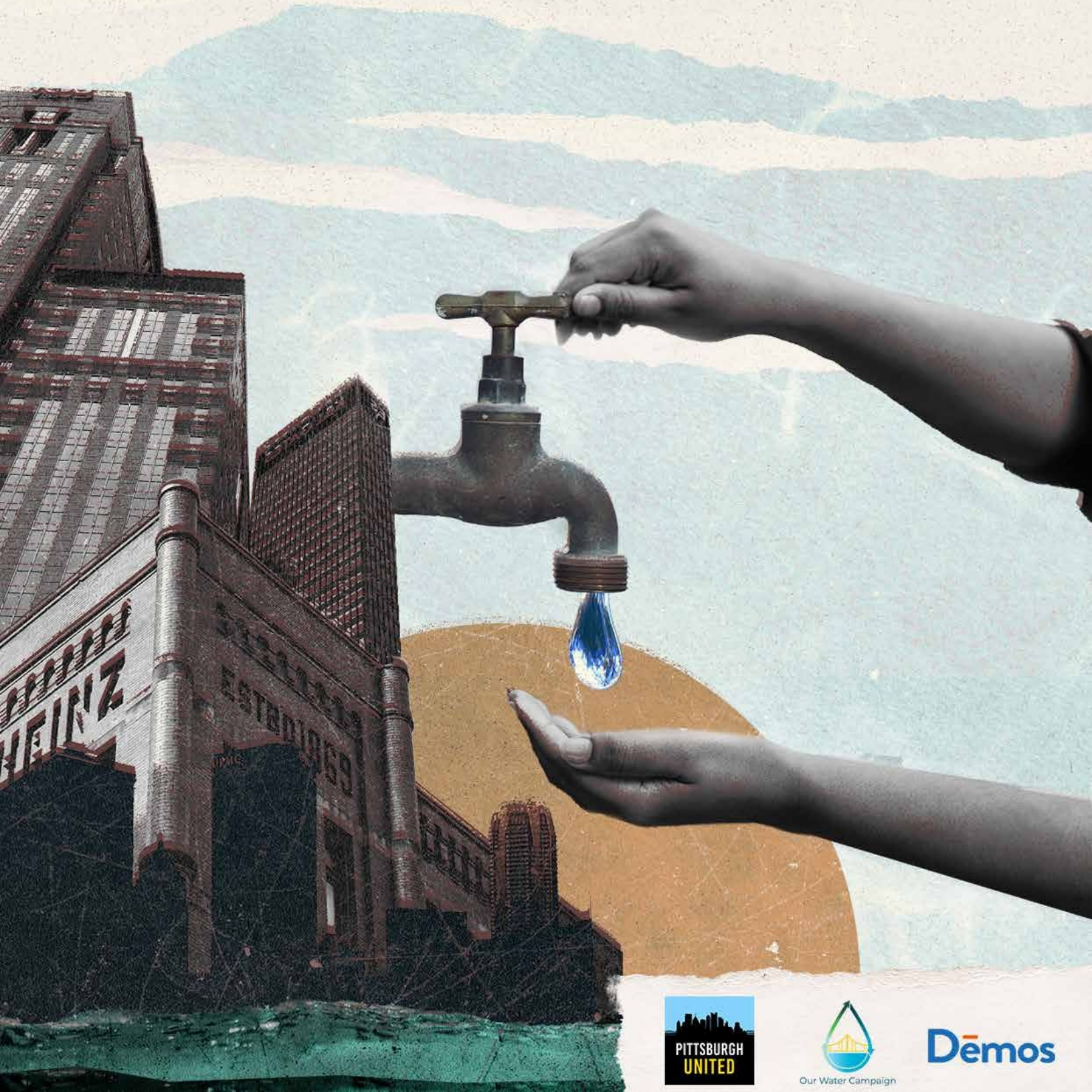


CASE STUDIES ON ECONOMIC DEMOCRACY

WATER AS A PUBLIC GOOD:

Pittsburgh's Our Water Campaign



Demos

Table of Contents

1	Introduction
3	Timeline
5	The Problem <ul style="list-style-type: none">• Disinvestment, mismanagement, and privatization• Veolia and the public-private partnership• The privatization playbook: The continued push for privatization
7	The Solution <ul style="list-style-type: none">• Building a diverse coalition to keep water as a public good• The inside-outside game: working with the PWSA to keep water public
9	The Wins <ul style="list-style-type: none">• What happens when communities organize to keep public goods public
11	Q&A with Glenn Grayson
13	Opportunities and Lessons
14	Appendix <ul style="list-style-type: none">• The Actors• Glossary• Basics on Pittsburgh• Endnotes

*Bolded terms throughout the case study are defined in the Glossary and Actors section in the Appendix.



Introduction

In 2016, President Obama declared a state of emergency over the contamination of the water system in Flint, Michigan, a poor, majority-black city.¹ The crisis was seen as a failure of the government to protect the public after years of disinvestment and neglect of aging infrastructure. “There would not have been a water crisis if we had democracy in the city,” said Nayyirah Shariff, director of the nonprofit coalition Flint Rising. “We didn’t have the chance for residents to weigh in.” Flint is not alone. A Government Accountability Office audit found that, from 2014 to 2016, over 1,400 water systems across the country reported water samples with high lead levels, according to Environmental Protection Agency (EPA) guidelines. Combined, those water systems served roughly 3.2 million people.²

In recent years, the tap water in much of Pittsburgh, Pennsylvania had lead levels high enough to cause “serious health problems,” the local utility warned.³ The contamination violated EPA guidelines and was comparable to that in Flint, but received less attention.⁴ And like Flint, the problem was exacerbated after the government turned over the management of its essential water infrastructure to an unaccountable corporation, **Veolia**, which sought quick profits at the expense of the public welfare.⁵

It should go without saying that water and other basic goods are essential to life—and thus to economic well-being. Clean,

affordable water is a prerequisite for employment, safe housing, and school attendance.⁶ Yet, in low-income, mostly Black and brown communities across the country, water infrastructure is undermined by economic inequality and **systemic racism**.

For decades, the federal government has invested less and less of its annual budget in all kinds of public infrastructure: from **“hard” infrastructure**, like water systems and bridges, to **“soft” infrastructure**, like education and caregiving.⁷ This disinvestment gave rise to **privatization** and a loss of faith in government and civic institutions, putting our democracy at risk.⁸

Government officials should be responsible for redressing past wrongs and providing access to clean water. But in Pittsburgh, it was up to community organizations in affected neighborhoods to demand that the city live up to its obligations and keep the water system public.

The fight in Pittsburgh showed that people can successfully resist the corporatization of essential infrastructure. Community leaders forced the city to provide safe, accessible, and affordable water—and developed an accountability model in the process, by which ordinary people can oversee the public water utility. Organizers mobilized residents to emphasize a simple message: water must remain a **public good**.

What is Economic Democracy at Demos?

This case study is part of Demos’s new **Economic Democracy** project, which asks how poor and working-class people, especially in Black and brown communities, can exercise greater control over the economic institutions that shape their lives. This framework has 3 goals:

1. Break up and regulate new corporate power, including Amazon, Google, and Facebook.
2. Expand the meaning of public goods and ensure that services are equitably and publicly administered.
3. Strengthen **“co-governance”** strategies so that people and public agencies can collectively make decisions about the economy.

This case study showcases all 3 of these priorities. It explores how a local coalition in Pittsburgh, PA, organized both within and outside the government to prevent the privatization of the area’s water supply. To better understand this work, we interviewed community organizers of the “Our Water” campaign and employees of the mayor’s office and the Pittsburgh Water and Sewer Authority, the agency that oversees the city’s water system. We also reviewed news coverage and reports that followed the community as it organized to fight privatization and to participate in decisions about their basic needs.



“

The water authority is a democratic institution that provides water, which is a human right. Keeping the authority public allows for public engagement and democratic control. That's why we believe in public goods.

- Jennifer Rafanan Kennedy, Executive Director of Pittsburgh United

Timeline

1970s: Passage of Clean Water Act and Safe Drinking Water Act; Federal funding for water infrastructure as a share of GDP peaks.

1980s: The Reagan administration imposes budget cuts fueled by his austerity agenda; Total public spending on infrastructure as a share of GDP plateaus.

November 2003: Pittsburgh files for “financially distressed” under Pennsylvania law, requesting state fiscal support.

1980 to 2012: Longstanding lack of investment in Pittsburgh’s water system leads to outdated technology, management, and customer service systems, and the deterioration of physical infrastructure.

2011: The Clean Rivers Campaign comes together to target the Allegheny County Sanitary Authority (ALCOSAN), fighting for investment in green infrastructure and community development in compliance with the Clean Water Act.

2012: PWSA enters into contract with multinational corporation Veolia to oversee management of the city’s water supply.

April 2014: PWSA, under Veolia management, begins using caustic soda instead of soda ash as its primary anti-corrosion treatment, harming existing service lines.

2015: Veolia North America successfully bids to consult with Flint, MI, on improving water quality, citing its work—and cost savings—in Pittsburgh; 23 PWSA workers are laid off or fired under Veolia’s management; Pittsburgh declines to renew its contract with Veolia, ending their partnership.

June 2016: Michigan’s attorney general sues Veolia for having “botched” its role in Flint’s water crisis, charging the company with “professional negligence and fraud that caused Flint’s lead poisoning to continue and worsen.”

July 2016: Pittsburgh’s water is found to be out of compliance with Pennsylvania Department of Environmental Protection (DEP) and EPA guidelines for lead levels.

October 2016: The PWSA files a lawsuit against Veolia, claiming the company “grossly mismanaged” Pittsburgh’s water and “misled and deceived PWSA as part of its efforts to maximize profits for itself to the unfair detriment of PWSA and its customers.”

March 2017: Mayor Bill Peduto announces a \$1 million plan to provide lead filters to all Pittsburgh homeowners; Blue-ribbon panel convened by Mayor Peduto to make recommendations on addressing the lead crisis, including restructuring PWSA to meet regulatory requirements; The Urban Redevelopment Authority approves a \$500,000 low-interest loan program to help low-income residents replace lead service lines.

2017: Pittsburgh United launches Our Water Campaign. Organizers sign people up for free water filters from the city and push for customer assistance programs and an end to all water shutoffs.

April 2017: 81,000 homes in Pittsburgh received a notice about elevated levels of lead in their drinking water.

November 2017: PWSA enters into a consent order with DEP that requires halting partial service-line replacements; Consulting firm Infrastructure Management Group, known for advising cities on how to privatize public utilities, is hired by Mayor Peduto to make recommendations on the future of PWSA.

January 2018: PWSA and Veolia reach a \$5 million settlement in their lawsuit, avoiding arbitration.

February 2018: Pittsburgh’s “financially distressed” status is terminated, following over a decade of state support and recovery.

June 2019: Mayor Peduto signs the Our Water, Our Rivers pledge to keep water public.

June 2020: Lead levels in Pittsburgh’s drinking water are compliant with federal standards for first time in 4 years, marking PWSA’s lowest lead test result in over 20 years.

July 2020: PWSA reaches an agreement with Pennsylvania Attorney General to hire an independent monitor and donate \$500,000 to organizations and programs that protect Pittsburgh residents from lead contamination.

July 2021: PWSA is found to be in full compliance with federal and state regulations for the first time since 2016.

The Problem

Disinvestment, mismanagement, and privatization

Entering the 2000s, Pittsburgh's water infrastructure was in dire need of repair and modernization. While lead pipes are prohibited in new construction, at least two-thirds of the housing units in Pittsburgh were built before the **Safe Drinking Water Act** banned the use of lead pipes in 1974.⁹ **The Pittsburgh Water and Sewer Authority (PWSA)** was responsible for over 2,100 combined miles of water and sewer lines, much of which had not been replaced in decades.¹⁰ The American Society of Civil Engineers estimated that a minimum investment of \$39 billion between 2010 and 2030 would be required just to update Pittsburgh's water infrastructure; it would cost another \$1.3 billion per year to treat the water supply.¹¹ The PWSA "was still operating and designed like the city water department of the 1960s and '70s," Jake Pawlak, a former PWSA employee, observed. "In terms of its management structure or staffing levels, technology utilization, the types of customer service infrastructure that was necessary to adequately serve customers, we needed to move the authority miles overnight."

As the advocacy group Food and Water Watch has documented, many cash-strapped cities and towns have privatized their water and sewer systems in the hope

of addressing the mounting costs of repairs.¹² But private water corporations often cut corners to increase profit, further undermining the quality of water and customer service. Unsurprisingly, some of the most contaminated and antiquated water systems are located in poor communities of color. Research conducted by Food and Water Watch has revealed that, on average, private utilities nationwide charged households 59 percent more than local governments for drinking water, including an 84 percent increase in Pennsylvania.¹³ Similarly, workers suffer as corporations reduce wages and benefits or lay off staff. Privatization results in costlier water, burdening poor and working-class families.

In the absence of investment from federal, state, and local governments, the PWSA chose to offload day-to-day management to the private sector. After a brief search, the City of Pittsburgh signed a contract with the French management firm Veolia North America in July 2012.¹⁴

Veolia and the public-private partnership

It quickly became clear that the PWSA-Veolia contract incentivized the pursuit of profit over the public good. The more the PWSA cut costs, the more Veolia was paid. Veolia recommended over \$2 million in reductions as well as a debt-restructuring deal that would ostensibly save the utility \$3 million per year. But the partnership agreement did not require Veolia to recommend or finance long-term

investments, meaning that any cost savings went to Veolia and its consultants, rather than to the infrastructure system in need of water line replacement and other improvements.¹⁵

Kevin Acklin, the former chief of staff of then-**Mayor Bill Peduto**, later told Mother Jones the contract discouraged Veolia from making capital investments. It was incentivized "to basically not fix the pipes when needed, to pass off those costs to other agencies, including the city and private homes," Acklin said. Veolia employees "were fiduciaries for the public authority, but they also served the business needs of a large multinational corporation."¹⁶

Just a year after the city's contract with Veolia took effect, the PWSA approved a 20 percent rate increase over 4 years.¹⁷ Around the same time, it chose

Private utilities nationwide charged households **59% more** than local governments for drinking water.

to use a cheaper anti-corrosion chemical in the water system, accelerating the decay of the pipes and worsening the lead contamination. Over the next year, under Veolia's guidance, the PWSA cut the number of staff responsible for inspecting and managing water safety in half. Additional cuts to the PWSA's account management staff and metering systems led to widespread billing errors—which, in turn, caused people to miss their payments, triggering shutoffs. According to a report by the advocacy group In the Public Interest, some customers' water bills increased by 600 percent as a result.¹⁸

This domino effect disproportionately affected African American neighborhoods, and led to Pittsburgh residents filing a class-action lawsuit against PWSA and Veolia.¹⁹ By the end of 2015, when public pressure forced the city to end its partnership with Veolia, the PWSA was arguably in worse shape than before.²⁰

The privatization playbook: The continued push for privatization

By 2017, following the failed partnership with Veolia, Pittsburgh faced twin crises of lead contamination and unaffordable water. Organizers from **Pittsburgh United**, a coalition of community, labor, faith, and environmental organizations, heard countless stories of dangerous lead pollution, water shutoffs, boil-water advisories, parasitic infections that led to school closures, and significant

billing errors, especially in predominantly Black neighborhoods.

Since 2011, Pittsburgh United and dozens of community organizations had been working with the PWSA on what they called the **Clean Rivers Campaign**. Together, they developed a years-long Clean and Green Plan, pushing back against the local sanitation authority's plan to use federal funding to build a tunnel system, and calling instead for that funding to be used toward green infrastructure and job creation.²¹ Pittsburgh United also had an ongoing project to preserve and expand affordable housing for low-income people of color in the city.

The problems now emerging with the city's drinking water exacerbated housing affordability issues in the communities Pittsburgh United's partners represented. The communities most impacted by water shutoffs and boil advisories also faced substandard housing conditions and were burdened by high rents. Pittsburgh United was thus well positioned to mobilize a coalition around water safety and affordability—as well as the longer-term threat of repeat privatization.

The push to privatize came up again in 2017. Mayor Bill Peduto was considering yet another contract to manage the city's water system: this time, with **Peoples Gas**, a natural gas company responsible for much of the **fracking** taking place in the region. In a meeting with Pittsburgh United, the mayor explained that Peoples Gas had many “great ideas” for the

PWSA. Among those ideas was selling Pittsburgh water to nearby municipalities. As Matt Barron, who worked as a city policy manager during this period, described, “**Fracking** is a very water-intensive operation, and one of their [Peoples Gas'] goals was to begin selling our water to other places. They wanted to monetize the water system because water is going to be potentially more valuable than oil in the near future.”

Mayor Peduto followed up by hiring a consulting firm that specialized in infrastructure privatization to assess the situation and convened a blue-ribbon panel to explore how to “fix” the PWSA.²² Around the same time, the mayor's chief of staff, Kevin Acklin, went to work at Peoples Gas. It was a page out of the privatization playbook: recruit a government insider who can help the company take over the public asset.

Taken together, it appeared as though the mayor was once again trying to privatize the city's water system—despite his green campaign promises and the city's recent history with Veolia. Matt Barron recalled the organizers' perspective as, “Bill Peduto [was] a rhetorical champion of anti-fracking, of clean energy, of renewables.... And then, we learn that he's having secret meetings with the natural gas company about buying our water system.” Jennifer Rafanan Kennedy, executive director of Pittsburgh United, added, “A hedge fund that owns ports, rails, and drilling operations doesn't need to have unfettered access to our clean water.”

The Solution

Building a diverse coalition to keep water as a public good

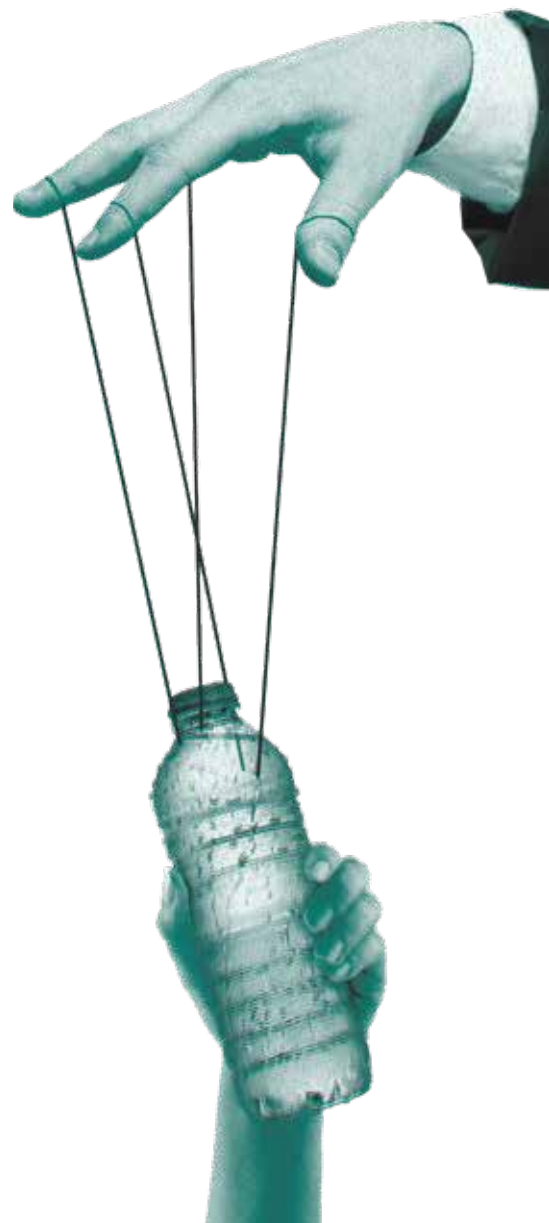
Following the meeting with Mayor Peduto, Pittsburgh United sprang into action. Pittsburgh United convened community groups from all parts of Pittsburgh, many of whom were also part of the Clean Rivers Campaign, to organize an effort to keep the city's water public: the Our Water Campaign.

Jennifer Rafanan Kennedy underscored the urgency of the moment. "We knew there was a choice in how water and sewer investment got made... What money are we investing as a community, what do we get in return, and what kind of control do we have over it?" she said. Coalition members knocked on doors and attended community events to distribute free water filters and pitchers to neighbors most affected by the crisis. While doing so, they talked to people about the problems they were facing and why it was so critical to keep the city's water public.

As organizer Glenn Grayson from the group One PA recalled, "The Our Water Campaign really convened a lot of the folks, knocking on doors, asking people, 'Has your bill gone up? How have you been affected by the water?'" An older woman resident told Grayson that 'the water was messing with her medicine'—she couldn't afford to keep buying water, which affected her medical routine.

Jamilah Lahijuddin, an organizer with the Hill District Consensus Group, worked with Glenn Grayson to bring renters and homeowners to the water authority hearings. Many homeowners in the Black community, especially those who'd inherited property, told Lahijuddin that, in addition to the water contamination, they had become aware of "water liens, passing from generation to generation," forcing some to sell their home or other assets to pay the compounded water-related debts accrued by family members. The rate increases, billing errors, and water shutoffs that characterized the Veolia era only exacerbated the problem.

From 2017 to 2019, the coalition organized community members to attend PWSA board meetings, give public comments about residents' needs, and demand that PWSA be kept public. Campaign allies built upon the success of the Clean Rivers Campaign, which had assembled some 80 Pittsburgh-area community groups in service of a community-centered green infrastructure and climate resiliency effort endorsed by Mayor Peduto's office.²³ Aly Shaw, the former organizer for the Our Water Campaign, attributes the success of the effort to its broad base. "The primary powerful strategy



was just working in a coalition that encompassed organized labor, environmental groups, affordable housing advocates, and groups that were generally in favor of democracy,” she said. “Connecting housing and economic justice to **environmental justice** was compelling to a broad group of people, and it made not only the mayor, but also the city council pay attention. I don’t think just having one slice of the coalition would have been enough.”

The inside-outside game: working with the PWSA to keep water public

While keeping pressure on elected officials and the water authority, the coalition also recognized the need to find allies inside government to achieve their goals. Organizers knew from their work on the Clean Rivers Campaign that many people at PWSA shared their interest in environmental justice.

The coalition also knew that many PWSA staff had been unhappy with Veolia’s management of the authority. So, when the prospect of selling PWSA to Peoples Gas arose, the coalition partnered with key PWSA staff to explore how to prevent privatization.²⁴ Jake Pawlak described PWSA staffers holding internal discussions about how to rebuild the authority’s trust with the public and meet the new oversight standards the authority would be held to.

According to Kennedy, just as PWSA had “led the way on green infrastructure installation,” it was open to conversations about

“democratic control over the kind of investments they were going to make.” The PWSA saw an opening “to be better and more accountable to the public,” which led them to engage with community members around how to serve the public good through infrastructure improvements.²⁵

“The only thing that made the process work is that we were able to establish a relationship where we and the advocates were assuming good faith with one another,” Jake Pawlak recalled. “And so, they could make big, bold, aggressive demands, and then we could go a significant distance towards meeting them.” Through this “**inside-outside**” **strategy**, advocates were able to fight against the mayor’s privatization plan in a way that may have been more difficult for PWSA employees to do on their own.





The Wins

What happens when communities organize to keep public goods public

The Our Water Campaign achieved a number of milestones in its fight to keep Pittsburgh's water public. Most immediately, the deal with Peoples Gas did not proceed, after public pressure made it clear to the city council that support for Peoples' proposal would be untenable.²⁶ Instead, the city council and Mayor Peduto signed the **Our Water, Our Rivers** pledge to keep PWSA public now and into the future.²⁷ While this is not a binding commitment, it was adopted by the majority of candidates in the city's 2021 Democratic mayoral primary election.

In addition, the coalition convinced the PWSA and the city to create **community advisory committees** so that customers could advise the authority on various issues. The PWSA also promised to provide flexible payment plans on water bills, full replacement of lead water lines (rather than partial replacements, which can actually worsen lead levels), and a moratorium on water shutoffs (for unpaid bills) during the winter. More recently, campaign advocates secured additional protection against shutoffs during the COVID-19 pandemic.

Through these wins, big and small, the coalition advanced a long-term vision for a publicly controlled and accountable water authority. And throughout the process, Pittsburgh United and

its allies organized community members to communicate a core message: the way out of this crisis was greater accountability through public control, not an abdication of government responsibility through privatization.

But challenges remain. Though the Our Water, Our Rivers pledge is still Pittsburgh's guiding principle, corporate raiders have targeted neighboring municipalities and public water authorities.²⁸ In response, the Our Water Campaign has broadened its scope. It is currently putting pressure on nearby Southwest Pennsylvania water authorities to create customer assistance programs, replace lead lines, and institute water shutoff moratoriums, protecting water as a human right.²⁹

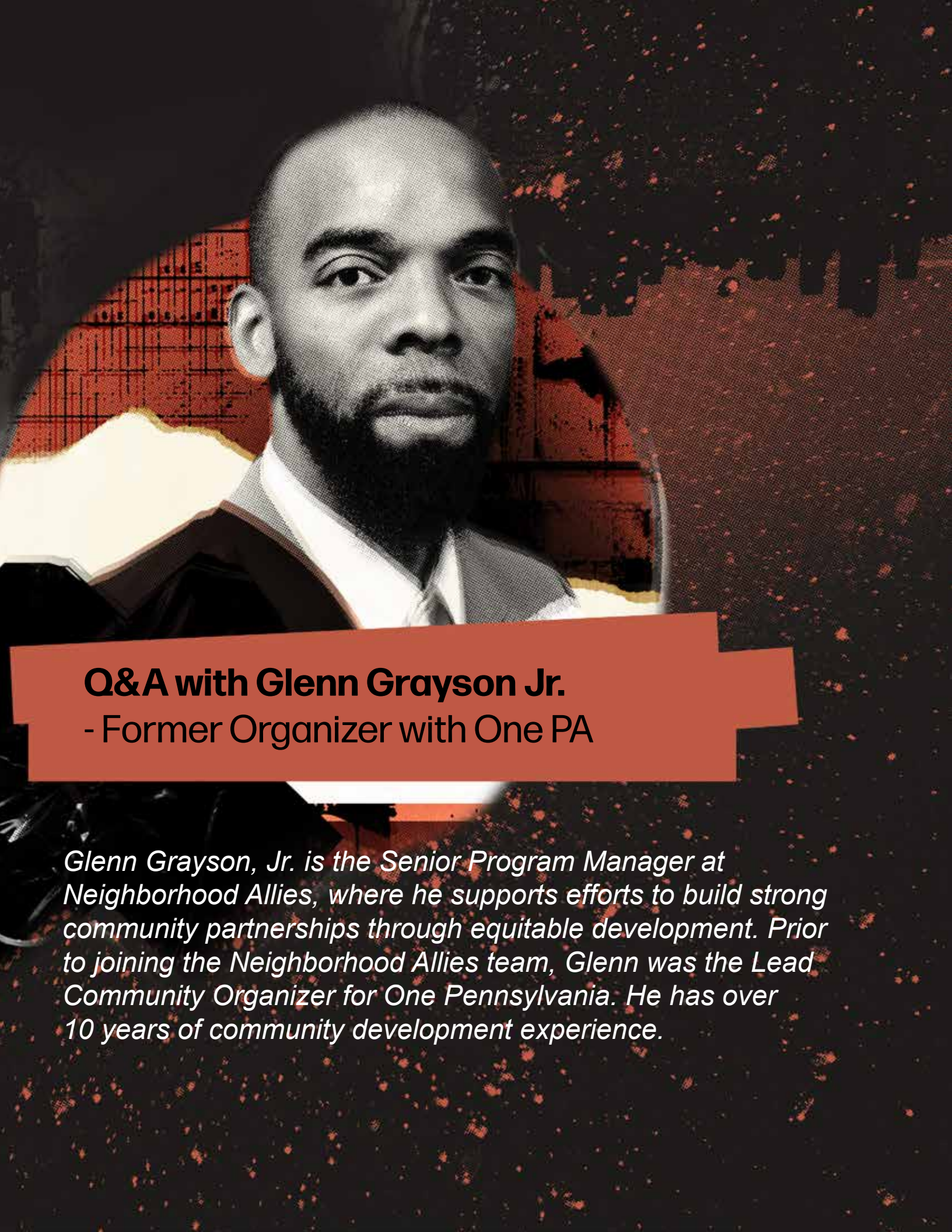


“

For World Water Day, we had a public water pledge. We held meetings with elected officials and asked them to sign it. We put a picture on our Facebook page of the mayor signing the [Our Water, Our Rivers] pledge to keep water public, and that was evidence—that we had on the record—that he would oppose privatizing PWSA. We had press conferences with elected officials out along the riverfront in front of Peoples Gas. We were clear that our water wasn't for sale.

—Jennifer Rafanan Kennedy





Q&A with Glenn Grayson Jr.
- Former Organizer with One PA

Glenn Grayson, Jr. is the Senior Program Manager at Neighborhood Allies, where he supports efforts to build strong community partnerships through equitable development. Prior to joining the Neighborhood Allies team, Glenn was the Lead Community Organizer for One Pennsylvania. He has over 10 years of community development experience.

Tell me a little bit about yourself. How did you get involved in organizing?

Fighting for people's rights has been a part of my DNA, but it never was really something I thought I'd do post-college. When the opportunity presented itself to become an organizer it was a perfect fit. I have personally witnessed the power of organizing, and how it plays a major role in the society we live in. Organizing is not easy, and it's not for everyone. Our model at One PA was "Follow the money, confront the power, and make the change." These are words that I still try to live by even today.

What was it like for people in Pittsburgh in 2016 and 2017, when it became known that the lead levels in some areas were higher than in Flint?

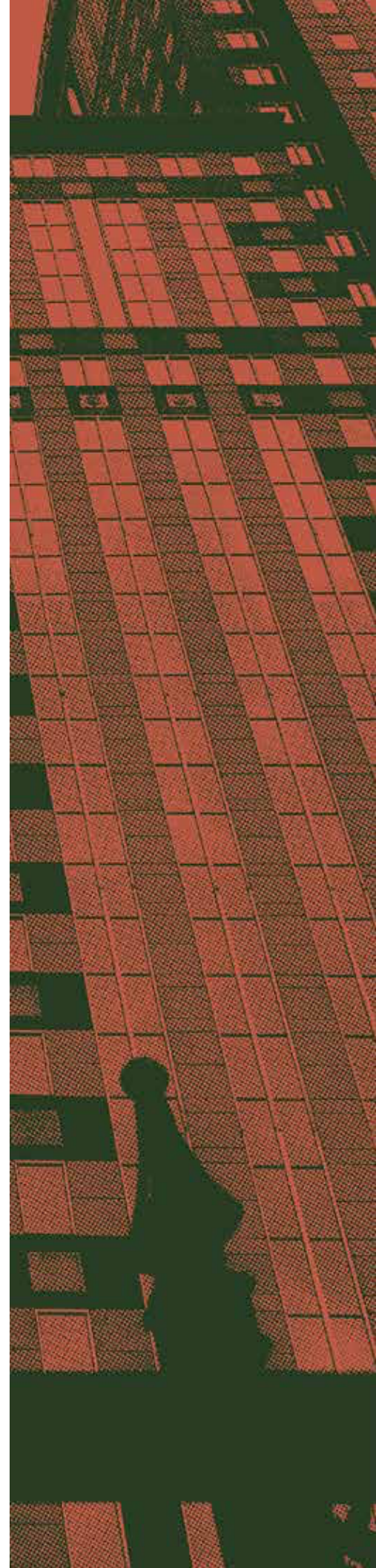
When you heard about Flint you may say to yourself "It would never happen in Pittsburgh," but it was happening. We had extremely high lead levels, no capital to address old infrastructure needs, and a threat to privatize the city's public assets. In efforts to address those needs, PWSA hired a company that really screwed up, Veolia. Later, understanding the history of Veolia, it was cutting costs to save a dollar. This led to higher lead levels, outrageous bills, unnecessary shut offs, and public outrage.

What did you do to help organize your community to fight back?

We organized. The biggest fight was trying to make sure that because of Veolia, because of the deficit, because of the mismanagement, because of the higher lead levels, how do we convince the powers that be not to privatize a public asset. Through the Our Water Campaign, we knocked on doors, attended the Friday PWSA board hearings and board meetings, talked to our city council representatives, and we organized residents to really speak up and tell their stories. No matter where I went, from Northside to the Hill District, to Mon Valley, to Homewood, people were negatively affected by water issues.

What would it look like to hold public utilities, like the water system, accountable to members of the community?

I think, number one, they need to look at the board of the current PWSA. There needs to be at least 2 slots for some type of community advocacy member on the board. There needs to be a workforce component, because I think that the workforce component can address the lack of diversity in that field, from both the executive level down to the bottom. Once you diversify your workforce, it actually allows you to have different voices. Last but not least, a capital expenditure fund from both the state and local level to address infrastructure needs both now and in the future.



Opportunities + Lessons

The successes of the Our Water Campaign in Pittsburgh point to a number of lessons for organizers, policy makers, and advocates:

Communities can win fights to keep water systems and other infrastructure public.

As long as Pittsburgh's water system remained public, within the PWSA, the campaign understood that it would need to be accountable to its customers. But the campaign pushed the community to demand more from the PWSA by attending public meetings, offering comment, advocating for expanded customer assistance programs and full lead line replacement, and asking for a commitment to keep the agency public.

Organizers need to start early and build trust by focusing on the immediate needs of community members—with an eye on more transformative fights to come. When the lead crisis and subsequent threat of sale to Peoples Gas became known, Our Water Campaign organizers went door to door, distributing water filters and helping community members deal with their billing problems and water shut offs. By first helping meet people's basic needs, they could then start conversations about privatization and mobilize community members around a longer term vision for public accountability and public control of the water system.

Community organizations can develop alliances inside government, while maintaining pressure from the outside, to create an effective inside/outside strategy. Because Pittsburgh United had worked with the PWSA on previous campaigns and knew that it was also interested in keeping the authority public, they were able to push the mayor from the inside and outside. Key PWSA staff provided information and access that the coalition's organizers wouldn't otherwise have had. Similarly, PWSA staff who were working hard to keep the authority public could rely on the coalition to speak out in a way that they could not.

A victory to keep water as a public good in one city can have a spillover effect in other communities. By organizing and winning a commitment from elected officials to keep water public, and by making this a public conversation, the Our Water coalition modeled a playbook for other cities and towns. In towns around Pittsburgh that face threats of privatization, the coalition has shared lessons and best practices.

Even after a big win, a campaign must continue to build power. The Our Water coalition did not stop its work once it secured a municipal pledge against privatization and community advisory committees within the PWSA. It has continued to work to ensure that those measures are actually used in a way that gives community members a voice in decisions about the water system.

Local efforts do not change the need for massive federal investment in water infrastructure. While the recent infrastructure bills passed by Congress are a step in the right direction, they do not go far enough. We need to transform our approach to investment in public goods and infrastructure that reflects the essential nature of water, education, care work, and healthcare to the well-being of communities. Rather than looking to markets and Wall Street, we must dig deeper into our toolbox of strategies for public financing, co-governance, and **public-public partnerships** that create the economies of scale that make it possible to bring our systems fully into the 21st century.

Appendix



The Actors

Pittsburgh United: A coalition of labor, faith, environmental, and community groups founded in 2007 to fight for equitable economic development and community benefits. The coalition organizes around such issues as living-wage jobs and economic justice, affordable housing, and environmental justice and green infrastructure.

Pittsburgh Water and Sewer Authority (PWSA): Agency that manages the city's water system. It is governed by a board of 9 members appointed by the mayor and confirmed by the city council. Board members include elected leaders and representatives from the private, public, and nonprofit sectors.

Pennsylvania Utility Commission (PUC): A regulatory body that oversees the operation of nearly 7,000 entities providing electricity, natural gas, telecommunications, water, and wastewater management. The PUC is publicly funded and overseen by 5 commissioners appointed by the governor.

Veolia: A private company, based in France, that manages utilities and infrastructure related to energy, water, and waste. In 2012, PWSA signed a contract granting Veolia day-to-day management of its water and sewer systems. Three years later, in light of accusations of mismanagement from customers and increased lead levels in the city's water supply, Pittsburgh declined to renew Veolia's contract. In early 2015, Veolia leveraged its relationship with PWSA to secure a contract with Flint, MI, to manage fact-finding and repairs after that city's lead-poisoning crisis became known. In Flint, Veolia was criticized for failing to disclose the causes and extent of the city's lead-contamination problem. PWSA sued Veolia in 2016, alleging mismanagement and contamination of the city's water supply. The parties reached a no-fault settlement in 2018, with Veolia agreeing to pay \$5 million to PWSA. A portion of the settlement was used to establish a hardship fund for customers most affected by the lead crisis.

Our Water Campaign: a coalition led by Pittsburgh United that includes more than a dozen organizations. The campaign's goal is to ensure safe, affordable, publicly controlled water in Pittsburgh.

Peoples Gas: A private natural gas distributor, operating in Pennsylvania, Kentucky, and West Virginia. In 2018, Pittsburgh and the surrounding county considered selling the PWSA to Peoples Gas. The company planned to create a new entity, **Peoples Water**, to manage the water system. Peoples Gas positioned itself as a trusted local partner that could expertly navigate regulation by the **Pennsylvania Utility Commission** and promised to deliver lead removal, better rates and customer support, renewable energy, and support for labor unions. The private utility company Aqua America acquired Peoples Gas for \$4.3 billion in 2018. The merged companies are now known as Essential Utilities.

Mayor Bill Peduto: Served as a Democratic member of the city council (2002-2014) before being elected Mayor of Pittsburgh in 2013. Community groups saw him as an ally based on his platform of early education, affordable housing, cutting carbon emissions, and opposing fracking—and his early support for the Clean Rivers Campaign. Mayor Peduto was reelected to another term in 2017, then lost the Democratic primary to Ed Gainey in May 2021.

Glossary

Co-governance is a strategy that works toward ensuring that elected officials are **actively working with our communities** to draft policies and move them forward in innovative ways that ensure that the people who are most harmed by structural racism and our economic system are part of **co-creating the solutions**. It encompasses a broad range of models of civic engagement that allow people outside and inside the government to **work together to design policy**.

Community advisory committee is a form of public participation in which collective groups of community members who live in a particular area provide community information, perspectives and build support in a variety of areas.

Economic democracy
Part of Demos's **new Economic Democracy project**, which interrogates how poor and working-class people, especially in Black and brown communities, can exercise greater control over the economic institutions that shape their lives. While Demos defines Economic Democracy as a framework that prioritizes the deconcentration and redistribution of power over our economy from the billionaire financier and monopolist class to the multi-racial, multi-ethnic majority, it is also framework used by a number of other advocacy organizations and grassroots groups who may have different interpretations and definitions. For example, the Center for Economic Democracy defines it as an **emerging framework for ways of life that prioritize people and planet over private profits** in which communities can collectively decide on how to use land, labor and capital to serve the public good.

Environmental justice is a movement **championed primarily** by Black, Latinx, Asian and Pacific Islanders and Indigenous communities aimed at improving and maintaining a clean and healthy environment, especially for those who are physically closest to the

sources of pollution and historically marginalized communities. By approaching the threat of climate change through this lens, the environmental justice movement provides an **avenue for social justice for all people** in the pursuit of a more cooperative and sustainable future.

Fracking is a **process** by which water, sand, and chemicals are injected underground at very high pressures to crack open rock layers which is used to extract oil and gas from hard-to-exploit rock formations. Fracking has a profoundly negative impact on drinking water, air pollution, our climate and our **most vulnerable communities**. A **significant portion** of the frack fluid returns to the surface which contaminates underground water supplies. Despite well-documented risks, over the past several decades, fracking has **spread rapidly**, rising over **1,000 percent** since 2000.

"Hard" infrastructure is an essential part of overall infrastructure that encapsulates the physical structures that hold our economy, democracy and collective health together, including water systems, bridges, ports and railways.

"Inside-outside" strategy is an "inside-outside" strategy is a form of activism in which advocates can fight for desired societal changes both **within the existing dominant institutions** themselves, or, "inside" and concurrently "outside," meaning to pursue activism and organizing outside of institutions, including through planned protests, exchanging information and building out strategies and demands and **other ways** of engaging in long-term organizing and movement building work.

Privatization is to change ownership or control from **public** to **private**.

Public goods - At Demos, **we define** public goods as the scaffolding that supports the basic function of our modern society, which can include -- but is not limited to -- water, energy, public transportation, broadband, domestic care, finance, tech, and access to voting.

Public-public partnerships is a **collaboration between two or more public authorities** or organizations to improve the capacity and effectiveness of one partner in providing a public service to a given community.

Safe Drinking Water Act - The **Safe Drinking Water Act (SDWA)** was passed by Congress in 1974 to help protect our drinking water. Under the SDWA, the Environment Protection Agency (EPA) sets the standards for drinking water quality and monitors states, local authorities, and water suppliers who enforce those standards. As part of the SDWA, EPA has set maximum contaminant levels, as well as treatment requirements for over 90 different contaminants in public drinking water.

"Soft" infrastructure is an essential part of a society's overall infrastructure that includes non-physical vital services that **hold our economic, democracy and collective health together**, including education, caregiving, housing, climate-change response, and income-supporting tax credits.

Systemic racism is a **system** in which public policies, institutional practices, cultural representations, and other norms work in various, often reinforcing ways to perpetuate racial group inequity. It identifies dimensions of our history and culture that have allowed privileges associated with "whiteness" and disadvantages associated with "color" to endure and adapt over time. Structural racism is not something that a few people or institutions choose to practice. Instead it has been a feature of the social, economic and political systems in which we all exist.

Basics on Pittsburgh

Population

- 302,971

Poverty

- 19.1% poverty rate, compared to 12% in Pennsylvania overall

Race and Hispanic Origin

- White alone, 62.7%

Median household income: \$63,275

Poverty rate: 15.6%

- Black or African American alone, 22.8%

Median household income: \$32,041

Poverty rate: 27.1%

- Asian alone, 6.5%

Median household income: \$56,022

Poverty rate: 21.9%

- Two or more races, 5.9%

Median household income: \$55,865

Poverty rate: 25.9%

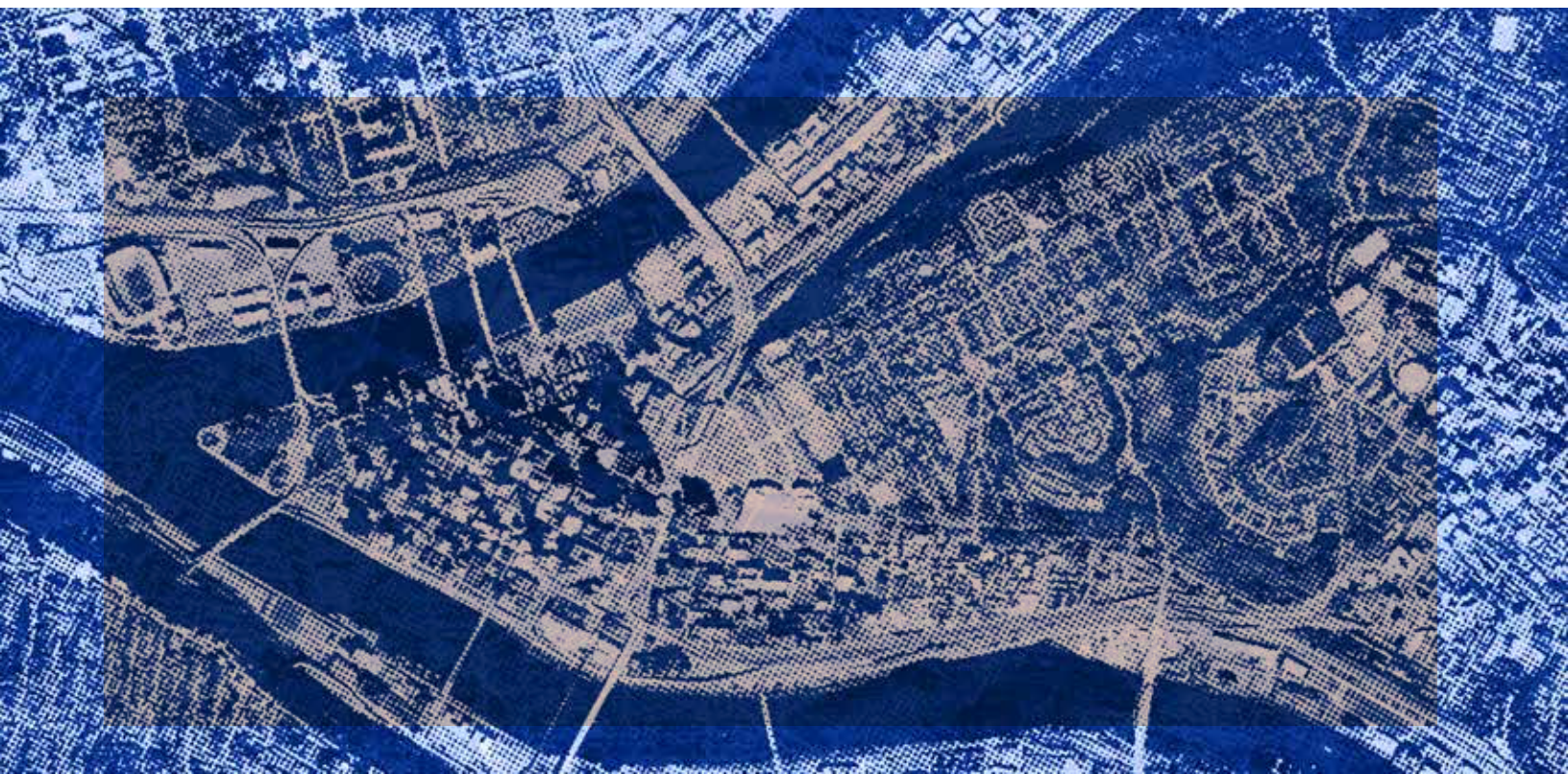
- Hispanic or Latino, percent, 3.8%

Median household income: \$62,352

Poverty rate: 16.2%

Access to water:

- PWSA provides water to approximately 83,000 customers in Pittsburgh.
- Since June 2016, PWSA has replaced over 7,400 public lead service lines and more than 4,700 private lead service lines throughout Pittsburgh. However, not all were full replacements, which is important because partial lead replacements can increase lead levels in the short term. The Our Water Campaign is continuing to push elected officials and the water authority to address previous partial replacements.



Endnotes

1. Ashley Southall, "State of Emergency Declared Over Man-Made Water Disaster in Michigan City," The New York Times, January 17, 2016, <https://www.nytimes.com/2016/01/18/us/obama-flint-michigan-water-fema-emergency-disaster.html>.
2. Drinking Water: Additional Data and Statistical Analysis May Enhance EPA's Oversight of the Lead and Copper Rule, GAO-17-424, September 2017. <https://www.gao.gov/assets/gao-17-424.pdf>.
3. "Updated Information on Outreach Campaign for the PWSA Lead and Copper Rule Test," Pittsburgh Water & Sewer Authority, September 9, 2016, <https://lead.pgh2o.com/updated-information-on-outreach-campaign-for-the-pwsa-lead-and-copper-rule-test/>.
4. "Professor on Flint water crisis research team calls lead levels in Pittsburgh 'worrisome,'" WPXI Channel 11 News, January 31, 2019, <https://www.wpxi.com/news/investigates/professor-on-flint-water-crisis-research-team-calls-lead-levels-in-pittsburgh-worrisome/417483321/>.
5. Leana Hosea and Sharon Lerner, "From Pittsburgh to Flint, the Dire Consequences of Giving Private Companies Responsibility for Ailing Public Water Systems," The Intercept, May 20, 2018, <https://theintercept.com/2018/05/20/pittsburgh-flint-veolia-privatization-public-water-systems-lead/>.
6. Ralph P. Hall, Barbara Van Koppen, and Emily Van Houweling, "The Human Right to Water: The Importance of Domestic and Productive Water Rights," Science and Engineering Ethics 2014(4), <https://link.springer.com/content/pdf/10.1007/s11948-013-9499-3.pdf>.
7. Public Spending on Transportation and Water Infrastructure, 1956 to 2014, Congressional Budget Office, March 2015. <https://www.cbo.gov/publication/49910>.
8. K. Sabeel Rahman, "Infrastructural Exclusion and the Fight for the City: Power, Democracy, and the Case of America's Water Crisis," Harvard Civil Rights-Civil Liberties Law Review, 2018(53), <https://brooklynworks.brooklaw.edu/cgi/viewcontent.cgi?article=2225&context=faculty>.
9. Demos analysis of 2015-2019 American Community Survey 5-Year Estimates, U.S. Census Bureau, <https://data.census.gov/cedsci/table?q=Housing&g=1600000US4261000&tid=ACSDP1Y2019.DP04&hidePreview=true>.
10. Pittsburgh's H2Opportunity: An Assessment of Southwestern Pennsylvania's Water Sector, Pittsburgh World Environment Day Partnership, January 13, 2011. http://www.sustainablepittsburgh.org/Pub/WaterReport_January2011.pdf.
11. Ibid.
12. "Water Privatization: Facts and Figures," Food and Water Watch, August 2, 2015, <https://www.foodandwaterwatch.org/2015/08/02/water-privatization-facts-and-figures/>.
13. The State of Public Water in the United States, Food and Water Watch, February 2016. https://foodandwaterwatch.org/wp-content/uploads/2021/03/report_state_of_public_water.pdf.
14. Bob Bauder, "Sewage authority goes outside for manager," Tribune-Review, July 30, 2012, <https://archive.triblive.com/local/pittsburgh-allegheeny/sewage-authority-goes-outside-for-manager/>.

15. Jordana Rosenfeld, "Pittsburgh's Water System Is Why We Shouldn't Run America Like a Business," *The Nation*, November 30, 2017, <https://www.thenation.com/article/archive/pittsburghs-water-system-is-why-we-shouldnt-run-america-like-a-business/>.
16. Julia Lurie, "This Major City's Drinking Water Was Fine. Then Came the Private Water Company," *Mother Jones*, October 26, 2016, <https://www.motherjones.com/environment/2016/10/private-water-pittsburgh-veolia/>.
17. Ibid.
18. Restoring and Reimagining Investment in Public Water, In the Public Interest, February 2021. https://www.inthepublicinterest.org/wp-content/uploads/ITPI_Water_Feb2021.pdf.
19. Robert Zullo, "Billing problems lead to lawsuit against PWSA," *Pittsburgh Post-Gazette*, May 26, 2015, <https://www.post-gazette.com/local/city/2015/05/26/Millvale-resident-files-suit-against-Pittsburgh-Water-and-Sewer-Authority-over-meter-problems/stories/201505260132>.
20. Michael Blanding, "How Privatizing Water Systems Costs Taxpayers—& Endangers Them," *Heavy.com*, July 3, 2018, <https://heavy.com/news/2018/02/risks-costs-private-water-lead-poison/>.
21. "Clean Rivers Campaign Protects Ratepayers, Rivers & Communities by Greening Water and Sewer System," Partnership for Working Families, April 20, 2016, <https://www.forworkingfamilies.org/blog/clean-rivers-campaign-protects-ratepayers-rivers-communities-greening-water-and-sewer-system>.
22. Michael Blanding, *Heavy.com*
23. "Green First City-Wide Stormwater Assessment," Pittsburgh Water & Sewer Authority, September 26, 2016, https://apps.pittsburghpa.gov/mayorpeduto/9.26.16_Stormwater_Post-Agenda_Presentation.pdf.
24. Oliver Morrison, "Part 7—A coalition of activists helped begin the turnaround at PWSA," *Public Source*, October 19, 2021, <https://www.publicsource.org/pittsburgh-pwsa-our-water-campaign-activists-lead-privatization/>.
25. Ibid.
26. Oliver Morrison, "Part 8—Privatization pitch: How close PWSA came to being privatized," *Public Source*, October 19, 2021, <https://www.publicsource.org/pittsburgh-pwsa-our-water-privatization-peduto-peoples-obrien-gross/>.
27. Margaret J. Krauss, "PWSA Pledges to Keep Authority Public," *WESA*, July 1, 2019, <https://www.wesa.fm/development-transportation/2019-07-01/pwsa-pledges-to-keep-authority-public>.
28. Andrew Maykuth, "A Pa. law sets off a feeding frenzy for public water systems. Will customers pay the cost?," *The Philadelphia Inquirer*, September 5, 2018, <https://www.inquirer.com/philly/business/new-pennsylvania-law-private-water-sewer-acquisitions-aqua-pennsylvania-american-20180905.html>.
29. Kate Giammarise, "Activists say Wilkesburg-Penn Joint Water Authority should address concerns about lead, water costs," *WESA*, September 28, 2021, <https://www.wesa.fm/politics-government/2021-09-28/activists-say-wilkesburg-penn-joint-water-authority-should-address-concerns-about-lead-water-costs>.
30. "Public Public Partnerships," *The Transnational Institute*, <https://www.tni.org/en/collection/public-public-partnerships>.
31. Demos analysis of 2015-2019 American Community Survey 5-Year Estimates, U.S. Census Bureau, <https://data.census.gov/cedsci/profile?g=1600000US4261000>.

32. "Our History," Pittsburgh Water & Sewer Authority, <https://www.pgh2o.com/about-us/our-history>.
33. "PWSA Continues Industry-Leading Lead Line Replacement Program," Pittsburgh Water & Sewer Authority, July 21, 2020, <https://www.pgh2o.com/news-events/news/press-release/2020-07-21-pwsa-continues-industry-leading-lead-line-replacement>.
34. "Public Spending on Transportation and Water Infrastructure, 1956 to 2014," Congressional Budget Office, March 2015, <https://www.cbo.gov/publication/49910>.
35. Ibid.
36. Stephen Fehr and Matthew Cook, "With State Help, Pittsburgh Got Its Finances Under Control," Pew Charitable Trusts, March 26, 2018, <https://www.pewtrusts.org/en/research-and-analysis/articles/2018/03/26/with-state-help-pittsburgh-got-its-finances-under-control>.
37. Leana Hosea and Sharon Lerner, The Intercept.
38. Merrit Kennedy, "'They Made It Worse': Michigan Sues 2 Companies Over Flint Crisis," NPR, June 22, 2016, <https://www.npr.org/sections/thetwo-way/2016/06/22/483083095/they-made-it-worse-michigan-files-suit-against-2-companies-over-flint-crisis>.
39. "PWSA Lead Program Summary," Pittsburgh Water & Sewer Authority, June 9, 2017, https://apps.pittsburghpa.gov/pwsa/Lead_Program_Summary.pdf.
40. Stephen Fehr and Matthew Cook, Pew Charitable Trusts.
41. Juliette Rihl, "After a years-long crisis, the lead levels in Pittsburgh's water finally meet federal compliance," Public Source, July 22, 2020, <https://www.publicsource.org/after-a-years-long-crisis-the-lead-levels-in-pittsburghs-water-finally-meet-federal-compliance/>.
42. "AG Shapiro: PGH Water and Sewer Authority Ordered to Pay \$500K, Hire Independent Corporate Monitor," PA Office of the Attorney General, July 16, 2020, <https://www.attorneygeneral.gov/taking-action/press-releases/ag-shapiro-pgh-water-and-sewer-authority-ordered-to-pay-500k-hire-independent-corporate-monitor/>.
43. "PWSA Continues Industry-Leading Lead Line Replacement Program," Pittsburgh Water & Sewer Authority, July 21, 2020, <https://www.pgh2o.com/news-events/news/press-release/2020-07-21-pwsa-continues-industry-leading-lead-line-replacement>.
44. "Public Spending on Transportation and Water Infrastructure, 1956 to 2014," Congressional Budget Office, March 2015, <https://www.cbo.gov/publication/49910>.
45. Ibid.
46. Stephen Fehr and Matthew Cook, "With State Help, Pittsburgh Got Its Finances Under Control," Pew Charitable Trusts, March 26, 2018, <https://www.pewtrusts.org/en/research-and-analysis/articles/2018/03/26/with-state-help-pittsburgh-got-its-finances-under-control>.
47. Leana Hosea and Sharon Lerner, The Intercept.
48. Merrit Kennedy, "'They Made It Worse': Michigan Sues 2 Companies Over Flint Crisis," NPR, June 22, 2016, <https://www.npr.org/sections/thetwo-way/2016/06/22/483083095/they-made-it-worse-michigan-files-suit-against-2-companies-over-flint-crisis>.
49. "PWSA Lead Program Summary," Pittsburgh Water & Sewer Authority, June 9, 2017, https://apps.pittsburghpa.gov/pwsa/Lead_Program_Summary.pdf.

50. Stephen Fehr and Matthew Cook, Pew Charitable Trusts.
51. Juliette Rihl, "After a years-long crisis, the lead levels in Pittsburgh's water finally meet federal compliance," Public Source, July 22, 2020, <https://www.publicsource.org/after-a-years-long-crisis-the-lead-levels-in-pittsburghs-water-finally-meet-federal-compliance/>.
52. "AG Shapiro: PGH Water and Sewer Authority Ordered to Pay \$500K, Hire Independent Corporate Monitor," PA Office of the Attorney General, July 16, 2020, <https://www.attorneygeneral.gov/taking-action/press-releases/ag-shapiro-pgh-water-and-sewer-authority-ordered-to-pay-500k-hire-independent-corporate-monitor/>.



Acknowledgements

We would like to thank the following people for their support and guidance on this case study and for sharing their stories.

- Alexa Kasdan, *Director, Policy and Research at Demos*
- **Alyson Shaw**, *former organizer for Our Water Coalition at Pittsburgh United, currently Representative at UFCW Local 1776*
- Ariel Jacobson, *Policy and Research consultant at Demos*
- Carol Lautier, *Director of Movement Building at Demos*
- Colleen Roach, *Associate Director, Media Strategy at Demos*
- Daniella Zessoules, *Senior Policy Analyst at Demos*
- David Perrin, *Senior Visual Design Manager at Demos*
- **Donald Cohen**, *Executive Director, In the Public Interest*
- **Glenn Grayson Jr.**, *Senior Program Manager for Neighborhood Development, Neighborhood Allies*
- Felicia Griffin, *Deputy Director, Power Switch Action*
- Finance, Operations and Administration team at Demos
- Francis Lightburn, *Program Assistant, Demos*
- Gwyn Ellsworth, *Associate Director, Digital Engagement at Demos*
- **Jake Pawlak**, *former staff at Pittsburgh Water and Sewer Authority, currently Transition Director at the Office of Mayor-Elect Ed Gainey*
- **Jamilah Lahijuddin**, *former organizer, Hill District Consensus Group, currently Operations Manager at Sequel Consulting*
- **Jennifer Rafanan Kennedy**, *Executive Director, Pittsburgh United*
- Joshua Harmon, *Movement Building Associate at Demos*
- Lauren Jacobs, *Executive Director, Power Switch Action*
- Lebaron Sims, *Associate Director, Economic Democracy at Demos*
- Lesley Williams, *Digital Content Manager at Demos*
- **Mary Grant, Campaign Director**, *Food and Water Watch*
- **Matt Barron, Former Policy Manager**, *City of Pittsburgh, currently program officer at the Heinz Endowment*
- Shahrzad Habibi, *Research and Policy Director, In the Public Interest*
- Victoria Muiru, *Communications Project Associate at Demos*

* Bolded names indicate people interviewed for this case study.



Dēmos is an organization that powers the movement for a just, inclusive, multiracial democracy. Through cutting-edge policy research, inspiring litigation, and deep relationships with grass-roots organizations, Dēmos champions solutions that will create a democracy and economy rooted in racial equity.

Media Contact

media@demos.org

www.demos.org

80 Broad St., 4th Fl.
New York, NY 10004

740 6th St. NW., 2nd Fl.
Washington, DC 20001