

MINUTES
LAWTON WATER AUTHORITY SPECIAL MEETING
APRIL 25, 2017 - 6:00 P.M.
LAWTON CITY HALL
COUNCIL CHAMBERS/AUDITORIUM

The meeting was called to order at 6:04 p.m. by Acting Chairman, Doug Wells. Notice of meeting and agenda were posted on the City Hall notice board as required by law.

ROLL CALL

PRESENT: Bob Morford, Keith Jackson, Caleb Davis, Jay Burk, Dwight Tanner, Jr., Cherry Phillips, V. Gay McGahee, Doug Wells.

ABSENT: None

ALSO PRESENT: Jerry Ihler, City Manager; Frank Jensen, City Attorney; Traci Hushbeck, City Clerk.

CONSIDER APPROVAL OF MINUTES OF NOVEMBER 22, 2016.

MOVED by Jackson, SECOND by Burk, to approve the minutes of November 22, 2016. AYE: Morford, Jackson, Davis, Burk, Tanner, Phillips, McGahee, Wells. NAY: None. MOTION CARRIED.

NEW BUSINESS ITEM:

1. Consider adopting a resolution authorizing increases in utility fees for water service restoration and water meter testing, and establishing a new fee for additional trips to restore water service, as set forth in Exhibit "A" to the resolution for implementation by the City of Lawton in Appendix A, Schedule of Fees and Charges, Lawton City Code, 2015, and establishing an effective date. Exhibits: Resolution No. 17-__, Exhibit "A" – Sections 22-104, 22-206, 22-213 and 22-218, Article A-22-1, Appendix A, Schedule of Fees and Charges, Lawton City Code, 2015.

J.I. Johnson, Finance Director, stated this will change the water meter testing fee from \$10.70 to \$20, the service restoration fee during working hours from \$25 to \$35 and they are adding a \$20 fee in the event that our field techs have to make an additional trip to turn someone's service back on when they did not keep the appointed time that was scheduled. These fees have not been changed since 2008 and the water testing fee has always been \$10.70 since at least 1993. Staff did survey the fees in municipalities in Oklahoma and Northern Texas that are similar in size to Lawton and they found that we were significantly lower than our peer cities.

Wells stated he has argued against service fee increases since he has been on council. We have a poor community and these fees would be added on to the lower income citizens because they are usually the ones who have problems paying their water bills. He personally cannot support this increase.

Phillips questioned if staff has the numbers to substantiate these increases.

Johnson stated our revenues are well below what we have projected for the year and they are not trying to make those up with these three fee increases. These fees may only affect a small minority of our water customers, but those that are struggling to pay their water bill need to make contact with the City because we do offer payment plans for those people that are in a bind. He stated we have a hard time when we send people out to restore service and someone is not there and we end up having to go back. Those add to our expenses in manpower, time and fuel.

McGahee questioned if it costs \$35 to go out to restore water. She understands the \$20 return fee if you have established a date to come and no one is there and you have to make a return trip.

Johnson stated he cannot answer that specifically, but he can say that our enterprise funds are not making a lot of money for the city when you consider the personnel costs.

McGahee stated staff has not been able to cost out the expense to make that trip.

Ihler stated staff did look at and evaluate what the costs were for us to run out and provide these services and they are trying to bring the fees more in line with what the costs are.

Mardi Repasy, Supervisor for Revenue Services, stated she does not like to raise fees and she knows that customers struggle to pay their water bill, but you have to remember, even though they call it a service restoration fee, we have gone out once to turn it off and then they go back out to turn it back on. On an average they turn off and on 1,100 customers a month and she feels that they have not raised the fees in a long time and the locks cost more, salaries have gone up, gas has gone up as well as vehicle wear and tear. She feels this is a reasonable and responsible increase.

Wells stated we are still doing what we did thirty years ago when someone has service turned on we say we will be there between one and five. That was fine when we didn't have cell phones, but he would like to see us try to call the citizen thirty minutes before we are supposed to be there like other utilities are doing. Most of the people who are getting reconnected are people who have jobs and they probably have a hard time getting four hours off work and losing four hours of pay to sit around all afternoon until someone shows up.

Repasy stated there are things they could do better, but there are costs involved. The employees are not provided cell phones so they use their personal phones to communicate.

Wells stated that is something we need to look at.

Burk stated we have to keep up with costs and there has to be some sort of a fee for sending someone out three times. We have to be more consumer friendly and we need city phones for staff to be able to use and call citizens to let them know they are on their way. This makes a big difference to citizens. He would like to see the council table this issue until they can get a better understanding of what the true costs are as far as man hours, fuel and what it costs us to run one of these calls.

Repasy questioned if the council had an objection to adding the \$20 fee for staff making the second trip.

Tanner stated his major objection is charging for the additional trips to restore service because you don't have to turn the water on, you can go ahead and install the meter, there is a little valve on there for the owner of the property. He is assuming the reason we go back out is that some of these folks don't know how to do that, because if they did it takes about five seconds or less to turn it on.

Repasy stated the additional trips don't happen very often and they do try to walk them through the process when they call in.

Tanner stated most folks get their water turned off because they can't afford to pay their water bill and when they go to reconnect this there will be an additional deposit of \$50, \$60 or \$70.

Repasy stated it does come up but not very often because if you use the same amount of water consistently from when you had your deposit then you are not going to have an increase. Only if you have increased consumption over a twelve month period would you have a small increase. In the few instances it is more like \$5 or \$10.

Tanner stated first you have to catch your water bill up that you are behind on, then you possibly have to pay an additional deposit, then you have to pay a \$25 reconnect fee and possibly the new \$20 fee.

Repasy stated they are not going to be unreasonable, if you are elderly or disabled and you cannot open the valve they would not charge you for that because that is something they have to deal with.

Tanner questioned if we can selectively charge who we want to charge and not charge other people.

Wells stated he thought we had to do it because of liability. If that water is turned back on and that house gets flooded before they get back in there the city has a liability.

Tanner stated he is seeing a lot of low income families that may have fallen on hard times and he cannot support this and he feels they need to look at different avenues to create some additional income. With the 1,100 reconnects a year it will increase what the city collects by \$11,000.

Ihler suggested they table this item until they can get some exact costs.

Davis questioned if they table this item will the council item also be tabled.

Wells stated council item #9 will be stricken from the agenda.

Davis stated the position that does this is paid \$2.70 more today than it was in 2008. The cost of gasoline was an average of \$3.50 in 2008 and now it is \$2.11, so those costs of an average run

probably offset themselves. He does not know what other increased costs there are and he is disappointed that we are asking to raise a fee when we don't have an exact cost. If we are trying to cover costs then why don't we know what it is costing now and what exactly does it take to cover those costs. He would like to look at forming a committee to look into privatizing this. He talked to a contractor that could provide these services at not great than \$25 with no more than a two hour response time which is better than what citizens are getting now through the city. If it is truly costing us \$35 each time he does not feel that is efficient as it would be to contract this out. We could provide a better service at a lower cost and also take away personal injury liability and overload on staff. He cannot support raising these fees.

MOVED by Burk, SECOND by Tanner, to table.

SUBSTITUTE MOTION by Wells, SECOND by McGahee, to not approve. AYE: Morford, Jackson, Davis, Burk, Tanner, Phillips, McGahee, Wells. NAY: None. MOTION CARRIED.

(Mayor Fitch joined the meeting at 6:26 p.m.)

Jackson stated he really appreciates the city employees doing their job and what they have been asked to do. We have had significant budget issues in the past few years and they have asked department heads to look at every aspect of their department and cut back anywhere from 5-15% and he appreciates what revenue services has done.

Tanner stated he applauds their efforts also but he cannot agree but this seems to targets the lower income.

Jackson stated they will need to make some hard decisions.

Tanner stated there are other areas where they can cut that would not affect the lower income citizens in our community. We need to focus on water revenue and the meters because they are the city's cash registers.

Davis stated he would still like to form a committee to look at privatization.

Mayor Fitch stated they are not going to form a committee, staff is more than capable of working out something and bringing it back to the council. We have so many committees and it is ridiculous.

Davis stated the committee will look at saving on the cost and providing better service.

Mayor Fitch stated staff can look at this.

Davis stated the staff they didn't do it this time, they didn't even know what the cost is.

Mayor Fitch stated the staff will do what they need to do to bring this back. We don't need another committee.

Tanner stated it is the prerogative of the elected officials, according to the city charter, if they would like to form a committee, they don't need the Mayor's approval. If Councilmember Davis wants to form a committee, that is his prerogative.

Jensen stated according the Council Rules of Procedure, it says on his own determination or on a vote of the council, the Mayor may appoint a special committee to the council. He stated the Mayor is suggesting that the council give staff a chance to look at it first and then if the council feels they need to form a committee after that then do so.

Tanner stated an elected official does not have a prerogative to form a committee of their own.

Jensen stated the council can vote to form a committee.

Tanner stated it was his understanding that a council member could form a committee.

Davis stated we voted this item down and we are assuming that staff is going to be directed to work on this issue and bring this back to the council.

Mayor Fitch stated that is correct.

MOVED by Davis, SECOND by Tanner, to form a council committee to look into this issue.
AYE: Davis, Tanner, Phillips, Wells. NAY: Morford, Jackson, Burk, McGahee, Fitch.
MOTION FAILED.

ADJOURNMENT

There being no further business to consider, the meeting adjourned at 6:32 p.m. upon motion, second and roll call vote.

FRED L. FITCH, CHAIRMAN

ATTEST:

TRACI HUSHBECK, SECRETARY