

Fresno Mayor Ashley Swearingin hopes subsidy program brings her water plan home

By George
Hostetter

Mayor Ashley Swearingin has on tap a \$1 million program to help low-income Fresnans pay their water bills.

Whether that is enough to turn her proposed upgrade to Fresno's water system into reality figures to be City Hall's hottest political question this month.

The Water Affordability Credit Program would give qualified low-income ratepayers a break of about \$5 a month on their water bill. The program would be available only to ratepayers in single-family residences.

City officials say about 17,000 accounts could be helped with \$1 million. The program has yet to go to the City Council for its approval.

The administration created the program after several council members worried about the effect of higher rates on the poor should the council approve Swearingin's \$429 million water project.

"I think this program meets their standard," said Thomas Esqueda, public utilities director. "Our goal is to make the project affordable."

Swearingin called it a "significant accomplishment" that city staff found money to help ratepayers while complying with state law on utility rate subsidies.

But a few council members take a more cautious view of the program.

Council Member Clint Olivier, whose central Fresno district includes some of the city's most challenged neighborhoods, said he likes the program's mission.

"I'm glad they did it," Olivier said. Then he added that he will postpone further comment until he gives the program more study.

Council Member Sal Quintero said he wanted such a subsidy program all along.

But, Quintero added, "I have questions. Are we going to be able to afford it? How long will this money be available?"

Two sets of comments — Esqueda-Swearingin on one hand, Olivier-Quintero on the other. Their contrast speaks volumes about the delicacy of water policy at City Hall these days.

The mayor and her troops are all smiles as they try to accommodate every council member's wish. Swearingin would love unanimous approval when her water project goes to the council, probably on Feb. 26.

But it's clear among City Hall vote-counters that some council members are on the fence. Olivier and Quintero are among those keeping all options open.

Dramatic council meeting

Thursday's remarkable events at City Hall help explain things.

The drama began at 4 p.m. next to the (bone dry) fountain when Fresno Chamber of Commerce Chief Executive Al

Smith and Council President Oliver Baines headlined a news conference in support of Swearingin's water project.

With the mayor's plan, Baines said, Fresno "will position itself in the matter of water security for many years to come."

It was the array of allies standing with Smith and Baines that made the news. The League of Women Voters, the Fresno Hispanic Chamber of Commerce, the local Building Industry Association, the Fresno Taxpayers Association and two rows of building/trades union members in hard hats were among those cheering the loudest. City Hall doesn't often see those political battlers on the same side.

An hour later, Baines and his council colleagues held the long-awaited Proposition 218 hearing on the proposed rate hikes to pay for Swearingin's plan. The council's charge was not to vote yes or no on the increases. Instead, the council was simply to listen to citizen comments, then ratify the number of valid protest ballots submitted to the City Clerk's Office.

About 30 people spoke. Twenty or so opposed the rate hikes. Then City Clerk Yvonne Spence delivered the bombshell.

A total of 41,267 valid protest ballots had hit City Hall. That was more than 25,000 short of the number needed to kill the rates. But it also was nearly 41,000 more than the 495 protest ballots that the mayor's initial plan received in 2013.

Proposition 218 protest votes are nothing new in Fresno. For the most part, they are yawners. Not this one.

The council unanimously ratified the results, in essence saying the protest process was A-OK legally. With that, everyone went home.

By Friday, city politicians who make their living from an accurate reading of voter favor were assessing the import of those 41,267 ballots.

That was a mere 31% of the 133,347 ballots in play. In essence, 69% of ratepayers said yes to the mayor's plan (although, according to Proposition 218 rules, supporters did not have to turn in a ballot to express their conviction). A 69% to 31% victory in most elections is deemed a rout. But a protest vote 80-plus times bigger than the previous Proposition 218 process clearly showed a high degree of citizen unrest.

Swearingin said she and the council are "very respectful" of the sentiments expressed in the 41,267 ballots. She said no one likes to substantially raise rates on something as important as water. But, she added, her water plan is vital to the future of all 500,000-plus Fresnoans.

Council members, Swearingin said, "should consider what is in the best interests of the entire community and make their decision on the facts."

Council Member Lee Brand said "absolutely not" when asked if the 41,267 protest ballots should trump all. "If this was an election and you win 70%-30%, that would be a blowout."

Olivier said the high number of protest ballots has his attention. He said he wants to know how many came from his District 7 before commenting further.

Doug Vagim has no doubt about the significance of 41,267 protest votes. The former Fresno County supervisor, a harsh critic of the mayor's plan, was the key figure in making this protest vote such a high-profile affair.

"I purposely didn't go out and actively campaign while this was going on," Vagim said. "I wanted to see how it would go. Boy, did it go. It exploded. I hope the council is looking at the political meaning of this. After all, that's how they got to where they are."

Plenty to debate

Swearingin's \$429 million plan has been publicly vetted for weeks.

The biggest feature is a new surface water treatment plant in southeast Fresno. The plant and new pipes are the two most expensive items.

Swearingin said her plan is the cheapest and wisest way to ensure water security for Fresno in the 21st century. The downside is higher rates. City officials say the monthly bill for the typical single family residence would rise from about \$25 now to about \$50 in five years. They say even the higher figure compares favorably to water bills in other big California cities.

Critics such as Vagim say there are better and less expensive ways to keep water flowing to Fresno homes and businesses.

This fight is nearing the end of its second year.

Swearingin hopes the Water Affordability Credit Program puts to rest one of the issues — affordability, especially for low-income Fresnoans.

Esqueda said Proposition 218 (part of the state constitution) prohibits use of revenues from water consumption to go to ratepayer subsidy programs. The city can't take some of Jane Doe's monthly water check and give it to John Smith to help him pay for his water, he said.

"Everybody pays their proportionate share" of consumption, Esqueda said.

City officials had to find another pot of money. They did so thanks to a new system for handling credit card payments. This freed money that can be used for the subsidy program, Esqueda said.

Bottom line: City officials are confident the \$1 million will be available year-in and year-out if the mayor's plan is approved.

Esqueda said eligibility would be based on income. He said a ratepayer who qualifies for the California Alternate Rates for Energy Program through PG&E would qualify for the city program. A ratepayer who gets a water bill but not a PG&E bill could qualify by showing proof of participation in certain Fresno County assistance programs.

A person must be a water ratepayer to qualify. Almost all Fresnoans living in apartments pay for their water through their rent, Esqueda said. This is why the program is limited to those living in single-family residences, he said.

The city has about 112,000 single-family residential accounts, Esqueda said. The Water Affordability Credit Program could help about 15% of them.

The subsidy program hasn't gotten a lot of publicity from City Hall, in part because details still are being worked on.

Quintero, who started his fourth term on the council last month, said he expects this uncertainty to be standard operating procedure as council members in the coming weeks wrestle with Swearingin's momentous water plan.

"On these things," Quintero said, "there's always new information coming in at the last minute."

Contact George Hostetter: ghostetter@fresnobee.com, (559) 441-6272 or [@GeorgeHostetter](https://twitter.com/GeorgeHostetter) on Twitter.

Copyright

© 2015 www.fresnobee.com and wire service sources. All Rights Reserved. <http://www.fresnobee.com>