 also on the list for tonight.

20 THE HEARING OFFICER: Good evening,  
21 Mr. Harris. How are you, sir?

22 MR. HARRIS: Good evening. My name  
23 is Jonathan Harris. I live at 2134 North  
24 Natrona Street.

25 On April 4, 2007, the water man came

1 to my house to change the meter. In the  
2 process of changing the meter, he changed  
3 the meter, all right, he put -- what was  
4 that? -- a 222 meter in where he took out  
5 a 204 meter. I asked him to calculate  
6 that down. He didn't do nothing. I got  
7 a bill for \$456 the next month.

8 THE HEARING OFFICER: How much was  
9 your usual water bill?

10 MR. HARRIS: No one was in the house  
11 at that time. At that time the sewer was  
12 busted. I was having it fixed. I got  
13 the bills and everything. Previous to  
14 that my mother was in the hospital, died  
15 with cancer. But I still kept the bills  
16 going. I live someplace else.

17 None of this accounted to the Water  
18 Company. I sent letters. I asked to go  
19 to court. I've been to court twice.  
20 They said abate, abate, abate. Nobody  
21 knows what the word "abate" means. In my  
22 dictionary it means to reduce. I keep  
23 getting bills higher and higher and  
24 higher now. So I'd like for someone to  
25 check into this.

1           Now, who is the representative? --  
2           because I've got my statement right here.  
3           I've been paying my bill every month. My  
4           parents have been owning that property  
5           ever since '62.

6           MS. WATSON: I'm going to give you  
7           my card and I'm going to take a look at  
8           this and I will call you.

9           THE HEARING OFFICER: As I  
10          understand, a representative from the  
11          Water Revenue Bureau will check into it  
12          and get back to Mr. Harris.

13          MR. DASENT: Yes.

14          THE HEARING OFFICER: Thank you,  
15          Mr. Harris. We'll be checking into that.

16          The next witness.

17          MR. DASENT: The next witness is  
18          Barbara White.

19          MS. B. WHITE: I would like to give  
20          this to you.

21          THE HEARING OFFICER: Thank you.

22          MS. B. WHITE: And you, sir.

23          MR. DASENT: Thank you.

24          MS. B. WHITE: Okay. My name is  
25          Barbara White and I'm 59 years old. I

1 live with my mother, who is 84 years old,  
2 and she suffers with Alzheimer's. We are  
3 both retired and we are both receiving  
4 Social Security.

5 Before retirement I worked as a  
6 seamstress for Sharp Brothers and other  
7 well-known garment manufacturers. I have  
8 been a Water Department customer for over  
9 15 years. I live at 11 South 53rd  
10 Street.

11 From 1985 to 1993 I rented the  
12 house. The owner was responsible for the  
13 water and received a bill in his name.  
14 But in 1993 I applied for water service  
15 in my own name because the owner was not  
16 staying current with his bill. Later I  
17 assumed the mortgage and in 2001 the  
18 owner formally conveyed the property to  
19 me. It was transferred to me.

20 From 1993 until 2008 both the former  
21 owner and I received separate water  
22 bills. In February 2008 my water bill  
23 skyrocketed to over \$1,000 when the two  
24 accounts, they were consolidated.

25 In March I received a shut-off

1 notice despite the fact that I had been  
2 paying my current bills in full and on  
3 time.

4 In April I contacted Community Legal  
5 Services. I found out that I was  
6 responsible for all of the delinquent  
7 water bills left on the property. I was  
8 advised to apply for the WRAP program,  
9 which is the Water Revenue Assistance  
10 Program for low-income customers.

11 I filled out the application and a  
12 CLS attorney helped me to itemize my  
13 expenses. On May 1 CLS had delivered my  
14 WRAP application. On May 12 I received a  
15 letter which said that my application was  
16 incomplete and that I needed to submit  
17 current proof of income for my mother and  
18 a current gas bill. I had delivered this  
19 information on May 21. My WRAP  
20 application was denied even though there  
21 is no question that we are a low-income  
22 household.

23 Now, the denial letter instructed me  
24 to call a Water Department representative  
25 if I had any questions. I called many

1 times. I even dedicated an entire day to  
2 calling the Water Revenue Department,  
3 different times, morning, noon, and  
4 night, and I got no response whatsoever.

5 So I finally had to go down there.  
6 I asked the representative if I could  
7 speak to the person who denied me the  
8 WRAP program so that I could point out if  
9 I had submitted all of the required  
10 information.

11 The representative told me that the  
12 case managers don't usually speak to the  
13 customers and that once a decision is  
14 made on the WRAP program, all the  
15 documents were shredded. So none of my  
16 information had been kept on file and  
17 there was no way to confirm with them  
18 whether or not an error had been made.

19 So next the representative suggested  
20 that I set up a completely unaffordable  
21 payment plan. She told me that I had to  
22 come up with \$291 in the first week and  
23 that I could pay \$80 a month plus the  
24 incoming bills for the next nine to ten  
25 months. There was no way I could come up

1 with that kind of money.

2 So I received a new WRAP application  
3 and I filled it out. The new application  
4 I submitted on June 6. I received  
5 another letter saying that I did not have  
6 sufficient documentation. The notice  
7 said to submit a current SSI statement  
8 for my mother again and current copies of  
9 the telephone bill.

10 I had already provided these  
11 documents in my first application but I  
12 did it again and I took these documents  
13 to them on June 24. The next thing I  
14 know, the Water Department shut my  
15 service off while I was waiting for a  
16 decision on the second application.

17 My service was shut off on July 2  
18 and the next day, July 3, I received a  
19 denial letter for the second application.  
20 I attempted to phone the Water Company at  
21 the number that they provided for me in  
22 the denial letter but, as usual, I was  
23 unable to get through.

24 I went back to CLS and contacted the  
25 Water Revenue Department. Someone there

1       contacted the supervisor on July 7. We  
2       were told that the service would be  
3       restored on July 8. But they didn't  
4       restore it until July 9. Okay? Despite  
5       the service worker left a note and said  
6       that it was turned on on the 8th, but it  
7       wasn't turned on until the 9th.

8               So I still do not know why my second  
9       WRAP application was denied. At no time  
10      was I ever told in writing or orally that  
11      I had a right to appeal or that the  
12      denial to the Water Company Bureau  
13      Hearing Officer, I could talk to him.

14             I think this is outrageous. For  
15      many years I've been with the Water  
16      Company and this is the first time that a  
17      bill was combined and so high that I  
18      could not pay it.

19             So making this bill completely  
20      unaffordable of \$1,000, when I tried to  
21      enroll in the low-income program to deal  
22      with this bill, the Water Department  
23      totally, unsympathetically,  
24      uninterestingly just didn't want to help  
25      me.

1           So to me this is not customer  
2           service. It's customer abuse. I think  
3           it's really not fair that the Water  
4           Company does not listen to you. You  
5           can't get through if you want to talk to  
6           them on the phone. So do I agree with  
7           this rate increase? No, definitely not.

8                                 - - -  
9                                 (Applause.)

10                                - - -  
11           THE HEARING OFFICER: Thank you very  
12           much, Ms. White, for certainly your input  
13           and for the effort in putting this  
14           together. This is going to be made a  
15           part of the record of this proceeding,  
16           your entire testimony and the exhibits.

17           It was done very, very well. I  
18           compliment you on it. I have lawyers  
19           before me all the time and they don't put  
20           the documentation together as well as you  
21           did.

22           MS. B. WHITE: Yes. And we gave the  
23           Water Department that same typed  
24           information when we filled out the WRAP  
25           program application. CLS helped me with

1           that so I know it was complete. Yet I  
2           was denied.

3                   THE HEARING OFFICER: And certainly  
4           we're going to have the Water Department  
5           look into that and contact you with  
6           regard to that. Somebody will contact  
7           you and that will certainly be part of my  
8           record in considering what kind of  
9           service is being provided by the Water  
10          Revenue Bureau.

11                   MS. B. WHITE: Okay. Thank you.

12                   THE HEARING OFFICER: Mark this,  
13          please.

14                   MS. TRAN: Mr. Bock, will this  
15          exhibit be marked?

16                   THE HEARING OFFICER: Yes. We are  
17          going to mark it right now.

18   - - -

19   (Whereupon the document was marked,  
20          for identification purposes, as Exhibit  
21          Public Hearing 1.)

22   - - -

23                   MR. DASENT: We have another  
24          witness, Your Honor, John Brazington.

25                   MR. BRAZINGTON: Yes. Good evening,

1 everyone. Good evening, West  
2 Philadelphia. Good evening. My name is  
3 John Brazington. I'm a citizen of the  
4 City of Philadelphia.

5 I grew up here and I still have a  
6 great deal of hope for this city. I was  
7 born and raised here. My father, the  
8 late Dr. Andrew Brazington, practiced  
9 across the street for 35, 40 years. He  
10 worked for the City of Philadelphia for  
11 35, 40 years.

12 I love this city. It's a beautiful  
13 city. The reason that brings me out  
14 tonight is that the City of Philadelphia  
15 is, in my opinion, destroying itself.  
16 Center City is growing in vast ways. The  
17 population is growing in Center City.  
18 The tax base is growing in Center City.  
19 But the tax base and the city is  
20 shrinking outside of Center City.

21 When I was growing up in this great  
22 city, it was a city of 2.7, 2.8 million.  
23 The city now, in 2008, approaching 2009,  
24 has shrunk now to 1.3 million. A lot of  
25 people have left this city because of

1 crime, because of declining public  
2 schools. A lot of people are also  
3 leaving because they can no longer afford  
4 to pay their bills.

5 Gas prices are increasing. PGW just  
6 asked for a rate increase not too long  
7 ago. But now the Water Department is  
8 asking for a rate increase.

9 You have a vast number of senior  
10 citizens here who are on fixed incomes  
11 and they're afraid to come out of their  
12 homes along with fear of losing their  
13 homes because the utility bills and other  
14 bills are rising. I strongly, strongly  
15 am opposed to the rate increase.

16 I also would like to be told an  
17 answer to a question which I have been  
18 pondering. I'm somewhat of a conspiracy  
19 theorist. I have been told that this  
20 rate increase is tied to the City of  
21 Philadelphia buying properties on Market  
22 Street from 46th to 63rd. Those  
23 properties are dying because of the SEPTA  
24 overpass and this rate increase is tied  
25 into the SEPTA overpass and the City

1 plans to buy those mom-and-pop stores and  
2 turn them into cafes and restaurants.

3 So I would like a response based on  
4 the information that I've received from  
5 somewhat of a reliable source. Is that,  
6 in fact, true, that this rate increase is  
7 being considered, from my understanding,  
8 \$50 million, to buy those mom-and-pop  
9 stores from 46th to 63rd Street in an  
10 effort to buy them out and put  
11 restaurants and cafes on those streets  
12 and therefore bring tourists up from  
13 Center City all the way up into West  
14 Philadelphia?

15 So not only am I opposed to the rate  
16 increase because we have senior citizens  
17 who have declining incomes, a job base in  
18 the City of Philadelphia that has been  
19 declining for 50, 60 years.  
20 Manufacturing is nonexistent in the City  
21 of Philadelphia. There used to be  
22 factories across the City that employed  
23 people from high school until they  
24 retired at 63 or 65 or 55.

25 So first I would like a response to

1 that story that I have received.

2 THE HEARING OFFICER: I think you  
3 deserve a response. I think Mr. Dasent  
4 will give you one.

5 MR. BRAZINGTON: Thank you very  
6 much. I appreciate your time.

7 THE HEARING OFFICER: We appreciate  
8 your cogent comments and the insight that  
9 you have given to us.

10 MR. BRAZINGTON: Thank you very  
11 much.

12 MR. DASENT: If your Honor please,  
13 the four corners of the rate increase are  
14 described in this brochure and in the  
15 rate filing. They're for many, many,  
16 many good reasons, including supporting  
17 our employees, including paying our debt  
18 service, and doing a whole host of things  
19 that I tried to explain earlier.

20 Mr. Clare here, who is the Deputy  
21 Commissioner for Finance, can state in  
22 detail and categorically deny the  
23 relationship between Market Street and  
24 its problems and the Water Department,  
25 which is trying to solve a problem

1            basically, to make sure it can remain  
2            whole and operational by this rate  
3            increase.

4            MR. CLARE: Your Honor, it is true  
5            that the City is losing population. I  
6            think we've indicated that on the record.  
7            The Water Department itself has  
8            experienced the considerable loss of  
9            accounts over the years, to the tune of  
10           about 2% per year.

11           As a legal matter, though, the Water  
12           Department's finances are totally  
13           separate from the City of Philadelphia's,  
14           or SEPTA's for that matter. And we have  
15           covenants to our bondholders that  
16           prohibit us from commingling our money or  
17           from using it for any purpose other than  
18           the operation of the Water Department.

19           It would be a violation of my  
20           fiduciary capacity as a manager of the  
21           Water Department to see that funds were  
22           misallocated in that fashion and I can  
23           assure you there is no plan to do that.  
24           There never has been and there never will  
25           be as long as we have \$1.7 billion worth

1 of debt outstanding to some very loyal  
2 investors that keep our capital projects  
3 afloat.

4 THE HEARING OFFICER: So you  
5 understand, the purpose of the overall  
6 rate hearings, which will travel on for  
7 several months after this and have  
8 already been initiated by the filing of  
9 complex technical testimony, but in short  
10 the idea is the Water Department has to  
11 prove that they have a need for a rate  
12 increase to pay their bills, to pay their  
13 expenses, and that the expenses are fair  
14 and reasonable given the circumstances,  
15 that they're not wasting money, that  
16 money is not going where it shouldn't be,  
17 and all those things.

18 So that is certainly denied by the  
19 person there and it certainly wouldn't be  
20 allowed by me in review of this because  
21 everything is going to be looked at with  
22 scrutiny.

23 The Consumer Advocate has their  
24 experts, as counsel told you, who will be  
25 looking through this filing, all the

1 expenses, to see matters like that; and  
2 if there's something improper or  
3 inappropriate, then the recommendation  
4 will be made not to include it.

5 So I hope that's of interest in  
6 answer to your question. Thank you.

7 The next person.

8 MR. DASENT: I have come to the end  
9 of the list of witnesses that signed up.  
10 If anyone has come into the room that  
11 didn't sign up --

12 MR. HOLMES: I have a question.

13 MR. DASENT: We spoke earlier in  
14 terms of the rate increase and the  
15 percentages.

16 MR. HOLMES: My name is Duane  
17 Holmes. I'm a member of the Y. I'm on  
18 the board also. I was asked by two  
19 elderly women who happened to be coming  
20 out of the fitness center was I coming to  
21 the meeting. Unbeknownst to me, I was  
22 thinking it was a board meeting. There  
23 is a board meeting, but I decided to come  
24 in here instead.

25 Now, I've heard three, at least

1 three, horrific stories, for which there  
2 is no justification. How can three women  
3 get a \$1,000 or \$1,200 or \$1,400 water  
4 bill for a month? I don't understand how  
5 anybody can sit here and not be appalled  
6 by the very nature of that type of  
7 process. How can you get a \$1,400 water  
8 bill?

9 And nobody sitting in this room  
10 can't be upset about it when these ladies  
11 are saying that they have tried to  
12 contact people downtown on a number of  
13 occasions and without any success. These  
14 are three women.

15 I didn't even know about this  
16 meeting. I just asked this gentleman how  
17 he heard about this meeting. He told me  
18 he saw it in The Daily News. I don't  
19 read The Daily News. I barely read any  
20 newspapers at all because a lot of times  
21 it's just a lot of propaganda anyway, so  
22 why bother? I watch the news on TV.

23 But to come into a meeting like this  
24 and then to hear this gentleman say  
25 earlier -- and I'll quote him -- that

1       there will be a 7% rate increase for four  
2       years, when I sit here and look at this  
3       document, it says that as of November 1,  
4       2008, there will be a 7.8% increase just  
5       then alone, and then less than a year  
6       later there will be another 6.4%  
7       increase, and a subsequent year later  
8       6.6%, and then on July 1, 2011, there  
9       will be another 6.5% increase, which  
10      amounts to like 27.3% increase according  
11      to my calculation, if not more, over the  
12      next four years.

13             Now, if memory serves me correctly,  
14      a few years back the Water Department  
15      bought a computer system. You may  
16      correct me if I'm wrong. That proved to  
17      be quite fallible. And when they found  
18      out the computer system was fallible,  
19      they passed the cost, openly passed the  
20      cost, on to the consumers because their  
21      system didn't work that they bought.

22             Now, this is starting to bother me.  
23      You know, I don't have the problems some  
24      of these other people have. Fortunately,  
25      I work. Fortunately, I have a good job.

1 But if these three ladies are just three  
2 of the people that knew about this  
3 meeting or were able to come to this  
4 meeting and present their cases and  
5 you're saying this is a public hearing,  
6 this kind of matter should be made more  
7 broader. I think they should be  
8 announced on a wider scale because I am  
9 sure that there are other people out  
10 there just like these women who have  
11 suffered these kinds of indecencies  
12 without any recourse to remedy them.

13 THE HEARING OFFICER: One of the  
14 purposes of public hearings such as this  
15 is to get representative problems before  
16 the Hearing Officer as well as the  
17 Department. So simply the fact that one  
18 person or two people give us a problem,  
19 if we see that it's systemic overall,  
20 then that can help solve that other  
21 problem, not just for those people but  
22 for people in general.

23 MR. HOLMES: I will make a  
24 recommendation that someone audit the  
25 Water Department and find out how many

1 people are getting bills that exceed  
2 \$1,000 that live in a residential home --

3 MR. HARRIS: That's right.

4 MR. HOLMES: -- because I know at my  
5 house, I've never gotten a bill, maybe I  
6 don't use no water, but I've never gotten  
7 a bill higher than \$100.

8 It's scary, I mean, that's kind of  
9 scary, to think that you could get a bill  
10 for \$1,400. And these ladies have  
11 approached people, have gone down to the  
12 Water Department, and if you've never  
13 been down there -- and I'm quite sure in  
14 your capacity you may never have had to  
15 stand in line down there at the Water  
16 Department or go to the Gas Company and  
17 stand in line to have to sit there and  
18 talk to one of those representatives  
19 because you can always say, well, I am  
20 so-and-so and I represent so-and-so and  
21 they'll pass you right on through.

22 But these ladies are not going to  
23 get that kind of service, and it's sad.  
24 I think that you all should go down to  
25 that water billing department or whoever

1 is responsible for these atrocities, you  
2 should just pull the bills and scream,  
3 just pull them out and find out why these  
4 people have gotten bills this high.

5 THE HEARING OFFICER: That's exactly  
6 what I've ordered.

7 MR. HOLMES: I was an accountant  
8 auditor for 18 years and we used to  
9 spot-check certain little idiosyncrasies,  
10 little things that just didn't make any  
11 sense.

12 If you have a house that has three  
13 bedrooms, one bathroom, and two floors  
14 and you have a \$1,400 water bill, then  
15 something's wrong.

16 THE HEARING OFFICER: And I think we  
17 all recognize that that doesn't sound  
18 right and that's why they're looking into  
19 it individually, and I have required that  
20 they report back to me as well as the  
21 customer with regard to those problems.  
22 Thank you, sir.

23 Any other comments?

24 MS. TRAN: Mr. Hearing Officer?

25 THE HEARING OFFICER: Yes.



1 various capacities we are, officials of  
2 the Water Department and myself as  
3 Hearing Officer, to get that information  
4 and look into it.

5 So thank you all for being here.

6 MS. RANDOLPH: May I ask a question?

7 THE HEARING OFFICER: Yes.

8 MS. RANDOLPH: Have all of the  
9 hearings been like this, comments  
10 negative, basically all over the City?  
11 Have they been similar to this?

12 THE HEARING OFFICER: People come to  
13 hearings generally to express their  
14 feelings with regard to it; yes.

15 MS. RANDOLPH: Basically they have  
16 been something like this.

17 THE HEARING OFFICER: Well,  
18 different types of things. I can't say  
19 exactly like this.

20 MS. RANDOLPH: No, not exactly, but  
21 basically.

22 THE HEARING OFFICER: People comment  
23 on problems that they have. That's the  
24 reason they come to hearings, to be heard  
25 with regard to that.

1           Okay.

2           MS. TRAN: Mr. Hearing Officer, I  
3           see there are a number of people in the  
4           room who didn't speak and I did want to  
5           take a moment, since we do have another  
6           hour scheduled for input --

7           THE HEARING OFFICER: Let's take a  
8           ten-minute break and then we can see if  
9           anybody else wants to put anything on the  
10          record. Thank you.

11                                 - - -

12                                 (Whereupon there was a recess in the  
13          hearing.)

14                                 - - -

15                                 (Whereupon the document was marked,  
16          for identification purposes, as Exhibit  
17          Public Hearing 3.)

18                                 - - -

19           THE HEARING OFFICER: If we can come  
20          to order, please, I understand that some  
21          people have heard the call and they're  
22          going to join us with their thoughts,  
23          which we are very appreciative of.

24                                 Do you have a list of names?

25          MS. TRAN: Yes, Mr. Hearing Officer.

1           During the break Ms. Dolores Randolph  
2           said that she would like to speak.

3           MS. RANDOLPH:  Yes.  I am against  
4           the increase.  We do not pay water bills,  
5           but I'm sure in one way or another we're  
6           going to hear about it through an  
7           assessment where we live, so to me --

8           THE HEARING OFFICER:  Where do you  
9           live?

10          MS. RANDOLPH:  47th and Pine  
11          Streets.

12          THE HEARING OFFICER:  In a house or  
13          what kind of --

14          MS. RANDOLPH:  Condominium.  As it  
15          is, the assessments and things rise  
16          terribly, but I haven't heard about this.  
17          But I'm sure with this going on, we will  
18          get an increase, so we are against an  
19          increase in the water rates right now.

20          THE HEARING OFFICER:  Thank you.

21          MS. TRAN:  And with Ms. Dolores  
22          Randolph is Mr. Lonnie Randolph.  Would  
23          you like to say anything, Mr. Randolph?

24          MR. RANDOLPH:  No.  She said it all.  
25          Thank you.

1           THE HEARING OFFICER: Isn't that the  
2 way it is sometimes?

3           MS. SULLIVAN: Okay. I will speak.  
4 I'm against the increase.

5           THE HEARING OFFICER: Could you  
6 state your name and your address for us,  
7 please?

8           MS. SULLIVAN: 715 Marlyn Road. My  
9 name is Patricia Sullivan. I'm a  
10 homeowner. I'm definitely against the  
11 increase.

12           Everything is going up. I'm on a  
13 fixed income. I'm a retiree. Everything  
14 goes up but your salary, the gas, the  
15 food, everything. How much more are they  
16 going to tax the poor average working  
17 person? We just can't afford it. I  
18 mean, with everything we're faced with  
19 now, I feel like we're in a depression.  
20 Everything keeps going up and up.  
21 They're talking about the tolls are going  
22 up. We just can't afford it. Everything  
23 goes up but the salaries. So how much  
24 are they going to squeeze out of one  
25 paycheck or one income? Give us a break.

1           Okay? I'm really upset about this. I'm  
2           on a fixed income.

3                   THE HEARING OFFICER: We can  
4           understand that.

5                   MS. SULLIVAN: With the taxes and  
6           the gas and the food prices and  
7           everything, we can't afford any more.  
8           It's just not there. We just don't have  
9           it.

10                   THE HEARING OFFICER: Thank you.

11                   MS. SULLIVAN: Not that it's going  
12           to do any good, what we think or what we  
13           say. They're going to do what they want  
14           to do.

15                   THE HEARING OFFICER: Well, I don't  
16           think that's true. We're here to hear --

17                   MS. SULLIVAN: Oh, yeah? I don't  
18           believe that.

19                   THE HEARING OFFICER: Okay.

20                   MS. SULLIVAN: I don't believe that.  
21           They've done it in the past. They're  
22           talking about going up with SEPTA.  
23           They're going up with everything. I  
24           mean, come on. Who talks about the  
25           average working person? Who fights for

1 the average working person's salary? How  
2 long has it been since they gave them an  
3 increase?

4 THE HEARING OFFICER: Well, there  
5 are working people that work for the  
6 Philadelphia Water Department and those  
7 people are getting increases and that's  
8 part of what the obligation is, to pay  
9 their increases. So that working person  
10 is --

11 MS. SULLIVAN: But I'm speaking of  
12 salaries. When are we going to increase  
13 that? The minimum wage is a disgrace.  
14 It's a disgrace what the minimum wage is.

15 THE HEARING OFFICER: Okay. Thank  
16 you.

17 MS. TRAN: Ms. Blanche Long.

18 MS. LONG: Yes. I'm a widow and I  
19 can't afford an increase in my water  
20 bill. I am by myself. I don't have a  
21 husband.

22 THE HEARING OFFICER: Thank you.

23 MS. TRAN: Mr. Henry Gibson.

24 THE HEARING OFFICER: Good evening,  
25 sir.

1           MR. GIBSON: Good evening. My name  
2           is Henry Gibson. I'm not married myself,  
3           but I'm retired and plus I'm on  
4           disability, and like the lady was saying,  
5           everything is going up and where's the  
6           money at? The money is going to the  
7           people that already has the money. It's  
8           not so much what we are paying for; it's  
9           we don't have anything to pay. So that's  
10          all I have to say. I think they should  
11          look at the human part.

12          THE HEARING OFFICER: That's  
13          certainly a factor that has to be  
14          considered, the effect it has on the body  
15          public.

16          MS. TRAN: Mr. Gibson, could you  
17          provide your address, please, and whether  
18          you're a water customer?

19          MR. GIBSON: 3802 Lancaster Avenue.

20          MS. TRAN: And are you a water  
21          customer?

22          MR. GIBSON: Oh, yes.

23          MS. TRAN: Ms. Long, could you  
24          provide your address, please?

25          MS. LONG: 6043 Natrona Street.

1 MS. TRAN: And are you a water  
2 customer?

3 MS. LONG: Yeah. I pay my bills on  
4 time.

5 MR. CLARE: We appreciate it, too.

6 MS. McCARTY: That actually makes a  
7 difference. It does. It makes a  
8 difference. And we do appreciate it.

9 MS. LONG: It don't stop it from  
10 being raised up.

11 MS. McCARTY: It keeps it from being  
12 higher. It keeps it from being even  
13 worse than it is.

14 MS. TRAN: Ms. Wanda White.

15 MS. W. WHITE: My name is Wanda  
16 White. I live at 6611 Lansdowne Avenue.  
17 I'm a first-time home buyer. I've had my  
18 house for eight months now, going on a  
19 year. The increase and everything that's  
20 going up, a 30% hike, is too much for a  
21 water bill. I deny the increase in the  
22 water bill.

23 THE HEARING OFFICER: Thank you.

24 MS. TRAN: Those are all the folks  
25 that spoke with me during the break.

1           Is there anyone else?

2           MR. HOLMES: I would like to ask a  
3 question.

4           THE HEARING OFFICER: Sir, did you  
5 give us your name already for the record?

6           MR. HOLMES: My name is Duane  
7 Holmes. My address is insignificant. I  
8 am a water customer, but I don't want any  
9 reprisals later on down the pike for  
10 speaking out -- but I have a question --  
11 because I don't want any \$1,400 bill. I  
12 can't handle that. I'd have a heart  
13 attack.

14           I don't know about you people, but I  
15 have not had a job yet in my life and I'm  
16 52 years old, I'll be 53 next month,  
17 where I have got a 7% raise in a year. I  
18 have not had a job yet where over four  
19 years I received a 30% increase in my  
20 salary.

21           Yet and still, these people have the  
22 temerity to come into this room and say  
23 to us with firm justification that they  
24 can justify raising your water bill 30%  
25 over the next four years.

1           And let's factor in, I've heard  
2           about the PGW proposed rate increase. I  
3           don't know if they have a PECO proposed  
4           rate increase. I looked at my paycheck  
5           today and I know that I worked  
6           considerable overtime and they took a  
7           major chunk of my check. You know, I  
8           think people are just getting a little  
9           tired of people just taking from them.

10           You said to me the Water Company  
11           needs to pay its employees. Let me tell  
12           you a little something about the Water  
13           Company. I have relatives that work for  
14           the Water Company whose names will remain  
15           nameless and when they get up in the  
16           morning and go get on one of those trucks  
17           when they have that four- or five-man  
18           crew, their first stop in the morning is  
19           the liquor store, God as my witness. The  
20           second stop, the beer distributor.

21           Now, I don't have a problem with  
22           people having fun doing what they do and  
23           that's fine, but when you do your job,  
24           like when I do my job, I do my job to the  
25           best of my ability.

1           And for you to just come and say we  
2           want a 7% increase, I mean, I can  
3           understand if you came and said a 2.5%  
4           rate increase, a 1.5% rate increase, but  
5           a 7.8% rate increase the first year?  
6           And, see, what people fail to realize is  
7           that by coming in in November, what  
8           they're trying to do is make up for what  
9           they didn't get on July 1 because then on  
10          the next July 1 they want like a 6.4%  
11          increase, I believe it is.

12          So, see, the thing about it is that  
13          everybody keeps coming and taking from a  
14          lot of us. I'm probably sure a lot of  
15          you all make some hefty salaries. I  
16          guarantee each and every one of you all  
17          sitting around probably have a six-figure  
18          salary.

19          No, not you all. I'm talking the  
20          people representing the Water Company;  
21          not you all. I'm talking about the guys  
22          in the ties.

23          The thing about it is as I move  
24          forward in years, I'm sure that at some  
25          point in time I'll be sitting there where

1       some of these ladies and gentlemen are  
2       and it's scary, it really is.

3               And if you are appointed by the  
4       Mayor -- and, by the way, let me ask you  
5       a question: Who appoints the Water  
6       Commissioner? Who appoints the  
7       Commissioner of the Water Department?

8               MS. McCARTY: The Mayor. He serves  
9       at the pleasure of the Mayor.

10              MR. HOLMES: Now, let me understand  
11       something. The Mayor appoints the Water  
12       Commissioner. The Mayor appointed you to  
13       preside over these proceedings.

14              THE HEARING OFFICER: The Mayor, the  
15       City Controller, and the President of  
16       City Council.

17              MR. HOLMES: Okay. So then there's  
18       really no conflict of interest here then?

19              THE HEARING OFFICER: I don't answer  
20       to anyone except to what's correct.

21              MR. HOLMES: Okay, not a problem. I  
22       just wanted a point of clarification  
23       because I never sat in on a hearing like  
24       this.

25              And another thing, I was informed

1           that the announcement for this meeting  
2           held today was made a month ago.  When  
3           was it last made?

4           MR. DASENT:  It was advertised in  
5           the paper multiple times.

6           MR. CLARE:  It was advertised  
7           July 15.

8           MR. HOLMES:  I'm just asking.  Don't  
9           attack me.

10          MR. CLARE:  July 15.

11          MR. HOLMES:  Okay.  That's fine.

12          And let me ask one final question and  
13          I'll leave you all alone.  When was the  
14          last water rate increase?

15          MR. DASENT:  Four years ago.

16          MR. HOLMES:  Four years ago?  Okay.

17          All right.  Thank you.

18          MS. McCARTY:  If I might respond,  
19          you know, you said some disturbing things  
20          about our employees and the ones that it  
21          sounds like you said something about  
22          probably work for me, and it's  
23          unfortunate you don't want to share their  
24          names.  Maybe privately if you would come  
25          up to me afterwards.

1           MR. HOLMES: No. I won't do that.  
2           That's like snitching.

3           MS. McCARTY: You know, the problem  
4           with that is if we can't find out who is  
5           doing this -- because not everybody is  
6           doing it, it's a minority, and it's the  
7           minority of people that bring us down --  
8           so if I can't find out who's doing it,  
9           then how am I going to find out how I can  
10          correct it? -- because that behavior is  
11          wrong and it's not acceptable.

12          MR. HOLMES: But that's systemic in  
13          a lot of government jobs. That's a small  
14          part of a major hole. It's the tip of  
15          the iceberg.

16          THE HEARING OFFICER: Okay. Hold  
17          on. I think we understand your point.  
18          As you can understand, someone who is  
19          responsible for employees, if you have  
20          2,000 employees, for the most part,  
21          hopefully most of your employees are  
22          good. Do you have some bad ones? Sure.  
23          But if you don't know about them, then  
24          you can't do anything about that.

25          MS. LONG: That's the rotten apple

1 in the barrel.

2 THE HEARING OFFICER: One of the  
3 things we talked about the other day at  
4 one of the hearings that we had was  
5 somebody saw that there was a truck out  
6 there, the truck was out there doing  
7 nothing all day or for a long period of  
8 time.

9 And as was stated, the supervisors,  
10 the one who runs the Department can't  
11 know about that all the time. It's our  
12 responsibility as members of the public  
13 because we're all paying the bill that if  
14 we see something wrong, we have to tell  
15 them. If we see something wrong and we  
16 don't do anything, shame on us because  
17 nothing can happen.

18 So the idea is if you see something  
19 and if you know something is going on,  
20 then help us out, because in every lot,  
21 as this young lady said, there's going to  
22 be some rotten ones in the barrel,  
23 unfortunately.

24 MR. HOLMES: Let me ask you a  
25 question.

1 THE HEARING OFFICER: You said one  
2 more. Is this another one more?

3 MR. HOLMES: If you want to report  
4 somebody, suppose you want to do  
5 something like that --

6 THE HEARING OFFICER: Anonymously.

7 MR. HOLMES: -- who do you call?

8 MS. McCARTY: I will give you my  
9 card.

10 MR. DASENT: She will give you her  
11 card. She is the Deputy Commissioner for  
12 Operations.

13 MR. HOLMES: Okay. I will do that.

14 THE HEARING OFFICER: Okay. Good to  
15 see everybody. Thanks very much.

16 - - -

17 (Whereupon the hearing adjourned at  
18 7:55 p.m.)

19 - - -

20 Reported By: Susan Marie Migatz, RMR, CRR

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I N D E X

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E X H I B I T S

NUMBER	DESCRIPTION	MARKED
Public Hearing 1	Exhibit of Barbara White Supporting Testimony at Public Input Hearing	37
Public Hearing 2	Photocopy of digital photograph provided by Jan Horne	50
Public Hearing 3	Exhibit of Jonathan Harris Supporting Testimony at Public Input Hearing	52

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