

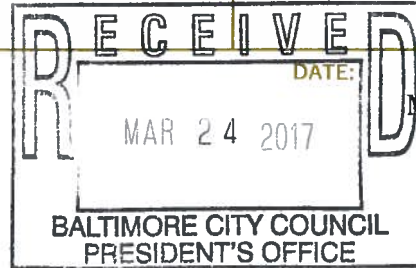
FROM	NAME & TITLE	Rudolph S. Chow, P.E., Director
	AGENCY NAME & ADDRESS	Department of Public Works 600 Abel Wolman Municipal Building
	SUBJECT	CITY COUNCIL RESOLUTION 17-0015R

CITY of
BALTIMORE
MEMO



TO

The Honorable President and Members
of the Baltimore City Council
c/o Natawna Austin
Room 400 – City Hall



March 23, 2017

I am herein reporting on City Council Resolution 17-0015R introduced by Council President Young and Council Members Stokes, Middleton, Scott, Costello, Burnett, Bullock, Dorsey, Henry, Cohen, Sneed, Schleifer, and Reisinger.

The purpose of this resolution is to request the Department of Public Works and the Department of Finance to brief the City Council on water affordability for customers of Baltimore's Bureau of Water and Wastewater, the new water billing system started in October 2016, and concerns raised by customers of the Bureau of Water and Wastewater regarding unusually high bills, missing bills, and the process of contested bills.

The Department of Public Works implemented a series of significant changes in the way customers' water usage is recorded and billed, as well as fundamental changes to the rate structure. By October 11, 2016, all of the following changes were in place:

Installation of Automated Meter Reading (AMR) – The new meters provide hourly reads of water consumption electronically. The old meter system required manual reads that were conducted once every 3 months.

New Billing System – The prior billing system was over 35 years old and had little to no flexibility to provide customers with comprehensive and readable information about their bills. The new billing system is easier to read and displays every charge the customer is paying for. It also shows customers comparisons of historical and current usage on each bill.

Monthly Billing – The new billing system enables the Department to issue bills on a monthly basis. Monthly bills are easier to budget for and, combined with the detailed information the new meters provide that can be accessed on the Customer Self-Service Portal, give customers a better understanding of their water usage patterns and can alert them to unusual water usage sooner.

Rate Structure Change – Many customers complained that paying a minimum charge on their old quarterly water bill was not fair. To remove this minimum charge meant changing how water rates are charged. The old declining block rate structure that provided three water rates depending on water usage (one rate per unit of water each for the lowest users, the larger users, and the largest users) was replaced with a flat rate per unit of water, regardless of the amount used. This resulted in the lowest consumers of water paying less per unit of water even with the rate increase. The practice of minimum billing ended.

comments

The Department of Public Works continues to offer enhanced assistance programs to customers who qualify.

Senior Citizen Discount Program – The income eligibility for this program offered to seniors 65 years of age and older expanded, from \$25,000 or less to \$30,000 or less. Eligible seniors receive a 43% discount on their water and sewer charges. These recipients are routinely enrolled in the Hardship Exemption program.

Hardship Exemption Program – Income and other qualifying criteria enable these eligible residents to be exempt from paying their Stormwater Remediation Fee and Bay Restoration Fee.

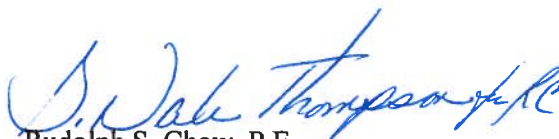
Low Income Assistance Program – An annual credit of \$197.00 is available to eligible customers who are faced with delinquency or who may be entering into a payment plan. In 2016 the credit was \$179.00.

Payment Plans – Payment plans are offered to help customers get their delinquent accounts in order. The traditional payment plan requires a 50% down payment of the delinquent amount, with the balance of delinquency spread over 12 monthly payments. Customers who are enrolled in the Senior Citizen Discount Program do not have to provide a down payment. A new payment plan option allows customers to enter into a 6 month payment plan with no down payment required. With the change to monthly billing, payment plan coupon books are no longer needed. The customer's payment plan amount will appear as a line item on their monthly bill and can be paid with the rest of the bill.

Customers who wish to discuss or dispute their bills should begin by reaching out to the Customer Support and Services division (CSSD) by calling, mailing a letter, appearing in person, or sending an email describing their concerns. It is important that customers include their contact information. A customer's billing issue may be able to be resolved quickly or may require a more detailed investigation. Should a customer remain unsatisfied, they may follow the Department's administrative process, a copy of which is provided on the DPW website.

The Department of Public Works will have representatives available at the Committee hearing to present information and to listen to concerns.

Sincerely,



Rudolph S. Chow, P.E.
Director