

PUBLIC RELATIONS CAMPAIGN TO SELL RATE INCREASE

PRESENTED BY: NAEEM QURESHI, PE
Minnesota Rural Water Association
Water and Wastewater Technical Conference
March 4, 2020



PRESENTATION OUTLINE



1. Infrastructure Needs
2. Decreasing Demand/Revenue
3. Rate Escalation
4. Public Relation Approach



INFRASTRUCTURE NEEDS



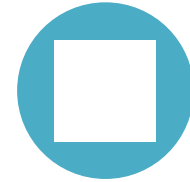
\$655 BILLION –
NEXT 20 YEARS –
(EPA)



240,000 MAIN
BREAKS ANNUALLY
(EPA)



1.7 TRILLION GALLONS
OF TREATED WATER
LOST (EPA)



MINNESOTA RATED
WATER SYSTEMS AS C-.
(MN ASCE REPORT)



80% RESPONDENTS
RATED “RENEWAL
REPLACEMENT OF
AGING
INFRASTRUCTURE
AS HIGHER
PRIORITY.



MOST OF THE
REVENUE WILL
COME FROM
HIGHER RATES.



FEDERAL FUNDING
HAS DECREASED
FROM \$16 BILLION
IN 1976 TO \$4.3
BILLION IN 2014.

Water Quality Challenges / Unfounded Mandates

EAST METRO

Cleanup of PFAS 'forever chemicals' could cost up to \$1.2 billion, exceed 3M settlement

State estimates cleanup could cost up to \$1.2 billion.

By Jennifer Bjorhus (<http://www.startribune.com/jennifer-bjorhus/34031274/>) Star Tribune |

FEBRUARY 27, 2020 — 3:25AM

St. Croix County embarks on long-term groundwater study

The five-year study will analyze results from about 125 wells organized in a countywide grid system and determine levels of nitrates, herbicides and other water characteristics.

Written By: Mike Longaecker | Dec 12th 2019 - 9am.

NATION

States seek to curtail firms in tapping local groundwater

Activists say companies deplete spring-fed sources.

By Alex Brown Washington Post | FEBRUARY 12, 2020 — 2:27PM

OLYMPIA, Wash. — Washington, a state of sprawling rainforests and glacier-fed rivers, might soon become the first in the nation to ban water bottling companies from tapping spring-fed sources.

The proposal is one of several efforts at the state and local level to fend off the fast-growing bottled water industry and protect local groundwater. Local activists throughout the country say bottling companies are taking their water virtually for free, depleting springs and aquifers, then packaging it in plastic bottles and shipping it elsewhere for sale.

NATIONAL

Wisconsin Assembly passes bipartisan water quality bills

By SCOTT BAUER Associated Press | FEBRUARY 18, 2020 — 6:55PM

MADISON, Wis. — The Wisconsin Assembly passed \$10 million package of 13 bills designed to combat groundwater contamination on Tuesday, with lawmakers calling it a good start but not enough to address the persistent and growing problem.

DECREASING DEMANDS/REVENUE

Madison, WI saved more than 1 billion gallons in the last decade. – 300,000 daily



\$100 rebate replaced 17,000 toilets

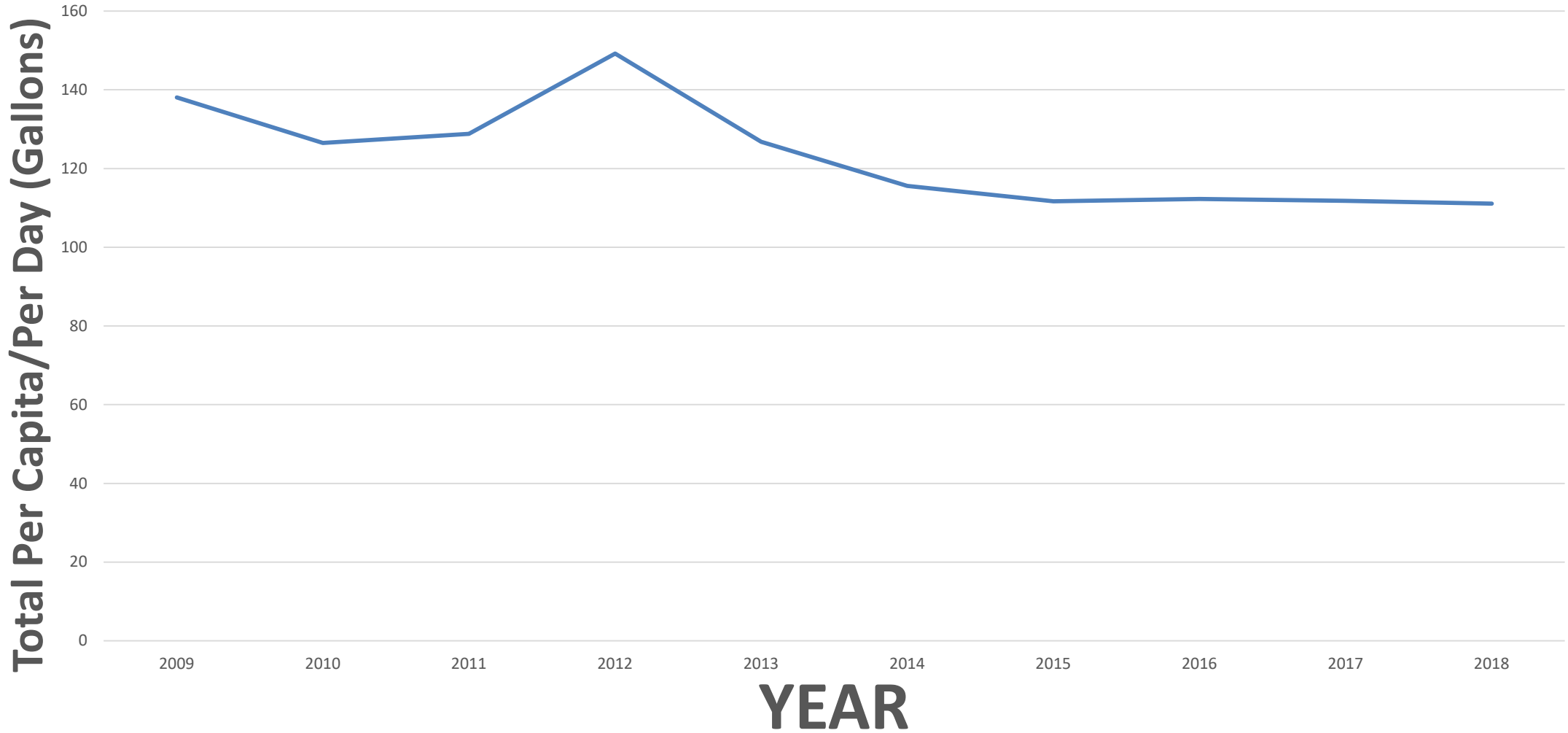


Statewide residential use is 52 GPCD versus DNR goal of 75 GPCD.

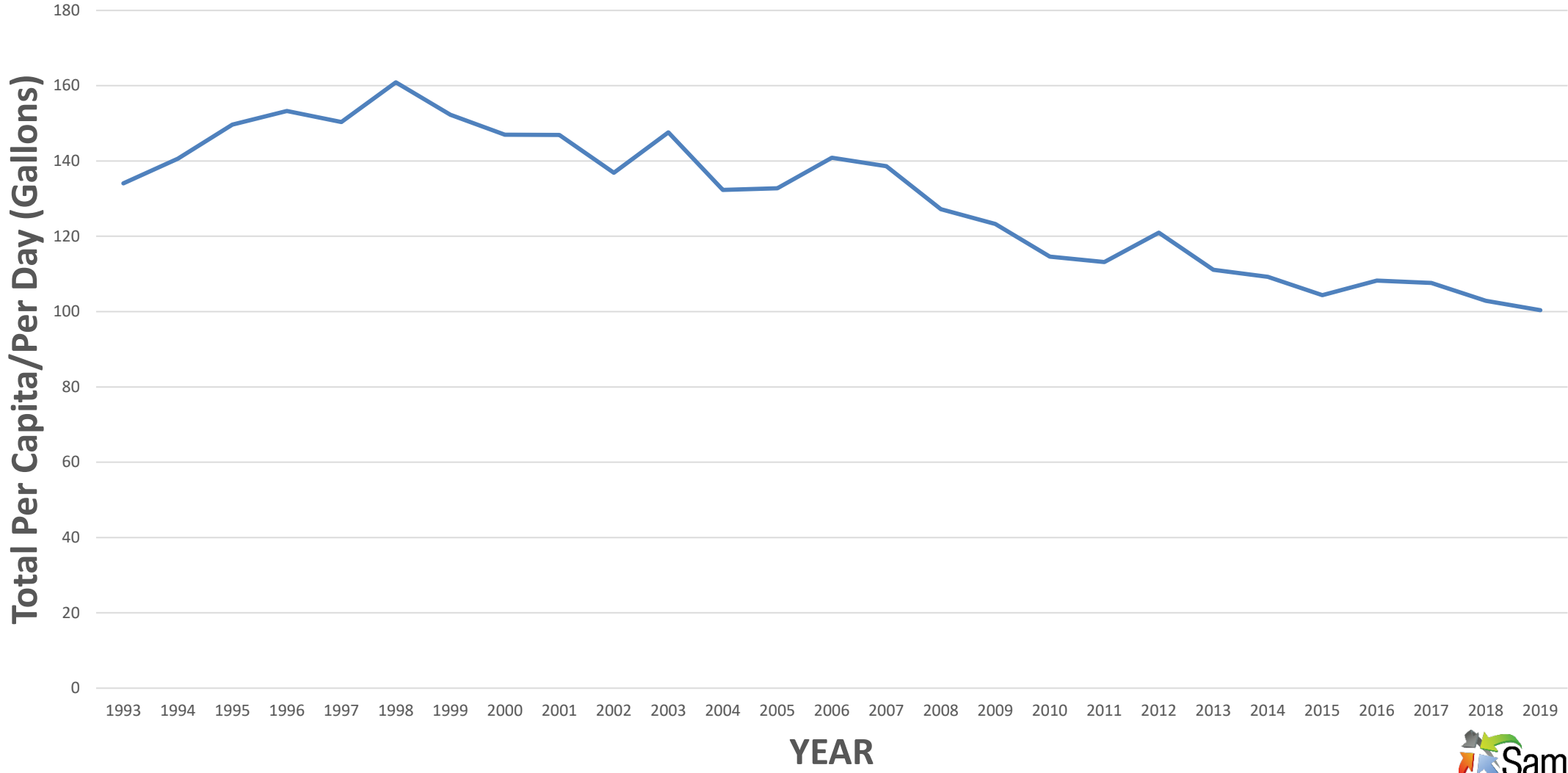


In Minnesota 75 million gallons saved in 2017

Eden Prairie



Rochester Public Utilities



RATES AFFORDABILITY



Wages for low and middle income population are stagnant.



Housing and Healthcare costs are increasing rapidly ahead of inflation.



Low income household spend 9.7% of disposable income for water and sewer services.



Low income household work 9.5 hours at minimum wage to pay for water and sewer services.



Conveying low income residents the importance of water and sewer services is key.

RATES ESCALATION



Water receives less than 5% of Federal Funds compared to other major infrastructure categories.



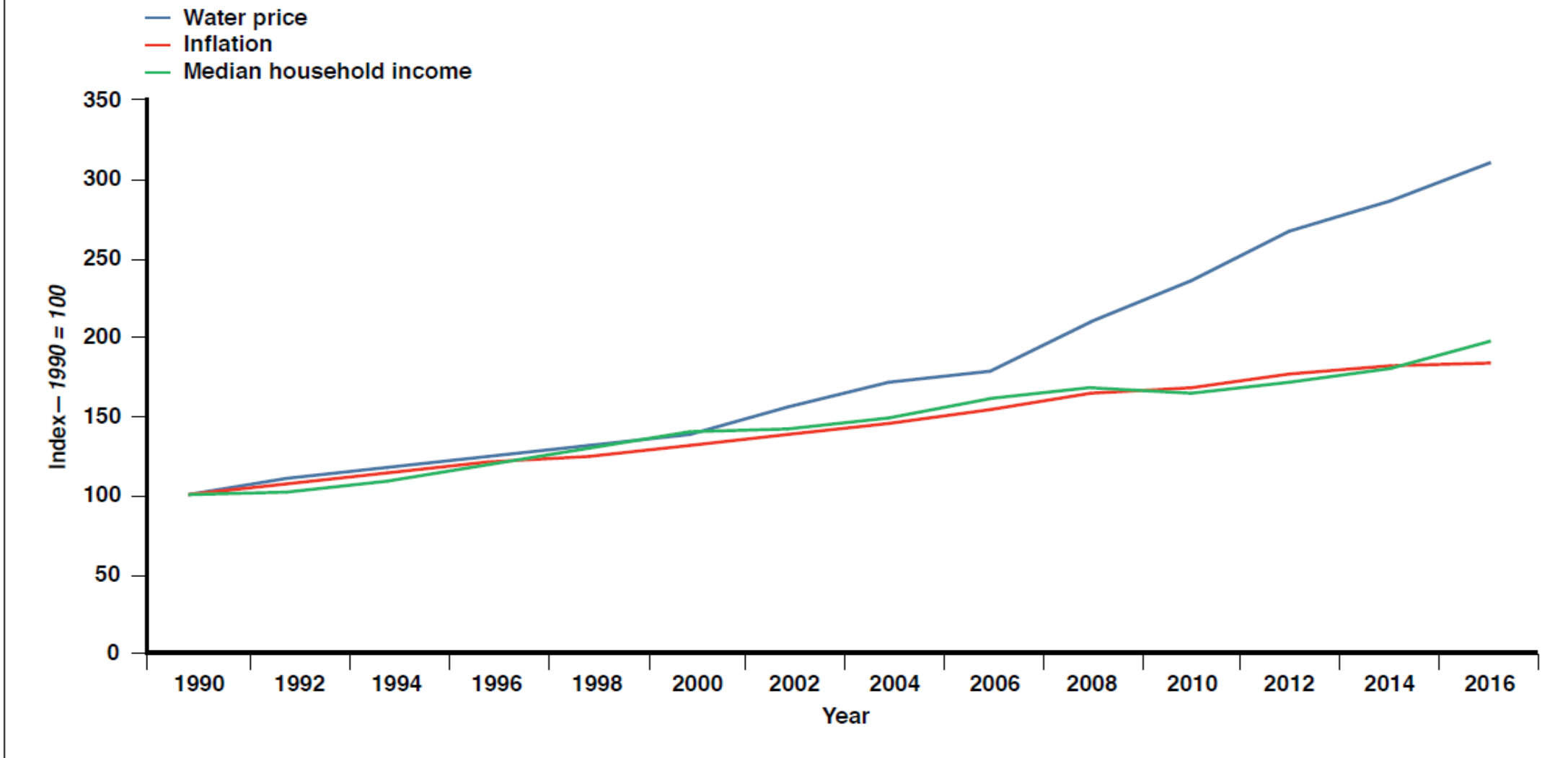
Average Rate increase 5.5% annually in the last decade.



Median household bill for water and sewer increased from \$44 in 2006 to \$77 in 2016. – 75% increase.

Source: Journal AWWA Article

FIGURE 1 Changes in residential water price, inflation, and median household income (1990–2016)



ELECTRONICS: LESS UTILITY VISIBILITY

1. Most bills are paid online.
2. Meters are read remotely – less interaction and visibility of Utility staff.
3. Customers contact Utility only when there is an issue.
4. Nobody calls to thank the Utility for quality water supply.
5. Water and Sewer services are taken for granted.



SIMPLIFY YOUR MESSAGE

1. Rates are in 100 cubic feet or 1,000 gallons
2. Most customers don't understand what is received for the money
3. Enhance customer understanding by going to units of 100 gallon or one gallon.
4. Example of Utility Manager
5. Base fee and consumption



STUDY, SHARE, AND CERTIFY

1. Conduct a rate study to show costs
2. Highlight facts on the website
3. Show Certification and exams needed to operate the system
4. Show standards that are being met
5. When press highlights containments in ppb.
Show ppb is one penny in 10 million
6. Stress Quality (Treatment Processes)



Public Relations Approach

- 1) Water Fill Station
- 2) Invite the elected officials
 - a. Safety of your drinking water is our highest priority
- 3) Ask people how to pay for the improvements
- 4) Communicate Trust
 - a. Reveal and Relate
 - b. Bridge the gap between perception and reality
 - c. Engage in emotions
 - d. Recognize opinions
 - e. Avoid just the facts

Public Relations Approach

- Tell your story
 - Craft the beginning
 - Introduce the vision
 - Bring the story home
- Convey Quality
 - Leverage frequently asked questions

DISPLAY AT WATER FOUNTAINS

This water meets 92 Federal Standards. Exams and certifications are required of water system operators to ensure water quality.

CONVEY IMPORTANCE OF WATER



Imagine a day without water



Display at the Utility building



Comparing water cost details



Average American uses 64,240 gallons of water annually.



If drinking water and soda pop cost equally the water bill will increase 10,000%.

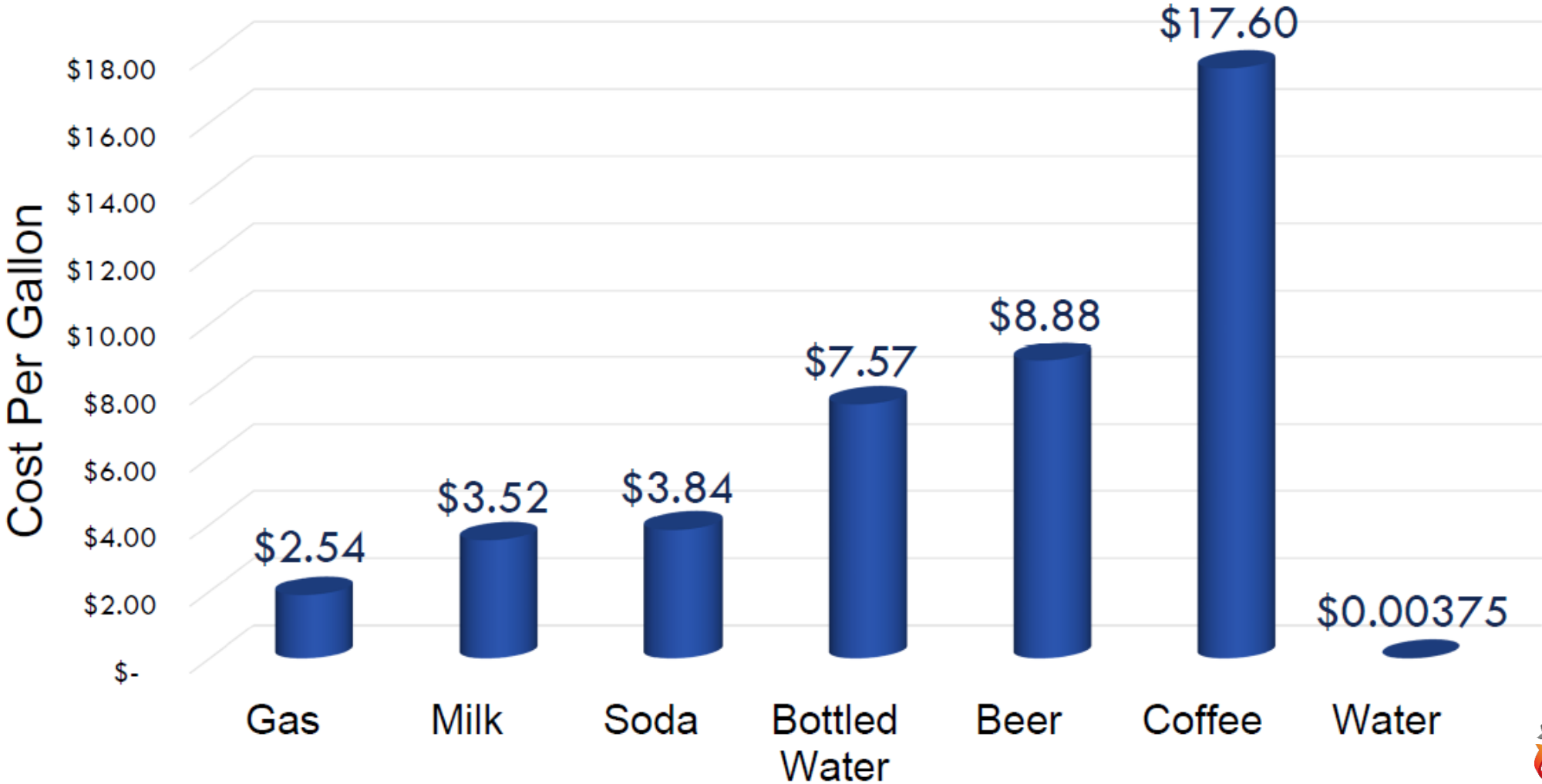


Cold Spring, MN annual children's water festival

350 Children in attendance

Use interactive station to create student interest

MN Average Cost Per Gallon (2019)



RE-ENGAGE



PRESENTATIONS TO CIVIC
CLUBS LOCAL CHAMBER OF
COMMERCE



OUTREACH TO SCHOOLS AND
COLLEGES



VISITING SCHOOLS ESPECIALLY
MIDDLE AND HIGH SCHOOL IS
IMPORTANT



WATER PLANT TOURS WITH
INTERACTIVE DISPLAYS ARE
ESSENTIAL

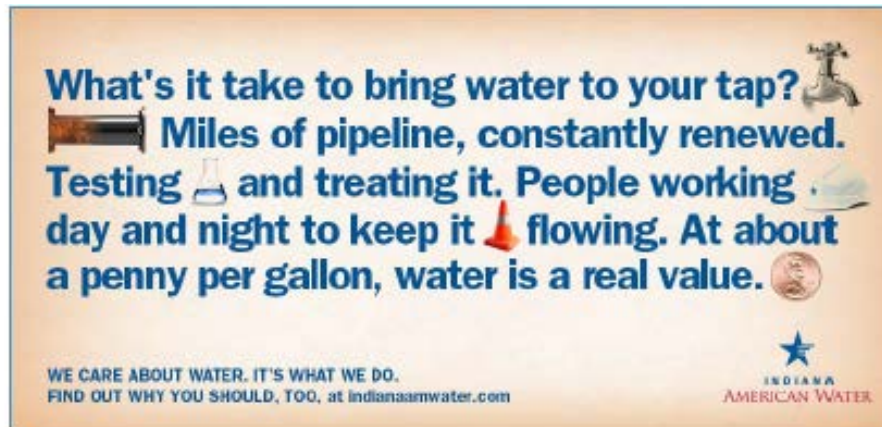


VISITOR DISPLAY AT WATER
PLANT



WATER FILL STATION

COMMUNICATE



- Use social media, websites and software application for mobile devices to convey message.
- Establish customer focus groups for customer perception of water.
- On the ground signage is effective to communicate

WATER PROFESSIONAL: UNSUNG HEROS OF OUR SOCIETY



Toot your own horn
No news is not good
news



Develop, repore and
invite members of
the media



Promote drinking
water during school
visits



Offer high school
students to shadow
you



Provide opportunity
for community
service



Promote events on
social media



70% are willing to
pay more for good
quality water

COMMUNICATE
THE WORK BY
STAFF



Source: USEPA

1
Images and stories are powerful communication tools.



Source: USEPA

2
Images of water systems can help communicate the need for investment or replacement.



3
Messages should be clear and concise.

COMMUNICATE

Write a story about a day in the life of a certified operator.

Issue a press release showing water use trends and past achievements like:

- Mile of pipe replaced
- Number of watermain breaks fixed and cost



CONVEY IMPORTANCE OF WATER



WATER IS
DELIVERED
24/7
WITHOUT
WATER:

No drinking

No flushing

No brushing

No shower, laundry or dishwashing

No putting out fires

No watering lawns and gardens

Increased risk of water borne diseases

QUESTIONS



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