

Water Chief Denounces Decreet Meter System

Philadelphia's decrepit water meter system, which allows the consumer to own the meter that tells him what he owes, was denounced yesterday by Frederick J. Bohrer, mid-manager in chief of the Department of Public Works Bureau of Metering of Public Works Bureau of Metering.

Water Rent Rise Asked by Samuel

Acting on the recommendation of the City Planning Commission, Mayor Bernard Samuel yesterday proposed to City Council an immediate increase of 20 percent in existing water and sewer rents in order to finance the municipal water and sewer improvement program.

SERIOUS THOUGHT

"Serious thought regarding increased water rents," he wrote in a letter to Frederic D. Garman, president of City Council, "should be preceded by a careful, analytical study of the financial condition of the city."

The Planning Commission, in a letter to the mayor, explained that the original \$18,000,000 loan for water system improvements had been exhausted and that a deficiency of \$375,000 would have to be met by the end of the current year.

CALLED SELF-SUPPORTING

The water system has been declared self-supporting by the courts and so that it may remain so, Hopkinson advised, it will be necessary to increase the sewer and water rents 20 percent to finance the interest on the water debt.

RATES INSUFFICIENT

"Sewer revenues at present rates will not be sufficient to make self-supporting this additional debt and covering operating expenses at the higher costs now prevailing."

Water Rent Boost or Else

The future both of Philadelphia's water supply and of its general improvement program are tied directly to the amount of water rent income, and both futures look rather dismal with income at its present level.

Water debt is now outside the general debt limit, because the rents cover the operating and debt costs. But right now the income isn't much more than carrying the debt, so that if there is to be any more debt, there must be more income.

Either that, or the whole water debt will cease to be self-supporting and become a charge against the general borrowing capacity. It is not impossible that even without further water borrowing, rising operating costs would make the income insufficient to carry operating and debt costs.

Philadelphians will not relish a rise in water rents, and the public officials who are discussing an increase doubtless know that their theme will not be popular.

BATTLE EXPECTED

"The proposed increases, quietly discussed for about two months, might be for more than 20 percent, and leaders admitted there had been discussion of a 50 percent boost."

Water Rates Structure

If City Council decides that water and sewer rents must be raised, it will be smart to make this the occasion not simply for a rate increase, but for a scientific rate revision.

The easy way, of course, would be to jump all the rates by a given percentage. That method simply freezes into the new charges all the existing faults of the rate structure.

In considering water-works finances City Council rarely seems able to see anything but the income side of the picture. An increase of gross income will increase net income, which is the only figure that really means anything; but net income can also be increased by a reduction of operating costs.

Operating costs can be reduced, and net income increased, by a rate structure that gives consumers an incentive to keep down the amount of water that has to be purified and pumped.

Metering of unmetered services is one way to conserve; but there are conservation possibilities even with the metered consumers. The reasonable needs of a large proportion of metered consumers are less than the quantity of water they are charged for whether they use it or not.

A consumer of electric current who had to pay for twice as much current as he needed would probably howl pretty loudly. Whether he howled or not, nobody could argue that such an arrangement gave any encouragement to keep consumption at a minimum.

Councilmen Eye Water Rent Rise

City Council leaders brought out into the open yesterday a program to increase water rents by at least 20 percent in an effort to keep the system self-supporting and provide needed funds to carry out their long-range improvement plans.

The plan was discussed at a caucus in the City Hall offices of Frederic D. Garman, president of Council. Other participants included Edward Hopkinson, Jr., chairman of the City Planning Commission, Director of Public Works Thomas Buckley, and Albert J. Taylor, chief of the Water Bureau.

At present, the water system is self-supporting but its funds have been almost exhausted because its receipts have not been up to expectations. Sales of city water last year brought in \$6,796,708.

A 20 percent increase, it is figured, would bring in an additional \$1,500,000 in revenue. As long as it is self-supporting, the water works can borrow money outside of the city debt limit, now close to exhaustion.

The original loan of \$18,000,000 for improvements was approved by the voters in 1940 and has not about been expended. It is estimated that the water bureau will require an additional \$35,000,000.

Due to the steep of sewer rentals, the water rates, it is believed, had a 10 percent increase in the water rents would necessarily mean a boost in sewer rates unless Council enacted a new sewer rental ordinance change the relationship of the charges.

Democrats Score Mayor For Asking Water Rise

Mayor Samuel was denounced in a resolution passed by the Democratic City Committee today for proposing a 20 per cent increase in city water and sewer rates.

The proposed rise was called "a piece of enormous effrontery" in view of the Mayor's failure to do anything about the shocking conditions in the Water Bureau which are costing the city untold millions of dollars of sewerage and "reading taxes."

The salient and significant fact about the recent disclosures of huge thefts, cheating and inefficiency in Philadelphia's municipal government, is the stonewalling attitude, the complete lack of indignation shown by the Mayor and his puzzling failure to provide any leadership to the people in bringing about a correction of the appalling conditions.

PHILADELPHIA WATER RENT MAY GO UP 20% Bump in Rent



But Collect All That is Due the City

As a matter of efficient municipal housekeeping, Philadelphia's water system should be self-sustaining. If the available income is not sufficient to meet the ordinary operating expenses and the charges on the loans floated for water plant improvements, the only sensible course is to increase the income.

But the water rates should not be jumped unless it is proved conclusively that there is no other method at hand for obtaining the extra amount of water plant revenue that is needed.

We do not believe such proof has yet been offered at City Hall. We do not believe that every means of collecting the money due the city from water rents at the rates now in force has been exhausted.

It has been shown, for instance, that the whole water rate structure is faulty, archaic and badly administered. In supporting the proposed increase, the Committee of Fifteen has inserted the qualifying demand for a vigorous revision of this structure.

There has been ample evidence for years that the existing system of collecting water rents is sloppy and inefficient. Many water consumers are not paying their bills. It may be that an enormous number are never even billed.

One of the charges brought against Receiver of Taxes W. Frank Marshall was that he failed to take action against persons who misused water meters, "thus defrauding the city out of large sums of money."

Perhaps the outstanding defect in the water system is the city's failure to install meters at all outlets. Meterage is only about 50 percent complete and there has been a log jam on meter repair.

In the absence of meters, there is a wasteful drain upon the city's water resources without recompense. The first obvious step in placing the water bureau on a businesslike basis is universal meterage; yet this has been persistently neglected.

In view of the city's loss of water income due to the above factors, an arbitrary 20 percent rise in water rates is not to be calmly accepted.

The move is reminiscent of Council's attempt last fall to increase the city wage rates in order to balance this year's budget. The Inquirer at that time called for a halt in the tax rate plan until a committee appointed by the Mayor and Council could examine ways and means of avoiding it.

As a result the Committee of Fifteen was named and conducted an intensive survey that ended with the conclusion that the suggested increase was unnecessary. Council thereupon retained the old rates and the taxpayers escaped a substantial increase in their tax burden.

It may be that the same thing can happen in the water rent situation, provided the city authorities cooperate in seeking to avert an increase at this time.

A reorganization of the system of water rent collection is unquestionably demanded, to obtain for the city all the money from this source that is owed it. Revision of the rate structure upon more equitable and businesslike lines is needed, and, above all, meters should be universally installed.

Before directing a water rate boost of 20 percent, Council should have a study made of these and other possible ways of expanding water revenues. If the resultant report shows that the rates must be raised, the citizens will at least be better informed than they now are on the reasons for such a move.

There should be no increase until every method of avoiding it, by maximum water rent collection, has been employed.