

Rutland City
Board of Alderman Committee Minutes
Public Works Committee

Date: 10/30/2017 Chair: Larson Convened: 5:30 P.M. Adjourned: 6:55 p.m.

Committee members Present: Chair Ed Larson, Alderman Gary Donahue, Board Of Alderman President Sharon Davis (to make quorum).

Others Present: Rutland City Public Works Commissioner Jeffrey Wennberg

Rutland City Treasurer Wendy Wilton

Rutland Public Works Manager Gail Gorruso

Bob Flaherty, Regional Vice President of FATHOM

Alan Keays, Vt. Digger

Several months ago the Rutland City Board of Alderman referred the issue of reviewing or changing water and sewer utility billing dates to the Public Works Committee. During that time the Rutland City Department of Public Works had been looking into the possible outsourcing of utility billing. This would be an "Integrated Fixed-Network Advanced Metering Infrastructure System with Meter Data Management, Utility Billing and Customer Care Services." Commissioner Wennberg invited Bob Flaherty, the Regional Vice-President of FATHOM, a company which provides such services to municipalities through telemetry and web based monitoring and billing for water and sewer usage.

Commissioner Wennberg that the Department of Public Works looked for a radio remote monitoring system, and methods to replace the current water meters under a fifteen year replacement cycle. Currently sixty(60%) are newer meters yet are now reaching their life expectancy, and that forty (40%) are older meters. Commissioner Wennberg stated that City Treasurer Wendy Wilton put the Department of Public Works in contact with FATHOM. Commissioner Wennberg

further stated that there were a number of assumptions which had to be discussed and since April of 2017 his department has communicated with FATHOM concerning the viability for Rutland City. FATHOM undertook detailed analysis of our system and needs, and the Commissioner was sufficiently comfortable with FATHOM's proposal for handling the installation, monitoring, billing, customer contact and costs.

Bob Flaherty stated to the Committee that FATHOM utilizes Smart Grid for Water to better manage water scarcity, improve efficiencies within the systems, increase customer service and provides the opportunity to bill for every drop of water utilized. The technology will allow the City to matrix in to the Memrik Computer Program if customers desire to pay their bills in City Hall, or there is online bill payments or payment by mail. Additionally: the FATHOM program is operating in over 160 public water systems on over four million meters. Mr. Flaherty stated that FATHOM is technologically agnostic as it can accept, homogenize and normalize data from any metering technology. With four to six times daily monitoring of flows FATHOM can notify utility customers of excessive usage over previous billing periods which may point to leaks in the customers home or business. Also this would assist Rutland City in monitoring and locating large system leakages in the infrastructure. FATHOM can set up the billing process to the City's needs, which could be monthly, quarterly or whatever Rutland desires.

President Davis asked if FATHOM would install the new meters and was answered in the affirmative. President Davis questioned whether this would result in a loss of jobs in D.P.W. and Commissioner Wennberg advised that would not be the case. That three employees would be affected, however there was plenty of work for them already at hand.

Alderman Donahue inquired if the system was radio communications oriented and Mr. Flaherty stated in the affirmative, and that small antennas would have to be situated on utility poles throughout the City to capture the signals.

The Chair asked Gail Gorruso if an out sourcing of utility billing would be an asset for her office? Mrs. Gorruso stated that initially there will be a heavy workload as the transition takes effect but the long term impact would be a better level of communication with customers through the new process.

The Chair Asked Commissioner Wennberg if FATHOM would determine utility shut offs? Commissioner Wennberg stated that would remain with the Department of Public Works. A second question from the Chair inquired if surrounding towns utilizing City Water had been contacted or approached about the potential change and the answer was in the negative as the concept was still discussionary. Mr. Flaherty did state that FATHOM did an analysis of Rutland Town usage and Alpine Pipeline and felt the change would be more cost effective for all. Mr. Flaherty stated that nationally the cost of utility billing is about \$10-\$24.00 monthly spent by municipalities. FATHOM places a target of \$9.00 per month and that the current analysis for Rutland City was about \$3.77 per month for the six thousand customers; however costing would be at a \$7.84 per month due to the cost of the meters.

Commissioner Wennberg stated savings in the current Meter Division Budget alone could amount to \$115,000.00 annually as FATHOM has responsibility for the meters.

When asked how long the installation process would take to replace all of the 15,000 meters, some questions arose. Would FATHOM do all of the installation work themselves. Commissioner Wennberg stated that only employees of D.P.W. and a limited number of others can touch water meters under State Law.

He further indicated that D.P.W. was hoping for a replacement of all meters within one year and would be thrilled if it only took six months. However, D.P.W. would be required to hire between seven to ten temporary employees would be assigned to FATHOM to do the installations. This drew some comments about dealing with the D.P.W. Union, as well as City Benefits for temporary employees, etc. These matters would have to be resolved prior to any contracts being signed and temporary hirings.

Mr. Flaherty provided a twenty-one page power point presentation, which is attached to this report.

It is the Chairs hope that members of the Board of Alderman who have not seen or read this presentation do so as it may change the structure of our water and sewer billings.

No formal action was taken at the Committee Meeting, however nothing would prevent the Board of Alderman from authorizing an RFP relative to the changes in order to determine if other firms could do the billings, installations, monitoring, etc. more economically.

At this time the matter remains in the Committee of Public Works.

Respectfully submitted: Alderman Ed Larson-Chair 10/31/2017

A handwritten signature in black ink, appearing to be "Ed Larson", written over a horizontal line.