

in our opinion

# Water, sewer contract ideas

## Customer communities should get behind McCulloch's proposals

**O**akland County Drain Commissioner John P. McCulloch is asking officials representing municipal customers of the Detroit Water and Sewerage Department (DWSD) to consider changes in the department's proposed 30-year model contract. McCulloch's suggested changes would address suburban customers' long-held concerns relative to management and oversight of the Detroit water and sewer systems, and are based in part on a proven approach implemented elsewhere. Local officials in communities served by the city's water and sewer systems need to quickly digest McCulloch's ideas and get behind the campaign to incorporate them into the model contract.

McCulloch has distributed a suggested resolution to local government leaders that urges DWSD officials to amend the model contract to provide greater transparency in how the water and sewer systems are operated and governed, as well as seeking a more reasonable time frame to opt out of the contract.

At a March 23 meeting in Farmington Hills during which the DWSD presented its model contract, the department set a 60-day deadline for community input, which gives the county drain office and customer community officials no longer than May 22 to seek changes.

McCulloch's proposals are based on the governance and oversight approach implemented by the Massachusetts Water Resources Authority, which was established in 1984 to provide wholesale water and sewer services to 2.5 million people and more than 5,500 industrial users in 61 metropolitan Boston communities.

The Massachusetts authority consists of a board of directors appointed by Boston officials, the state's governor, communities where wastewater treat-

ment plants are located, and an advisory board that includes five full-time employees.

McCulloch's proposal includes establishing an advisory board for water services and one for sewer services. The boards would be served by three shared full-time employees paid by suburban communities to provide technical and legal support to the advisory boards and to the customer communities.

Because the full-time staff would be embedded within the DWSD, they would learn more about individual communities' needs and how the systems operate, which could lead to cost savings. According to McCulloch, water and sewer rates may also increase at a slower rate.

The department's proposed model con-

tract requires communities to provide a 10-year notice before opting out of the 30-year deal, an issue which has also received some attention. McCulloch has said communities may want to concede on that issue in exchange for implementation of the advisory panels and hiring three employees to work with the DWSD.

According to McCulloch, addressing transparency and governance in contract form could eliminate the need for judicial oversight of the water and sewer systems, which has been in place for 30 years under U.S. District Judge John Feikens.

We'd like to see local officials unite behind the push for McCulloch's proposed model contract changes based on a system

of governance and oversight that's worked in Massachusetts.

Although hiring three full-time employees to work with the advisory boards and suburban communities would probably result in modest rate increases for suburbanites, the employees' day-to-day work with DWSD officials would be well worth that additional cost. It would give the water and sewer advisory boards and suburban water and sewer customers eyes and ears into the systems' operations on a daily basis. That would be a significant improvement over the existing oversight and governance system.

We can see benefits for Detroit, as well, in McCulloch's proposal. It would relieve pressure to "regionalize" the water and sewer systems through legislation that gives suburban officials more representation through a large authority board, something that's come up in each of the last several sessions of the state Legislature. Although McCulloch's current proposal calls for creating water and sewer system advisory boards, they would be just that — boards that merely advise Detroit and suburban officials alike but lack final authority over water and sewer system decisions. In addition, the suburban customers, not the city or its residents, would pay for the advisory boards' three full-time employees.

It's difficult to imagine why the city would balk at the changes, since they don't amount to a take over of system ownership or direct governance, and won't cost the city any additional money.

McCulloch's proposed changes in the model contract aren't hypothetical concepts. They're based on something that works. The city and its suburban water and sewer municipal customers should give this a try. ↓