NEW YORK CITY WATER BOARD

New York City Public Hearings - 5/26/22 (Evening)

[START RECORDING]

MR. OMAR NAZEM: Thank you.

AUTOMATED VOICE: This meeting is being recorded and—

MALE VOICE: [Interposing] On the record.

MR. NAZEM: Good evening, everyone. This is Omar Nazem. I am the Water Board's treasurer. This is a public hearing on the water sewer rate charge by the board for water and sewer service in New York City. The Water Board heard a presentation on April 29th proposing an increase to the rates and charges. This meeting is an opportunity for the public to contribute comments and to hear the presentation and the explanation for why the change and what policy amendments we're looking at next year. I would ask members of the public to please place your phones on mute right now. Everyone has a chance to comment later in the meeting. And I'm now going to hand the meeting over to Miquel Adgate [phonetic], who is the designated hearing officer for this evening. Miquel?

MS. MIQUEL ADGATE: Thank you Omar, and thank you to everyone who is joining this afternoon to hear the presentation, as well as to those of you who will be providing testimony, whether written or verbal. As Omar said, this is a public hearing of the New York City Water Board on water rates to take effect beginning July 1st, 2022. We are holding this meeting pursuant to state executive order permitting virtual public meetings as a public health precaution. Again, we would ask that everyone place their phone on mute in order to limit the background noise. I have placed several documents in the official record, including a notice appointing me as the hearing officer, verified copies of the public notices placed in newspapers, a draft of the rate schedule listing the rates and billing policies for the coming year, a public information booklet describing the proposed rates, and copies of the written testimony received by the board so far. The draft rate schedule and the public information booklet are also available on the board's website, as is a copy of the presentation you will be hearing today. This meeting is being recorded and once prepared, an audio recording and transcript of the meeting will be made available on the board's website at nyc.gov/nycwaterboard. Again, that's nyc.gov/Nycwaterboard. For members of the public who may have difficulty hearing, there is a real-time text captioning feature available to follow up with the meeting. You can link to the captioning service from the public hearing notice under the meetings tab of the board's website. The program for this evening includes two sections. First, the Department of Environmental Protection will make a presentation explaining proposed water rates for the fiscal year beginning July 1st, 2022 as well as billing policy modifications. Then members of the public will have an opportunity to make a statement. I do have a list of preregistered speakers, and when we get to that section of the hearing, I am going to start by calling the preregistered speakers by name. When you hear your name, please unmute your phone, and you will have up to five minutes to speak. After I have called all of the preregistered speakers, I am going to ask if anyone else would like to speak. And I will try to mediate between people speaking at the same time as fairly as I can. As mentioned, we do have members of the Water Board with us today, including Adam Freed and Jonathan Goldin. Thank you for joining. We're also joined by DEP's Commissioner Rohit Aggarwala, DEP's Chief Financial Officer Joseph Murin, and the Water Board's treasurer Omar Nazem, as well as staff members from the Department Of Environmental Protection. Before we get started, Chairman Carney, would you like to make any opening remarks?

MR. ALFONSO L. CARNEY JR.: Just a few, and thank you very much, Miquel. First of all, thank you very much Commissioner for being with us, Commissioner Aggarwala. In addition, we have Joe Murin, the chief financial officer of the, and a dual role, he also serves as the executive director of the Water Board, and Omar Nazem, who serves as the treasurer of the Water Board. Thank you all for being here with us. Are there other board members, we have Adam Freed and myself, are there other members who are present?

MR. DAN ZARRILLI: This is Dan Zarrilli; I'm on as well.

MR. CARNEY: Dan, how are you? Thank you very much joining us this evening.

MR. JONATHAN E. GOLDIN: And Mr. Chairman, you also have Jon Goldin here.

MR. CARNEY: Jon, thank you. Thank you very much. So we've got, looks like four members with us this evening, and thank you all for joining. Miquel, only a couple of comments. The first is thank you very much for your work and making sure that as hearing officer, we get it right. I really appreciate that. Second, I want to make sure that the members of the public know that while we have had the opportunity to view this presentation, there have been no discussions about it. We have not actually talked about it at all. We are looking forward to comments that we receive from the public. It's important for the record and for the public to know that we rely heavily on what the public thinks, what members of the public, what rate payers think about where we are and what we're doing. You're going to hear a presentation, which is very good, but it is not the be-all and end-all of the discussion. It is a starting point. We are looking forward to hearing what the public, members of the public have to say, and we are also looking forward to having a vibrant discussion at some point about the proposed rate and the proposed rate increase. Miquel, thank you very much. I think that’s all I have to say. Are there other comments from board members? Hearing note, Miquel, you've got the meeting back.

MS. ADGATE: Thank you, Chairman. Now we're going to hear a presentation from Commissioner Aggarwala and Chief Financial Officer Murin. Commissioner?

MR. ROHIT T. AGGARWALA: Thank you, Miquel. Good evening everybody, good evening Mr. Chairman, members of the Water Board, and public, thanks for joining us this evening. My name's Rohit Aggarwala. I am the commissioner of the Department of Environmental Protection, and I'm pleased to be able to share the first part. Our CFO and the Water Board's treasurer will complete the presentation for me, but I'm pleased to present the first part of our update. And of course the main reason we are here is that as the chairman suggested, DEP has requested a rate increase of 4.9% for New York City customers. We'll share both the status of the agency and the rationale for that water rate as we go. I'm going to refer to the presentation that has been made public, that has been made available to the public and immediately move to page three. Obviously for basically every operation around the world, the pandemic of the last two years has shaped a lot of what we've done, a lot of what we've focused on. The good news of course is that DEP's water and sewer operations were not materially impacted by the pandemic in terms of actual operations. We had uninterrupted provision of water and sewer service thanks to the heroic efforts of so many, several thousand DEP employees who were continuing to work in the field and at their jobs onsite every day during the pandemic. We do have some aftereffects of the pandemic, including a reduced head count caused by difficulty in hiring. Our on-boarded headcount right now is a good bit below our budgeted personnel levels. Like other city agencies, DEP's office staff returned to a traditional five-day-a-week workweek onsite in September of 2021. One of the good news is, among the good news is that DEP has maintained many of the digital and productivity innovations that we introduced during the pandemic, and we think that our office operations are in fact somewhat more efficient as a result. And looking ahead as I mentioned, since our headcount is below really what we need, recruitment, hiring, and training are among our agency priority areas for the next year or so. Turning to page four, we've made significant progress on a number of projects that are worth noting, the most significant being the adoption during the middle of the pandemic, and hats off, I think our Deputy Commissioner for Customer Service Jeff Lynch [phonetic] is here, to him and his team and to our IT team for launching a new billing system, the UMAX Microsoft Dynamics Billing System that has replaced our former billing tool and is now providing we believe faster, more accurate, more detailed bills to all of DEP's customers. It was the largest system conversion that we've undertaken in the agency in the last 25 years, and it was a major effort. We're going to be looking forward over the next year or so really exploring the additional functionality of that software for other things that we can do, including greater insight into usage patterns, potentially informing ways that we can work in the future to reduce water consumption, and interact with our customers better. Our biggest physical project that's ongoing of course is the Delaware Aqueduct Bypass Tunnel. That continues to proceed. We are in the tail end of that multi-year project, and we are in the process of coordinating a timetable for the final phase for when we are going to be ready to cut in that completed portion of the tunnel and put it into service. Right now our focus is on preparing and doing a number of tasks and doing a preparation to make sure that we only do that cut-in when we are perfectly prepared to be highly confident that we'll have uninterrupted, high-quality service to New Yorkers of their water supply as they've come to expect.

We've completed work on $148 million of new sewer construction in Canarsie and East New York. We've done a $16 roughly million improvement to the Jerome Park Reservoir. We've started work on a $29 million package of upgrades at a set of NYCHA facilities, focused on green infrastructure to mitigate storm water flows. We have completed an $18 million partnership with the Department of Transportation for water infrastructure around Montefiore Square. We've started work on a $7 million drainage upgrade in the Westerly section of Staten Island, including storm sewer and catch basin installations. And work continues on the major project at this point, more than ten-year, $2.5 billion commitment by the city that started in 2015 on sewer infrastructure and flood mitigation focused in southeast Queens. And in 2021, we had some significant milestones in projects completed in Hollis and Queens Village. Those are among the highlights for what the agency has accomplished over the last year or so, and now I'd like to turn it over to Joe Murin, our chief financial officer, to present our financial situation.

MR. JOSEPH P. MURIN: Thank you, Commissioner. Good evening, everyone, this is Joe Murin, chief financial officer for New York City Department of Environmental Protection. I am on slide six of the presentation for those that are following along. DEP's capital construction program remains robust and well-funded. And as we'll get into further, the capital program is supported by the revenue raised to do the debt service on the capital for the assets that we are either improving or building new for the system. And what we have here is a comparison, the ten-year plan back in April of 2019 for fiscal year '19 through '28, versus the ten-year plan, current ten-year plan, which is for March '22, fiscal years '22 through '31, showing that over that time period, the capital plan has been enhanced, going from 20.7 billion to 25.1 billion, with significant investment in all our operational areas, most significantly of course being water pollution control, but also continued enhancements, some of which the commissioner just mentioned, to southeast Queens in the sewer component, as well as water distribution, water supply, and transmission and equipment. So going through that slide now, I'm going to turn next to slide seven, which is about interest rates are rising, which will increase system borrowing costs. Market interest rates began to trend upward during the fourth quarter of calendar year 2021 and continued to rise through May 2022. The increase in U.S. Treasury rates has been accompanied by an increase in municipal bond rates. Despite recent increased interest rates, the system can borrow at rates comparable to long-term average borrowing rates. Together with higher rates of price inflation, higher borrowing costs are likely to increase the system's cost. Credit rating on water bonds remains high based on the board's authority and willingness to set rates that meet the system's funding requirements.

I'm going to deviate slightly from yesterday's script because the chair did raise the question earlier today when we had the Audit Committee meeting about interest and the debt service. And I would like him to, if he would so choose, to reiterate those, because Olga Chernat, the executive director of the Water Finance Authority, is on, and I think they will help color some of the information here on this slide. So Mr. Chair, sorry to put you on the spot like that, but you had raised a very good question, and I think Olga is ready to answer that for you as well.

MR. CARNEY: Mr. Chief Financial Officer and Executive Director, thank you very much. I thought that there could be some benefit, certainly to the public, in hearing the Water Finance Authority experts give us some sense of our ability to market, to place our bonds over the course of the next year. I recognize that Olga Chernat, who is the person who I believe is on the phone, does not have a crystal ball with her. But even so, I think there is some benefit in talking about where the markets are and what we can expect with regard to yield over the course of the next six to 12 months.

MS. OLGA CHERNAT: Thank you, Chair. This is Olga Chernat, executive director of New York City Municipal Water Finance Authority, and good afternoon, everyone. I would be happy to address those questions. So maybe let me start with an overview of our currently outstanding debt portfolio. So first and foremost, the Authority issues debt to finance capital projects managed by DEP. And currently, the Authority has approximately 32 billion of debt outstanding. The bulk of our portfolio, about 85%, is in fixed-rate debt. This means that the rate on the debt was locked at the time of the issuance, and it's not going to change unless the debt is refinanced for savings in the future. Our spending variable rate debt, that accounts for about 15% of our overall portfolio. And interest rate on debt and interest costs on this portion of the portfolio will flat-rate with the market. So if interest rates in the market rise, rates on our variable rate debt will rise as well. If market rates decline, that same dynamic happens with the interest on our variable rate bonds. So as George [phonetic] has discussed, right now we are in a rising interest rate environment. And this is forged, first and foremost - - by the Federal Reserve increasing its target for the Fed funds rate. Since the start of this calendar year, the Federal Reserve raised this Fed funds rate, sorry for this interruption, by three-fourths of a percentage point. When the Federal Reserve increases its Fed funds rate, other rates in the market follow, including tax exemptions for market benchmark rates. In March, Fed policymakers indicated that they expect the rates to increase even further to as much as 2% by the end of this calendar year. And there is a potential for further increases in calendar year 2023. Just to note, this was consistent with…

[Background noise]

MS. CHERNAT: It includes the portion, the second half of the calendar year 2022 and the first half of the calendar 2023. So when we put together our - - for this budget, we have to make certain assumption on interest rates to make sure that we have sufficient revenue to cover our interest rate expenses. So for fiscal 2023, we assumed 3.5% interest rate on variable rate bonds. And that would apply to already outstanding variable rate bonds as well as newly issued variable rate bonds. And this gives us reasonably healthy cushion at a little over 2.5% relative to the current market. The assumed rate for fixed rate bonds is 5%. And that also has a similarly sized cushion built into it. And this is to account for that expected continued rise in rates I mentioned earlier and also to provide an adequate buffer in case of any market disruptions, which do happen from time to time.

In terms of additional debt that we expect to issue in fiscal 2023, it's approximately 1.4 billion. And we expect it's to be structured as a mix of fixed rate and variable rate debt. We also will be partnering again with New York State ESE [phonetic] to issue a significant portion of that 1.4 billion through the state's clean water and drinking water programs at a subsidized rate. So that's an overview of the financing program. I hope it's a helpful update, and we can now turn back to the presentation on slide eight.

MR. CARNEY: Olga, it's very helpful. You expect then that the ratio of fixed to variable, barring some unforeseen and unforeseeable circumstance, will stay at 85%, 15% fixed, variable?

MS. CHERNAT: I would say that roughly the target range is, it could change based on the market conditions. But that's - - reasonable mix, we would expect kind of going forward.

MR. CARNEY: Olga, thank you very much. There are members on the call who may have questions for you now or later. Are there questions for Olga now in the, as she has made her presentation? Hearing none, Olga thank you very, very much. We are going back to Joseph Murin, the chief financial officer and the executive director, to complete his presentation.

MR. MURIN: Thank you, Mr. Chair, thank you, Olga. So I am going to slide eight. DEP and the board maintain billing and collection activities in fiscal year 2022 while facing challenges from customer delinquencies and lower water consumption. Billing and collections activity by DEP and the board faced the headwinds of customer payments deferrals and lower water consumption during fiscal year 2022. Through May 23rd, 2022, revenues were $3.35 billion, which was an increase of 4.3% compared to the same time in fiscal year 2021 above the 2.76% rate increase that was implemented for fiscal year 2022. Financial headwinds faced by DEP and the board include the balance of overdue customer bills, which is higher than before the pandemic, second, water consumption levels below the quantity of water used prior to the pandemic, and third, limitations on the availability of collection tools, including reauthorization of the ability to sell liens secured by overdue water bills. During the pandemic, residential and commercial customers faced with loss of income deferred paying their water and sewer bills. As recovery progresses, we are seeing signs of customers who fell behind on their water and sewer bills starting to make payments to restore balances to good standing.

In conjunction with what I just stated, we'll move to slide nine, which is water consumption by metered accounts remained below the pre-pandemic level, with recent consumption data showing an upward trend. And what we have here is a graph showing the change in water consumption since July of 2018 through March of 2022, with - - broken down between residential, nonresidential, and total consumption. And we'll see there that the nonresidential, that's also commercial, or I should say is commercial, and other industrial uses, has taken a significant hit, has started to go up, whereas on the residential side, it was down but then it started to recover. I will note that as the graph shows with the blue line pulling the black line up, that the residential does account for about 80% of our consumption, with the other nonresidential accounting for about 20% there. But we are tracking this very closely because it is a key indicator for us in terms of revenue collections.

Next moving onto proposed rate and billing policies for fiscal year 2023, I'm moving onto slide 11. DEP is recommending that the board increase rates by 4.9%, proposing a 4.9% rate increase for customers in New York City, also $30 million of proposed customer affordability program funds, preserving the 50% increase authorized in fiscal year 2022 into a second program year. There is no budgeted rental payment to the city for fiscal year 2023 at this time. We do have a bar graph showing the change in rate increases over the past since 2009 up through this proposed rate of 2023. The rate increase will one, ensure revenue sufficient to fund the system's robust capital construction program, two, support high ratings from the bond rating agencies, three, help mitigate the system from the risk of rising interest rates and inflation, four, support hiring and retention initiatives, return headcount to budgeted levels, and six, support expanded analytical capability, including analysis of customers' data enabled by the new billing system.

Moving onto slide 12, residential customers with normal levels of water use will see a small increase in their monthly bills. What we have here is the chart showing the annual water and wastewater charges by examples of categories of homeowners, or users. So for the average single family who uses approximately 70,000 gallons per year, the current rate comes to approximately $994 per year. The proposed rate will have that go up to $1,041. That's an approximate increase of $4 per month. The average multi-family meter charge, that is 52,000 gallons per year, the current rate is $738 approximately, going up to 773, a monthly increase of approximately $3 a month. Multi-family conservation program per residential unit, that is currently at about $1,081 per year. That will go up to $1,134 a year, an increase of slightly more than $4 per month. And we're pleased to report that we will propose that the minimum charge per properties remain the same. That is customers using less than 90 gallons per day will continue to pay $464 per year. And that is beneficial to mostly our seniors and other disadvantaged homeowners or users.

Moving onto slide 13, DEP is also recommending that the board continue its $30 million affordability budget, which would extend that 50% budget increase authorized last year. Here we have the chart showing what those four programs are, the multi-family water assistance program, which is for four units, which goes to approximately 48,000 users per year, that’s $12 million. The home water assistance program, which is focused on smaller residential properties, that's a $140 bill credit that goes to approximately 96,000, was the increase, almost doubling, more than doubling last year by going up to $14 million a year. We have the leak forgiveness program, which allows customers to get a 50% bill credit if they report, self-report a leak that is fixed. That's $4 million in customer relief a year. That gives us total affordability programs of $30 million for the upcoming year.

Moving onto slide 14, residential use charges remain lower than in other large cities. And we have here the comparison that we do each year to 30 large city averages compared to New York. And we continue to run below that 30-city average. As of 2022, which was the latest numbers, our rate of $994 per year for a residential customer was, compared to 1,252 for the 30-city average, it's 21% from there. So while we're raising rates 4.9%, they continue to still be affordable compared to other large municipalities. Moving onto slide 15, what we have here is a summarization, financial—

[Break in audio]

MR. MURIN: Sorry, we have here the financial outlook for the Water Board budget. This is a summarization of the forecasted cash flow statement that can also be found on the Water Board's website in what call the Blue Book, which has this in a more detailed breakdown. And we have the major components summarized here that go into what are the revenue requirements that we need. So first of course, or I should say at this time, is DEP operation and maintenance budget. And that is forecast to be $1.657 billion in fiscal year '22, which will end in just one month time. And it's budgeted to increase to $1.824 billion for fiscal year 2023. And that's to fund the core utility services personnel and the related - -

and personnel service expenses to support the operations. I will go into some more details in the next slide as to what comprised that increase there.

Next we have debt service costs on water and sewer debt. That was expected to be 1.487 billion when fiscal year '22 closes out. And we're budgeting 1.643 billion for fiscal year 2023. As Olga just referenced - - interest rates, we did benefit from having budgeted a higher amount for interest rates in fiscal year '22 and those coming in somewhat lower. And we'll have to take a wait-and-see approach as we see how interest rates develop during fiscal year 2023. But as indicated during her presentation, we feel that we're taking prudent, conservative measures in this very challenging interest environment where we are seeing interest rates going up. As noted, this is the debt service necessary to fund the $25 billion capital program that the system is supporting.

Next we have fund for capital market activities. This is cash-financed capital programs as well as escrow. I'm sorry, defeasance, whereas Olga noted, where we may retire more expensive, older debt with cheaper bonds at a lower interest rate, which is becoming more of a challenge as Olga—

[Crosstalk]

MS. ADGATE: Joe, let me - - one moment. As a reminder, if you've just joined us, please - - phone. We appreciate it.

MR. MURIN: Thank you, Miquel.

MR. CARNEY: Thank you, Miquel.

MR. MURIN: As I was saying, funds for capital market activities and cash-financed debt service, last, in fiscal year '22, this is expected to be $469 million. That includes both defeasance of debt as well as cash-financed capital spending. For fiscal year '23, we are budgeting $263 million, and that is I believe almost all exclusively for cash-financed, AKA pay-go debt service.

Next we have the Water Board and the Water Authority's combined expense budget. And that's basically flat, at 101 million in the fiscal year '22, $106 million into fiscal year, for fiscal year '23. Then there's an accounting credit for prior DEP budgeted savings, which was $39 million. That's a, that was a carryover from fiscal year '21 into '22. And we are not at this time budgeting anything for fiscal year 2023. We'll have to see how that develops during the end of the fiscal year for '22 and moving into '23. Next as noted, the rental payment is at zero for both years. We do not expect that there will be a rental payment for this year nor for next fiscal year.

All of these inputs then come to the revenue that's expected to be needed for fiscal year 2022, 3.675 billion, and the budgeted revenue for fiscal year 2023, $3.836 billion. Now that does not quite come up to the 4.9%. There are other inputs that also modulate or moderate that increase, one being that we continue to see efforts across the city where conservation is being implemented, either through home improvements, new construction being at a much more efficient level. There are other variables that come in that could be plusses and minuses that impact that revenue number. But it basically approaches the 4.9% rate increase that we're asking there.

Moving to slide 16, DEP's O&M budget invest in core utility activities and customer services while reserving against price inflation. The fiscal year '23 DEP O&M budget updates include additional funds for inflation and cost contingencies, including $42 million of budgeted funds to protect against higher input costs for energy and chemical purchases. And additional inflation continues - - $49 billion across remaining expense categories. This is primarily to cover to personnel-related costs, which would account for such things as potential collective bargaining settlement, if there are changes in other personnel services, inputs such as fringe pension, other expenses related to employee benefits, as well as to what extent there might be unaccounted-for other increases in other than personnel services expenses such as parts and equipment, supply chain disruption, things along that line. I will note that these do come to, the two combined come to about $91 million, which I misspoke last, I said it was 5.8% compared to the base budget. It really is

5.25%, when you do it on the base of the O&M. And we feel that is an adequate reserve in terms of what the inflation risk may be out there for the system at this time.

Next, the other inputs that increase the overall budget for the O&M was climate resiliency programs, including green infrastructure, was $20 million, equipment upgrades, replacement and maintenance, $17 million, funds for additional regulatory and compliance initiatives, this included filtration compliance costs pursuant to federal agreements, 9 million, design-build programs and regulatory compliance work, including environmental health and safety, $8 million. And compliance - - under revised water quality standards, that's lead and copper rule, $7 million. The balance that would get us to the $167 million between what was, is forecasted for fiscal year '22, the 1.657, and the 1.824 for fiscal year '23, is various plusses and minuses of other new needs, some adjustments, and things along those lines. Moving on, I am going to turn the next slides over to Treasurer Omar Nazem to walk through rate schedule changes.

MR. NAZEM: Good evening, everyone. Just to explain a little bit the terminology, when the board implements a rate increase, the way that rate increase is expressed, there's a document called the rate schedule. And the rate schedule is partly a price list. There's a list of numbers, numerical rates you pay for each 100 cubic feet of water consumed or each apartment unit in a building if it's on an affordability rate. And each number, each dollar amount in the rate schedule gets increased by the percentage increase the board adopts as its rate increase for the year. That book for the rate schedule also has a second section, which it functions as a rulebook and procedure guide for how to deal with billing situations that unusual or irregular. So if an account goes past due, there's a section that deals with the provision of that. If there's a meter that's unable to transmit a reading for a period of time, there's a section that deals with how you estimate the reads to get back into the section where a meter read is not available. There's a section that deals with properties that are not, you cannot meter because of the physical configuration of the property and so forth. On slide 17, we're talking about amendments and revisions to that second component, the rulebook component, which we do at this time every year at the same time we do the rate increase, we consider the rate increase. So there are three rulebook revisions we want to draw your attention to this evening. The first is we have a billing policy called the cap on metered charges, which is available to residential properties that are billed on a metered basis, accounts in good standing that have a history of promptly paying their bills and that are engaging in, that are metered and in compliance with the board's programs and billing terms in general. What the cap on meter charges does is excess of consumption on the property, and the property owner is doing the right thing. They're enrolled in leak detection. They're getting email alerts. They're logging into My DEP account each day or monthly just to check what the water consumption is. If they notice high usage on the account, and they draw the agency's attention to it, and they get an authorized inspection by a DEP inspector, then they're eligible for what is essentially a billing insurance protection that caps their charges on that metered basis when they get the authorized DEP inspection. The clarification to the rule is that the inspection has got to take place in the billing period in question. We've had some instances where customers seek to invoke the meter bill cap a year or two after the usage in question, and the inspection takes place at a time far removed from when the high usage was incurred. The revision simply says that when you get that inspection, it needs to be right in that billing period. The ideal circumstance be you see the high usage because you get an email alert. You call the inspector. They inspect it within days or weeks, at least within the 90-day billing period. And if you do that, you're going to be compliant, you'll get the meter bill cap, the protection will be there. You won't have the excess of charges. So it clarifies just the terms and conditions under which that inspection needs to take place.

The second revision is, it deals with a billing program we called the multiple family conservation program, which is a program which is available for mainly affordable multi-family properties that install water efficiency measures. They install water-efficient toilets. They install water-efficient showerheads. And they generally upgrade and improve the property to a place where it is a water-efficient, conservation-oriented property. If you do all those things and you get a meter installed, then we have what is an affordability rate of about $1,100 per apartment per year that you can be billed on, even though you've got meters so you can see the consumption. That's a very attractive rate for a multi-family property because they have that confidence that the, of what their water will be, so they can budget on a property with a rent rule that might have limits of how far the rent can be increased, and they protect themselves against rate shock. They know for sure what the water bill is going to be 'cause they know what the - - each year.

We have a group of properties that were automatically enrolled in that program a couple of years ago because they were on older rate plans being phased out. And they were given a grace period to bring the properties into compliance and to get all the water efficiency measures in place. They were told that if you didn't get compliant in time, you were going to face a surcharge on your flat-rate charges pending putting yourself into compliance with the paperwork and the water efficiency measures that were required. We don't want to assess a surcharge right now just given - - a lot of customers coming out of the pandemic who experienced income loss and the myriad hardships that the people experienced during the pandemic. So what we are suggesting to do in the rate schedule is defer the surcharge on those multi-family properties for another year through June 30th, 2023 and then a question to be revisited next year, what do we do with them.

But the last one is really an inside baseball issue that will be of interest to a very small number of people, but it simply amends the rate schedule language to clarify that the frontage billing rates, the unmetered billing rates, are not available to properties that are newly constructed or that undergo a substantial renovation, which is defined in more detail under rate schedule. So it's just a reminder to people and a language clarification, because of some confusion. You're supposed to get metered; you're supposed to be billed on a metered basis. There are exceptional cases where that's not necessary. But overall, if a property is being newly constructed or being renovated, it really needs to be metered. And the frontage rates are not available to properties meeting those criteria.

I'll jump onto slide 18 now. This is sort of a topic not quite related to rate setting, but adjacent to it. And it deals with the sustainable rate study that DEP is undertaking right now. This has been a topic that has been brought up in hearings, and the board's meetings as well for a number of years. And it deals with the question of is the overall rate structure the right rate structure, are there new things being done out there in other cities, municipalities, or industry best practices we should be looking at? So the DEP hired a well-regarded Canadian civil engineering company, Stantec, to do a very broad brush study of other municipalities of our existing rates to run a big financial model to do some benchmarking and to look at what else is out there, kind of compare what we do now with what others are doing and then make some recommendations and best practices. So we have an update on that study, which I know is of interest to a number of people on the call today. So the update is the working group has completed a comparative rate structure analysis and held several public stakeholder meetings. The work with a consultant is ongoing to complete the remaining project modules. The remaining modules include the revenue requirements and rate options assessment phases, which are financial model morphs into how much money you're going to need to fund DEP's operations in the capital budget over the next ten to 20 years, and what are all the different ways you would play with that rate structure to raise your revenues the utility is going to need to do all the work it does. Once those tasks are completed, the project team will assess options for implementation and assess the potential customer impacts for any prospective rate changes. The project will conclude as you would hope it would conclude with a final report on recommendation, in which DEP will present recommendations to the board for consideration and potential inclusion of future years' rate schedule. The timeline estimate is that the remaining stages will be completed by the end of the first quarter of calendar '23, and the final report of recommendations will be made available to the board and the public by the end of calendar '23.

Last slide, slide 19, this is the final hearing for this year's rate - - proposal. The next public event is going to be June 1st, which will be a meeting of the board, not a hearing, where the board and DEP staff and board staff will reconvene, and the board will deliberate and consider what to actually vote on and adopt in terms of rates and a budget for fiscal year

'23. That meeting will be Wednesday, June 1st at 1:00 p.m. The information to join is on the board's website and also in the presentation. Miquel?

MS. ADGATE: Thank you very much—

MR. NAZEM: [Interposing] Yes?

MR. CARNEY: Can you hear me? It's Carney. Thank you very much. Thank you very much.

MR. NAZEM: Our pleasure.

MS. ADGATE: Thank you, Chair. Now I'm going to begin the public testimony portion of the hearing. I'm going to go through my list of preregistered speakers, each of whom will have up to five minutes to speak. After we've gone through the preregistered list, I'm going to see if anyone else would like to speak, and I will try to be as fair as I can, mediating between folks who speak up at the same time. So once again, please put your phone on mute until I call your name. First, we have Jim Buckley from the University Neighborhood Housing Services. Jim?

MR. JIM BUCKLEY: Yes, hi, good evening—

MR. CARNEY: [Interposing] Jim, Miquel,

Carney, thank you very much. - - tonight.

MR. BUCKLEY: Thank you for that. I'm a familiar character I realize at these things, so I'll try to be as brief as I can and…

MR. CARNEY: Say what you what have to say and say it the way you want to say it; it's fine. You and I—

MR. BUCKLEY: [Interposing] Okay.

MR. CARNEY: We've spent time at these hearings together in the past, and I look forward to hearing what you have to say tonight.

MR. BUCKLEY: All right, thank you. University Neighborhood Housing is a nonprofit community organization that's been working in the Bronx since 1983. We oversee operation of 26 apartment buildings in the Bronx, maintain a neighborhood resource center, which has assisted approximately 3,000 people on individual issues, including a wide array of individual housing issues. We developed a research and advocacy component that supports a wide variety of issues related to the creation and preservation and improvement of affordable housing. In all three parts of our work, we see the impact of water.

As a result, we've been participating in meetings like this for 30 years. I'm here tonight to say that we oppose the proposed 4.9% increase. The economic impacts of COVID have worsened the financial situations of many of the people with whom we work. And any increase will worsen already difficult situations for both homeowners, multi-family building operators, and as a result, the tenants in many of the buildings. The Bronx has been especially hard hit over these past few years, and we see it in the sample of buildings with which we work, and the many nonprofit and for-profit managers with whom we work. Most of the buildings with which we work were built before 1947, and our data confirms that New York City rent guidelines board data that shows that this type of building in the Bronx is paying more than 10% of their operating costs for water. As I know you are aware, water is not the only line item that is increasing. Additionally, similar to the customers that have fallen behind in their water bills, many people in the buildings that we work with are struggling with staying, or getting current again with their rent. In our small pool of buildings, many tenants have received assistance through the emergency rental assistance program, and actually fortunately we've been able to help many of them to apply for it and get it. While it's not included in the proposals tonight, I'm asking the Water Board to increase support for the multi-family water assistance program, to reach an increase from 10 to $12 million where it's easily utilized in affordable housing buildings. And the demand for the program shows that more support is needed and merited. I want to acknowledge the folks at HBD that manage this vital program. I had wanted to check and make sure that our impression of the importance and the demand for this program was accurate. And the data that they have provided supports that conclusion. Applications for this program exceed available funds by more than three times. And the eligible applications from the Bronx alone exceed the amount of money allocated to the program. And in case anyone wonders how $250 per apartment per year can mean that much, I would welcome the opportunity to introduce you to community leaders and housing managers who have utilized these funds for needed capital improvements in their buildings.

Finally, I've been participating in the sustainable rate study group. I think it's valuable to gather input and to explore ways to look at making the water rates that are set more equitable. I'm interested in exploring how to build storm water charges into the rate system. While I have the opportunity, I want to emphasize the importance of planning out the impact of the various scenarios on the people who can least afford to pay more. And frankly, people need to be able to acknowledge that in all likelihood, it will be necessary to get more support from other sources, including city capital money. I had hopes that federal infrastructure money might help with some of this. It's not really sounding like it has. Anyway, I thank you for the opportunity to talk to you tonight and the work that you, that the Water Board and the staff at DEP do to maintain the flow and quality of our water. If anyone wants to follow up on anything I've said tonight, I'd be happy to hear from you, thank you.

MR. CARNEY: Jim, it's Carney again. Thank you very much for your comments. We hear you, thank you, thank you very much.

MR. BUCKLEY: All righty, thanks.

MS. ADGATE: Thank you, Jim. Next up, we have Sherry Diamond on behalf of the office of Congressman Nicole Malliotakis. Sherry?

MS. SHERRY DIAMOND: Yes, good evening.

MS. ADGATE: Good evening.

MS. DIAMOND: Can you hear me? Yes—

MS. ADGATE: [Interposing] Yes, we can hear you.

MS. DIAMOND: Thank you very much for allowing me to read a statement from Congresswoman Nicole Malliotakis. As New Yorkers are having to work harder and harder to make ends meet in the worst period of inflation this country has seen in nearly 40 years, we must be focused on easing the financial hardship of so many in our community. I appreciate the opportunity to share why I and so many others strongly oppose this proposed increase to the city's water rate. The proposal could not come at a worse time. New Yorkers are struggling with record-high prices at the pump, skyrocketing utility bills, higher-priced groceries, and burdensome cost of living. To usher the largest water rate increase in eight years amidst the economic turmoil we are currently facing is tone-deaf, short-sighted, and wrong. According to the Department of Environmental Protection, customers currently owe more than 750 million in unpaid water bills. It is important to note that when New Yorkers are already finding it difficult to pay their water bills, the interest rates on certain properties for late payments under this plan would increase from 5% to 18%. There is nothing more, this is nothing more than a plan to prey on New Yorkers who have fallen on rough times, individuals that don't have the extra few dollars in their family budget to pay their current water bill, let alone predatory late fees and charged interest. Given the downward economic trajectory we find ourselves in, New

Yorkers are feeling the burden of inflation and will be struggling for sturdy financial footing for the foreseeable future. The proposed 4.9 rate increase will translate to an average $4 more a month for single-family homes and $3 per unit for multi-family homes. That may not seem like much to some of you. However, for senior citizens and families that have a budget to barely cover the rising costs of expenses, I remind you that as of 5/24/22, the cost of milk in New York City is $4.37, up from 2021's $3.53. A loaf of bread is $3.52, up from 2021's $2.50. A carton of eggs is $3.62, up from 2021's $1.79. And we all know what gasoline is doing. Are we really asking for New York City families to pick between their water bill and a gallon of milk, a loaf of bread, a carton of eggs, a gallon of gas? So many people are already being stretched thin by higher costs across the board. Increasing rates will only make it harder for individuals and families just trying to go about their everyday life. This proposal is a punch to the gut. Water is a necessity, not a luxury. Like oxygen, it is the most basic element needed for survival. Our city's leadership in good conscience cannot and should not raise the cost of this life necessity at a time when our mayor and city council are considering record-level spending in a bloated budget of nearly 100 billion, nearly the same as the entire state of Florida, which serves twice as many residents. The federal government recently made the largest investment for water infrastructure in the nation's history. Through the Infrastructure Investment and Jobs Act, New York will receive roughly 425 billion in clean water, million I mean, in clean water and drinking water - - revolving funds. I encourage the city to fully utilize this available funding to modernize and maintain its vast water system, rather than continuing to raise rates on residents. I urge my local colleagues to be fiscally conservative, not continue to take from hardworking New Yorkers who have seen the cost of living skyrocket while quality of life plummets. I urge the board to do the same and reconsider this proposal and work to alleviate costs rather than exacerbate them. Thank you, Nicole

Malliotakis, member of Congress.

MR. CARNEY: Ms. Diamond, it's Carney again. Thank you very much for your comments and many thanks to Congresswoman Malliotakis, for having you share your comments with us tonight and hers, thank you.

MS. DIAMOND: And thank you very much for allowing us.

MS. ADGATE: Thank you. Up next we have Joanna Kletter. She's executive officer of Catholic Homes New York, Archdiocese of New York. Joanna?

MS. JOANNA KLETTER: Hi. Yes, I'm here. Can you hear me?

MS. ADGATE: Yes, we can.

MS. KLETTER: Thanks. Thank you for those serving on the Water Board. Thanks for your attention tonight and the time for me to speak. I pulled out my last year's testimony. I've testified many, many years, and I hate sounding like a broken record, but I may read my testimony and so I don't forget to mention anything, so here goes. I'm Joanna Kletter, CEO for Catholic Homes New York, an affordable housing provider under the Archdiocese of New York. Our portfolio consists of 45 buildings and 2,800 units of affordable, low-income, family-supportive, and senior housing located throughout New York City. These are unusual times, we all know, especially for affordable housing. And the residents we serve, this pandemic and rising inflation has disproportionately affected - - rent and in turn has restricted our income collection. We depend on rent collection to keep providing services and meet financial obligations. Our projects have suffered for two years, with extraordinary economic hardship. And as our projects continue to struggle, to pay basic utility insurance and debt service bills, I do oppose the 4.9% water and sewer rate increase. And for the past 15 years, followed the DEP rate proposal increases have witnessed the rate charge for water and sewer service triple in cost each year, we rework our buildings' budgets and we apply for every incentive program offered to try to absorb the water rate increases. We spent the additional money to sub-meter our retail spaces.

We've installed low-flow fixtures. We fill out all the applications every year to get our buildings into the affordable water rate program. And every year, I read the Blue Book. This year, I'm happy to read there was a proposed $10 million increase to the affordability program, but I'm sad to hear yet another year extension on the multi-family conservation compliance requirement. This program has never been fully complied with since the discontinuation of frontage building. As said within the presentation, a lot of the frontage buildings were parked into the MCP program without being vetted and without full inspection of compliance measures. We jumped through hoops to get into that program and spent hours and tons of money to get into the program. It's not right to extend this program to benefit buildings that are not meeting efficiency standards of other MCP-compliant buildings, and we need to change that. So I ask again this year that DEP start checking the compliance and issue penalties or just convert those non-compliant MCP accounts into metered billing.

Speaking of change, I would like to see the New York City rental payment eliminated from the DEP budget permanently, freeing up money in the budget for other items, knowing the importance of ongoing upkeep of aging facilities. We understand and support the capital investment plan. I see it is omitted next year, but it is still stated as an omission. So I'd like to keep it permanently outside of the budget. With 20 years' experience working in affordable housing, I have firsthand knowledge of how the increase of water disproportionately affects affordable housing, and I've seen the MCP fixed rate go from program inception in 2014 at $424 per unit to rise now 258% to the proposed $1,134 per unit per year rate. But we have to absorb these water rate increases, and I've watched our building budgets get tighter while not having a very clear breakdown on how collections are actually being spent at DEP. So I challenge DEP to hire a consultant to analyze internal operational costs and cut expenses to work on a tighter budget as we do. In summary, I ask that DEP continue to expand the multi-family water assistance program as you did this year, and I'll echo Jim Buckley's comments, that there are more units that need to get into that program. It's not enough to cover all the affordable units that deserve to be in the home water assistance program. I ask that DEP require MCP compliance and issue penalties or convert those non-compliant MCP accounts to metered billing immediately. And I ask that you permanently eliminate the rental payment from the DEP budget. I also ask that DEP please consider having this public hearing on a virtual video platform. It was really hard to follow tonight. And in closing, I ask the Water Board to vote for no increase on the water rate for the next fiscal year. Or I do understand, knowing how high inflation is, to please consider a lower percentage increase. And thank you for your time and serious consideration for affordable housing providers that are out here just trying to make our budgets work. So thank you for your time.

MR. CARNEY: Ms. Kletter, it's Carney. Would you help me understand why the virtual format is hard to follow tonight?

MS. KLETTER: The slides and having, it would be easier if we were up, and then I could know who all the board members that are present, I didn't catch some of the names.

MR. CARNEY: All right, would you like to know who's here? Would that help you, would you feel better about knowing what's happening here if you know the members of the board who are here?

MS. KLETTER: I think I caught five of them, or four maybe. But yes, I guess it would be helpful.

MR. CARNEY: We can tell you, Miquel, would you tell Ms. Kletter the board members who are present?

MS. ADGATE: Surely. We have Chairman Alfonso Carney, Adam Freed, Jon Goldin, and Dan Zarrilli.

MR. CARNEY: So there are four of us, Ms. Kletter. And all four of us—

MS. KLETTER: [Interposing] I thought Joe Murin was also on the board, sorry.

MS. ADGATE: Joe Murin is the chief

financial officer.

[Crosstalk]

MS. KLETTER: Oh, I thought they referred to him as executive director.

MR. CARNEY: He is the executive director of the Water Board. And everybody, all the members Ms. Kletter, love to see, just put - - doubt, we'd love to see the rental payment eliminated permanently. We've got our fingers crossed.

MS. KLETTER: Yes. Yeah, we agree.

MR. CARNEY: All right.

MS. KLETTER: Thank you.

MR. CARNEY: Thank you. Miquel, who's next?

MS. ADGATE: Next, we have Nidia Bonafante [phonetic].

MR. CARNEY: I'm sorry?

MS. ADGATE: Nidia Bonafonte.

MR. CARNEY: Okay.

MS. ADGATE: Hello?

MS. NIDIA BONAFONTE: Yes, I'm here. I'm here.

MS. ADGATE: Hey, Nidia.

MS. BONAFANTE: Can I start?

MR. CARNEY: Please. Please do.

MS. ADGATE: Yes, you can. Your five minutes starts now.

MS. BONAFANTE: May I know your name, sir?

MR. CARNEY: I'm Alfonso Carney, C-A-R-N-E-Y.

MS. BONAFANTE: Yes, my name is Nidia Bonafante. And I'm a homeowner, small homeowner. I have a two-family home on East New York in Brooklyn. I don't represent nobody; I represent myself and I guess the small homeowners. And I do believe on innovations and better system for New York, because everything when it runs efficient, everything runs better. But they're a big corporation that have the financial offices and management. They're managed by companies that their purpose is to decrease their expenses and increase their earnings. And they know about all these problems that were presented today. I've been like naïve to most of these items. I'm learning as a small homeowner. I believe that we should be educated, and employees to be educated as well. Because I called last week asking for the meeting, they didn't know anything, they didn't know what I was talking about. They couldn't answer anything. They didn't even transfer me to the board. So I request if they could be educated as well. And I know the tools and resources and programs to lower the cost of water. I'm sorry, I'm just reading - - that I have. And I'm starting to learn more. I was reading about the meeting, even though I cannot look at your faces, I was looking in my other phone, the proposal where you have everything there. I guess he was reading, the other gentleman. And let me see…

MR. CARNEY: I think our pictures are all on the website, and you can go there…

MS. BONAFANTE: Yes, yes, I was…

MR. CARNEY: And take a look so you will know, you will know who we are.

MS. BONAFANTE: I was following—

MR. CARNEY: [Interposing] And let me apologize for your difficulty in knowing how to connect with this meeting. The board members are not aware of those kinds of issues, but we certainly don't want for that to be the case. We would like—

MS. BONAFANTE: [Interposing] Oh no, no, I don’t know if you misunderstood me. I didn't mean that it was difficult to connect. I found information through the - - that she posted. So that's how I find out about the meeting.

MR. CARNEY: Okay, okay. Thank you.

MS. BONAFANTE: Now as a small homeowner, one or two-family home, we have less, less opportunities I feel because we depend on programs, versus the big companies and big buildings that they have, what kind of services for different people for different things. I'm only one. I try to educate and do things the right way, but it's kind of difficult, but I'm trying.

MR. CARNEY: Well thank you very much.

MS. BONAFANTE: Yes. The forgiveness program does not work at all, sir. Because I have my two water - -, they damaged. I apply, and my bill was high. They didn't even bother with it. They said that I didn't qualify. So they should review those forgiveness program, because I'm a small homeowner. And I didn't even know about this other program that they have, the home water assistant program. They should look into it and educate because I didn't even get a credit last year, and I don't know anything about it. I just find out today about it as well. I know I should educate myself. I'm trying to educate myself today more. And I'm trying my best, but it's not the same for small homeowners. And we just came out of the pandemic. It's very difficult for a small homeowner to cope with all the increases, the water, the gas, electricity, when we have tenants that are not working, they're not paying, and I'm trying to keep my place. And we can't even get them out of the property. So I will urge the board to take in consideration, and if they can postpone for another year the increase or they could change and increase other facilities and decrease the small homeowners, because we're trying to survive as well. And another issue that I see here, I was reading, the UMAX Microsoft system conversion was the largest financial software upgrade. They put that here in my home, and my bill went up $100 for four people. I asked last week about having a review, and they told me I have to pay for somebody to come and check what is happening. I cannot afford it. But the way it was represented on the meeting, saying that anybody can request somebody to do an inspection, but I was told that I have to pay $150 for that inspection. I don't have that money at the moment, but I would like to know how can I do it to be more efficient. And last of all, I was reading that there's a program already on Long Island for catching improvement, draining upgrades, storms, sewers, and, I cannot pronounce the word, can you help me, please?

MALE VOICE: Infrastructure.

MS. BONAFANTE: Yes. For water and mainline hydrant upgrades, I'm in favor because I live on a corner. I've been living here since 2004. East New York is being growing up, many buildings, building, building, building. But I don't know if anybody is doing a study and reviewing everything that hasn’t been taken care in years. I saw that they came last year, and this year they were fixing the sewer. But on my corner, when it rains, during the storm, the water came all the way to my inside, my driveway. So my corner needs, that area needs to be fixed. So if they could have more proper, proper balance and have consideration for East New York and because it's being done on Long Island. Why didn't they start it on East New York, one of the oldest areas where we haven't have any upgrades. And that's my presentation, sir. If you have any questions, 'cause I said so many different things…

MR. CARNEY: You're very kind. And it's important that you express your views, and we are very pleased to receive them. There are people on this call who will address some of the problems that you have enunciated, that you have actually brought to our attention. I don't know that we can solve them all. And I cannot promise-

MS. BONAFANTE: [Interposing] I know that. I know that, sir.

MR. CARNEY: But, but, but there are people, we have your name, we know how to reach you. What we will do is to make sure that we can do what's possible to address the issues that you have just raised. And we apologize for the difficulties that you have had in contacting the Water Board, the people at DEP, the people who will now respond to your issues. Thank you very much for raising them.

MS. BONAFANTE: But my question is do I pay to have an inspection, because I really will like to learn and make everything better, I mean work with it—

MR. CARNEY: [Interposing] I hear you; I hear you. I don't know the answer to that question.

MS. BONAFANTE: Okay, sir.

MR. CARNEY: But someone on this call will be in touch with you to explain what the circumstances are and to help you understand what you have to do and what you may not have to do.

[Crosstalk]

MS. BONAFANTE: Thank you.

MR. JEFF LYNCH: This is, Al, this is Deputy Commissioner Jeff Lynch. I just, I just want to make sure that we got her contact information here. And I do see your phone number here, but Miquel, I don't know if you were able to get her contact information during the call. But if not, you're welcome—

MS. BONAFANTE: [Interposing] I'm sorry. I had a different phone number. I left a different phone number when I call. That's the number that they can contact me.

MR. LYNCH: Perfect, thank you very much then.

MS. BONAFANTE: You're welcome, sir.

MR. LYNCH: We'll follow up with you tomorrow morning.

MR. CARNEY: Thank you for your comment.

MS. BONAFANTE: You're welcome.

MR. CARNEY: Miquel?

MS. ADGATE: Thank you, Chair, and thank you, Jeff. So that concludes our list of preregistered speakers. Is there anyone else on the call that would like to speak this evening? I'm going to ask that you say your name, and then I will call on folks in the order that they spoke up.

MR. CARNEY: We encourage people who are listening and who are able to speak up, to speak up. This board needs to hear public comment with regard to this proposal. We hear you; we want to hear you. Please let us know what you're thinking. Sounds like somebody's got a lot of tissue paper they want to ball, but I don't know what the story is there, but are there people who would like to comment? We encourage you to do that. Miquel, I think not. I think we have come to the conclusion of the meeting. Please…

MR. FREED: Mr. Chair, this is member Freed.

MR. CARNEY: Sir.

MR. FREED: I just wanted to add my thanks to those who came up to testify tonight. I always appreciate as you said, the feedback and the information we get and perspectives from members of the public who come to testify and really in particular, always appreciate hearing from - - and the data-driven response they take to the complicated issue, so just wanted to add my thanks and appreciation. I look forward to reviewing all of the written testimony that was presented tonight.

MR. CARNEY: Absolutely. Adam, thank you

very much. Thank you. Are there members, other members who want to comment on what we've heard tonight? Hearing no other comments, Miquel, as they say, it's time to adjourn. You're the person who has that responsibility; please do it for us.

MS. ADGATE: Thank you Chair, and thank you again to all of our speakers. This concludes today's hearing, and the board will reconvene on Wednesday, June 1st at 1:00 p.m. to consider and vote on proposed rates in the budget for next year. Thank you and have a good evening.

[Crosstalk]

MR. CARNEY: Thank you.

MR. NAZEM: Have a good evening.

FEMALE VOICE: Take care.

MR. MURIN: Thank you.

MR. CARNEY: Bye-bye.

[END RECORDING]

C E R T I F I C A T E

I, Anne Edelmann certify that the foregoing transcript of 05.26.22-New-York-City-Public-Hearings.mp3 was prepared using standard electronic transcription equipment and is a true and accurate record to the best of my ability. I further certify that I am not connected by blood, marriage or employment with any of the parties herein nor interested directly or indirectly in the matter transcribed.

Signature Anne Edelmann

Date May 31, 2022