

HEALTH, SANITATION AND PUBLIC UTILITIES COMMITTEE

JANUARY 27, 2015

The meeting was called to order at 6:04 p.m. by Chairman Todd Grayson. Committee members present were Todd Grayson, Tim McCarthy and Rick Rettig. Also present were Bridgette Kabat, City Administrator, Mathew Beredo, Law Director, and Alice Godsey, Director of Public Utilities.

RESOLUTION OF SERVICES – SCHOEN ANNEXATION

Mr. Beredo stated that City Council previously approved a Municipal Utility Overlay for property on Hull Prairie Road adjacent to the Sanctuary in the Woods subdivision. The applicant for the MUO is Aaron Schoen who plans on developing the property into fifteen lots for single family homes. As required by the MUO, the applicant has filed an annexation petition. The next step in the annexation process is for the City to describe why types of services will be provided if this property comes into the City. Normally this goes through the Planning and Zoning Committee, but there is a short timeline to get it filed. The Administration requested approval of a Resolution of Services for the Schoen Annexation. The Committee agreed 3-0 to recommend approval of the resolution.

CONSTRUCTION UPDATE ON WWTP PHASE III

Ms. Godsey reported that construction on Phase III at the Wastewater Treatment Plant is 78% complete. Construction should be completed in October, 2015 as opposed to the required date of April, 2016.

WATER RATE STUDY AND RECOMMENDATIONS

Ms. Godsey distributed results of the water rate study she conducted to review our rates in light of the City of Toledo increasing their water rates. She said that overall, 2015 operating expenses will be less than what was projected in the 2012 Rate Study, so net revenue is expected to exceed half a million dollars in 2015. The increased cost of purchased water has been absorbed in the 2015 operating budget. The effect in the capital fund is absorbed due to a \$3 million dollar carryover. However, they do expect an impact in either the operating or capital fund in 2016. Mr. Grayson expressed concerns that there are a lot of pipes that need to be replaced and we might be better off raising the rates now instead of waiting until 2016. Ms. Kabat said that as of today, the Administration has not pushed off any projects that were planned. Mr. Grayson said that he would like to get this forecasted out as soon as possible because Toledo got into their trouble by kicking the can down the road. Mr. Rettig asked where we stand with looking at an emergency connection from a second source. Ms. Kabat said that City Council approved a grant application, but we were not awarded the funding. Mr. Grayson said that he feels it is worth paying for ourselves. Jim Hagen, Avenue Road, suggested taking a look at recycling the water we are putting back in the river. Mr. Grayson noted that the biggest cost is a water treatment plant.

FEE FOR FAILURE TO PROVIDE ACCESS TO CHANGE OUT METER

Ms. Godsey stated that in 2007 the City began a conversion to radio read meters. Over 8,000 accounts have made the conversion, but there are several hundred residents that

have ignored written requests to provide access so their meter can be changed out. She said at least four notices have been given to these residents. In an effort to incentivize people to allow access to their meter which is required by the Code, the Administration is proposing a change to Rule 6 of the Water Rules which would permit a \$50.00 charge per account for those with the old style meters and remotes. This charge will cover the cost of sending an employee out to manually read the customer's remote. The Committee agreed 3-0 to recommend approval of an ordinance authorizing this fee provided that customers are notified that starting with their next bill they will be charged this extra fee.

OTHER BUSINESS

Ms. Godsey reported that weather permitting the tank will be lifted at the Fort Meigs Road water tower either Thursday or Friday.

There being no further business, the meeting adjourned at 6:59 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Todd Grayson", with a long horizontal flourish extending to the right.

Todd Grayson, Chairman
HSPU Committee

Next meeting: Tuesday, February 24, 2015 at 6:00 p.m.