CITY OF BURTON
FINANCE SUB-COMMITTEE MEETING MINUTES
SEPTEMBER 8, 2009, 6:15 P.M., COUNCIL CHAMBERS
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The Meeting was called to order by Finance Chairman Steven Heffner at 6:20 p.m.

MEMBERS PRESENT: Heffner, Tinnin and Zelenko.
MEMBERS ABSENT: None.
OTHERS PRESENT: G. Kray, DPW Director; M. Holzer, Utility Supervisor; Attorney R. Austin and G. Webster, City Clerk.

PURPOSE OF THE MEETING: Discussion and possible recommendations concerning the following: 1. Water Meter Rates for Well Customers

PRESENTATION:

Mr. Kray gave a break down of the meter costs for well customers. The prices include $99.00 for a radiometer reader, $94.00 for the meter and $7.50 for miscellaneous fittings. The total amount is approximately $236.00 depending on the supplier and current fees. An administrative fee of 15% is added to process the order. There is no extra cost for a final inspection.

AUDIENCE PARTICIPATION:

John Stapish, P.O. 109134, opposed the $50.00 sewer increase. He wanted proof that this was an accurate charge. He said there was nothing extra being done for him.

Roma Eargood, 1179 Sunnydale, wanted to know if a meter was mandatory.

Mr. Heffner indicated it was not mandatory to purchase a meter. The committee was exploring the possibility of adjusting costs for well customers to install meters.

Mrs. Tinnin said the Regular Meeting was at 7:00 p.m. That is when residents would address concerns regarding sewer charges. This meeting was posted to discuss the cost of a meter to monitor sewer usage.

COMMITTEE DISCUSSION:

Mrs. Tinnin thanked Mr. Kray for the break down of the meter costs. She indicated that the parts were being provided at cost. It would not be cost effective to reduce the price. There is a cost for the plumber to install the meter. Then there will need to be an inspection. The meter might be cost effective for a single-family homeowner.

Mrs. Zelenko didn't think it would be fiscally responsible for us to go below our costs. She proposed adding the costs of the meter to the sewer bill and spreading it out into small payments. This might help customers afford the new meter.

Mr. Kray said the meter costs could not be added to the sewer billings at this time. Currently, customers pay for the meters at DPW. He did not know if the City could accommodate payments in the future.

Mr. Heffner spoke in favor of waiving the administrative costs, adding the meter charges to the sewer bills and then allowing customers to make payments. Any help we could provide would ease the burden for the residents. The meter would probably help reduce the billings for small households.

Mr. Austin asked for clarification on the 15% administrative fee. Mr. Kray indicated all services have always included the 15% fee. Mr. Austin said the Council could amend the rates by resolutions.

Mrs. Tinnin said even if the rates were adjusted by resolution, a payment schedule would have to be put in place. There needs to be more research. The Treasurer needs to determine how to approach this issue. Mr. Kray said if it were added as a lump sum, residents would have to pay it off or late charges would be assessed. There needs to be a schedule first.

Mr. Kray said there has not been much interest for the meters. However, there has only been one quarterly billing cycle since the increase.

Mr. Heffner said there is a misconception that we are pushing the meters so we can charge residents for their well water. That is not the case at all. This is just a tool to see how much waste goes into the sewer. Mr. Kray said if people are metered and have a leak or use more water than anticipated, they could have a huge sewer bill. It can work both ways.

Mrs. Zelenko said more research was needed before going forward with this issue. In addition, we should determine if there is a demand for the meter.

Mr. Kray said the Treasurer's Office should be invited to any future meetings on this topic. Mr. Heffner would like to see if the meter costs could be added to the bills. It is a lot easier for people to pay a small portion at a time.

Mr. Austin planned to research the 15% administrative fee. In Section 51.141, it refers to charges for repairs are the responsibility of the premises served and will be billed at actual time, material, costs including overhead equipment rental, plus a 15% administrative fee.

Mrs. Tinnin wanted to know when everyone would have received their first billing with the sewer increase. Mr. Kray said by the first week in November all well customers should have received a bill with the new charges. She suggested we wait to determine what the demand is for the meters. If there is a moderate demand, we should certainly do something to help people. Maybe the cost could be broken out over a year. This would make it more affordable. Mr. Heffner agreed with those comments. It would really help the seniors who leave the State for the winter. Mrs. Tinnin said if we could save them the 15% administrative fee that would be helpful. If we can break even and help the residents, why not do so.

Mr. Austin asked how much administrative time was required to finish the meter order. Mr. Kray said the implementation of the meter could take DPW workers up to an hour to complete. Residents are not being charged for the final inspection. This is a savings of $25.00.

Mrs. Zelenko suggested waiting until everyone received their first billing with the new rate. Then we could readdress the issue. In the meantime, we could gather more information on the feasibility of adding this to the bills and reducing the administration charges.

COMMITTEE RECOMMENDATIONS:

There was no finance recommendation.

Meeting adjourned at 6:45 p.m.

Gayle K. Webster, CMC
City Clerk