

INFORMAL CITY COUNCIL MEETING

March 2, 1972

PRESENT

President of the Council Stanley Anderson, Councilmen Raymond Paruch, Lawrence Kozisek, Richard Youngerman, and Silas Grantham. Present also were City Manager Richard Gray, City Clerk Neva Lockhart, Finance Director William Manchester, Assistant City Manager Harvey Rose, Utility Accounts Supervisor Malcolm McGregor, Mr. Marion Crenshaw, members of the news media, and other interested persons.

PURPOSE

President Anderson explained that the purpose of this informal meeting was to fully discuss the new utility rates the City adopted last December. At two previous City Council meetings, Mr. Marion Crenshaw had discussed the rates. President Anderson then turned the meeting over to City Manager Richard Gray and Finance Director William Manchester.

Mr. Gray said that the Administration had looked into the situation and felt that there are some inequities which had been built into the old rate structure. He continued that when the survey for the new rate structure was done, it was noted there were certain things which had not been enforced before. He said that some of these things can be handled administratively and some will need an amending ordinance at a formal Council meeting.

Finance Director William Manchester read two letters regarding the sewer-sanitation charges. One was from Mrs. Jackie C. Akens, 1517 Sunset Lane, who is being charged as a two-family home. The other was a follow-up letter from Mrs. Iva Faletti, 761 White Avenue. These ladies have an office in their residence. Mr. Manchester indicated that there are approximately 40 such types (combination business and residence) within the City. The Administration proposes a resurvey of these 40 business-residence structures. Where the predominate situation is determined to be a residence, the City can treat this as residential. Where it is felt the predominate situation is more of a business, the City will treat it as a commercial unit. This change can be made without an amending ordinance.

The second area for discussion was the question of charges being set up for rental units where the people felt their units were not completely separate. Mr. Manchester referred specifically to the apartments owned by Mr. Kohler on North First Street and the DeMerschman Gardens Apartments, 923 North 12th Street. Mr. Manchester explained that the way the rates are now set up they are being charged \$3.00 for the first unit and \$1.50 for each

additional unit under one roof for water, and the sewer and sanitation charge is also per unit. After some consideration in this area, it is felt this is unjust as these places are being operated in the same fashion as an apartment complex. It is proposed that the Administration go back and set the water rates at one \$3.00 minimum charge and additional units at the \$1.50 minimum reduced charge. The same situation would exist for the sewer and sanitation charges. It was pointed out that both of these operations have central heating and they cannot very easily be sold off as separate properties.

It was pointed out that in situations where there are completely separate autonomous units, such as the one owned by Mr. Heller who came to a previous Council meeting and owns four or five separate duplexes which are completely capable of being sold off in any order, it is felt these should have individual charges.

Mr. Kohler was present and said his property has one central heating system.

Mr. Manchester indicated that condominiums can be treated either way. Some are set up like apartment houses and some ask specifically to have separate water meters.

The third point for discussion was in the sanitation ordinance as it was passed this last time and the wording under the residential rate (and as it has been worded for many years prior to that) the rate schedule for two to eight units is indicated with appropriate charges for each one. The wording after that reads as follows:

"In instances where multi-family residential uses have five or more units, owners may elect to be charged according to the commercial rate as set forth in paragraph (A) (2) (a) of this section."

Mr. Manchester said it has been found that in almost all cases it is to the owner's benefit to go to commercial rates. In examining this and in light of the wording, it is felt that asking the election to be left up to the owners puts a few apartment owners at a disadvantage. The owner does not know to come in and ask to go commercial.

The Administration proposes to go back through the survey and where there are units from five to eight that have not requested to go on this rate, the City will automatically put them there if it is to the owner's benefit.

The fourth point for discussion was the sanitation commercial rates. Mr. Manchester said that Mr. Crenshaw had pointed out this rate schedule not being enough to do the job it was set up to do. The Administration proposes a new rate schedule which would require an amending ordinance. The proposed rates would be:

Three (3) cans of trash per pickup; additional at 50 cents per can per pickup

One pickup per week . . . \$2.70

Two pickups per week . . . 4.90

Three pickups per week . . . 7.30

Four pickups per week . . . 9.90

Five pickups per week . . . 12.70

Six pickups per week . . . 16.00

The fifth point for discussion was the water rates and the multiple charge for apartments. Mr. Manchester suggested that we deliberate very seriously before any changes are made in this area that would change the Debt Service Coverage. The Administration does not feel that the multiple charge to apartments is out of line.

ADJOURNMENT

The meeting adjourned at 9:15 P.M.

Neva B. Lockhart
City Clerk