

Hearing is Monday

3 state bills aim to curb Detroit's power over water

By TIM RICHARD

Oakland County customers of the Drexel water system will have the ear of a state legislative committee next week on three bills designed to curb Detroit's power over the water it sells to 95 suburban communities.

The house city government committee, chaired by Rep. Michael Griffin (D-Jackson), will conduct a public hearing at 10 a.m. Monday in the auditorium of the Oakland County Board of Commissioners building, 1200 N. Telegraph, Westland.

If a similar hearing in suburban Wayne County is any indication, Oakland officials will argue they should have a voice in the water rate setting process. Several suburban officials echoed each other last Monday at a public hearing in Livonia on three bills written by State Rep. John Bennett (D-Redford).

Among committee members are Reps. Ruth McNamara (R-Birmingham) and W.V. Broekhorst (R-Farmington).

STATE SEN. Carl Pursell (R-Pharmouth) said Bennett's bill should be amended to allow four suburban members of the water board to be appointed by the Southeast Michigan Council of Governments (SEMCOG).

Bennett's HB 5463 calls for suburban members to be appointed by an assembly of governments, and he said after the hearing, he objected to SEMCOG's designation because not all 95 of Detroit's water customers are SEMCOG members.

Pursell said the "only vehicle" for appointing suburban water board members is SEMCOG. Pursell noted that the seven

county transportation authority's regional board members are SEMCOG appointees and that water board members should be elected the same way.

At present, the mayor of Detroit appoints all seven water board members, selecting three from the suburbs. Bennett's bill calls for four to be mayoral appointees, four to be selected by suburban governments and one to be picked by the other water board members.

LIVONIA MAYOR Edward E. McNamara testified last week's testimony by Detroit Water Department Director Charles Scales Jr., who said Detroit's hold on the water department shouldn't be weakened because Detroit's full faith and credit stand behind the utility's bonds.

Said McNamara: "The bonds have the revenue of the city and suburbs pledged against them" and are not supported by Detroit taxpayers.

Added Canton Township Supervisor Robert Greenstein: "We, suburbanites, just blindly allow the City of Detroit to say it's our system. What Detroit actually has involved has depreciated to near nil. Only one or three per cent of the water bonds are supported by the full faith and credit of the City of Detroit. The rest is supported by revenue bonds."

SUBURBAN OFFICIALS contended that what Detroit is actually doing is taking two-thirds of a water revenue from suburbanites then using the proceeds to pay for improvements to Detroit's internal water system and subsidizing the city's general operations.

Greenstein quoted water department

budget figures showing the department paid \$33,000 to the mayor's office, \$40,000 to the Detroit council, \$27,000 to the clerk, \$40,000 for data processing, \$11,000 to the public information office, \$80,000 to the auditor general and \$91,000 to the law department.

Greenstein called it "vertical integration." He said Detroit is in both the retail water sales business with Detroit residents and the wholesale business with the suburbs.

"The wholesale part we want something to say about. The wholesale should be separated out. We should set up an authority of users to run the wholesale operation," the Canton supervisor declared.

McNAMARA ATTACKED the entire operation of the water department. "They are answerable to no one. They have very little knowledge and very little experience."

McNamara said suburbs which retail water purchased wholesale from Detroit are audited annually, and the audits are sent to the state treasurer. In contrast, the Livonia mayor said, the Detroit water department's books are audited by an independent firm only once in five years, and Detroit is exempt from filing its audit with the state treasurer.

One of Bennett's bills, HB 5463, requires annual audits and makes those audits public records.

McNamara said the water department writes an annual budget, proceeds to ignore the budget and to circumvent the funds it receives from its retail and wholesale operations, thus enabling it to "hide" surpluses generated by suburban users.

BENNETT, CHAIRMAN of a special house committee which studied Detroit's water rate structure several years ago testified the city systematically stalled and often refused offering data on its water and sewer operations.

During a lawsuit brought by Redford Township, Bennett said, Detroit settled out of court for \$250,000 to avoid having its records subpoenaed and published.

Bennett added: "The Detroit water department has taken the position that the water department is the private domain of the City of Detroit. I would like to point out to this committee that the water system was built and expanded with public funds."

Millions of dollars of state and federal funds have been poured into the system. The Detroit water department was the recipient of a substantial portion of the State of Michigan \$333 million water pollution abatement bond issue which was approved by the voters.

Today more than 60 per cent of the population served resides in the suburbs, and more than 60 per cent of the revenues come from the suburbs, but they have no voice in the operation of the water system and no representation on the water board.

Stamp out fan dancing.
And save cool cash on central air, right now.

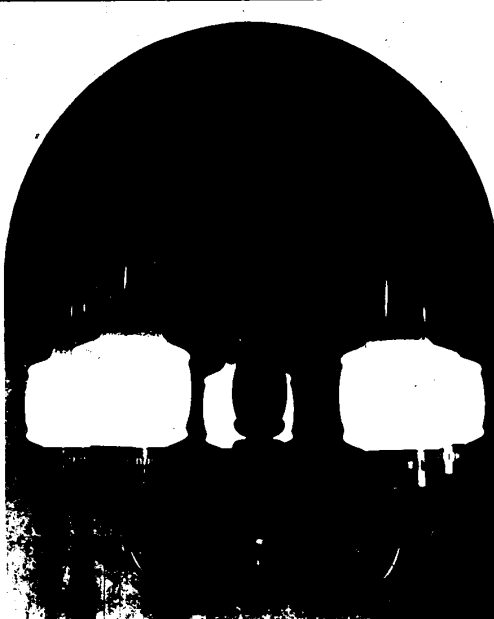
The hot, muggy days are right around the corner. This year forget about sweating and avoid the electric fans. Install a new quiet operating high efficiency Lennox central air conditioning system and keep cool all summer.

And for a very short time you can cash in on the extra savings of KAST's air season special. Get brand new, dollar-saving cooling power of low 1974 prices. And our low seasonal installation prices will save you even more. The bargain won't last much longer though. Call today!

LENNOX central cooling is just a phone call away!

The KAST Reputation has been growing since 1937.

KAST HEATING and COOLING
580 S. TELEGRAPH at ORCHARD LAKE ROAD
Call: 642-7150 338-9235 U 2-2850
Offices in Pontiac, Sterling Heights and Royal Oak



Classic Colonial...

The design of antique brass, white opal glass and wood turned center column fits easily into Early American or Colonial settings. The lighting effect of the 5-light chandelier is rich, warm and charming. Priced at only \$93.50.

Michigan Chandelier Co.
... you'll see us in a better light

BIRMINGHAM 4580 TELEGRAPH AT MAPLE BLOOMFIELD PLAZA
ROCHESTER 433 MAIN STREET AT UNIVERSITY
ANN ARBOR 2177 WEST STADIUM BLVD

GIANT Sidewalk Sale

FRIDAY, APRIL 9th & SATURDAY APRIL 10th ONLY

LIVONIA ONLY

DOES NOT INCLUDE ITEMS IN THE STORE

Sidewalk Only

UP TO 50% OFF

We Have Cleared Our Warehouse of many one-of-a-kind 1975 Furniture Pieces!

Umbrellas - Redwood Wrought Iron - Aluminum

Chaise Lounges - Chairs - Tables!

SOME SLIGHTLY MARRED-ODDS & ENDS BUT ALL OUR USUAL FIRST QUALITY!

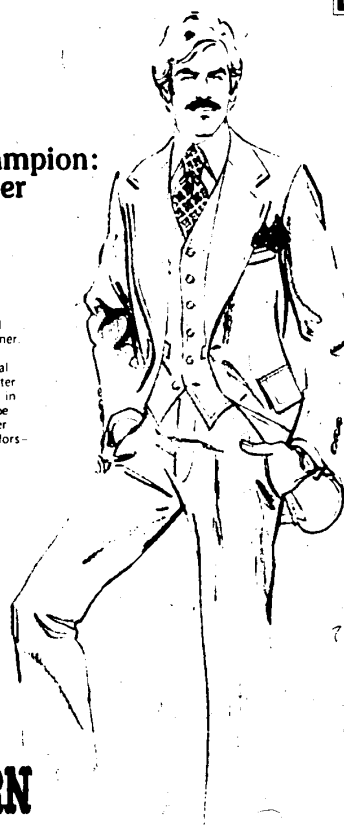
Gimmies Rusties

29500 W. SIX MILE
522-9200

SALE HOURS: FRI. APRIL 9, 9:30-9:00
SAT. APRIL 10, 9:30-5:30

Lightweight summer champion: the Pinfeather Cord suit by Haspel

Weighing in at just a few ounces, Haspel's vested cord suit is a certain summer winner. Cool, crisp and bandbox fresh, it's tailored of the ideal blending of easy-care polyester and cotton. Put some punch in your warm weather wardrobe with this light weight wonder in any one of four frosty colors—blue, yellow, green and red. Vested. \$120



NAPOLÉON'S CLOSET
SHORT SIZES ONLY

THE BARN
REGULAR and LONG SIZES

FAIRLANE TOWN CENTER - DEARBORN 593 4330
685 SOUTH ADAMS ROAD - BIRMINGHAM 642 3076