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UTILITY COMMITTEE MEETING MINUTES

April 26, 2021

Rotary Room, Salem Community Center @ The Armory

In Attendance:

Members: Chairman Shawn Bolerjack, Alderwoman Kim Steelman (Zoom), John Hambacker, Catherine Dent, Gary Brown, Mayor Brad Nash (Ex Officio)

City Staff: City Administrator Ray Walden, Public Works Director Mark Nash, Utilities Supervisor Jennifer Cochran, Temporary City Clerk Tammy Koller, Police Chief Joe Chase

Visitors: Alderman Greg Parker, Alderman Kenneth Nash, Megan McPherson, Caleb Brubaker (Salem News), Donald Dodd (IDA), Sherry Lea (KSMO), Richard LaBrash, Bob Jenkins, Randy & Yvonne League, Steven Patterson, Tammy Walker

- I. **Welcome/Introductions** – Chairman Bolerjack welcomed everyone to the meeting and asked everyone in attendance to introduce themselves.

- II. **Update on AMI/Utility Billing** –Mr. Mark Nash gave an update on the AMI/Utility billing. The new water meters are in and installation will be done soon. There are approximately 200 water meters and 125 electric meters remaining to upgrade to the new AMI system. Ms. Cochran said the next bill for January 9th thru February 8th usage will be processed the end of this week. A list of area resources that can help customers with past due bills will be included with the utility bill.

- III. **Proposal for Prepay Option** – Mr. Walden presented a proposal from Exceleron to the committee to use a prepay and payment service company that provides the following services:
 - Monitoring & Energy Consumption
 - Prepay
 - Payments
 - Alerts
 - Meter Data Management & AnalyticsThis service will allow the utility office to accept payments online and allows utility consumers to pay for services before they receive them. This minimizes the utility's financial risk while empowering consumers to take greater control of their energy consumption and expenditures.

MAYOR
Brad Nash

ALDERMEN

Kimberly Steelman Greg Parker
Shawn Bolerjack Kenny Nash



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Ray Walden

TEMPORARY CITY CLERK
Tammy Koller

CITY ATTORNEY
James Weber

PARKS AND RECREATION: Melissa DuBois
POLICE DEPARTMENT: Joe Chase

PUBLIC WORKS: Mark Nash
UTILITIES: Jennifer Cochran

ECONOMIC DEVELOPMENT: Sally Burbridge
BUILDING INSPECTION: Jarred Brown

Pricing includes a fixed fee for Exceleron’s MyUsage Prepay for \$15,000 for a 60-month contract which covers the installation and system setup, integration support with the AMI & billing systems, a two-day on-site training session held prior to going “live”, new versions, features and upgrades as they are released. MyUsage Prepay has a monthly minimum service fee of \$2,000 which includes the first 333 participating prepay accounts. For each participating prepay account above 333, a \$6 per account monthly charge will apply. For the online payment feature (MyUsage), Exceleron will bill the city each month for the following: credit/debit card transactions: \$3.50/transaction (\$1,000 limit per payment), ACH: \$1.95/transaction, Retail Cash (bills paid at retailers with MoneyGram, Walmart, etc.): \$1.50/transaction. After some discussion, the committee voted to recommend that the Board of Aldermen approve the proposal. The motion was made from Catherine Dent and seconded by John Hambacker with all committee members voting “yes”.

IV. Consideration of Resuming Disconnects

The committee discussed resuming disconnects that have been on hold since the beginning of the pandemic. Mr. Walden estimated there are around 300 accounts that are more than 4 months behind on their bills with some customers not paying for over a year. The committee approved recommending to the Aldermen to restart disconnects on July 1st; giving customers plenty of notice. The motion was made by John Hambacker and seconded by Catherine Dent with all committee members voting “yes”.

V. Options to Bill for More Recent Consumption

The committee, along with citizen input, discussed options to bill for more recent consumption that would enable everyone to get caught up on usage and enable the city to invoice for the previous month. Giving customers options on how to become current was very important. The options presented by Mr. Walden and the utility staff are:

Option #1

Process a bill the first part of June 2021 for usage from 2/8/2021 to 5/31/2021.

Option #2

Process a bill the first part of June 2021 for usage from 2/8/2021 to 4/5/2021.

Process a bill the first part of July 2021 for usage from 4/5/2021 to 5/31/2021.

Option #3 (Next Page)

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Option #3

Utilize 40 day read cycles until billing is for the most recent consumption.

Process a bill the first part of June 2021 for usage from 2/8/2021 to 3/20/2021.

Process a bill the first part of July 2021 for usage from 3/20/2021 to 4/29/2021.

Process a bill the first part of August 2021 for usage from 4/29/2021 to 6/8/2021.

Process a bill the first part of September 2021 for usage from 6/8/2021 to 7/18/2021.

Process a bill the first part of October 2021 for usage from 7/18/2021 to 8/27/2021.

Process a bill the first part of November 2021 for usage from 8/27/2021 to 9/30/2021.

The customers will also have the option to set up a payment plan. The committee approved the plan and recommended that the Aldermen approve. The motion was made by John Hambacker and seconded by Gary Brown with all committee members voting “yes”.

VI. Options for February 2021 Extreme Weather Response – The committee discussed options to pay for the high costs in utilities from the February 2021 “cold snap”. The estimated February relief amount that the city can pay over a 24-month period with a 1.55% interest rate is \$1,296,665.63. The city has already made 1 of 24 payments at \$54,909.86. One option discussed was to add a \$25 fee to residential customers, \$60 for small commercial and \$85 for large commercial each month for 12 months; this is the plan that the City of Waynesville, MO is going with. Another option was to bill customers based on the kilowatts they used during this time broken up into monthly installments. The committee asked for more information regarding the number of residential and commercial customers and their usage and will discuss this issue at the next committee meeting.

VII. Request to Review High Water Consumption Discount Rate – Tammy Walker, a representative with Heartland Metal, made a request to have the committee review the current 3.47 cents per 1,000-gallon rate that has been set for high water consumption. Ms. Walker stated that her business is struggling and they’ve had a 30% drop in sales recently. Chairman Bolerjack said that we would get more information from the utility office and discuss it at the next committee meeting.

Having no further business, the meeting was adjourned.

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