

UTILITIES COMMITTEE MINUTES

MAY 2, 2017

The Utilities Committee meeting was held on May 2, 2017 at North Royalton City Hall, 14600 State Road. The meeting was called to order at 6:22 p.m.

PRESENT: **Committee Members:** Chair Paul Marnecheck, Vice Chair John Nickell, Dan Kasaris; **Council:** Larry Antoskiewicz, Gary Petrusky, Dan Langshaw; Cheryl Hannan. **Administration:** Mayor Robert Stefanik, Law Director Thomas Kelly, Wastewater Supt. Dave McNeeley, City Engineer Mark Schmitzer, Service Director Nick Cinquepalmi; **Other:** Lou Krzepina, Gloria Kacik, Jason Bockmuller, Stephanie Bockmuller.

APPROVAL OF MINUTES

Moved by Mr. Nickell, seconded by Mr. Kasaris to **approve the April 4, 2017 Utilities Committee minutes.** Yeas: 3. Nays: 0. **Motion carried.**

UNFINISHED BUSINESS

1. Inflow/Infiltration of storm water

Mr. McNeeley said that he sent a summary of the I&I program to the committee members. He said that we recently started dye testing in the Hunters Creek subdivision. So far we have completed testing on Aspen Oval and have now started working on Stoney Creek Oval. As of today, he said that there have been no violations which is good news. He said that we are sending 10 day letters of notice to some residents on Pamela Drive. We will also be sending about thirteen 60 day letters of notice to residents on Albion Road urging them to move forward on mediating their I&I issues. Mr. Nickell said that he was walking on Pamela Drive last weekend and saw that there were quite a few that already fixed their problems. Mr. Langshaw said that it is good to hear that enforcement is being pushed forward on some of the lingering situations of noncompliance.

2. WWTP “B” Screw Pump Replacement Project

Mr. McNeeley said that these are in manufacturing and we don’t anticipate delivery until late August.

3. WWTP “A” Influent Pump Station Project

See #2 above.

NEW BUSINESS

1. Ordinance 17-68 – Sewer billing

Mr. Kasaris felt that this should be passed on second reading, not first reading. Mr. Kasaris said that his issue is not with the ordinance itself or the concept, it’s to give people a chance to speak on it. He said that he has received a few emails from residents who are against it. Mr. Antoskiewicz felt that the first step would be for the Mayor and/or Finance Director to explain the program and how it will work. Mayor Stefanik said that he, Mr. Dean and Mr. Kelly have been meeting with Cleveland Water since the beginning of the year to see if they can take over our sewer billing which they used to do for us in the past. He said Cleveland Water is actually the billing agent for the storm water utility. He said that currently Cleveland Water and the NEORSD bill monthly while we are still on a 3 month cycle with our sanitary sewer billing. We talked about going monthly at the same time that NEORSD did, but we found out that it was cost prohibitive and we would have to buy new software. At that point we knew that we had a couple of retirements coming up and it was perfect timing to come in and investigate this end of it. He said that we met several times and when we crunched all the numbers we think that it will save the city money and it will go to monthly billing just like the water bill. We will be able to put our sewer bill on our water bill in one monthly billing. With the storm water utility that is currently monthly and residents are getting a \$5 or \$9 bill, this would go to quarterly at the same time. So beginning July 1, 2017 residents will get a monthly water and sewer bill on the same bill and the storm water utility from NEORSD will come quarterly. Mr. Dean said that we would have to add staff to do a monthly billing in-house. A big part of our cost for billing in house is that we have to buy the reads from Cleveland Water. Because we bill on consumption, we are paying for these reads. This year it’s around \$160,000. If you add this to our costs once we get the reads to bill the residents that is where we will see the savings because if we use Cleveland Water to bill directly they will not charge us for the reads; they will just charge us a straight billing fee. He said we currently do

not have online payments set up. We have looked into this but we wanted to make a decision on if we were going to pursue this or not. Residents are going to have one bill for water and sewer and residents will be able to pay their bills online, which we know has been a big request. If there is a change or a meter read error, they will change this through the water department and it will affect the sewer bill; they won't have to call us to change it. It will be a little easier for the final reads and for changes because it will be just one call. Mr. Antoskiewicz stated that we currently have an employee that handles our sewer billing in house. Mayor Stefanik said this is correct. As everyone knows, Rita Holstein retired. The current sewer billing clerk will continue to field questions about sewer billing when residents call because we still have our sewer plants here and we provide a service. She will be transitioning up to the front office and will start cross training with our billing clerk Linda Cloonan who at some point down the road will be retiring. This falls in line with what we are doing at City Hall with the cross training of different departments such as the court. Mayor Stefanik said that everyone in the city would default into the summer sprinkling program rather than having to ask to participate and everyone will receive this discount. He said that Cleveland Water has made some great strides in the last 5-10 years. Their website allows you to see how much water you use by the hour. You can go back and punch in a date to see how much water you used on that date. He said their transition to monthly billing has been very smooth and have not been receiving a lot of complaints about it. He said that regarding the complaints that Mr. Kasaris stated that he has received, he said that he is not going to go through the same thing that we went through with the rubbish and recycling where there is maybe 20 or 30 people that are upset with it, when the overwhelming majority of the city embraced the program which we are still receiving positive phone calls about. He said those 1 or 2 people can come up and state that they don't think this is a good idea, but we will go with the silent majority on this one. Mr. Kasaris said that he supports this and thinks that it is needed. He asked for the total amount of savings we will see with this. Mr. Dean said it is between \$25,000 and \$75,000. If we were going to do monthly billing in house and if we were going to take online payments the savings would be about \$75,000 because they are not passing the credit card processing fee on to us. Mr. Kasaris asked if this includes the reads. Mr. Dean said yes, we won't need the reads anymore. It will just be a flat billing fee of \$2.30 per month. Mr. Kasaris asked if this \$75,000 is in addition to the \$160,000 we will save by not paying for the reads. Mr. Dean said if you look at them doing it vs. us with monthly billing and online payments, it would save us \$75,000. Mr. Kasaris said we are going to save \$75,000. Mr. Dean said yes. Mr. Kasaris said that in the age when Gov. Kasich has wacked our budget and taken money from us, we are forced to look for ways to pave the streets and provide services. While he generally does not like to outsource, he thinks we have to look for ways to save money because we have a government to run. He said the two email complaints that he received were complaints about the service that they receive from Cleveland Water. He said that he took the Mayor's advice and went to the Cleveland Water website and found that it was completely different than past experiences. He said he called and was able to obtain the information he needed. He said that it wasn't like it was 5 years ago. He agrees that they have made strides and this is what he is telling those who have contacted him about it. Mayor Stefanik said that with the Clear Reads program, they can actually detect if a toilet is running in your home and will send you a letter or call you to let you know that a red flag has been seen. Mrs. Hannan asked if this red flag capability is new. Mayor Stefanik said yes, this is with the new system that they have installed with all the reads being done electronically. Mr. Antoskiewicz said that he understands that there will be some confusion in the beginning, especially with those who want to pay their bill in person, but he also knows that there has been confusion receiving two bills every month. He said that eventually all of it being on one bill will really be a big help and residents will get used to it. Ultimately, he thinks that this is a better way of doing it. Mayor Stefanik suggested that we place this on Second Reading and refer it to the Finance Committee for discussion. Any questions you may have should be directed to Mr. Dean. Mr. Langshaw said that he has heard from his residents that they are sick of seeing so many different bills that they don't necessarily understand. So he likes that we are saving taxpayer dollars and that we are simplifying things. He commended the Mayor and Mr. Dean for being forward thinking on this and being on top of this. Mayor Stefanik said that here will be information about this in the city newsletter, on our Facebook page as well as informational guidelines in the bills will be sent out. Mr. Nickell asked about minimum usage, will that be looked at separately. Mayor Stefanik said that we are going out for a rate study and this will be looked at during this process. He said we are looking at getting rid of the 1 mcf minimum because it is not fair, but it was all a part of the original rates of 20 years ago when we were paying off the

loan. We had to keep the minimum because it was part of the anticipated revenue. But now that the loans are paid off, we can look at this charge and hopefully do away with it.

ADJOURNMENT

Moved by Mr. Kasaris, seconded by Mr. Nickell **to adjourn the May 2, 2017 meeting.** Yeas: 3. Nays: 0.

Motion carried. Meeting adjourned at 6:43 p.m.