



# CITY OF BISHOP

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## Minutes

### Water and Sewer Commission

January 12, 2010

#### Call To Order:

Chairman Cross called the meeting to order at 7:04 P.M.

#### Pledge of Allegiance:

The Pledge of Allegiance was led by Chairman Cross

#### Commissioners Present:

Cross, Mathieu, Martin and Underhill

#### Commissioners Absent:

Bhakta (excused)

#### Others Present:

Dave Grah, Public Works Director  
Deston Dishion, Public Works Superintendent  
Michele Thomas, Secretary

#### Public Comment:

None

#### Agenda Item 1: Approval of the Minutes

Commissioner Underhill moved to approve the minutes of the November 10, 2009 meeting as written and motion carried.

#### Correspondence

Grah responded to a letter sent in by Janna Van Ness regarding sewer charges for her property.

#### New Business:

##### Agenda Item 2: Option to be charged by meter

The City is continuing to look towards moving to charge customers by meters for water services, at least as an option. We are looking into adding the option to the Bishop Municipal Code to make it possible to charge by meter if a customer requests. Our current billing system is not set up to charge by meters at this time. We are in the process of updating our billing system and plan to accommodate this change as part of that update.

Martin is concerned that the customers who would ask to have meters installed might not be the best ones to have them. He feels the customers that think they use less would request a meter and the water wasters would not. If an account that is currently charged a certain EDU amount goes to a meter and their count decreases the loss of revenue could be an issue.

Grah feels there is an advantage of using a meter system and any opportunities to take steps in this direction would be a benefit in the long run. In the beginning, adding meters may be counter productive, but is an investment for the future.

Underhill brought up the idea of a customer who chooses to use a meter realizes they are now paying more for their water. Would they be able to take it out and go back to the current billing system?

The City is here to serve our customers. If someone wants a meter at one point and then changes their mind, we would probably go back to the original way we billed. We would not want a customer to continually go back and forth though. If a meter was placed at a property and the customer later wants to go back to the current billing, we would keep the meter on the property for future use. At this time, we have over five requests to be billed by a water meter. Making a change to the Municipal Code is the first step.

Charging by a meter would consist of fees for base and usage rates. Water costs have been calculated to be 84% base and 16% usage. Using a \$32 per month rate those percentages equate to about \$27 base and \$5 usage for an EDU for water. Sewer was calculated to be 94% base and 6% usage. Using a \$20 per month rate those percentages equate to about \$19 base and \$1 usage for an EDU for sewer. If a property used a reasonable average, the charges would match standard EDU rates, \$32 water and \$20 sewer. If the property used twice a reasonable average of water in a month, water and sewer charges would be the base rates plus twice the usage portions of the standard rates.

The Public Works Department is currently in the process of installing over thirty new meters at different properties to have a better idea of how much water is used in each category we charge currently. Having more accurate information will be beneficial for the next fee study in three years.

### **Agenda Item 3: Consequences for chronic water wasters**

Installing meters on chronic water wasters would give the appropriate supporting data of how much water the customer uses. Grah will take this to City Council.

### **Agenda Item 4: Residential shut-offs**

Currently, the City of Bishop shuts off water to delinquent non-residential accounts only. The Bishop Municipal Code does not clearly state residential accounts can not be shut off as well. Several other similar communities were contacted regarding delinquent residential accounts and they all shut off water after providing notice of impending shut off. At this time, the City places liens on properties that are delinquent. Currently about \$1,000 is spent each year on placing and releasing these liens.

Chairman Cross made a motion to recommend to the City Council we consider changing Code 13.04.095 to allow for shut offs to all delinquent accounts along with providing to Council the process to be used with appropriate door hangers.

Motion carried.

**Agenda Item 5: Update to billing cycle and system**

The State allows the City the ability to charge a basic penalty of 10 percent plus an additional penalty of 1.5 percent per month for delinquent accounts. Our current billing system has some issues with the programming of these fees. We also bill in advance and would like to switch to billing at the end of the month of usage which would be best if we were to go to meters in the future.

By billing at the end of the month, users would have until the time the next bills are printed to pay their bill in full. The amount of the bill would consist of the past due balance, plus 1.5 percent of the past due balance, plus the new regular monthly fees. Bills would be mailed before the 5<sup>th</sup> of the following month. The 10 percent penalty would be dropped even though it is allowed in state law.

The switch from billing in advance to billing after could amount to billing twice for the month when the switch was made. A solution from any problems by this switch could be to waive the fees for the month when the switch is made. If the switch was made in July 2010, this could help reduce the impact of the rate increase scheduled to go in place then. The loss in revenue for one month amounts to about \$100,000 water and about \$75,000 sewer with the new rates. Another option is to define fees and charges as based on the prior month.

Martin would like to review the information and also have input from Peter Tracy, City Attorney, before making a recommendation to City Council. The topic will be discussed further at the next Water Sewer meeting in March.

**Old Business:**

**Agenda Item 6: Council action on water and sewer rates**

The City Council adopted the water and sewer rates as recommended by the commission. The rates will go into effect July 2010.

**Agenda Item 7: Cash balance and revenue & expenditures update on water and sewer reserves**

The sewer balances have declined over the past two months. We had planned about \$150,000 in sewer improvements with Project A that was delayed. With this project not going forward, we have funds available to do additional work. With the rate increase going into effect in July, we will be able to do other capital improvements we have planned.

The water balances did increase over the past two months. We are getting ready to advertise for a \$700,000 water line project on Hanby Avenue, May Street and Willow. Public Works is looking forward to larger projects in the future, maybe increasing our water storage.

Martin asked what the status is with us sharing storage with Indian Creek Community Services District and with The Tribe. Grah stated that the Tribe had some concerns with others having access to their water and it is no longer being pursued. We are looking into an inner-tie with Indian Creek.

**Agenda Item 8: Public Works reports for November**

All fire hydrants in city limits were flushed and flow tested and everything went well without any leaks or pressure problems.

The City has selected ECO:LOGIC as the contractor to design and build a SCADA system for the city's water system and will begin negotiations in early December.

**Staff and Commission Reports:**

The City would like to put into place connection fees. Currently we do not charge for water and sewer connections and we will be updating the Fee Resolution to include them.

The Head Works project at the sewer plant will begin with hiring an engineering firm. The project will replace the bar screen, grit chambers and drying beds at the sewer plant.

The City will also be replacing the worst sewers in city limits, starting with Keough Street, between Hobson and Home Streets.

**Items to Be Discussed at the Meeting of March 9, 2010:**

- Elections
- Charging water/sewer connection fees
- News Release draft regarding meters
- Meter readings
- Cash balance and revenue and expenditures update on water and sewer reserves

Chairman Cross adjourned the meeting at 8:34 P.M. The next regularly scheduled meeting will be Tuesday, March 9, 2010 at 7:00 P.M. in the City Council Chambers.

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Forrest Cross, Chairman

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Michele Thomas, Secretary