



AGENDA ITEM ANALYSIS

Project/Issue Name: 22-R-27 A Resolution of the City Council Approving Billing Adjustments Relating to Sewer Services Provided Between November 2021 and March 2022.

Submitted By: Andrew Nelson, BUILDS Administrator
Meghin Cook, Finance Director

Date: June 7, 2022

Issue Statement

Sewer billing adjustments for winter actual versus average use.

Discussion and/or Analysis

The City offers actual metered billing for sewer for the months of November through April, for the months of May through October the metered consumption is averaged based on the months of actual use. This elective billing allows for the resident to not be billed for sewer in the instances of watering lawns, landscape, filling of pools and other uses that do not result in water flowing directly into the sewer system.

Due to departmental changes in 2021, the actual billing period December 2021 through April 2022 with November 2021 through March 2022 consumption dates, the averaging protocol was left in place instead of being inactivated. This resulted in an underbilling in cases where the user used more than their established average. The system also has a safety protocol that would prevent the user from being overbilled in an instance where the metered usage was lower than the established average. For this period the resultant underbilling amounts to \$146,955.

We have since engaged KPM Auditors to assist a billing audit for this timeframe and Tyler Technologies to conduct training with staff. We have also conducted internal communication on the timeframes this process needs to be completed each year, so we mitigate this occurrence in the future.

Staff is recommending that the billed amounts be adjusted and that the underbilled amounts not be collected by the citizen's for the City's error.

Recommended Action

Staff recommends approval.