



WATER/SEWER AD HOC COMMITTEE MINUTES
Monday, February 4, 2019, 10:00 A.M.

Present: Committee Members: Chairperson, De’Keither Stamps; Vice Chair, Charles H. Tillman; Melvin Priester, Jr., Council President; Aaron Banks and Virgi Lindsay, Vice President. Guest: Ashby Foote. Directors: Dr. Safiya Omari, Chief of Staff; Kristi Moore, City Clerk; Angela Harris, Deputy City Clerk; and Timothy Howard, City Attorney.

Absent: None.

The meeting was called to order by **Chairperson, De’Keither Stamps.**

DISCUSSION: WATER, SEWER, SOLID WASTE METERING BILLING SYSTEM AND THE CONSENT DECREE: Chairperson Stamps recognized **Robert Miller**, Director of Public Works, who stated that the majority of his presentation would best be suited for executive session as it relates to future litigation involving Siemens, the United States EPA (Consent Decree) and United Water. **Director Miller** read the following problem statement:

- The metering, billing, and collection system for the water, sewer, and solid waste system is not billing and collecting the authorized tariffs. During the first four months of Fiscal Year 2018/2019, while billed revenues of \$20,545,322.67 are \$923,951.67 or 4.7% more than budgeted, collections of \$15,281,735.14 are \$4,339,635.86 or 22.1% less than budgeted. As a result, the water, sewer, and solid waste systems have cash balances that are significantly below the levels necessary to sustain operations.

Council Member Foote asked for an explanation for the shortfall in revenue. **Director Miller** stated that the primary focus was placed on providing bills to customers that haven’t received bills (stranded accounts). **Director Miller** stated that primary focus will be on developing a collection strategy resulting in approximately two hundred (200) daily water turn offs. He also stated the staffing is down with approximately 50% vacancies in the sewer and water maintenance departments.



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Chairperson Stamps asked if the City would be in violation of the bond covenant. **Michelle Thomas**, the City’s Financial Consultant, who stated that the City is focused on improving collections. The staff is updating a RFP that will assist with collection services. **Ms. Thomas** stated that if the City can collect 75% of the current aged bills, we can meet the loan obligations for the current fiscal year. It is unlikely that utility will be able to repay the \$5.288 million by September 30th, and that would be problematic. **Ms. Thomas** stated that the loan should be repaid by the end of the fiscal year.

Chairperson Stamps recognized **President Priester** who moved, seconded by **Vice President Lindsay** to consider going into Executive Session to discuss potential litigation and personnel matters. The motion prevailed by the following vote:

Yeas- Banks, Lindsay, Priester, Stamps and Tillman.
Nays- None.
Absent- None.

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President Priester moved, seconded by **Vice President Lindsay** to go into Executive Session to discuss potential litigation and personnel matters. The motion prevailed by the following vote:

Yeas- Banks, Lindsay, Priester, Stamps and Tillman.
Nays- None.
Absent- None.

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Chairperson Stamps announced to the public that the Council voted to go into Executive Session to discuss potential litigation and personnel matters.

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Council Member Tillman moved, seconded by **Council Member Banks** to come out of Executive Session. The motion prevailed by the following vote:

Yeas- Banks, Lindsay, Priester, Stamps and Tillman.
Nays- None.
Absent- None.

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Chairperson Stamps announced that the Council voted to come out of Executive Session and no action was taken.

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There being no further business to come before the committee, the meeting stood adjourned at 1:10 p.m.