

Environmental & Franchise Utilities Committee Meeting Minutes, 6/18/12, City Hall Council Chambers

Present: Michael Halley, Martha Rasmussen, Susan Silvers, Kevin Flanagan, Ed Malloy, Daryn Hamilton, Carl Chandler, Matt Cross, 50+ citizens concerned about potential health impacts of radio-read meters

Points of discussion

Matt Cross from Waste management spoke on a proposed amendment to the city's waste collection contract with WM. He explained that 30% of the fees WM charges customers for trash collection are based on the costs of tipping fees at SEMCO landfill. The amendment would include language that would allow adjustments to customer fees based on changes in the tipping fees. SEMCO recently lowered their tipping fees so with this amendment WM waste collection fees would be lowered slightly, but were SEMCO tipping fees to go up then so would WM customers' fees. City Administrator Kevin Flanagan asked to review all city contracts with WM prior to taking the amendment to the full council, and he and Cross will meet right away to do that. Committee will not take action on this at this time.

Opt-out radio-read water meter program:

Halley announced that Kevin Flanagan and Carl Chandler agreed that it would be possible to do away with the \$100 meter replacement fee portion of the opt-out program. Homeowners who currently have a radio-read meter and choose to opt-out will still pay a meter replacement labor fee of \$75/hour charged in half hour increments and an ongoing charge of \$10/month. Halley explained that initial cost savings analysis reveals that \$10/month is most likely too low to cover the real costs associated with the opt-out program, so that number is unlikely to change at this time. After the program has been running for some time it will be much easier to review the numbers and ascertain if the \$10/month fee is too high or too low.

Rasmussen moved and Silvers seconded that we move forward on the proposal to drop the \$100 meter replacement charge and leave the labor fees and monthly fees as they are. Halley then took questions/comments about the opt-out program from the audience. There were many speakers, most of whom wanted to discuss potential health concerns rather than the opt-out program. Mayor Malloy informed the group that there will be a summit in the next few weeks to discuss and research all aspects of the Neptune radio-read meters and that will be the proper venue to discuss issues beyond the opt-out program.

Public comments included concerns about risk assessment; requests to have private contractors or homeowners replace meters (Carl and Kevin both explained that the Waterworks dept needs to do the work due to liability issues); a public fund to assist low-income residents who want to opt-out; questions of the Neptune meter's accuracy (no accuracy problems have been reported in FF so far); a potential payment plan for those who can't afford the labor fees upfront; a proposal to charge all Waterworks customers an extra \$1 for one month to raise funds to help offset some of the meter replacement charges; a system for informing WW customers that they have a radio-read meter at their home.

Carl Chandler has agreed to create two to three teams of WW employees to quickly handle the opt-out requests once the program is in place. In the meantime, the WW dept will halt the installations of radio-read meters until further cost analysis and risk assessments have been completed. Kevin Flanagan will work with citizens on a cost savings analysis of the radio-read meters and review the \$10 monthly fee to assure that it's fair and equitable. Rasmussen's motion carried, meeting adjourned.

Recommendations/Actions

Committee will recommend that the full council remove the \$100 meter replacement fee from the opt-out program amendment before passing it from the third to final reading.