A Meeting of the Meridian City Council was called to order at 4:31 p.m., Tuesday, August 17, 2021, by Mayor Robert Simison.

Members Present: Robert Simison, Joe Borton, Luke Cavener, Treg Bernt, Jessica Perreault and Brad Hoaglun.

Members Absent: Liz Strader.

Also present: Chris Johnson, Bill Nary, Todd Lavoie, Tracy Basterrechea, Kris Blume, Joe Bongiorno and Dean Willis.

ROLL-CALL ATTENDANCE

_____ Liz Strader	__X__ Joe Borton
__X__ Brad Hoaglun	__X__ Treg Bernt
__X__ Jessica Perreault	__X__ Luke Cavener

__X__ Mayor Robert E. Simison

Simison: Council, call the meeting to order. For the record it is Tuesday, August 17th, 2021, at 4:31 p.m. We will begin this evening -- or this afternoon's work session with roll call attendance.

ADOPTION OF AGENDA

Simison: Next item is adoption of the agenda.

Bernt: Mr. Mayor?

Simison: Councilman Bernt.

Bernt: I'm really grateful for the opportunity this evening to adopt the agenda as published.

Hoaglun: Second the motion.

Simison: I have a motion and a second to adopt the agenda as published. Is there any discussion? If not, all in favor signify by saying aye. Opposed nay. The ayes have it and the agenda is adopted.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

CONSENT AGENDA [Action Item]

1. **Coleman Subdivision Sanitary Sewer and Water Main Easement No. 2**

2. **Knighthill Center Subdivision No. 3 Sanitary Sewer and Water Main Easement**

3. **The Oaks North Subdivision No. 10 Sanitary Sewer and Water Main Easement A**

4. **The Oaks North Subdivision No. 10 Sanitary Sewer and Water Main Easement B**

5. **The Oaks North Subdivision No. 10 Sanitary Sewer and Water Main Easement C**

6. **Findings of Fact, Conclusions of Law for Speedy Quick (CR-2021-0003) by Clark Wardle, Located at 2560 S. Meridian Rd.**

7. **Findings of Fact, Conclusions of Law for The Oasis (CR-2021-0004) by Robert Black Jr. of Land Baron Investments, Located at 3185 E. Ustick Rd.**

8. **Findings of Fact, Conclusions of Law for The Oasis (CR-2021-0005) by Michael and Cherilyn Kynaston and Jon and Cheri Hoeger, Located at 3185 E. Ustick Rd.**

9. **Memorandum of Understanding and Agreement Between the City of Meridian and Meridian Rural Fire Protection District**

10. **Professional Services Agreement Between the City of Meridian and Billy Arnold on Behalf of Billy Blues Band, LLC for Musical Talent for Concerts on Broadway 2021**

11. **Task Order Between the City of Meridian and Soloman Hawk Sahlein on Behalf of Sector Seventeen, LLC for Mural Installation**

Simison: Next item is the Consent Agenda.

Bernt: Mr. Mayor?

Simison: Councilman Bernt.

Bernt: It's my pleasure to make a motion to adopt the Consent Agenda, for the Mayor to sign and for the Clerk to attest.

Hoaglun: Mr. Mayor, I'm thrilled to second that motion.

Simison: I have a motion and a second to adopt the Consent -- to approve the Consent Agenda. Is there any discussion? If not, all in favor signify by saying aye. Opposed nay. The ayes have it and the Consent Agenda is agreed to.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

ITEMS MOVED FROM THE CONSENT AGENDA [Action Item]

Simison: There were no items moved from the Consent Agenda.

DEPARTMENT / COMMISSION REPORTS [Action Item]

12. Finance Department: Proposal to Disband Third-Party Billing

Simison: So, Item 12 under Department/Commission Reports, will be from our Finance Department, a proposal to disband third-party billing. I will turn this over to Mr. Lavoie.

Lavoie: Good afternoon, Mayor, Members of the Council. Appreciate the opportunity to present to you the third-party billing proposal that we have ready for you. Just a reminder that this is an informational presentation. We are not looking for any action from Council tonight. We do have a future agenda item in September that we would like to have a decision of direction by Council based on this information tonight. So, we wanted to present to you the information, so that you have two, three, four weeks to kind of chew on it, ask us questions, that way when we come back in September we will be able to give -- or ask for an informed decision and direction from you as Council on this. This would require some changes to our ordinances and all that, which we will help work with Legal on, but, again, this is informational purposes only. I do have the subject matter experts here. We have Karie Glenn, the utility billing manager, and we have Dennis Teller, the water superintendent, to answer any questions that you might have today for us as well. So, today's agenda, again, we will discuss the purpose of the proposal, what is -- I will go quickly over what is third-party billing, the goals of this proposal, some of the roadblocks that we see, the recommendation that we have for you today, stand for any questions and, then, we have two final slides, which are proposal B and C, which will be just informational purposes for you as well. There was a document provided to you via the agenda, a Word document that goes into this request or proposal in much more detail. I'm not going to go over everything in that proposal, I'm touching some of the highlights of that proposal. But, again, myself, Karie and Dennis are here to answer any questions for you regarding this proposal. So, again, first item on the agenda today is -- oh, sorry. We are going too quick. Our proposal for you today is to disband third-party billing. That is our official request as the document that I submitted to you via the agenda disclosed in more detail. That is our ultimate desire for this proposal to you today. I'm going to quickly go over what is third-party billing, a ten thousand foot level version of this. Third-party billing. We have a residential family or home that is purchased by a family. The family lives in the home, accordingly they submit some paperwork to the City of Meridian. The paperwork -- oops. Sorry. I'm just going too fast. I apologize. There we go. Sorry about that. So, the City of Meridian sets up a utility billing account. So, Karie's team will set up the account for that residential property in that family's name. We send those invoices out to the residential property. The family pays us the invoices. Nothing new from a residential utility account setup. This is where third-party billing comes into play. That family decides, you know what, we are going to rent out our house. So, they are not going to live in the house, they are going to live in Washington and they are going to decide to rent out the property to somebody else and they happen to find a person to rent out their house to. This is where the third-party billing kind of comes into play where we actually do have a system that was created in the early 2000s that allows the owner of the property to engage with the City of Meridian and the renter to have the invoice changed from the family's name to the renter's name. So, in this case this is the original invoice for their utility account. They submit their paperwork, both the renter and the owner, and, then, we change the name of the invoice to the actual renter. This is done as a service to allow the City of Meridian to now engage with the renter, so -- to collect payment for the utilities utilized at that house. So, in theory, we have become the property -- collection agency for the owner of the property, because they have now engaged us to make sure we work with the property renter for proper payments. So, that is the third-party billing process to get the invoice from the owner to the renter. So, now that we have that set up, the renter can make payments on behalf of the owner's property and they make payments via whatever -- whatever method and they are paying the utility, water and sewer and trash, on behalf of the owners of the property, because we set up that agreement that we will go ahead and do this. If the renter does not pay -- or let's say the renter does move out and there is an outstanding bill, the good thing is with the language that we have set up the bill is ultimately responsible -- or the bill is linked to the owner at the end of the day. The City of Meridian will not chase renters or any third party that is involved with the property. We always hook the final bill or the bill to the property owner. So, that is a great thing the city has been doing for a very long time, we have been able to do that. So, in this case if the renter does not pay we now have to go and contact the owner, who happens in our scenario to live in Washington and we have to inform them, hey, we have an outstanding bill, we need you to pay it and they normally pay it. But, again, it's that process of, okay, now we had -- we had a renter, now we have to go back to the owner. It's just a property management issue that we have to do in utility billing to make sure we get the payment. So, from a ten thousand foot level that's what third-party billing is is the owner can work with a third party to have the invoice changed over to the third party, so that the owner doesn't have to make the payment directly, but the occupant does. So, that's what third-party billing is. This only impacts 12 percent of our total accounts. It's optional. It's not mandatory. If in this case we use the scenario, you know, Mr. Hoaglun has a house, if he rents it out to Mr. Cavener, a private transaction, Mr. Hoaglun can still pay the invoices himself. If he wants to charge Mr. Cavener with whatever, that's his private business decision, but we also do offer Mr. Hoaglun a chance to change the invoice to Mr. Cavener if both parties agree and that's that third-party billing and only 12 percent of our accounts engage in this particular service. So, that is third-party billing in the -- you know, a quick ten thousand foot level. That process is what we are proposing to you to eliminate. Eliminate the option of allowing, in this scenario, Mr. Hoaglun to change the invoice to Mr. Cavener and ask us to be property management with Cavener, instead of Mr. Hoaglun. We are asking to eliminate that process. We would like to have our process be the relationship between us and the property owner only, which we have for 88 percent of our other properties. We would just like to keep that relationship that, so it's very simple for us and very clean, that the person responsible for the bill is the owner, because there is times where owner said, no, you go chase Mr. Cavener -- where ever he is you go get him, that's -- that's you and the city thing and, then, we have to get the language of the document out and explain to them, no, you signed the agreement that you are still ultimately rely -- reliable -- you are still ultimately liable for the bill and, then, we just have a discussion with the property owner and, you know, we are looking to remove that component from utility billing and water department billing system. So, again, our proposal -- our goals for our proposal are treat all the customers the same. So, that the 12 percent would turn into a hundred percent that they are all treated equally. Clearly identify who is responsible for the bill. Again, these services are subsidized by the remaining 88 percent of the citizens. We do not collect enough money to cover the cost associated to provide this service today as we have it in our fee structure. We do not collect enough revenue to pay for this service. So, the rest of the remaining balance of approximately 63,000 dollars, is subsidized by the remaining 88 percent of our clients or customers. More goals of our proposal -- and, again, improve the efficiencies with -- at the utility and water department. Again right now for every transaction we do from a third-party billing it's two pieces of -- two forms that we have to get. Every time a property owner wishes to rent out a property we have to fill out the two forms. There is a renter side and the owner side. We would like to also eliminate the need to have the water department go out and read the meters for every time a property changes hands from a rental perspective. The owner would like us to calculate manually how much water they have used up to a certain date. So, the water department needs to run out to that house and read the meter every time there is a transaction, so Mr. -- in our example if the property owner rents out his house to four different people in one year, we have to do four different reads and have four different sets of paperwork set up, so that we can provide this service. Right now the city has 1.25 FTEs allocated to manage this program between the water and wastewater -- or between the water and utility billing departments. Some other goals of our proposal here is to, again, reduce the number of final reads we have and only have the final read calculated when the property sells. So, if the property owner Mr. Hoaglun sells this house to property owner buyer Cavener, that's the only time we do a final read. We don't have to do multiple reads because he decided to rent out the property during his tenure. Again, it eliminates the paperwork involved with collecting third-party billing directives and addendums and, then, the utility billing department would know that the invoices are owned by the owner of the property and not the renter or the third-party individual at that time. So, as an example, you know, we have talked about, you know, eliminating the reduction of final bills. Last week we had on one day 52 requests to do final reads and fill out the paperwork for third-party requests. So, again, the numbers are only growing, so we are looking to eliminate that -- I guess job function or that -- that process from our duties in the long run. So, that is a goal of our proposal. Roadblocks for the city's proposal of third-party billing. So, again, the current services being provided -- again, one of the roadblocks we know we will run into is the service has always been provided. The people are used to it. People are comfortable with it. Again we respect that. We understand that. It's going to be a tough change. It's always been done this way since early 2000s. Back then we had 35,000 people back then. You saw the census, we are at 110, 130 thousand people. So, we understand change is going to be difficult, because it is something we have always done and I understand that it's very difficult to remove a service that you currently provide and I respect that. Another roadblock we see that more and more third-party agreements are occurring and the growth of the city is only going to get larger, so we see this workload being larger, so it's 1.25 FTEs now today. Most likely it will be possibly two in the future, because we are going to have more and more of these transactions. So, again, we will just have to be aware that -- that we understand that is a roadblock for us. Why do we do so many final reads. I kind of gave you that story earlier, that every time a property owner rents out their property we have to do a final read, we have to get two sets of pieces of paper, we have to track down and we have to work with the renter or the third-party that's occupying the location. So, our recommendation. A really simple one from our perspective. We would like to disband the third-party billing. We would like to put together a communication plan that allows us 12 months starting our -- effective October 1 to work with all the current customers, which are 12 percent of our current customer base, that we would like -- that effective -- I think -- what did I have on here -- 12 months from there. So, October 1, 2022, that third-party billing will no longer exist. If we have any new requests come in that we would not honor those going forward effective 10/1/2021. We would have multiple layers of communication to the current property owners, to the property management companies, again, we would have a multi-layered approach to working with them, so that they are all comfortable with the proposal. Our goal would be to try to get this done in six months, but offer a window of 12 months, so if we have some individuals that we are not able to contact, we at least give them six months of grace period to kind of figure out how we want to move forward. So, that's kind of our proposal to you or our recommendation is to eliminate or disband the third-party billing, with a strong communication plan, with a goal of six months to have all 12 percent of our accounts to zero and with that we have subject matter experts here to answer any questions and, again, we do have two other proposals that we will offer you after we discuss, which are don't do anything, which is proposal C, and the other one is -- proposal B is if you wish to keep doing what you are doing, but be full cost recovery it would be increasing the fee from 20 dollars to 50 dollars a transaction. By doing that to 250 percent increase that would be effective October 1, 2021, that would allow us to be full cost recovery with no changes to the process. We would collect enough monies. Every year we would have to analyze this. Are we collecting enough? If not, I will be standing in front of you going now we need to collect more or less. We would approach this to you every single year. The transactions would be paid by the owner at the time of submission. Right now it's actually paid by the renter at the time of submission. So, we would swap that. The owner would be responsible for paying that. And, then, the -- again, plan C is doing nothing and we just keep doing what we are doing. So, with that those are the three proposals. You saw our recommendation. We did not want to say we did not acknowledge the other two. The other two exist and we are aware of that, but this is our proposal and, again, we stand for any questions.

Simison: Thank you, Todd. Council, questions at this time?

Perreault: Mr. Mayor?

Simison: Council Woman Perreault.

Perreault: Thank you. First of all, Todd, let me give a big show of appreciation to you and -- and all of the wastewater and billing staff on the low number of delinquent accounts. It's very impressive that there is that few accounts that are behind. So -- so, a couple of questions. If -- if this option -- the suggested option is chosen, can a tenant, nonowner occupant, pay online, even if the account is not in their name? Can they make a utility bill payment on behalf of the owner without having an account? Because as -- you know, when you log on now you typically need an account number. So, can -- can a tenant do that? And, then, second, what about multi-family properties that are managed by a property management company where the owner is a corporation that would not pay any attention to billing that would come through. Can that -- can that entity -- the owner, can they set it up such that the -- that the address is made out to the property management company, so it's sort of a -- you know, here is the owner -- here is the company name, here is the property manager's name, here is the property manager's address. All the billings are going to that property manager, but -- so, that -- because my concern is that in these situations where the owners, who are investors, whether it's multi-family or individual homes, are just -- they are not going to pay attention to getting a bill for that, especially if they own multiple. So, how do we offset that concern with the nonpayment that you might have -- or with the cost challenges. Because it sounds like it's a collections issue. It's more of a cost to taxpayers to offer the service issue; is that right?

Lavoie: Yes. Appreciate the question. I bring up Karie to answer these specific questions on how the utility billing system works, whether or not -- so, I will hand over the questions to her and to answer your last question, it's not just the cost of it, it's also the efficiencies and effectiveness of the -- you know, using our resources to the best of our abilities. That's where I'm trying to make sure I maximize our resources for our staff needs going forward. Appreciate the question. Karie.

Glenn: As far as being able to pay online or over the phone, it wouldn't be that utility billing would be supplying that account number to them, if the owner chose to provide the account number to their tenant in order to pay the bill online -- anybody can make a payment to the bill -- to the account. All they have to have is the account number. If the homeowner chose to say, hey, you, tenant, I want you to pay the bill, here is the phone number or here is the online access, here is the account number. You can make express pays all day long without having to create a user profile.

Lavoie: So, Karie, true or false, if I had Mr. Cavener's account number I can make it -- I can make a payment on his -- on his account.

Glenn: Yes.

Lavoie: There you go.

Glenn: And, then, on the other question regarding the property management companies for multi-family or commercial projects in general, we haven't necessarily gone down that road as far as what that would look like, but I personally wouldn't see a change in that, that we still would work with the larger firms on having a property manager, not a specific tenant -- a property manager in general. They know they are responsible for that building. So, they are -- they are not asking for final reads and doing paperwork every two days, because this person moved in, this person moved out. I got this property over there. So, I don't necessarily see a change in the process for those guys, because at that level it literally is the owner and the property management company.

Perreault: Mr. Mayor, follow up?

Simison: Council Woman Perreault.

Perreault: It's been my experience that most tenants, even in apartment complexes now, are paying the bills directly and they have their own individual accounts for each unit. So, how would that, then, work on and that's become more and more common where a property management company or owner of a multi-family has the individual tenants paying their own accounts directly with their own account -- account numbers. How does that work?

Glenn: For the City of Meridian our apartment complexes are not set up that way. It's one meter per building. You got 12 units. That property manager pays that building, because there is only one water meter. There is only one account number.

Perreault: Okay. That's what's been permitted in the City of Meridian specifically?

Lavoie: Well, Karie, again, I might -- the questions are -- not for utilities like -- power and gas might be set up most likely in an individual name. Yeah. Yeah.

Glenn: So, yeah, I would -- I would agree. Now that you have said -- now that you have pointed out that way, yes, my daughter is in the same situation. She pays the utility -- she pays the power that the city -- the water is -- water, sewer, and trash are all one account that the property manager pays.

Hoaglun: Mr. Mayor?

Simison: Councilman Hoaglun.

Hoaglun: Just curious, Todd, Karie, if we go to just -- to the property owner and we have property owners who sometimes don't pay their bills, so that will impact the renter and how do we notify them if water is going to be turned off or do we?

Lavoie: Currently we only have 12 percent of our accounts set up in this form, so we already have -- in our example earlier you were the property owner, Mr. Cavener was the renter. So, we already have a good number of accounts set up that way. So, this is a communication of getting with the property owner and just letting them know that the bill hasn't been paid. Is that -- I mean it's just a communication component that we currently do now.

Hoaglun: Mr. Mayor?

Simison: Councilman Hoaglun.

Hoaglun: Sorry I wasn't clear. So, if we go to this new format -- this different format, we could have a situation where we have the property owner doesn't pay, they are sent notices, sent notices, sent notices and, finally, the turnoff is going to happen and, then, we have the young single mom with a baby go to the news media and say they turned off my water and didn't tell me about it. I have got no water and how -- how do we avoid that scenario?

Glenn: Yeah. I don't think -- in the situation -- a lot of times we have -- it's not necessarily a different situation. We -- I do have property owners that intentionally keep their accounts in their name, so when their renters don't pay their rent, they don't pay the water bill, so we, essentially, end up shutting off the water for them not paying the rent. I think the expectation would be that it is your property, we are -- the City of Meridian is no longer going to play property management for you. It is -- this is a relationship between you and your tenant. The communication needs to be at that level, not bringing city government into your personal business.

Lavoie: And it falls on our, you know, communication over the next 12 months to make sure we work with all these property owners to make sure they understand as of October 1, 2022, all of these invoices will be at your responsibility for making payment. So, make sure that -- you know, if the young lady and the single mom is in the house, we need to respect that and make sure we make the payment. So, it falls on that communication and we already have examples of property owners who own their property and have a private business relationship with a renter and they -- so, again, we already have this in place that we already manage. It's not a different process, it's a process that we already offer, we are just eliminating a process and trans -- bringing them all in line with all the other accounts that we have. So, it just all comes down to communication to make sure that the owner is making payments, so the single -- in your example single mother with a child doesn't get their water turned off. Will we ever present -- be able to prevent that? No, because we can't do that now. If the current renter -- in your example, if you decide not to make payment in our example, Mr. Cavener would be out -- without water, but we have communicated with you numerous times. So, again, we have the situation now. Can I prevent it? The answer is no. I can never make someone pay a bill.

Perreault: Mr. Mayor?

Simison: Council Woman Perreault.

Perreault: Any idea if the fee were to increase from 20 to 50, that fees paid by the owner, if -- how -- will we stay at 12 percent? Would we drop down to eight percent with -- I mean

-- because what -- I guess what I'm trying to understand is if we go that route, then, we still have to have some staff time that we are committing. We still have to have the -- the system in place, but now all of a sudden we are servicing maybe three percent or five percent of the accounts, instead of 12 percent of the accounts. So, then, how -- what does that actually do to our -- the city's cost to provide that service in relationship to the fee that's collected? Is like just the first year going to kind of be a test run in the sense of we -- or do we anticipate that we will still have 12 percent or more or less and -- and depending on whether you phase it or whether you start now, that fee increase would start October 1st it sounds like.

Lavoie: If we were going to -- if you chose that proposal --

Perreault: Yes. Yes.

Lavoie: -- then it would be if we would -- we would recommend, again, if you guys accepted the recommendation of 50 dollars, we don't know how many of the 12 percent would say, well, that's just way too much, we are not going to engage that, we don't know what the answer is. To answer the question about cost, we would, then, always have a cost analysis on the internal side, go how much of our time are we spending on these, because if it went from 12 percent to five -- six percent in theory I should go from 1.25 to, you know, .65 in theory. So, again, there is -- we would analyze that every single year for you guys to go, okay, right now we are only spending half of per -- half an FTE. We need 50,000 dollars. Your fee is estimated to be whatever the number mathematically comes out to be. So, they should work in -- in connect -- in correlation. If those number calcs go down, our resources go down and, then, the fees would adjust accordingly. But, yeah, I'm not sure how the 12 percent would react. I don't -- I'm not sure.

Perreault: Mr. Mayor, another question.

Simison: Council Woman Perreault.

Perreault: Sorry. So, it sounds like, if I'm understanding correctly, that the utility billing department doesn't anticipate our late pays or collections going up because notices are going to owners and not being paid just out of an awareness that there is not an anticipation that that's going to create a problem if the -- if the -- if the service goes completely away.

Lavoie: Yeah. I don't believe so. The number that you were referring to earlier represents the whole city and we are only talking 12 percent of the accounts. So, 88 percent are already doing what they are doing. That represents that really small number we have. So, I don't see 12 percent of an account base influencing that overall number very much.

Glenn: And it is sad to report that the bulk of our shutoffs are repeat offenders. So, it's not rent -- renters versus owners or anything like that, it's just certain -- some people have some difficulties.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Todd, Karie, walk me through if a renter user pays their fee, there is some staff time on the forefront, and, then, when the owner is looking to disengage in the third-party billing, does the staff work -- if the tenant or the owner is paying the bills on time, what other staff involvement is there in the course of a year or a month?

Glenn: If it's just status quo, if everything goes well, there is typically no staff involvement in the middle. It only is when there is a tenant change.

Cavener: Sure.

Glenn: There is paper -- the paperwork involved, the final reads, the -- maybe they have submitted paperwork and, then, the -- two days later, after we have already done all this work, the renter decides they are not going to rent that property and now we have got new paperwork for new ones, we are sending the water guys back out. It -- on a normal month-to-month basis for the bills it's -- it's limited.

Cavener: Okay. Mr. Mayor, follow up.

Simison: Councilman Cavener.

Cavener: So, that 1,300 -- you can see -- it looks like on average about 1,300 new accounts a year?

Glenn: New --

Lavoie: I'm not sure about that number. I can do the math. We can go look at the utility.

Cavener: That's what I -- I just took your -- the amount of revenue that we -- that -- the 20 dollars -- the 20 dollars brings in and divided that by the 25,000 revenue that you said brought in and that's I guess how we got to that -- roughly about 13 hundred dollar -- or 1,300 --

Lavoie: It's on the -- on the Word document that we sent you it's based on the number of final reads and third-party billing directives that we receive. We are averaging 1,900 third-party billing requests a year, regardless of how many homes are sold, it doesn't matter how many you add, because Mr. -- because a property owner could rent out their property five times in one year. So, that's five third-party billing transactions that we have and, then, five final reads that we have. So, we count it by the number of third-party billing documents submitted to us, because we could add 4,000 homes next year not one of them decides to rent their home out. So, we do it based on the third-party billing directors that we receive, which is right now averaging 1,900 a year and I think it was on page four of the -- page five or four of your document.

Cavener: I may circle back with a couple other questions either offline then. Thanks.

Simison: Council, any further questions?

Lavoie: We do want to invite you to engage us over the next -- I think it's three or four weeks before this, but I stand up here in front of you, again, so, please, engage us, ask us questions, clarifications. We want you guys to have all the information possible to make the right decision. We will administer the final direction, whatever it is, be it proposal A, B, C or if there is a D, we are -- our team is ready to administer whatever direction you give us. Again, this is an informational request for a proposal and we are happy to answer any questions between now and then.

Hoaglun: Mr. Mayor?

Simison: Councilman Hoaglun.

Hoaglun: I did have one last question. I was trying to figure out -- because when I -- when I was reading the document your department and the water department, Public Works, well known for customer service and providing a higher level and we do it differently. It's the Meridian Way. So, I was kind of like, oh, this is interesting, because we are taking a service away, but, you know, as I go through it I understand the need, you know, the growth that you show, the chart that it's -- there is more of it every year. It's a way to save money. So, you know, with -- with the first option to let's -- let's do away with this. But, of course, you know, you had B and C and the other option is we just increase the fees to cover the cost, so, therefore, utility payers aren't subsidizing that. So, just -- can you give me the thinking on that -- of that customer service versus bottom line, as opposed to a bottom line being covered here and still providing the service, how you came to this one, as opposed to this one.

Lavoie: A very -- very fair question, Brad. It just came down to, you know, the resource management of our resource -- of our staff and treating all of our utility billing accounts the same. Only having one approach as we get larger and larger instead of having multiple -- I guess management approaches. Just trying to simplify from a management standpoint, trying to simplify the way we run the city. We agree with you, the service is there. That's why we have the roadblocks. We know that this is a hard thing to do to remove a service. We respect that. But it really is down to a management level from an administration side, how do we make it more efficient, more effective for our staff as a team and that's the way I'm representing it. I understand we have a customer service safety perspective and that's why you guys are here and we respect that decision. So, we know it's -- it's not the easy decision to remove a service and we acknowledge that, but it's all about efficiency and operational resources and whether or not we need to improve -- increase staff or reduce staff or keep it status quo. But fair question.

Hoaglun: Mr. Mayor, just --

Simison: Councilman Hoaglun.

Hoaglun: Thank you, Todd. I mean that's a good assessment and it's just one of those things -- yes, you have to make -- we want to make a decision, you want to do the right thing, and appreciate the thorough analysis that you did for this, so thanks.

Lavoie: Appreciate your time. Thank you.

Simison: Council?

Borton: Mr. Mayor?

Simison: Councilman Borton.

Borton: I agree. I appreciate the -- the pros and cons and the -- the very objective analysis of the tradeoffs with a change like this. As we mull it over I think if we went forward a transitioned approach versus an immediate approach makes sense. Among the reasons that there is lots of folks that might participate that have existing lease agreements, current tenants that have already allocated who is paying what, and it would be a nightmare to try and have them change that in the midst of an existing lease. So, one of your -- your suggestions on how to implement it, phase it in, if we were to go that route seems to clearly be the better approach.

Lavoie: I appreciate that.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Maybe an ask between now and the next time you are before us. I appreciate you sharing what other municipalities are doing and maybe you know what Idaho Power, Intermountain Gas, CenturyLink, other critical utilities, how they function with third parties. Is it the same model that we are following? Is it --

Lavoie: It would be the example that Jessica just gave you. It goes into the person and they chase. So, they will hook the name to -- in this case Luke Cavener. Cavener has the utility bill and they chase you.

Cavener: The user, essentially.

Lavoie: That is correct. Yeah.

Cavener: Okay.

Simison: Okay.

Lavoie: Thank you for your time.

13. Fire Department: Memorandum of Understanding to Establish a Temporary Position of Captain of Logistics

Simison: Thank you. Next item on the agenda is Item 13, the Fire Department Memorandum of Understanding to establish a temporary position of captain of logistics. Turn this over to Chief Blume.

Blume: Thank you, Mr. Mayor and Council. Yeah. The -- the MOU or the memo of understanding was crafted looking forward into the potential future of building and constructing and onboarding one or two stations, onboarding of staff, and the needs that may arise organizationally. So, this, as a temporary position, is not asking for an additional person or a staff and it was actually requested by the labor group from the Fire Department and worked with Human Resources, Finance, and Legal to ensure that the terminology correctly captured the position, which was not and is not represented currently in the CLA and so that is the -- the purpose of the MOU and that's where we are at on it. Does anybody have any questions for that or on that piece?

Perreault: Mr. Mayor?

Simison: Council Woman Perreault.

Perreault: Just want a clarification. It's not creating an new position with -- with additional costs. Is this a new position or is this -- are we renaming -- do we have an FTE that exists, we are renaming it, we are adding that to the labor contract, we are not creating a new position?

Blume: Council Woman Perreault, no, we are not adding a new position. It was a temporary assignment. It is -- the intent is to be a temporary assignment. However, when labor looked at it it is not correctly reflected that position or that -- the ability to assign that person to that body of work is not reflected in the contract and they requested that to be added to reflect the contract correctly.

Hoaglun: Mr. Mayor?

Simison: Councilman Hoaglun.

Hoaglun: I -- I appreciate this, chief, and I -- I certainly -- I support doing this, but going through your hundred day -- first one hundred days review, that was one of the things that caught my eye was about the logistic division with the single chief and the number of hours worked and the weekends and those types of things. To me I think -- yeah -- I thought I would be in bed by now, but --

Blume: He has -- he has a vested interest in this.

Hoaglun: I mean it sounds like down the road -- notwithstanding what we do here, but down the road that might be something we have to take a look at to -- to kind of fix.

Blume: Well, Councilman Hoaglun, the intent is to kind of verify -- verify, validate, if, in fact, the body of work does exist and at what level does it exist and if it's the appropriate level of staffing for that position or not. I mean we can certainly walk it down, but it's -- that's a -- that is a starting point and the intent of exploring that position if it's necessary moving forward.

Hoaglun: Okay. Thank you.

Nary: Mr. Mayor?

Simison: Mr. Nary.

Nary: Mr. Mayor, Members of the Council, I want to add one more thing to what the chief said. Part of what the union was requesting and why we have this MOU is, as the chief stated, there is an identified position of this in the current labor agreement and to, then, temporarily assign is allowed, but this is going to be primarily a 40 hour week position, not a 56 hour position and there isn't a mechanism in the contract to do that, other than on a very temporary basis related to injuries or training or something else and not to this. So, that was kind of the reason for the MOU.

Simison: Council, any further questions? Any discussion? Anything else? All right.

Blume: Thank you very much.

Simison: Councilman Bernt.

Blume: We need to approve the MOU.

Simison: That's kind of what I was going for with approval of the document, but -- you know.

Bernt: Mr. Mayor?

Simison: Councilman Bernt.

Bernt: Is there a number or is there a specific number that we are looking for or do we just want to approve the memorandum as it states on the -- on the agenda?

Nary: Just approve the memorandum.

Bernt: Okay. Mr. Mayor?

Simison: Councilman Bernt.

Bernt: I move that we approve the Fire Department's ask for a memorandum of understanding to establish a temporary position of captain of logistics.

Hoaglun: Second the motion.

Simison: I have a motion and a second. Is there any discussion on the motion? If not, Clerk will call the roll.

Roll call: Borton, yea; Cavener, yea; Bernt, yea; Perreault, yea; Hoaglun, yea; Strader, absent.

Simison: All ayes. Motion carries and the MOU is agreed to.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

Simison: Now, do I have a motion?

Bernt: Mr. Mayor?

Simison: Councilman Bernt.

Bernt: I move that we adjourn the meeting.

Hoaglun: Second the motion.

Simison: Motion and second to adjourn. All in favor signify by saying aye. Opposed nay. The ayes have it. We are adjourned.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

MEETING ADJOURNED AT 5:13 P.M.

(AUDIO RECORDING ON FILE OF THESE PROCEEDINGS)

_______________________________ ______/______/______
MAYOR ROBERT SIMISON DATE APPROVED

ATTEST:

____
CHRIS JOHNSON - CITY CLERK