

MINUTES OF THE HOWEY IN THE HILLS TOWN COUNCIL
WATER STUDY WORKSHOP SESSION HELD OCTOBER 8, 2020

Call the Town Council Water Study Workshop Session of October 8, 2020 to order
Pledge of Allegiance to the Flag
Invocation
Roll Call

Mayor MacFarlane called the October 8, 2020 Howey in the Hills Town Council Workshop Session to order at 6:00 p.m.

Present: Mayor MacFarlane, Mayor Pro-Tem Conroy, Councilor Klein, and Councilor Gallelli.

Absent: Councilor Nebel

Discussion: Town of Howey-in-The-Hills Utility Bill Content and Format

Mayor MacFarlane summarized what was discussed at the last meeting. She mentioned that David Hanna provided a review of what the Florida Rural Water Association provided as a study of rates and consumption and used a model that is widely used in the industry. Today she received a copy of the booklet that describes the model that was presented. She did mention that it is a subscription publication and that it is a bit too large for her to send it electronically. She did say that she will ensure that all the Council members receive it. In the interim **Pro-Tem Conroy** has been sending emails that contain examples of utility billing to understand surrounding cities and if they charge a base rate or not or if it includes a water improvement fee.

Pro-Tem Conroy said that the current water bill charge is \$27.29. He reached out to surrounding cities to get an understanding of local standards. Mt. Dora is a big town with 60,000 residence and has a variety in sewer, water, irrigation. He said that the water business is a business and it has to generate revenue for fixed cost, variable cost, and future cost. In his research he found that all Lake county towns have an access fee. He would like Mr. Hanna's recommendation on what the Town's access fee should be. There was some discussion as to what the different fees would be based on access fee and consumption. The thought is that Mr. Hanna could recommend established brackets of water consumption and determine pricing based off of those parameters.

Pro-Tem Conroy said that the basic city water model is to always charge an access fee and a charge for irrigation. The end result would be to produce revenue from access fee and incremental charging of water usage.

Mayor MacFarlane said that Mr. Hanna provided a base rate for 0-3000 in the previous model submission. She said at this point the Council needs to establish a set criterion to give to Mr. Hanna to request a breakdown for just an access fee and a fee for minimum gallon usage. It was mentioned that if the elimination of the few homes that

have a 2 meter fee in conjunction with the 173 homes located in Venezia that have the 2 meter fee it would result in a \$21,000 lose of revenue. This allocated revenue that is brought in currently goes directly to the SRF loan payment, which is \$175,000 a year. **Mayor MacFarlane** was under the impression that the model that Mr. Hanna previously provided eliminated the improvement fee for the residential irrigation. Irrigation water is treated water and should be billed at the same rate as potable water. **Mayor MacFarlane** said that the council would need to decide a methodology and look at current utilization and identify average usage and establish bracket cut offs appropriately.

Myron Lewellen, 508 Bellissimo Place wanted to know why the Town currently uses readings in 1,000 increments. **Mayor MacFarlane** said that the current meter reader and register are designed to read in 1,000. Mr. Lewellen recommended breaking the increment down to a smaller unit so residence weren't being charged for water that they aren't using. He also asked how often do we do the water rate study and **Mayor MacFarlane** confirmed the last one was in 2014. He suggested it be done every year.

Jamie Troyer, 224 Messina Place said that she would like to have an explanatory page to go with the charge of services to understand the utility bill. **Mayor MacFarlane** said it's a great idea and will get this information posted.

Mayor MacFarlane said that the Town needed to research and determine what are thresholds for appropriate allocation. **Pro-Tem Conroy** would like Sarah Whitaker to be a part of this in hopes of disregarding any isolation in preparation for when the Town applies for CUP and may avoid having to make some substantial changes to the pricing scheme that shows the Town is making every attempt to conserve water within the confines of what's acceptable. The CUP process must be considered when we set various rates. Potable water and irrigation are the two big components that **Pro-Tem Conroy** would like to be modeled for pricing.

Myron Lewellen, 508 Bellissimo Place asked what options are there for other revenues that could be considered. One question was if the Town could generate more revenue for charging for wells. **Mayor MacFarlane** said that there are not a substantial number of wells in town. It was mentioned that other revenue sources need to be looked at.

Councilor Klein noted some mathematical errors on the water report that Mr. Hanana previously submitted and wants to ensure reporting configurations are correct. He is in agreeance for charging and access fee and using 1,000 increments for determining appropriate costs. The biggest concern is making sure to maintain sufficient reserves and that they are adequately funded. He did mention that losing 13% of water seems a bit excessive and would like to know how the Town can address this.

Myron Lewellen, 508 Bellissimo Place asked if the Town was currently meeting expenses with revenue. **Mayor MacFarlane** said yes and that the Town is in a position of marginally having reserves. He said that if the Town is currently meeting existing

expenses with current revenue why reinvent the wheel and leave it the way it is until next year when we evaluate it again.

Jamie Troyer, 224 Messina Place was not aware that the lift station needed to be pumped out. She is all about communication and would like to disseminate this information out to the residence so maybe they would be more mindful when using wipes and disposing of them in the toilet. **Mayor MacFarlane** said that she has worked with Municode and created an internal distribution list to send blast emails out to communicate information. However, the majority of emails have been returned and she has requested updated contact information numerous times. She is seeking ideas on how to get mass communications out to residence.

Mayor MacFarlane noted her take away of the meeting being 1) Being able to read water usage in increments of less than 1000. 2) Have Sarah Whitaker do a presentation on the CUP and discuss strategies of what should and could be done. 3) Water bill presentation that is put on the website and provided to new residents that explains the water bill. 4) Find a mechanism that conveys information to residence. 4) Mr. Hanna's revised report needs to be disseminated to the Town Council. She also said that the Council will establish the next workshop date at the next Town Council meeting to be held on Monday, October 12, 2008 at 6:00 p.m.

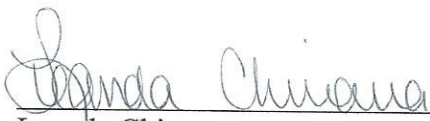
ATTENDEES: 7

ADJOURNMENT

The Meeting adjourned at 7:00 p.m.

ATTEST:


Mayor MacFarlane


Leanda Chinama
Town Clerk