



CITY OF CAYCE

MAYOR
ELISE PARTIN

MAYOR PRO-TEM
JAMES E. JENKINS

COUNCIL MEMBERS
TARA S. ALMOND
EVA CORLEY
TIMOTHY M. JAMES

CITY MANAGER
REBECCA V. RHODES

ASSISTANT CITY MANAGER
SHAUN M. GREENWOOD

City of Cayce Special Council Meeting March 20, 2013

A Special Council Meeting was held this afternoon at 5:00 p.m. in Cayce Council Chambers. Those present included Mayor Elise Partin, Council Members Tara Almond, Eva Corley, Tim James, James Jenkins, City Manager Rebecca Rhodes, Assistant City Manager Shaun Greenwood, Municipal Clerk, Mendy Corder, and Utilities Director Blake Bridwell. Staff members Gary Hubbard, Glemmie Haines, Vince Osborne, Ben Wright and Kay Hutchinson were also present.

Call to Order

Mayor Partin called the meeting to order and Council Member Jenkins gave the invocation and the assembly recited the Pledge of Allegiance.

Other

A. Discussion and review of FY2013-2014 Utility Fund Draft Budget

Ms. Rhodes stated that the first draft of the FY13-14 Utility Fund Budget is comprised of seven sub-departments; Administration, Billing, Water Plant, Water Distribution, Wastewater Plant, Wastewater Distribution and Wastewater Pretreatment. She stated each department head is present to give an overview of their sub-department.

Ms. Rhodes explained the draft budget continues the theme of budgeting in a way that allows staff and Council to properly account for how much each service costs the City's customers and citizens. She stated the budget includes the addition of a Billing sub department to properly account for the cost of billing and collecting revenues. This sub department includes meter reading, billing and customer service functions.

Ms. Rhodes stated the Utility Budget also includes the addition of the Wastewater Pretreatment sub department. This is the department that will be responsible for the new Septage and Grease Hauling Facility and for the pretreatment programs for which the City is currently responsible. She stated the facility is scheduled to come online in the spring of 2014 so this budget only includes a half a year for this department. She explained that staff has estimated budget numbers and this will allow the City's Auditors to begin the rate making process for these services.

Ms. Rhodes explained that all revenues in the Gross Revenue Fund are budgeted to go down except for sewer service charges. Water usage is down nationwide and currently the City is only selling approximately 2.5 million gallons of water a day. Ms. Rhodes stated the revenues in the Utility Draft Budget will change as staff determines the estimated increase in the Purchaser's average discharges and flows. Their permits are renewed on a calendar year basis so the City will not realize any increases until January 2014. She stated the Auditors are working on the estimated flows, permits and revenues from the Purchasers and the final calculations will be utilized in the final budget.

Mr. Hubbard reviewed the Utility's Administration Budget with Council. He stated that one additional position has been requested. This position would be the Occupational Risk and Safety Manager. Currently the Utilities Department has an employee with his Master's Degree who would be ideal for this position. Ms. Rhodes explained that currently three employees are handling safety and risk management along with their other duties. She stated the problem with this proposed new position is there is no room at City Hall for an office so he would need to be located at the Wastewater Plant.

Mr. Hubbard stated the Utility's Administration Department is also requesting a new Chevrolet Tahoe to be assigned to the Director of Utilities and the Director's vehicle would be stepped down to the new Risk Manager. Council Member James asked if there was any reason that the new vehicle had to be a Tahoe. Ms. Rhodes explained that the Director needs a SUV since he often goes to construction sites and needs a vehicle that is high off the ground.

Ms. Kay Hutchinson reviewed the Utility's Billing Department with Council. Ms. Rhodes explained that the meter readers have been moved to this department since they work so closely with staff in billing. Ms. Hutchinson stated that there are two meter readers that read all the meters in the City and one meter tech that handles work orders, etc. Ms. Rhodes stated this department collects approximately \$14,000,000 each year with a budget of \$614,895.

Mayor Partin stated she would like staff to research the cost of the City going with an envelope bill rather than a postcard bill. Council Member James suggested electronically billing customers who prefer it. Ms. Rhodes stated she would use list-serv to find out if any municipalities have software that makes this possible.

Ms. Rhodes stated staff would like for Council to consider requiring customers to pay the convenience fee that is charged when they make an online payment. Currently the City covers this fee and it costs the entire Utility Fund over \$31,000 yearly. She explained this fee is also difficult to budget for because it is difficult to anticipate how

many customers will pay online. Council Member James suggested charging the convenience fee to customers who use this service beginning in the FY13-14 budget.

Ms. Rhodes stated currently the City requires a refundable deposit for every utility customer setting up a new account. When the customer terminates service this deposit is applied to their last bill and any remaining money is forwarded to the customer. She stated most municipalities charge a non-refundable fee which requires much less staff time and does not count as a liability in the budget. She explained that if the City decided to move to a fee this would be counted as revenue. Council Member James stated staff should look into going from a deposit to a fee to get the liability off the City's books. Ms. Rhodes stated she would bring Ms. Hutchinson's research on deposits vs. fees to the next Council Meeting for Council to review.

Mr. Vince Osborne reviewed the Water Treatment Plant Budget with Council. He stated the Service Contracts line item budget increased 89.4%. This increase was based on the Water Plant having to pay for garbage service since the City is getting out of the commercial sanitation business. Also he is proposing to retain a landscaping service since currently the water treatment plant operators are required to landscape the grounds. The water plant operators landscape and maintain 20 acres of land around the plant.

Mr. Osborne stated a bulk carbon feed system at the Raw Water Pump Station at a cost of \$75,000 is proposed in the FY13-14 budget. The temporary carbon feed system that was set up in 2012 needs to be replaced. He explained testing has indicated that carbon injection has been beneficial to obtaining better water quality and bromide continues to be a concern for the City's raw water source. Testing has shown potassium permanganate to help eliminate bromides but this creates color and taste issues that only carbon can eliminate. He stated a bulk water feed system will allow operators to dose raw water as needed.

Mr. Ben Wright reviewed the Water Distribution Budget with Council. He stated the staff in this department work on the lines, repair lines and work on pump stations. He explained by adding three additional employees the overtime budget will decrease tremendously.

Council Member James stated he gets constant complaints regarding potholes in the roads that have occurred after the City's crews patch the road. Ms. Rhodes explained that now the City is required to use flowable fill which has helped tremendously with the condition of the roads. Council Member James asked staff to look at the 600 and 800 block of Moss Creek Drive to see if anything can be done to fix the potholes.

Mr. Wright also reviewed the Wastewater Collection Budget with Council. He stated an additional employee is requested for inventory control. \$10,000 has been requested to purchase two confined space retrieval units to be used when the City's crews have to enter manholes or pump stations.

Mr. Glemmie Haimes reviewed the Wastewater Treatment Plant Budget with Council. He advised that a new dump trailer is requested in the budget which would replace a 1996 trailer currently being used to haul WWTP dewatered biosolids to the landfill. The Garage supervisor was unable to convert the manual rear trailer dump gate to an air actuated automatic gate due to the age of the trailer. The change to an automatic dump gate is requested after a WWTP employee injured his shoulder opening the manual dump gate at the landfill. Mr. Haimes stated a new Chevy Silverado ½ Ton Pickup is also in the current budget for a cost of \$17,887. It is needed to replace a 1997 Chevrolet S-10 with 88,000 miles. The Garage staff recommends replacement of this truck which can be sold at auction.

Mr. Hubbard reviewed the Wastewater Pretreatment Budget with Council. He stated the completion date for construction is February 20, 2014. A manager would be hired in the fall and an operator would be hired in the spring. The manager would oversee the operation of this facility and assist with the development of possible ordinance modifications, the development of an inspection program, and the development of a billing systems and a staffing program. He or she would also be responsible for overseeing the City's Pre-Treatment Program.

After discussion, Council agreed that Ms. Rhodes did not need to present each draft General Fund Budget to Council. Ms. Rhodes stated she would present the redlined justifications to Council so they would be aware of all items requested and each department head will be present at the meeting in case Council has any questions.

Ms. Rhodes stated there are still several items that are estimated in the Budget such as health and general insurance. She explained that the FY13-14 Utility Fund Budget estimates revenues of \$8,262,717 and expenditures of \$10,786,926 for the upcoming year. Currently these two are \$2,524,209 apart. She stated after the current Council Meeting staff anticipates having one more meeting on the Utility Fund Budget. She reminded Council a draft of the Utility Budget must be submitted to the Purchasers by April 30th.

Adjourn

There being no further business, Council Member James made a motion to adjourn the meeting. Council Member Almond seconded the motion which was unanimously approved by roll call vote. The meeting adjourned at 7:10 p.m.


Elise Partin, Mayor

ATTEST:


Mendy C. Corder, Municipal Clerk