

City Beat: 12 statistics we need for the water debate



In September 2013, plant operator Brad Hoagland inspects equipment in the filter gallery at the city of Fresno's water treatment plant in northeast Fresno.

MARK CROSSE — THE FRESNO BEE



THE CITY BEAT

GEORGE
HOSTETTER

Posted by George Hostetter on February 9, 2015 Updated 5 hours ago

The Fresno City Council's big vote on water rates is slated for Feb. 26. The fate of Mayor Ashley Swearingin's proposed \$429 million upgrade to the city's water system is in the hands of Thomas Esqueda.

Debate over the past two years has been full of statistics. New statistics will determine whether the council approves or rejects Swearingin's project.

Esqueda as public utilities director has access to all the numbers. Here are a dozen statistics he needs to acquire and use if his boss is to avoid failure.

1.) APARTMENTS: I'll guess there are about 550,000 people in Fresno and county islands (the city delivers water to county islands, too). How many live in multi-family complexes (in essence, apartments) and other types of collectives? Some city officials estimate 40% to 50% of all Fresnoans live in apartments. Almost all apartment complexes have a master water meter. That means the landlord pays the water bill for the entire complex, then adds a fee to everyone's monthly bill to cover utilities such as water, wastewater and trash. An apartment-dweller's water bill is different than the water bill of someone in an owner-occupied house.

2.) CONSUMPTION: How much water do these apartment complexes use annually (total gallons or per hundred cubic feet, which is 748 gallons), and how much water is consumed annually per apartment? We need these numbers over a three- or four-year period. These numbers will tell us several things. We will get a sense of conservation trends among apartment-dwellers and whether there's room for dramatic improvement in conservation. My guess is an individual apartment doesn't have much room for dramatic improvement in conservation since there's not a lot of opportunity to use a lot of water. Most apartments don't have individual front yards and backyards. There are only so many times you flush the toilet. The total annual consumption of all apartments will tell us what percentage of Fresno's annual consumption of water is tied to apartments. I'm told Fresno uses about 135,000 acre feet per year. The numbers might reveal that (and I'm making this up to make a point) apartments account for 45% of population but only 25% of water consumption.

3.) BILLING: I'm told that the local apartment-owners association supports Swearingin's plan. How much, on average, does a landlord add to the renter's monthly bill to cover the apartment complex's cost of water and how much (rough estimate is OK) is the monthly bill likely to increase for each of water plan's first five years of rate hikes? The apartment-owners association ought to have ballpark figures. That would be enough to shed some light on what Swearingin's plan will mean for apartment renters.

4.) RENT: What is the average rent among Fresno apartments (or, at the least, a typical range of monthly rents), and how does this compare to average rent of a single-family residence and the average house-payment of the typical owner-occupied single-family residence? This could give us a sense of whether those living in apartments generally are below-average in income. My point: A great many Fresnoans of modest income may live in apartments and, therefore, could be largely immune to the most significant effects of five years of water-rate hikes.

5.) FUTURE: Swearingin's plan calls for five years of annual rate hikes. City Hall says the typical single-family residence would see its monthly bill go from about \$25 now to a bit over \$50 in five years. But the bonds to pay for much of the project are to have a life of 30 years. What do the residential rates look like for years 6-10 or years 11-15 of this project? City officials must have some idea. If the typical bill doubles every five years, that homeowner paying \$25 a month now would be paying \$1,600 a month in 30 years. I can't believe that's the case.

6.) THIRSTY: How much water every year is used by schools, government, retail, industry, urban farmers, etc.? Give us a look at three or four years of statistics so we get a sense of their conservation trends.

7.) HOME: How many single-family residences are paying monthly water bills? We talking about houses. I'm told there could be 112,000 such accounts. Give us the most accurate number possible.

8.) AVERAGE: The city for water-rate purposes gauges consumption in units of HCF -- hundred cubic feet. Each HCF is about 746 gallons. The typical single-family residence in City Hall's eyes uses 18 HCF a month. The reason is that half of the 112,000 single-family residences use less than 18 HCF per month and half use more than 18 HCF. However, I'm told, the average consumption per month of all 112,000 houses is 24 HCF. What is the average monthly consumption of water among the 56,000 houses below the 18 HCF mark and the average monthly consumption among the 56,000 houses above the 18 HCF mark?

9.) LOCATION: Where are most of the houses using less than 18 HCF per month located in our city, and where are most of the houses using more than 18 HCF per month located? The city says about two-thirds of the typical house's monthly water bill in five years will be based on consumption, not the meter charge. In other words, those who use the

most water will contribute most toward paying off the bond debt needed, according to the mayor's plan, to make Fresno water-secure in the 21st century.

10.) INTEREST: I've heard the mayor's project could mean a 30-year bond of \$330 million, give or take a few million. How much interest will the average residential account pay per year in interest (but not principal) over the life of the 30-year bond? Maybe the total payment to bondholders over 30 years would be \$1 billion (\$330 million principal, \$670 million interest). By my rough calculation, that would mean \$14 per month in interest spread over 133,000 residential and commercial accounts. The mayor's plan aims to make full use of, on average, 110,000 acre feet of river water per year that the city has entitlements to but which, because of poor infrastructure, currently can't get to customers or into the aquifer. That 110,000 acre feet per year over 30 years would be equal to 1.1 trillion gallons total. One way of looking at this issue is whether Fresno's figure \$14 of interest per month per account for 30 years is worth 1.1 trillion gallons of extra water in a region where water is always an asset of almost unfathomable value.

11.) DILEMMA: How many days a week will Ms. Fresno be allowed to water her lawn when the mayor's plan is fully implemented and the rains return to normal? Fresno uses 135,000 acre feet a year. Fresnoans have seen their daily per capita consumption drop over the past decade from about 330 gallons to about 225 gallons. City Hall is counting on another 30% reduction in our water-consumption habits. At the same time, we have entitlements to 180,000 acre feet per year from the San Joaquin and Kings rivers (we're able to use only about 70,000 acre feet per year; the rest goes elsewhere in the Valley). We're creating a recycled water program that eventually will mean 25,000 acre feet per year of landscaping water (now we're up to 205,000 acre feet of usable water per year within our reach). We have a sophisticated system to collect winter rains every year and put the liquid treasure in recharge basins. The mayor's water plan means year in and year out Fresno is going to be water rich on a scale that makes us the envy of any city south of Sacramento. Fresnoans will be paying for a water system that, over time, will deliver more water within our city limits every year than conservation-minded consumers and a fully recharged aquifer can handle. These rate-paying Fresnoans must be told the grand strategy that city leaders have for all that water.

12.) WEALTH: Cities, especially big metropolitan areas like Fresno-Clovis, have a potential for concentrated power that is stunning. Economics is one piece of that potential power. Swearingin's critics talk about what her plan will cost Fresnoans. Let's take a look at the other side of that coin. How much wealth over the next 30 or 50 or 100 years will unrivaled water security bring to Fresno?

Public Utilities Director Esqueda could take statistical answers to these 12 questions and present a most powerful case for the mayor's water plan to council members and their constituents. It would be a case that shows the least possible impact to low-income and moderate-income ratepayers while exercising our responsibility to future generations. It would show that those with higher incomes are most likely to use more water, thereby paying for most of the bond debt even as they, too, learn to conserve. It would show that the cost of the bond compared to what it buys is nothing less than the bargain-of-the-century for Fresno. It would show that Fresno with this water project would only increase its options for economic mobility, perhaps the most important yardstick of all for a democratic society that values equality, justice and merit.

I'm not saying Esqueda should do this. I'm saying he could do this if he wanted to.

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