

*Clerk
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Board of Alderman Committee Minutes

Public Works Committee

**Date: 04/13/2017 Chair: Alderman Larson Convened: 5:30 p.m.
Adjourned: 6:05 p.m,**

**Committee Members Present: Alderman Larson, Alderman Mattis,
President Davis (to provide a quorum).**

Other Alderman Present: Alderman Ettori

Others: Gail Gorruso; D.P.W. Office Manager, no media present.

The Public Works Committee met in the downstairs Conference Room of Rutland City Hall to discuss a proposal referred to the Committee by Board President Sharon Davis

President Davis expressed concerns received from constituents concerning the water/sewer utility billing due dates being close to property tax due dates.

The concern being that it is difficult for system users to budget for two bills in close proximity and thus moving the due dates would provide some relief to ratepayers.

The Chair read an email (attached) from Public Works Commissioner Jeffrey Wennberg, who could not attend the meeting, indicating that he was a strong advocate for the change.

Commissioner Wennberg also indicated that given the complexity of the change that several meetings might be required before a final decision/solution is enacted.

President Davis pointed out that under Title 19 of the City Ordinances, billing dates are noted and that an ordinance change may be required, so research would be necessary from the City Attorney.

Gail Gorruso provided the Committee with a spread sheet (attached) that shows a proposed schedule of billings that would commence in Fiscal Year 2018. Mrs. Gorruso stated that the budgetary impact would be as follows:

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- A. With the 2018 budget already approved, the timeline of this implementation will allow correct budget projections for FY19. The revenue lost in FY18 compared to budget will be about \$133, 800.00 for water, \$138,600.00 for wastewater treatment, and \$36,000.00 for wastewater collections. The total water and sewer revenue impact would be around \$308,000.00 below budget.**
- B. The impact on the utility system consumers: During the implementation period the customer will receive a bill based on fewer read days than average. 71 instead of 90, so the bill will be less than normal by about 21%. Then bill would return to normal billings. The City would absorb the \$308,000.00 budgetary loss, so the customers would not have to make that up in their bills.**
- C. There would be significant public informational processes deployed by D.P.W. to inform the customers of the changes as well as bill paying arrangement changes the customer may have to make and how posting of interest and penalties on delinquencies will change.**

Another positive of the changeover would be a potential reduction in collection activity in both DPW and the City Treasurers Office as more timely paying of bills may occur, thus saving ratepayers penalty payments.

There was some discussion about other potential scenarios for change; however the D.P.W. Office Manager indicated to the Chair that the proposed schedule was the most favorable workable schedule. The schedule had been formulated after several internal meetings within D.P.W.

The billing changes will remain in Committee pending further study.

It was decided by unanimous vote to refer to the City Attorney for determination of Ordinance Change and decision on whether an additional referral to Charter and Ordinance is required. I so move:



Alderman Ed Larson---Chair Public Works Committee

El. 04/14/2017 08:36 a.m.

Public Works Committee Meeting									
Thursday, April 13, 2017									
Changing Billing and Payment Dates for Water and Sewer Utility Billing									
Days in									
Fiscal Year	Quarter	Billing Period	Quarter	Read Dates	Bill Run Date	Bill to Customer	Due Date		
2018	1st Qtr (July, Aug & Sept)	6/21/17 to 9/20/17	91	8/1/17-9/12/17	9/24/2017	10/1/2017	11/1/2017		
	2nd Qtr (Oct, Nov & Dec)	9/21/17 to 12/20/17	90	11/1/17 to 12/13/17	12/24/2017	1/1/2018	2/1/2018		
	3rd Qtr (Jan, Feb & March)	12/21/17 to 3/20/18	89	2/1/18 to 3/15/18	3/24/2017	4/1/2018	5/1/2018		
	4th Qtr (April & May)	3/21/18 to 5/31/18	71	4/19/18 to 5/31/18	6/7/2018	6/15/2018	7/15/2018		
2019	1st Qtr (June, July & Aug)	6/1/18 to 8/31/18	91	7/15/18 to 8/26/18	9/7/2018	9/15/2018	10/15/2018		
	2nd Qtr (Sept, Oct & Nov)	9/1/18 to 11/30/18	90	10/15/18 to 11/26/18	12/7/2018	12/15/2018	1/15/2019		
	3rd Qtr (Dec, Jan & Feb)	12/1/18 to 2/28/19	89	1/15/19 to 2/26/19	3/7/2019	3/15/2019	4/15/2019		
	4th Qtr (March, April & May)	3/1/19 to 5/31/19	91	4/15/19 to 5/26/19	6/7/2019	6/15/2019	7/15/2019		
Impact on Budget: With the 2018 budget already approved, the timeline of this implementation will allow correct budget projections for FY19.									
The revenue lost in FY18 compared to budget will be about \$133,800 for water, \$138,600 for wastewater treatment and \$36,000 for wastewater collection. The total water and sewer revenue impact would be around \$308,000 below budget.									
Impact on Customer: During the implementation quarter, the customer will receive a bill based on fewer read days than average - 71 instead of 90, so the bill will be less than normal by about 21%. This should be forewarned in the pre-implementation notices.									
Beginning Q1 2019 bills will return to normal.									
Notice to Customers: Inserts in at least two billings prior to implementation. Notice on DPW Facebook page, City website and the Rutland Herald.									
Impact on Collections: Where applicable, customers will have to change their payment date with their banks for direct bill pay or when signed up for automatic withdrawal that the payment will be drawn out earlier.									
Also, posting of interest and penalties on delinquencies will change from the 1st of the month to the 15th - 5%, 8%, 1%.									

