



AGENDA ITEM ANALYSIS

Project/Issue Name: 20-54 An Ordinance of the City Council of the City of Republic, Missouri, Amending the Municipal Code of the City of Republic, Missouri, by Amending Title VII, "Utilities," Regarding Utility Billing.

Submitted By: Debbie Parks, Finance Director

Date: November 17, 2020

Issue Statement

Staff is proposing change to the current Utility Administration (Title VII) to update the processes of the Utility Billing Department.

Discussion and/or Analysis

Staff has evaluated the City's Utility Billing Administration Codes. There have been several improvements to processes to assist customers that will need to be updated in the City code. The City Ordinances were also examined to make sure the code was fulfilling the City's Mission, Vision, and Values. The Utility Billing Department's mission is providing exceptional customer service by creating trust through compassion and accuracy. To fulfil the mission changes were required to be able to improve customer service relations and efficiencies.

The proposed changes are listed below:

- Section 705.040 – adding language to state the date emailed since some customers do not receive a paper bill anymore.
- Section 705.050 – changing the delinquent date to 11:59 p.m. for online or phone payments. With the implementation of the new IVR system it will make it hard to reconcile payments coming in after 5:00 p.m.
- Section 705.060 – changing the water usage adjustment from 100% over average usage to 50% over average usage. Changing the wording from one billing cycle to include two consecutive cycles (this addresses the issue of not finding a leak until the next cycle has started). Adding language for the City Administrator or designee to waive the one adjustment per calendar year and two consecutive cycles in the best interest of the City.
- Section 705.120 – changing the winter average from November – March to January – March. A lot of accounts are adversely affected during November and December from having extra visitors in their home for the holiday which inflates the average. The intent of averaging is to establish the amount of normal usage to set wastewater in the summer.



- Section 705.120 - The City's financial software has the capability to reduce the sewer average to match the actual water usage. For example, if a customer uses 3,000 gallons in July, but their wastewater average is set at 4,000, then it would automatically reduce it to the 3,000 to match the actual.
- Section 705.050 – includes a provision to allow the City to waive utility shutoffs when it is the best interest of the health of staff or customers. Heat advisories and below freezing temperatures are situations that would warrant waiving or postponing shutoffs.
- Section 705.160 – removing the mandatory monthly transfers to capital repair and maintenance funds. The required capital reserves and reserves will be established through the City's annual process and financial policies (debt ratios, operating reserve requirements, and bond covenants).
- Section 705.170 – Allowing the billing out of the water deposit. With the City's new online application for service (established to assist customers during COVID-19), there is not a way to collect the deposit online and it will need to be billed out. It is a process improvement for the customers to establish service online, this allows the City to collect the deposit without making the customers have another step of coming in or calling in to pay the deposit.
- Section 705.180 – hydrant meters –developers usually need it longer than 2 weeks. Changing it to 1 month for usage without penalty. Also allowing for an extended term with a written agreement and with an extended-term deposit. Also allowing customers to use their own hydrant meters if they read the water usage in gallons and have an air gap.
- Section 705.190 – allowing the \$10 set up fee to billed on the first month bill. This addresses the City's new online application issue.

In addition, the reference to the dollar amount of the fees is being removed in this section and instead inserts language "fees are provided for in the fee schedule found in Section 800.1000 of this code.

Recommended Action

Staff recommends approval of the proposed utility administration changes.