

Lewiston City Council
Special Council Meeting Minutes
May 10, 2017
Lewiston City Hall – 6:00 P.M.

1. Call to Order

Special City Council Meeting called to order by Mayor Beth Carlson at 6:00pm May 10, 2017.

2. Roll Call

Present (5): Mayor Beth Carlson, Council Member Larry Rupprecht, Council Member Dan Robertson, Council Member Bryce Lange, and Council Member Jeremy Kelly (Arrived at 6:18pm). Not Present (0): None.

3. Winona ORC Final Bill

Administrator Brierley informed Council Winona ORC had questions regarding the final calculation of their water/sewer bill. The two questions were regarding how the final bill was calculated as there was a discrepancy between what had been approved and what was calculated by Winona ORC's accounting department as well as how late fees are applied to past due accounts.

Administrator Brierley informed the Council the final calculation was investigated and a more reasonable final total was calculated. Through discussion between Council and Administrator Brierley, a letter was approved to send to Winona ORC describing how the final bill was calculated.

"I have reviewed the water/sewer bill for the property at 505 Main Street East, Lewiston, MN 55952. I have taken into account the information you had sent Cheryl Knight and would like to present my findings. The final total has been discussed thoroughly by City Council and we agree the final total should be less than initially approved.

Billing total on 12/13/2016 is \$8,877.94. After payment on 1/3/2016 in the amount of \$3,357.94 the balance is equal to \$5,520.32. Adding in current charges (late fees not in calculation) of \$278.44 brings the total to \$5,798.76. The next billing cycle (January) does not show a received payment and the current charges (late fees not in calculation) totaled \$1,606.77. Adding January's charges to the balance brings the total to \$7405.53. A payment in the amount of \$72.88 was recorded on 2/22/2017 bringing the balance to \$7,332.65.

February's reading shows negative charges. This is due to an error in the meter. This is a programmed function to alert public works that the meter is bad and needs to be replaced. The

billing statement shows negative charges which were calculated as such from Winona ORC. The charges for February total \$230.23.

The total for the water/sewer bill prior to the final adjustment is \$7,562.88.

The final adjustment for sewer is for the 1,000 gallons of sewer service provided by the sewer base charge. Each month from the billing cycle of August 2015 to the billing cycle of November 2016 will be given 12.06 worth of sewer adjusted. The 15 months this took place is equivalent to \$180.90.

With this adjustment the total is equal to \$7,381.98.

In an effort to conclude this matter, I offer to you the following:

Using the water tiered rate structure for 0 to 0,000 gallons, or \$.00329 per gallon or \$3.29 per 1,000 gallons, multiplied by the 449,888 gallons recorded for December 2016 totals \$1,853.54. I propose that you pay this reduced amount, which is a decrease of \$1,863.71 from the previously charged water service for December 2016 of \$3,343.84.

Using this reduced amount for December 2016, the total amount due now is \$5,518.27.”

Member Rupprecht motioned to approve the final billing total for Winona ORC at 505 Main Street East to be \$5,518.27 and the letter to be sent. Seconded by Member Roberton. Approved 5-0.

Administrator Brierley informed the Council the City of Lewiston charges late fees at the rate of 15% to include the unpaid line balances and the late fees themselves. The water/sewer bills are broken into line items which include but are not limited to the water base charge, sewer base charge, and service charges for the water and sewer usage. When a water/sewer bill is not fully paid, the amount paid is evenly distributed between each line item until the line item is paid. A late fee is then applied at 15% to each of line item balances. The total late fee is then totaled and put on the account as a water late fee and a sewer penalty.

Council directed Administrator Brierley to investigate different ways to apply partial payments to water/sewer accounts and the fairness of the late fee penalty rate of 15%.

4. Water Bill 355 Main Street East

Administrator Brierley informed Council the property located at 355 Main Street East had been foreclosed upon by Security State Bank. The property had the water shut-off but there was a remaining balance on the account and Security State Bank agreed to take over the billing as of

February 3, 2017. The amount due prior to February 3, 2017 was \$709.40 which included late fees and base charges. Administrator Brierley informed the Council the ability for the previous owner to pay the bill was unrealistic and since the property was foreclosed upon, the City would have to attempt collection from the previous owner potentially through the court system and was unlikely to have a positive return. By law, Security State Bank is not responsible for the previous balance due on the account. Administrator Brierley requested Council forgives the past due amount on the account.

Member Robertson motioned to adjust the water/sewer billing account for 355 Main Street East by the past due amount of \$709.40. Seconded by Member Kelly. Approved 5-0.

Member Robertson motioned to adjourn the Special Council Meeting. Seconded by Member Kelly. Approved 5-0.

The Special Council Meeting was adjourned at 6:46pm on May 10, 2017.

Submitted By:
Travis Brierley
City Administrator/Clerk