

# MINUTES

## September 25, 2019

### SPECIAL MEETING OF THE CITY COUNCIL

#### CITY HALL – COUNCIL CHAMBERS

#### 4:00 p.m.

Present: Mayor Barbara G. Volk, Mayor Pro Tem Ron Stephens and Council Members: Jeff Miller, Steve Caraker, Jerry Smith

Staff Present: City Manager John F. Connet, City Attorney Samuel Fritschner, City Clerk Tammie Drake, Finance Director John Buchanan, Revenue Supervisor Jennifer Musselwhite, Budget & Management Analyst Adam Murr, Communications Director Allison Nock, Utilities Director Lee Smith

The purpose of the special meeting is to discuss and consider amendments to customer service policies, etc.

**1. Call to Order:** Mayor Volk called the special meeting to order at 4:00 p.m. and welcomed those in attendance. A quorum was established with five members in attendance.

**2. Discuss and consider amendments to customer service policies:** Mr. Connet stated finance staff has worked to create standard policies and a procedure manual for revenue collection. He stated this will assist in collecting revenue and avoid inequity in customer accounts. He stated some of the amendments will affect the City Code and others will update the policies, some of which related to solid waste.

**Billing Policy and Procedures:** Mrs. Musselwhite reviewed the proposed policy that comply with the most recent laws. She noted upon agreeing to receiving City utility services, i.e., water, wastewater, stormwater and solid waste collection, customers agree to abide by City policies. She reviewed in detail each of the following:

**Standard Application Policy:** Every customer will apply for service, documentation, a valid government identification and a social security number (and associated privacy policy - Fair Credit Act), are required. There was discussion of types of identification, documentation and validation of ownership of property.

**Tenant/Landlord Application:** This will assist in establishing responsibility for charging/billing. The property owner is the contracting person. When a tenant leaves a property, bills will revert to the owner. Utility service will still be available to vacant rental units. Adding a deposit will also assist in recovering non-payments. This will also affect billing for garbage. For the master meter situation, every rooftop will require a separate meter and one garbage can; only the owner is billed. The application must be updated annually. For multi-unit residences, the owner must provide a list of all occupants and contact information.

**Non-Payment:** Service may only be reinstated if arrangements are made to pay the full amount due on the account along with proof the non-paying tenant resides at the unit. Owner(s), property manager(s), tenants may be denied service if they are delinquent at any utility service location.

**Tenant Agreement/Revert to Owner:** This will require the owner to maintain continuous service while the unit is vacant. The owner will be asked to notify the City when a tenant vacates. Requiring a deposit will help cover charges that are not paid. When an owner does not enter in a “revert to owner” contract, the meter will be turned off and charged a visit fee so there is no water usage. The new tenant will start the service and charged a visit fee.

**Contract Terms:** The initial contract term is 12 months and will be automatically renewed for 12 months. Termination of the contract must be provided in writing by either party and City staff must be notified and directed to activate meters at a property that is not in use.

**Establishing Services:** All connections to the utility system will be active and billed. The “snowbird” policy or will be discontinued. There was discussion on new construction and condemned structures. The Council agreed the meter should be pulled until the building is rehabbed. There was discussion on the definition of a connection: when the tap is made, and the meter is set. The owner will be charged the base fee if the structure is habitable, whether it is occupied or not. The City must be notified of demolitions, the owner would have to reapply for service. There should be very few instances where a meter is pulled. Mr. Connet explained the base charge is set on what it cost to run the system. If those who have access to the system are not paying the base charge, others may have to pay more. Mr. Buchanan reiterated the cost of providing the service does not change, e.g., employees still have to be paid, etc. The same is true for solid waste – we still have to pay employees, buy equipment, etc. Inactive accounts **The Council agreed the solid waste collection should remain on the water bill.**

**New Ordinance Proposed for Electronic:** The City may authorize electronic signatures in any document in which a signature is required. Electronic Signatures must comply with the following requirements:

- The signature is capable of verification,
- The signature is under the sole control of the person using it,
- The signature is linked to the data in such a manner that it is readily ascertainable if the data is changed after the signature is applied.

*Deposit Requirements:* A company out of Greenville, SC provides the on-line utility credit check. There are three tiers:

- low risk (green flag) - deposit waived for owners unless a tenant occupies property then tenant pays the deposit, \$0 for residential; \$125 for industrial and commercial
- medium risk (yellow flag) - credit check indicates previous credit reports have negative reporting, late payments, etc., \$80 for residential; \$175 for industrial and commercial
- high risk (red flag) - The credit check indicates previous credit reporting has a negative reporting and collections. \$120 for residential; \$250 for industrial and commercial

For solid waste only, a deposit is required to cover the cost of the cart: \$60 for low risk, \$80 for medium risk and \$120 for high risk.

Every customer will be required to follow the guidelines. Former customers will not be required to pay a deposit unless they have a negative credit history. The City retains the right to keep the deposit indefinitely. After 24 months of positive credit history, the deposit will be applied to their account as a credit. The customer may also be billed for the deposit and is subject to disconnect. The deposit may be applied to past due or delinquent accounts and it may have to be restored.

Staff recommended eliminating the ACH incentive in lieu of deposit because of collection problems.

*Discontinuing Service:* Exceptions to discontinuing service is if the property is condemned or demolished. Billing will stop upon receipt of documentation. Corrective billing will be implemented if it is found service is being used.

*Waste of Water:* The City may disconnect service when repairs are not made within 30 days of detection. **The Council agreed a certified letter should be sent to both the property owner and the tenant, so they know when 30 days' notice begin.**

*Utility Billing Procedures:* The late fee and disconnection dates will be changed to prevent high balances. Council Member Smith requested notification/education of the changes and through letters, billing notice, etc. Discussion followed on how payments are processed (payment order): fees, miscellaneous charges (stormwater, taps), sanitation, sewer, water.

The proposed revisions to the ordinances were reviewed.

*Rebate Policy:* Customer-side shut off valves are highly encouraged. Staff suggested removing the cap to the funding limit to encourage more.

Mr. Connet recommended customers be required to connect to City water and/or sewer within 30 days of the failure of a well or septic tank system if a line runs to their property for an added level of protection.

**3. Adjournment: The meeting adjourned at 6:07 p.m. upon unanimous assent of the Council.**

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Barbara G. Volk, Mayor

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Tammie K. Drake, City Clerk