

## Amy Johnson

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**From:** bria n <hifimul8@gmail.com>  
**Sent:** Monday, October 12, 2020 11:03 AM  
**To:** CityRecorder  
**Cc:** brian mullin; joy socash  
**Subject:** Vote No To Raising Water Rates  
**Attachments:** City of Salem Say No To Water Rate Increases 2020.docx

To the Salem City Council and Mayor Chuck Bennett,

You need to vote against raising water/ city utility rates for multiple reasons, but mainly due to the COVID-caused recession (mild depression?) that is directly affecting Salemites and Salemite small businesses in droves.

While large corporations that operate within the City of Salem such as Amazon, Google / Alphabet, Wal-Mart, Costco, Visa, Mastercard, Verizon, Comcast, Wells Fargo, JP Morgan Chase, and many more, have all of the cash flow necessary to weather this economic 'storm', small businesses do not have the same financial resources or opportunities that these massive corporations enjoy. Major financial corporations such as Wells Fargo, JP Morgan Chase, and more, have the luxury to borrow money from the Fed Window for 0.125% and then loan those funds back to cities, people like Salemites, and the Federal Government at rates between 0.663% (10-year Treasury on Sept 28<sup>th</sup>, 2020) and 23.49% (credit card rates). The average Salemite does not enjoy this luxury of borrowing public tax receipts and loaning received public tax receipts back to taxpayers for substantially higher rates for pure profit. While you will likely directly dismiss this as something you don't care about or think doesn't relate, it directly affects the average John and Jane Doe Salemite. This directly affects your 'customer base' since these same corporations' relentless greed constantly drains the pockets of Salemites through predatory tactics and exorbitant loan rates to the very people you are demanding to accept an 11% increase in water rates over the next two years.

Beyond this, COVID-19 has affected the average John and Jane Doe Salemite in ways that this city has not seen in over a generation, if not longer. Many Salemites are now unemployed due to this pandemic and lost their source of income. These Salemites have not regained their income coupled with incompetency of Kate Brown's state government issuing unemployment checks six months past an accepted unemployment application with Congress' and the Trump Administration' inability to get anything done, causing delays on further stimulus for average Americans like Salemites. While you may dismiss Brown's administration, Congress and the Trump administration's actions as unrelated, these examples of inaction directly prevent 'typical Salemites' from receiving funds that local governments like the City of Salem will demand continuing, on-time payment of locally excised taxes or utilities. These people are being placed in an unjust position from all levels of government to choose between buying food to eat or paying for utilities, which includes drinking water. The City of Salem has purposefully and intentionally established a monopoly in the area on drinking water, stopping any other option. If a private citizen such as myself wishes to avoid this monopoly by drilling a well on my private property, the City of Salem will be first to tell me I cannot do this action due to the City's decision and rejection of my desire. This leaves highly vulnerable Salemites with no option to alternative drinking water sources, and yet, the City of Salem is saying it wants to irresponsibly increase my water bill by approximately 11%?! One thing is for certain: wages of the 'typical' John and Jane Doe Salemite does NOT increase by 11% in two years. You are asking people in this city to choose between buying food and buying drinking water when money (e.g. lost employment) is a significant issue.

Moreover, the State of Oregon Office of Economic Analysis (<https://katu.com/news/local/despite-pandemic-induced-recession-oregon-tax-revenues-continue-to-grow>) clearly shows that tax revenues in this state are at all time records. As tax receipts climb, so does Salem's water rates and unemployment. As people responsible for running this city, you have

a fiduciary responsibility to 1) be responsible for monies collected, 2) spend the collected monies wisely and not cause government fraud, waste and abuse, and 3) listen to the people of Salem, not go off the deep end so recklessly marching to the drum beat of your own personalized political agenda and personal gain.

According to the State of Oregon, the State of Oregon is enjoying record tax revenues. While you will likely say something to the effect of “these are different budget buckets”, this means you, as the City of Salem counselors and Mayor, have a record chance or ability to receive additional grants and low-interest Intergovernmental Loans for local government infrastructure projects. According to the Oregon Business Development Department (a State Agency that gives money to cities like the City of Salem), the City of Salem received \$238,000 just because COVID happened in Oregon (<http://www.oregon4biz.com/About-Us/Investments-Report/COVID-Grants>). If you are looking for money to fund your political pet projects, do the work to apply for a grant or low-interest loan from the State of Oregon thru OBDD instead of taking the lazy and irresponsible way out by increasing water rates on the citizens of Salem by 11%.

Another major source of revenue for the City of Salem is generated from local property taxes. While you will undoubtedly come up with some excuse why you have no influence to affect change in this year-over-year constant 3% increase, I challenge you to present Salemites with a letter signed unanimously by the City of Salem’s City Counsel and Mayor to the State of Oregon and Marion County Tax Assessor asking that the State and County NOT increase local property taxes by 3% that directly benefits the City of Salem’s budget. I will await receipt of your signed letter and fully expect to die decades later before you will ever take such action.

And, when was the last time the City of Salem *decreased* water rates? How many times has the City of Salem enjoyed endlessly increasing rates (fill in the blank of the excuse) verses decreasing water rates?!

Other cities in Oregon are lower in price per unit for water treated, filtered and delivered to the tap. For example, the Springfield Utility Board charges \$2.177 per unit of water (748 gallons), while the City of Salem enjoys a premium of over \$3.078 per unit, or a whopping 41.4% higher cost (<https://www.subutil.com/rates-and-policies/water-rates>). The City of Salem data was calculated off of a City of Salem Utilities billing from August 2020, *prior* to the staggering irresponsible 11% increase the City of Salem wants to impose.

Comparing City of Salem to the City of Eugene water rates, according to the City of Eugene (<http://www.eweb.org/residential-customers/residential-pricing>), the City of Eugene charges approximately \$1.059 per 748-gallon unit of water. This makes the City of Salem’s per unit water charge an eye watering 290% HIGHER. Why does a city comparable in size to Eugene need to charge nearly 300% as much for the *same thing* that comes from the *same area* of the state (Central Cascade Mountains)????? Government inefficiency, fraud, waste, abuse and poor money management are a few things that come to mind. Yet, as a Salemite who has never once paid a water utility bill to the City of Springfield or the City of Eugene, I can easily find this data with a simple internet search.

You are demanding that Salemites, who are facing very high unemployment and lack of income, find money from thin air to pay for a 11% increase in water rates. You clearly are negating the fact that the average Salemite is not a financial institution operating in this city that can get loans from the Fed Window at 0.125% and loan those funds out between 0.663% and 23.49% to generate pure profit to cover the ever increasing water rates this city feels is required.

Lastly, with the new Costco going in South Salem near the intersection of Kuebler Blvd. and Battle Creek Road, this will place a significant draw and increased water demand on the Gateway Neighborhood’s infrastructure (e.g. sewer lines, water mains, etc.). Why does the City of Salem seek to increase residential water rates by 11% instead of seek to place the responsibility on Costco, whom is the cause of the dramatic increase of water and sewer usage in the Gateway Neighborhood area? Plus, the City of Salem like to charge sewer or water runoff charges based upon the square footage of a structures’ roof. This implies the City of Salem irresponsibly places higher burden on residential water customers instead of industrial and commercial water customers. Residential water customers do not have large impervious parcels of land like water customers such as Costco. Costco, warehouse facilities such as Amazon, Wal-Mart and many

more have large parking lots that collect run off water in addition to their roofs. This places a highly disproportionate responsibility on residential water customers, as the residential water customers have roughly a third to half of their land parcel under a roof and the commercial or industrial water customers have significantly less than 1/3 of their land parcel under a roof.

You need to stop the irresponsible, never-ending increases to the city's water rates on residential customers. Instead, realize your responsibility as city officials to budget funds efficiently and effectively, instead of passing your irresponsible actions off of those that have no alternative option to drinking water, face high unemployment, and de minimis support from Kate Brown, Jeff Merkley / Ron Wyden and Donald Trump. Be responsible for a change and be the one and only government entity that positively affects Salemites by voting down this egregious 11% increase to the City of Salem's water rates and stop increasing water rates on residential customers who cannot afford these cost increases.

Brian and Joy

Account 74324-0005

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Window at 0.125% and loan those funds out between 0.663% and 23.49% to generate pure profit to cover the ever increasing water rates this city feels is required.

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Brian and Joy

Account 74324-0005

## Amy Johnson

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**From:** CLEMENT MULLIN <mulfam1@comcast.net>  
**Sent:** Monday, October 12, 2020 12:47 PM  
**To:** CityRecorder  
**Subject:** NO to increase in water rates  
**Attachments:** city of salem comment\_v2 (5).docx

Salem City Council,  
DO NOT increase my water rates. See attached letter.

[cityrecorder@cityofsalem.net](mailto:cityrecorder@cityofsalem.net)

<https://www.cityofsalem.net/Pages/ward-map.aspx>

Council Ward 4: Jackie Leung, [jleung@cityofsalem.net](mailto:jleung@cityofsalem.net)

Dear Salem City Council:

I oppose the current proposal to increase water and wastewater rates by 3.0% in calendar years 2021 and 2022, and stormwater by 5% in those same years.

Please see my questions below. As a senior citizen on a fixed income, even small cost increases can be devastating at a time of high inflation and deflationary income because of COVID-19. Compounded rate increases over time are especially onerous.

Unfortunately, the webpage links don't open any Water/Wastewater task force (task force) meeting audio, and there are no detailed meeting minutes, just the brief outline and attendees list. My comments are provided based on the information I could access. <https://www.cityofsalem.net/Pages/water-wastewater-task-force.aspx>

Based on accessible information, it is unclear if the task force considered the options below. Please reject the current proposal as written to provide the task force another opportunity to review all options.

- 1) Can any current water/wastewater bonds be refinanced like in 2012 or 2017 to current record low interest rates?
- 2) Why is a revenue surplus needed (p. 5 of the rate proposal) during a global pandemic and economic depression?
  - a. <https://www.cityofsalem.net/CityDocuments/rate-proposal-and-recommendation-2020-08-21-final-0824.pdf>
  - b. Thousands of residents are out of work or have reduced hours because of COVID-19. They are hurting too, not just the City of Salem. Where are the extra funds to come from for all these families?
  - c. Small cost increases at this time may cause foreclosures which may cause banks to take over homes. It is widely known that banks do not pay utility bills, which would reduce revenue to the City of Salem.
- 3) Is any of the recently added \$8 City of Salem Operating Fee on current utility bills going towards funding water, wastewater, and stormwater needs?
- 4) Why does the proposal not shift more of the burden of stormwater fees to the largest institutions, industrial businesses and commercial businesses?
  - a. Big corporations are constantly reminding us how "we are all in this together" to defeat COVID-19. After receiving trillions of federal dollars in bond buybacks, grants, and loans in 2020, perhaps these companies can put their money where their mouth is.
  - b. Large industrial, commercial, or institutional facilities could voluntarily retrofit or update their stormwater systems to discharge less stormwater and reduce costs. Especially given these facilities have the largest impervious surfaces (parking lots).
- 5) Are any of the costs associated with the ozone treatment system for the cyanobacteria in 2018 reimbursable from state or federal grants?
- 6) Why is the anticipated \$20.3 million in bonds from the state of Oregon and the \$760,000 in collected utility back payments not to be considered revenue under the analysis?



- 7) Have the State of Oregon loan options under the Water/Wastewater funding program (WWFP) been considered?
- a. <https://www.oregon.gov/deq/wq/programs/Pages/DWP-Funding.aspx>
- 8) The associated proposal presentation indicates that when customers save water, as required by various laws, does not save individuals money, but it causes the City of Salem a revenue deficit.
- a. Why are city ratepayers punished for water saving requirements from local, state, and federal governments?
  - b. Doesn't the City of Salem incur lower wastewater processing and infrastructure charges because of restricted water use and reduced stormwater runoff related to that lower water use (e.g., fewer lawns watered and cars washed at home)?
- 9) Why do you need an unrestricted fund balance of \$10 million during a global pandemic and global economic depression?
- 10) Why does the operating reserve in the proposed and planned fund balance components increase at a rate greater than 3%?

Thank you for your time and consideration. Please vote no on the proposal as written.

Thank you,  
Darleen A. Mullin  
315 Kevin Ct SE

## Amy Johnson

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**From:** noreply@cityofsalem.net on behalf of fjbarnes99@msn.com  
**Sent:** Monday, October 12, 2020 11:33 AM  
**To:** CityRecorder  
**Subject:** Contact City Recorder  
**Attachments:** ATT00001.bin

Your Name	Norma Barnes
Your Email	fjbarnes99@msn.com
Your Phone	503-559-7999
Street	P.O. Box 6020
City	Salem
State	OR
Zip	97304
Message	<p>As a landlord and homeowner, I am opposing the proposed water/stormwater/wastewater increase of 11% for 2021 and 2022. Due to Oregon State law, we are only allowed to increase rents by 9.2% for 2021. We have three tenants with disability and we cannot raise the rent that much as they don't get that much increase in benefits and I do not want to put them out in the street. And we cannot evict them before the end of this year even if we wanted to. Three of them are behind on their rent payments and there will be no way they can catch up.</p>

This email was generated by the dynamic web forms contact us form on 10/12/2020.