

Committee of the Whole
September 22, 2015

Present: Mayor Mark S. Vulich, Council Members McGraw, Rowland, Gassman, Determann, Wilke, O'Neill and Allesee, City Administrator, City Attorney, City Clerk, Press and interested citizens.

1. Review of the Water Shutoff Policy – Ed O'Neill

Councilmember O'Neill advised the Council that on Monday Representative Mary Wolfe and Senator Rita Hart had expressed concerns regarding lack of due process. He stated that the Council has worked on this issue for eight months and has put forth several recommendations. He continued in stating that when Finance Director Anita Dalton had asked if a payment plan was possible after the letter informing the customer of the possibility of an impending water shut off had been sent. It was the feeling of the Council not to allow payment plans at that stage. He further stated that City Attorney Patrick O'Connell had assured the Council that due process had been followed.

Representative Mary Wolfe advised the Council that she had missed the article in the newspaper regarding no payment plan and acknowledged that the information was available to her. She stated that she agrees that the City should not allow residents to never pay their bills; however, the City did not send out a letter to each resident explaining the water shut off and that it was possible to come in and sign up for a payment plan. The only information on the letters sent out regarding the impending water shut off was to pay in full or be shut off. She continued in stating that if the City does not allow payment plans residents cannot come in and pay in full which will result in their eviction. She further stated that there would be a lot of evictions, especially among the low income. This would cause horrible public relations for the City. She proceeded to state that she is asking the Council to consider allowing payment plans where people would pay the current bill and something toward the amount in arrears. She suggested that the person signing up for a payment plan also sign a Confession of Judgement so if they stop paying and move the City can start the collection of that debt.

Mayor Vulich stated that he sympathized with Representative Wolfe's concern; however, the television ran stories for five days regarding the water shut off. He continued in stating that the City always gets thrown under the bus. He inquired regarding whether Representative Wolfe had asked other cities to consider payment plans. Representative Wolfe stated that other cities accrued debt is not like that of Clinton's and other cities do not allow citizens to run up their debt. She continued in stating that the matter will not be fixed by wanting payment in full from low income residents. A letter should be sent out to everyone explaining the water shut off policy. It does not help the City to have empty residences. City Administrator Kinser read the portion of the water shut off policy relating to a disconnect notice. Representative Wolfe stated that after receiving the first letters four residents came down and requested a payment plan; however, were told no. This is a due process problem and if arguments can be made there will be lawsuit.

Councilmember Wilke stated that people accumulate a large amount of debt, do not contact the City, and then at the last minute expect someone to bail them out. There a lot of organizations which will help people. Representative Wolfe stated that there are people who take advantage of a situation. A lot could have paid but didn't. Councilmember Wilke stated that moving forward the City will not let this happen again and will not reward bad behavior.

Ms. Laura Anderson, Sisters of Saint Francis, stated that the Sisters work with people who are struggling. It is important that the communication be clear and establish the consequences. There were no consequences in the letter.

Mr. Allen Eberle stated that he was speaking for landlords who have irresponsible people who do not pay. A landlord has large bills and it is unfair to them to be "dumped on" by irresponsible people.

Ms. Roberta Churchill advised the Council that she is involved with a program that helps people. She stated that she understands that some people are irresponsible; however, they need to know the consequences. The City cannot assume that people listen to the radio or read the newspaper. A letter needs to go out to everyone. She stated that she would like to see people given the opportunity for a payment plan.

Councilmember Gassman stated that people should be given another chance. The City should send letters and give it four to five months to see what Anita and Jessica can come up with to report back to Council. He continued in stating that keeping current and paying what you can seems reasonable.

Councilmember O'Neill inquired regarding whether the City was derelict in the execution of due process. City Attorney O'Connell stated that Representative Wolfe did not state that the City violated the tenants of due process. She raised practical and moral concerns. The City can enhance due process by allowing payment plans. The City can still shut the water off. He continued in stating that he did not think the City did anything illegal.

Councilmember O'Neill stated that he received 11 comments about this issue. He continued in stating that the City should go back and look regarding are we trying to collect the money the best way we can. The City needs to show compassion and allow payment plans.

Councilmember O'Neill suggested that that if the amount owed is \$2,000 or over the customer must pay 5% down and receive 40 months to pay the overdue balance, keep current with bills going forward and sign a Confession of Judgement and if the amount owed is \$0 to \$1,999 the customer must pay 10% down and receive 30 months to pay the overdue balance, keep current with bills going forward and sign a Confession of Judgement.

M/S, Wilke-Gassman moved that letters be sent out to all persons with \$500 or over in past due charges letting them know that they have the option to come in to City Hall and pay in full or have their water shut off. Motion and second withdrawn.

M/S, O'Neill-Gassman moved that if the amount owed is \$2,000 or over the customer must pay 5% down and receive 40 months to pay the overdue balance, keep current with bills going forward and sign a Confession of Judgement and if the amount owed is \$0 to \$1,999 the customer must pay 10% down and receive 30 months to pay the overdue balance, keep current with bills going forward and sign a Confession of Judgement. On roll call, McGraw, Gassman, Determann, O'Neill, Allesee – Yes; Rowland, Wilke – No. Motion carried. This will be brought back to the Committee of the Whole on October 6, 2015.

Finance Director Anita Dalton stated that there are currently 1005 customers with balances greater than \$500 and some are over 120 old. The notice says that they have five business days before they are turned over to Iowa American Water Company and then 12 days before IAWC will shut them off. If they come in to sign up for a payment plan the list could grow. She suggested

that the possibility of disconnect if the bill is not paid could be printed on the bill and would go out with each statement. A letter could be sent allowing customers to come in for a payment plan. City Administrator Kinser stated that the policy could be amended to allow a payment plan and would come back to the Council on October 13th.

Councilmember O'Neill stated that if people stay with the payment plan they must change their lifestyle and this is what we are looking for. Mayor Vulich stated that people should be worked with individually. Councilmember Allesee inquired regarding whether the Finance Director would have to deal with these people. Finance Director Dalton stated that she would like a guideline and that it be left up to her discretion. Mayor Vulich stated that it should be left up to the discretion of the City Administrator.

Councilmember Rowland inquired regarding what is currently on the books as uncollected. Finance Director Dalton stated that the accounts over 120 days are not changing and the past due is not being affected. She continued in stating that the 1005 customers on the list owe \$1.5 million and \$1.3 million of that is sewer.

City Administrator Kinser stated that there must be a number of days a customer has to come in and sign a payment plan. Councilmember O'Neill suggested 5 business days. City Administrator Kinser stated that the number of payment plans will cost time and someone must check the accounts.

2. North 14th Street Sidewalk – Jason Craft

City Engineer Jason Craft stated that he looked into the cost of constructing the sidewalk. It will cost \$7,500 and could be completed yet this year. Councilmember O'Neill inquired regarding the length of the sidewalk. Engineer Craft stated that the sidewalk would be 150 feet long. Mayor Vulich inquired regarding whose responsibility it would be to shovel snow. Engineer Craft stated that it would be the responsibility of the property owner.

M/S, Gassman-Wilke moved to forward the North 14th Street Sidewalk project to the next Council agenda. On roll call, carried unanimously.

3. Calendar Parking – Jessica Kinser

City Administrator Kinser stated that the Council had discussed option #4 on May 5th, 2015 where calendar parking would only be implemented upon a snow even of one inch or more. People would have a three hour window from 6:00AM to 9:00AM in which to move their vehicles and 6:00AM will determine the start time. She continued in stating that the City has plows out at one inch and announcements are made to the public at that time over radio, Channel 18, the website and a notice is sent out to the media.

Mr. Bob Betsinger stated that it sounds like an enforcement issue.

Councilmember McGraw inquired regarding whether there is anything in the ordinance about the commercial districts. City Administrator Kinser stated "yes", this shall not apply to the commercial districts.

M/S, Gassman-Determann moved to adopt #4 and bring the ordinance back to the October 6, 2015 Committee of the Whole. On roll call, carried unanimously.

4. Mayor & Council Member Updates

Mayor Vulich stated that he spent two days last week in Dubuque with the Mississippi Rivers and Towns Initiative. They discussed sustainable food supply nutrient reduction. He continued in stating that he would be participating in COP 21 in Paris which will be paid for by the Mayors group.

Councilmember O'Neill stated that he would be attending the Iowa League of Cities Conference in Cedar Rapids. He continued in stating that he would hold his public forum at the Ericksen Community Center on Saturday from 9:30 AM to 11:30 AM.

Councilmember Determann stated that he went with ABI to Washington DC last week. They met with Senators Ernst and Grassley. He continued in stating that he, Councilmember Allesee and Councilmember Gassman served lunch at the City's Safety Day for employees.

City Administrator presented a UTube video created by Augustana College.

M/S, Determann-Gassman moved to adjourn. All in favor.

Respectfully Submitted,

Pat Van Loo
City Clerk