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TOWN OF JEROME

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MINUTES

SPECIAL MEETING OF THE JEROME TOWN COUNCIL

JEROME CIVIC CENTER - 600 CLARK STREET - COUNCIL CHAMBERS

TUESDAY, DECEMBER 3, 2013 AT 6:00 P.M.

ITEM #1:	**CALL TO ORDER/ROLL CALL** Mayor/Chairperson to call meeting to order. Town Clerk to call and record the roll. *Mayor Check called the meeting to order at 6:04 p.m.* *Town Manager/Clerk Candace Gallagher called roll. Present were Mayor Nikki Check, Vice Mayor Lew Currier and Councilmembers Randall Hunt, Anne Bassett and Bill Phinney.* *Other staff in attendance at roll call included Public Works Director Dwain Dement, Finance Director Rebecca Cretti, Utilities Clerk Peggy Tovrea, Fire Chief Rusty Blair, Contract Wastewater Operator Henry MacVittie and Deputy Town Clerk Rosemarie Shemaitis. Town Attorney Bill Sims was called just prior to Item #2 and was then present telephonically.* *New Police Officer William Martin introduced himself to Council and the public and then left.* *Mayor Check explained that this meeting will be more like a workshop setting, so nothing is in its final format and all will be open to public input.*
ITEM #2: **6:04 pm**	**RESPONSIBILITY FOR SHARED SEWER LINES** Council will discuss where the responsibility for maintenance of shared sewer lines should lie, and may direct staff in this regard. *Ms. Gallagher explained the situation leading to this item: Jerome resident Linda Stanley, who lives on Holly Avenue, appears to have some breaks in the sewer line that passes through her property. (Ms. Stanley was present at the meeting.) RotoRooter has been out to evaluate the situation and were only able to snake 65 feet into the line. Ms. Stanley has had this problem for some time and there is now sewage seeping through her bathroom wall. It needs to be corrected, and Ms. Gallagher said that she would like some guidance from Council.* *Ms. Stanley shares a sewer line with two other houses. There are many such lines in town and they are referred to as "collector lines." Ms. Gallagher said that she has spoken to some of Jerome's former officials to find out what the practice has been in dealing with this type of problem. She found that, in the past, it has been the practice in Jerome for the Town to do maintenance on the shared lines; however, in most communities, the property owners are required to be responsible for their own lines. Ms. Gallagher added that Jerome is different than most other towns because our sewer lines are all over the place, and we don't have a clear idea where all of them are.* *Ms. Gallagher said that RotoRooter has looked at this and has provided a rough estimate of between $7,500 and $10,000 for them to do the work. They would provide all equipment, labor and materials, and the steps there would need to be excavated.* *Ms. Gallagher noted that there is no reference to shared lines or collector lines in the Town Code. She recommended that, regardless of what Council decides, the Code should be clarified.* *A lengthy discussion ensued, the highlights of which follow, not necessarily in chronological order.* *Mr. MacVittie said that the mapping of the sewer system is weak – he has an idea of where the*

main lines are located, which is what most municipalities would take ownership of, but Jerome has numerous small, common collector lines which service two to four homes, and they are all on private property. It is his understanding that there may not be easements in place for these, and that is why most municipalities don't accept responsibility for them. He said that, usually, if a collector line is on private property, it is the property owner's responsibility. He added that the Town "doesn't have the money to fix the main lines, which are the Town's responsibility, much less the collector lines."

Mayor Check commented that her main concern is that there are no easements and the Town would be assuming liability for private property, including the structures.

Ms. Stanley noted that RotoRooter camera'd the line from the back of the house and were only able to go about 65 feet. We don't know the condition of the pipes beyond that.

It was noted that the National League of Cities and Towns has recognized that this is a huge impact for homeowners and they will be offering low cost sewer insurance beginning in the spring. The Town makes no money on this – it is a service provided by the League to those residents who wish to participate. It will cover the homeowner's portion of the sewer lines.

Jane Moore, a Jerome resident, asked if it would be possible to move the sewer line from under the stairs. Councilmember Phinney would also like to know if the line could be moved. Ms. Stanley said that there is no place to which to move it. Dwain Dement agreed, but said that he would investigate that further.

Chief Blair noted that there are many lines that run under other properties, including on UVX land.

Vice Mayor Currier asked if there is an easement on Ms. Stanley's property. Ms. Gallagher responded that there is not. Ms. Stanley added that no one had ever asked her for one. Mr. Currier asked what arrangements were made when this line was originally installed. He wanted to know if the Town was involved and if the neighbors had some kind of agreement between themselves. Thom Bauers, a Jerome resident and neighbor to Ms. Stanley (who shares a sewer line with her), said that he paid a contractor to build his house. He doesn't know how the contractor did that part of it, he said, but it had to have been inspected by the Town at some point. He paid an impact fee and a sewage hook up fee, he said, and added that his line is tied in above Ms. Stanley's house, and he has always taken care of and maintained his line up to the tie in.

Mr. Currier asked, if a fee is paid, then what are the Town's responsibilities. Mr. MacVittie replied that, generally, the impact fee is intended to offset the cost of expansion of the wastewater treatment plant, installation of new mains and repairs. Councilmember Phinney stated that, when you encroach on someone else's land ... after awhile, it's no longer an encroachment. He asked if the same would apply with underground utility lines. Mr. Sims said that there would not be a prescriptive easement in favor of the town, because the Town is not acknowledging that they are town lines.

Mr. Sims stated that the Town Code is clear that, if applied rigidly, it leaves all of the obligations to the private property owners – it is not the obligation of the Town; however, having known and worked with the Council and residents of Jerome for almost two years, he feels that that would not be the result that Council would want, although they do have that legal right. Mr. Sims said that he had been on the phone earlier with another, similar old town that has shared, hundred-year-old lines, and they are having the same problems. This is a problem that most older towns with shared sewer lines have to address. He said that he has discussed this problem at length with Ms. Gallagher and he has some options to present.

Mr. Sims that, if the Town steps on someone's property and starts repairing their line, it could create many problems, such as creating a gift clause problem, spending public money on a private line, creating a liability problem for long-term operation and maintenance, and creating a precedent problem. However, unlike the city that he was talking to earlier, Jerome has taken advantage of gravity feed and does not need to pay for lift stations. The Town has relied on its citizens to jointly hook up their lines on their properties that connect to the Town's lines.

Mr. Sims said that the Town Code is very clear that the Town is responsible for maintenance of

lines only to the private property line, and then they become the property owners' responsibility. Another option, he said, is that the town could clear any blockages by snaking the lines. To do that legally would require an easement, and the Town could adopt a revision to the ordinance to provide that, for all shared lines, the Town will be willing to use town resources and staff to snake lines and clear blockages if the common property owners would give the town an easement. What that does is give the Town the right to be on the property and gives the property owner the right to have a line cleared. Mr. Sims said that Ms. Gallagher explained that this has been the tradition in the town, and he asked if that would be an acceptable alternative. If so, he said, Council can direct staff to modify the Code to accomplish those objectives. He also said that the Town has to decide if they want to recoup those expenses from the customers, as when it comes to breakages and repairs, it gets more complicated. Vice Mayor Currier noted that, in the 47 years he has lived in Jerome, the policy has been that the Town takes care of the lines. He has talked to former mayors and councilmembers and they all agree.

Councilmember Bassett said that there have been precedents with the Town working on these lines on private property. She opined that the most straightforward approach would be for the Town to help with Ms. Stanley's line and then create a more definitive ordinance for the future. It would, perhaps, allow the Town to snake private lines and make it clear that it is the homeowners responsibility for repairs, and, meanwhile, we will be informing homeowners of the availability of sewer line insurance.

Mayor Check said that she would like to know the number of people who have repaired their own sewer lines, and said that another approach would be to have an agreement between the property owners who utilize the shared line.

Mr. Bauers asked for clarification that, "because [the problem in the shared line] is past my property line, now it is Ms. Stanley's problem?" Mayor Check said that that is what the Code states. Mr. Bauers offered to donate $1,000 to the Town towards fixing the problem, and will talk with other neighbors as well. Mayor Check stated that that could be a really good approach, because using Town equipment and employees to do, for example, excavation work on someone's house could be an additional set of liabilities, and something that needs to be considered. It makes her very uncomfortable, she said. Mr. Sims agreed and said that she is correct – this would be a more difficult issue if it involves more than snaking.

Mr. Sims explained that one problem with expending Town resources on private property is the "gift clause." Jerome, however, is actually in a better position than the other town he had referenced because of its terrain. We have benefitted from being able to rely on gravity rather than incurring the expense of lift stations. The Town could probably justify expenditures for snaking shared lines, he said. It could be justified to the constituents because they haven't had to install more elaborate systems to join each of these parcels. If further repairs (beyond snaking) are needed, he went on to say, that is a different issue and could be a more difficult situation. Mr. Sims said that the Town could do an ordinance that would allow the expenditure of town resources to clear shared lines. The ordinance does not allow that now – it says that the Town's responsibility stops at the property line. The more difficult situation would be if there is breakage; that is a much more expensive proposition.

Mr. Sims stated that, if the Town is to snake the lines, then every property owner would have to provide an easement to the Town so that the Town has the right to be on the property. Vice Mayor Currier commented that easements would cost money – they require surveys. Mr. Sims agreed. Mr. Currier said that he would be agreeable to splitting the cost of the survey with the property owner.

Mayor Check said that she would like to know how many shared lines are in town. Chief Blair said, "they are everywhere."

Mr. Currier then asked how many of these issues have come to the Town's attention in the last five years. He thought maybe two. Ms. Gallagher noted that this is the first problem of this type and magnitude that she has been aware of in the four years that she has been here, but she thinks that there was an issue a couple of years ago in the Gulch. Vice Mayor Currier said that the point

is that these problems don't appear very often – maybe every five or ten years, where something needs to be corrected. Therefore, spread out over time, this would not necessarily be as frightening.

Mayor Check opined that snaking the lines could be deleterious to the lines and it could increase the Town's liability if they were to break the lines.

Ms. Moore stated that the sewer line that runs through her property comes from two other properties, and they had fixed it last year. They don't expect to be reimbursed, she said – they just did it – but the town did give them some materials. Ms. Moore opined that it would be advantageous to the Town to remove these lines from under properties, where possible, so that they don't cause damage in the future. Also, it is a concern of hers that historic structures might be damaged. Mayor Check said that we could try to get a CDBG grant to fund that.

Ms. Stanley explained that the houses that were built above her were hooked into an old preexisting sewer line. She doesn't understand why it is not the Town's responsibility and why the property owner should be responsible for a connection line that has been there forever. That line was the Town's responsibility at one time, she said, but it has since been hooked into with two hook ups, neither one of which, she said, is up to code. Somebody signed off on it, and now she has sewage seeping through her lower bathroom wall. She doesn't think that the collection line should be the responsibility of the property owner, whether it's on her property or not – it's a collection line that other people use.

Mayor Check reminded all that they had already gone through this with the Knowlton's, who invested a good amount to fix a shared line. Ms. Gallagher noted that Council agreed, in that instance, to make a payment to them. It was noted that an easement for that line was obtained from Paula Taylor, as the line ran across her property.

Mayor Check said that she is uncomfortable with this. The Town would be assuming a huge responsibility, she said, and she would prefer that everybody in town get sewer insurance when it becomes available in the spring through the National League of Cities and Towns.

Ms. Moore asked, since there is no easement, and these lines cross Ms. Stanley's property, does she have the right to just cut the other users off? Mr. Sims responded that this does raise Mr. Phinney's adverse possession question. The upstream property owner would probably claim, he said, that they have openly used the downstream property owner's property and that they have a prescriptive easement. "But that just invites more lawsuits and lawyers," he said. "We need to figure out a global solution."

Mr. Sims said that he and Ms. Gallagher had tried to figure out a civil approach for solving this, because the Town has benefited from the use of shared lines. He said that if we have traditionally snaked lines using Town resources, it would be a good idea to codify that in the Code. Regarding the Vice Mayor's concern about the cost of getting easements, Mr. Sims said that, instead, we could include that, for all shared lines, any customer who wants to avail himself or herself of the benefit of the town snaking their blocked line would have to allow access to his or her property for that purpose. In that way, we could avoid the cost of obtaining legal descriptions for easements.

Mr. Sims asked if we could identify which properties use shared lines in Jerome. Chief Blair said that he knows of some and they could map them. He also made a suggestion as to how to repair Ms. Stanley's line without destroying the integrity of the steps – he said that they could possibly put in two manholes, one above and one below, and then sleeve the pipe.

Mayor Check said that she likes Mr. Bauer's idea and feels that Jerome is very caring. She suggested that the work could be paid for privately with help from the Town's residents. She said that everybody can relate to this, and nobody wants to get caught in this type of situation. The Town's infrastructure is bad and it is on everybody's mind. The Mayor said that, with the insurance becoming available this spring, it might not be a good idea to extend the Town's resources at this time. She said that they may have to revise things once proper sewage insurance is available.

Vice Mayor Currier asked the Mayor if she is telling Ms. Stanley to come back in the spring when

she has insurance. "No," Mayor Check said, and explained that what she is suggesting is that they band together to fix this without using Town funds. Mr. Currier asked if she was going to take the lead on this, and the Mayor responded that she would be happy to contribute to a fundraiser.

Vice Mayor Currier asked Ms. Stanley to confirm that she had not agreed to any other hook ups. She confirmed that she had not.

Councilmember Bassett asked Mr. Sims if the argument that the shared line at Linda Stanley's was previously a trunk line, because it once had other houses on it, would help avoid the perception of the Town giving money to a private individual to fix their line. She added that the precedent was set before this action, when Town has repaired other trunk lines. Mr. Sims said he knows that the Town has snaked lines, but, he asked, is there a precedent where the Town has repaired lines. He was told "yes," that there were lines all over Town which were repaired at the Town's expense and without recouping any costs from the property owners. Ms. Bassett commented that it is a public health and safety issue at some point.

Mayor Check said that several people have asked what will happen if the sewage continues to spill. She thinks that the only good legal course would be to have the Town take adverse possession of the line and then assume all responsibility thereafter. Mr. Sims said that he would like avoid having the town becoming involved in all the lines and all the tentacles that extend all through private property – the Town would be legally responsible for a very significant expense as opposed to handling repairs on an ad hoc basis.

Ms. Moore commented that there should be other ways to repair or reroute lines without damaging the houses. That should be looked at, she said, before any decisions are made. Mr. Currier said that what Ms. Moore is suggesting could take months, and Ms. Stanley needs help now. Ms. Moore clarified that she is not looking to take months to find a solution -- she thought that possibly the line could be rerouted, but she hasn't actually looked at the situation. If they could reroute it, they might not have to tear up everything and it might be faster.

Mr. Bauers said that his line could be rerouted, because it runs on top of the ground and plugs in at that site. He asked if that would alleviate Ms. Stanley's problem. After a brief dialogue with Ms. Stanley, it was determined that this would not solve the problem.

Mr. Dement opined that collector lines belong to everybody on those lines, and everybody on a line should share the responsibility.

Mr. Currier opined that, as soon as two private lines come together, it becomes the Town's problem. We allowed that to happen, he said, and people developed their properties based on approvals from the building department. It is our responsibility. It was probably a mistake to do that, he added, but they did it and we should stick by it.

Finance Director Becky Cretti expressed her agreement with Vice Mayor Currier. Ms. Stanley needs help with this problem that she did not create, she said. The Town allowed it to happen, so the Town should clear it up.

Mr. Sims said that, using Ms. Stanley's break as a test, the Town could accept responsibility for maintenance of all the shared lines, causing that to be a Town general expense; however, that would burden those in town who do not use the Town sewer system. It could be broken down so that the Town employees would "snake" any shared line at Town expense, and in the event of a breakage on a shared line, the Town would use its resources to repair the line, and the property owners would have to grant an express easement to come onto the property to make the repairs. Regarding the cost of those repairs, that cost could be shared among either (a) the entire Town, through the general fund; (b) only those users on the shared line; or (c) all users of the sewer system, through rate adjustments as needed. That could be justified by virtue of the fact that sewer customers have benefited from the fact that there are no lift stations, which are somewhat expensive. The Mayor added that any of these options would require a waiver of the Town's liability for any damage to the structure.

Councilmember Bassett asked if our Ordinance defines shared lines or trunk lines. Mr. Sims replied that it does not, because Jerome's ordinance stops the town's obligation at the property line. Ms.

Bassett said that the Town is obligated for trunk lines that cross private property, which happens all over the place. She said that she would like to fix Ms. Stanley's problem, and then create a better ordinance.

Vice Mayor Currier noted that it is a general health and welfare issue if there is sewage running where it should not. It exposes the entire town to a health problem, and the Town should pick up at least some portion of the cost.

Mayor Check asked Mr. Sims if the Town could sue a private property owner for a health hazard created by a leak on their property. She added that she does not intend to do this, but would like to know if that is typically done. Mr. Sims responded that he would agree with that if it was a simple solution where the leak is clearly on a line served by just one property owner; however, as soon as there are adjoining lines, there becomes a question of whose sewage it is, and one property owner is pitted against another.

Mr. Sims said that, because the Town has benefitted from the shared lines, the property owners would have to make a concession and allow Town personnel to undertake the repair, which would likely be less expensive than an outside contractor, and then that cost would be shared by the Town, but only by those who are customers of the sewage system, not by the non-customers. Although, he said, the Town could say that it is on private property and is therefore not the Town's responsibility, he suggested that the Town take responsibility and fix the problem, because the Town may have had some involvement in creating it, and it would assure that the repairs are made promptly using a more economical resource, such as the Town personnel.

Ms. Cretti asked if the Town would be requesting a "hold harmless" agreement from the property owners for any damage. She was told that we would.

Chief Blair commented that he has always been responsible for his own line from the house to the trunk line. Other property owners have done the same. Vice Mayor Currier responded that that would be Ms. Stanley's position, too, except that "someone plugged into her line without permission and dumped two more sewers into it." Mayor Check asked Ms. Stanley if she had made any repairs on her line to the trunk line. She replied that she had not.

Mr. Dement commented that the Town maintains the collection box on Holly Street that Ms. Stanley's line enters into. He added that they had installed 60-80 feet of new sewer line there, and clarified that the box is part of the main system. Ms. Stanley clarified that she hooks into the collector line, and the collector line hooks into the box.

Mayor Check said that there is nothing regarding specific properties included on the agenda – just a general discussion regarding how we approach this topic. She said that she would like to address this issue and also discuss it in the spring. Mr. Sims has outlined three options to be considered for absorbing the cost.

Vice Mayor Currier said that he would like staff to develop an ordinance to provide that the Town will snake the lines to the first "Y." He thinks that it is a workable idea, and that's as far as he wants to go at the moment. The Mayor agreed. However, Mr. Currier added, he does not want to leave Ms. Stanley "floating in the air for months."

Mayor Check said that she thinks the private sector would be speedier at dealing with this. Vice Mayor Currier said that they will do something if the Town does not act, but he would find it "very depressing" if the Town is unable to act in this case.

Councilmember Phinney said that it has been his opinion for a long time that any collector line, by its definition, belongs to the Town. Although we don't want to take acceptance of them yet, he said, he sees no reason why we should not repair this line. Mr. Currier agreed. It was clarified that it is leaking under Ms. Stanley's stairs, and that Roto Rooter's estimate of $7,500 to $10,000 was only for replacement of the 65 feet of line that they were able to camera.

Ms. Shemaitis noted that, in Jerome, if someone is in need of assistance, everybody comes out to help with fundraisers or whatever is needed. It may not be in the Code to make the repair, but, she asked, is Council allowed to make an emergency motion where the Town could pay for half

of the repair, and then those on the line could pay for the other half? It doesn't seem right to not take care of the residents.

Vice Mayor Currier asked if the Town has sewer bond emergency money. Ms. Cretti replied that we do. She does not know exactly how much money is available but she thinks it is over $30,000. There was discussion regarding whether or not those funds could be used for this work. Ms. Cretti said that she feels that they could be, as they are intended for sewer emergencies and improvements. Mayor Check said that we can review the bond documents to determine if we are able to use those funds; then, we can continue to look at this and draft a hold harmless agreement. She added that she would not be comfortable with the Town covering any more than 50% of the cost. Mr. Currier disagreed and said that it would depend on the situation. He said that he would like to know what it will cost and what Ms. Stanley can handle. He would also like to know what help her neighbors can give her. Mr. Bauer had offered to help, and said that he believes the other neighbor would help as well. Mayor Check said that she believes that they could get help to cover 100% of the cost – donations of time, effort and money. She said that she doesn't think that the Town should cover 100% of what is private property maintenance. Mr. Bauers agreed and said that he doesn't want the Town to pay 100% either. He would help as well as the other neighbor, and Ms. Stanley could contribute whatever she can.

Vice Mayor Currier said that he would like the interested parties to meet with the Town and work on the finances from that point, but he thinks that they should get that problem fixed as soon as possible. Mr. Sims noted that to use Town funds to repair a private line would require a code change. Mr. Currier said that we should then draft a code change as quickly as possible.

Ms. Stanley asked, if she fixes the line herself, and it costs the three of them between $7,000 and $10,000, is there any way that they could recoup the money from the town? Mayor Check replied "no." Ms. Stanley said, "How about a lawsuit?" The Mayor replied, "Good luck," and asked Ms. Stanley to think about those who are paying town sewage fees for septic service, noting that "it is really an unfair system altogether." Ms. Stanley said, "If Council is saying that the Town is not responsible, or they don't want to do this, or to wait … all I know is that I have sewage coming through my bathroom wall." Mayor Check reiterated that the Code says that she is responsible for that.

Vice Mayor Currier asked, if the Town is going to do some of this work, and it costs money, and if the money should rightfully come from the property owner, is it possible to put a mechanics lien on the property so that the money would ultimately come out of the sale of the property? Mr. Sims responded that the property owner would have to agree. He thinks that the better solution is to draft an immediate ordinance just to address this specific case and then decide how the town is compensated. The alternatives were: to accept it as a Town general expense, which shares it with everybody; accept it as a cost that is chargeable to all persons connected to the sewer system and increase fees on an annual basis to pay it; or accept it as an increase only to those customers who are on the line. Council, he said, needs to decide. He said that he could draft an ordinance with Ms. Gallagher and that ordinance could be the beginnings of the model for the permanent ordinance for all properties. But, he said, he doesn't want the Town to accept ownership of all these lines, because then you do have uncapped liability. What he would prefer to see is that, once a problem presents itself, the Town would use its resources to snake lines at no cost to the customers, or to repair lines and be compensated by either the customers on the line, the customers on the sewer system, or all the citizens.

Mayor Check commented that their options are clear and they can begin working on the ordinance and the legal aspects of all of this. She thinks that Council's work on this item is done.

Councilmember Bassett said that she objects to Mr. Sims comment that they cannot just do this line, because they have done this before. It may not be legal for them to do it, but the Town has done it before, so there is precedent. Mayor Check asked if this has come before Council before. Ms. Bassett said that it had not.

Ms. Cretti asked if Council could give Ms. Stanley a date so she will know when this will be resolved. The Mayor said "not right now," but added that Ms. Stanley can be assured that this

weighs on the staff and it will be taken care of as quickly as possible.

Ms. Bassett asked if they could declare an emergency, which would allow the ordinance to take effect immediately. Ms. Cretti agreed that this is an emergency.

Ms. Gallagher said that if, according to Mr. Sims, we need an ordinance to do this, she could have an ordinance ready and on the agenda for the upcoming regular meeting on Tuesday, then Council could conceivably convene the next day and adopt it as an emergency measure without the 30-day grace period. Mayor Check commented that they can look into that. Vice Mayor Currier and Councilmember Bassett agreed that we should do this. The Mayor said that they will do their best to work through it as soon as possible, but will not make any promises.

7:23 pm

WATER AND SEWER RATE STRUCTURE

Council will begin discussions regarding possible changes to the rate structure for water and sewer service. No action will be taken at this meeting.

Mayor Check asked Councilmember Bassett to present to Council her concerns and would like to know what Council is thinking regarding the future of water and sewer rate structures.

Councilmember Bassett said that central to this is a printout of a sampling of different types of accounts for water and sewer. Ms. Gallagher had a copy of that printout and handed it out to Council, but, upon the Mayor's request, it was immediately retrieved and redacted to remove addresses from the list. The redacted list was then redistributed to Council.

Ms. Bassett stated that rates are very disparate among the different types of accounts and she would like something done about it. She said that the residential accounts subsidize the commercial accounts, "and that's wrong."

Mayor Check asked Ms. Bassett if she would prefer to go to billing by per gallon usage. Ms. Bassett replied that that is problematic for other reasons. She would like something to be done about it, and she is beginning to suspect that it would be less murky and dangerous for Council to just change the rate structure to make it more fair. She explained that for a B&B to be paying the equivalent of $1.00 for 1,000 gallons, and for a single resident to be paying $3.80 for 1,000 gallons is disparate. She said that the residential rates need to go down and the commercial rates need to be increased.

Mayor Check said that she was just talking with Ms. Gallagher regarding how we charge for water, and it is not the water itself that we charge for, but the service.

Jane Moore had several comments:

- *She said that some residents, including herself, during the summer months use quite a bit of water. She said that a shop with just a bathroom, which is commercial, does not use as much. She suggested that it is inaccurate to say generally that residents pay less than commercial, when there are different types of commercial use.*
- *She added that another thing to consider is that, for some accounts (where water is used for watering outside), not all of the water used enters and impacts the sewer system.*
- *She said that she doesn't know of any other municipalities that are getting water from a spring rather than pumping from an aquifer. We don't have the expense of pumping out of (and depleting) an aquifer.*

In order to make the rates fair, Ms. Moore said, Council would need to look at a lot of things before deciding on a rate per 1,000 gallons. There should be a cut off point, or a base rate, she said, such that after a base use of 10,000 gallons, the account would be charged an additional rate per 1,000 gallons, and after 20,000 gallons, a new rate per 1,000 gallons would apply. There is a lot to look at, she said, before they can decide what to do. She added that some people use more water on a regular basis, and others use more only at certain times of the year but otherwise use a lot less. "There is a lot to look at," she reiterated, "before Council puts a blanket

rate on anybody."

Ms. Bassett said that she would like to institute a charge for excess water usage and would like to establish maximum usage for the different types of accounts. Small shops are "paying through the nose" and would not need a rate increase, she said, but rates for bars, restaurants and hotels should be increased – they are the commercial uses taking advantage of our water and sewer system. She said that establishing a minimum usage rate and charging a higher rate for usage above that would be a sensible thing. She thinks that water is going to be increasingly scarce, which is another good reason for setting maximums.

Councilmember Phinney asked if the sewer rate is included in the water bill. Ms. Gallagher explained that the sewer charge, for those who have sewer service, is 1.283% of the water rate. It is shown as a separate amount on the bill. Mr. Phinney pointed out that, in general, all of the water used by businesses goes to the sewage plant, while only a portion of the water used at houses goes into the sewer.

Councilmember Phinney asked if Council has decided to bill by the gallon or continue to bill by a flat rate. Councilmember Bassett said that Council needs an executive session to discuss that. Mayor Check agreed and said that it might be wise to avoid per gallon billing.

Ms. Stanley said that she has had her meter for a few years and she thinks that having the meters is a waste of money. She asked why they are reading them if the Town is not going to use the information that they are providing. Mayor Check explained that in order for the Town to receive a bond, they had to install meters. Vice Mayor Currier noted that it is handy to know how much water is moving through the system. Also, by reading the meters, we can tell where the leaks are. Mayor Check added that, if the numbers don't add up, it could be an indication that there is "something funny going on."

Ms. Stanley said that her bill actually went down recently by 15 cents. Ms. Gallagher explained that all utility bills decreased slightly because the state sales tax (which is charged on water) was reduced by one percent.

Ms. Shemaitis noted that the information provided by reading the meters benefits the customers because, if there were a leak, it would show that their usage is up. Also, in order to implement any kind of metered billing system, we need to have read the meters for a few years or so to establish baseline information.

Mr. Phinney said that we also want to know how much water the Town is receiving from the springs. He added that he doesn't think that there is any way to make this fair unless we charge by the gallon. If we reduce the rates on the residences and increase the rates on the others, he said, "It doesn't feel fair to me… You should pay for the amount of product that you get."

Ms. Shemaitis commented that, based on a conversation with Ms. Cretti, a fee could be imposed as a line fee or line maintenance fee.

Ms. Gallagher suggested that the Town, in the future, could consider charging out of town users based on the length of the pipe to get to their location, because most of our costs are for maintaining lines and infrastructure. Ms. Bassett remarked that she liked that, and the Mayor agreed.

Mayor Check said that she does not envision the possibility for a rate reduction for residential users – the infrastructure costs are way more than what they are paying now, whether it is for water or sewer. She would be uncomfortable reducing anybody's water bill. She agreed with Ms. Moore that Council should look at everything if they were to be interested in establishing a per gallon rate, including the impact of conservation on our revenues.

Ms. Bassett said that the last time they increased the sewer rate it was by a flat percentage, which, she said, increased the disparity. She thinks that the restaurants could use more water efficient dishwashers. It would impact the businesses if they were charged by the gallon – they would take care of inefficient, heavy water use appliances and replace them. It would be worth their while.

Mayor Check said that individuals would be interested in having a reduced bill if it were charged by the gallon. She said that they might even go to a rainwater catchment system to save money. "I'm not saying that's bad," she said, "but it's something we need to consider." How we bill, she said, is very important, and added that she hopes this discussion addressed the potential problems involved with billing by the gallon.

Mr. Phinney commented that Councilmember Bassett would like the system to be more fair, but he thinks the Town would have to use usage billing to accomplish that.

Mr. Currier commented that "fair" is only one possible goal – there are other ways of looking at it. He noted that all water is not the same – if you are using it in a hospital it is different than if you are using it in a restaurant. Even if it is the same gallonage, it may be more to the community's desire to use it in a hospital rather than another restaurant. "What I'm saying," he said, "is that some uses are better than others." He suggested that desirable uses (such as residential use) could be favored over less desirable uses (such as "another restaurant") through the rate structure. Mayor Check asked Mr. Sims to comment on that. Mr. Sims said that, under the Constitution, Council would have to be very careful about how they drew those lines. There might be a way to favor or induce, say a hospital, with other benefits. He said that all of his other cities charge water by metered rates, and they would love to see conservation. It is complicated, he said, but Council should not discount the possibility of charging by metered usage, and that can be discussed further in executive session.

Mayor Check said that she asked Mr. Sims to comment because she thinks it gives the town a level of exposure to say that we favor one use over another. Mr. Sims agreed, and said that to do that, they would have to be very careful. Vice Mayor Currier agreed as well, and said that he thinks that they can be careful.

Ms. Moore stated that it is totally subjective to say that one use is better than another use, and it is treading on dangerous territory to do that, because commercial uses bring in sales tax revenue. She said that she thinks that nobody wants to be wasting water, and that the bars and restaurants could be encouraged to use water saving devices (without forcing them to do it) just by showing them what is available. She believes that they did that at one point in time. Mr. Currier said "It failed." Ms. Moore disagreed, and said that the word didn't get out there regarding what was available. She believes that, if the Town worked with some of the bars and restaurants, they would probably do it if they knew it was available. She suggested that, perhaps at a Chamber meeting, the bars and restaurants could be shown what is available.

Ms. Moore went on to say that, if the town implements rates by the gallon, everyone will need to be made aware of their usage. An adjustment period would be needed so that people would have a chance to fix any problems. She added that she doesn't think that the base water rate should go down – the infrastructure is so bad. The Town needs the money and it is the service that's being provided; it's not the cost of pumping the water out of the ground - we're not pumping water and we are not depleting an aquifer. Ms. Moore noted that water will go in and out of town whether people are using it or not. She said that the time to not be wasting water is when we are in drought conditions, and we may want to think about implementing higher fees when there is less water.

Mayor Check said that she would like to put together a drought provision – it would be a worthwhile thing to do. Vice Mayor Currier said that we have one. Ms. Gallagher agreed, but said that it is minimal.

Ms. Shemaitis commented that, if the Town were to go to metered billing, it would be important to ensure that green space is maintained around homes, so some sort of base rate should be considered so that people aren't afraid to water. It is important to maintain green around a house or it could be a fire hazard. Also, she opined that hospitals may not be better than a restaurant – for example, if someone is going through chemo, those medications go into the sewer system and they are difficult to remove.

Mayor Check recalled Councilmember Bassett's comment and Councilmember Phinney's observation that the sewer plant is being impacted more with high use facilities, so she feels that

	is the better thing to focus on. *Councilmember Bassett said that we should build into the structure an allowance for gardens at the residences, because some of the water used is not going into the sewer system but into the gardens.* *Mayor Check agreed and said that she is not interested in changing the rate system – she would rather work on the infrastructure impact that they have, and come up with a way to assess the high-use sewer users.* *Councilmember Bassett noted that the only thing that we have for drought protection is that the types of accounts are prioritized – the residents are the last to get cut off in a drought. Vice Mayor Currier asked what Council had in mind for a drought system. Ms. Bassett said that we could look at the County and see what they do. The Mayor said that Clarkdale has an interesting system and Council could insert a maximum monthly usage during a drought or only allow outdoor water usage at night. Ms. Bassett said that they should outlaw sprinklers. Ms. Gallagher said that she can provide a copy of Clarkdale's water restrictions, which have been pointed out to her as being good ones. Council could look at them and then discuss them at a future time. The Mayor agreed and said that, even though Council would have to do a lot of tweaking, it would be a good starting point.* *Councilmember Bassett said that she would also like to look into dealing with future water shortages. Mayor Check agreed and said that that would be a very beneficial use of their time.* *Ms. Moore said that she has worked on a planning study with the Bureau of Land Management to ensure that all the towns have sufficient water for the next 50 years. One of the things that they had looked at was that a Phelps-Dodge hydrologist had measured the springs during a drought and they measured the flow as 175 gallons per minute coming in from all the springs. Using that, she calculated that there is enough water for 20,000 gallons a month per water hook up. That would not be enough for some operations, such as hotels and restaurants, but it is plenty for the residents, other than those that have big gardens. She said that that was the worst drought they ever measured, in 2002-03. She added that we would have to figure out how to deal with those using 50,000-100,000 gallons a month, but the high water users could be balanced by those using less. She noted that, during the drought, it was the residents that were watering less while the bars and restaurants continued using water, although they did not put out water in the restaurants. That's also something that should be looked at before trying to deal with drought situations, and it is where water-saving fixtures would be a lot of help.* *Mayor Check said that it would be a good idea to discuss this less formally in a workshop after they receive the information from Clarkdale. Councilmember Bassett asked if they needed to convene in executive session to discuss some of these topics. Ms. Gallagher suggested that they could discuss these items further at the workshop.*
ITEM #4: **7:58 pm**	**RESIDENTIAL PARKING PERMITS** Council will review, and may determine whether or not to reconsider, a plan previously considered and not pursued regarding the issuance of residential parking permits. No action will be taken at this meeting. *Vice Mayor Currier explained that he has received many complaints from the area below Town Hall, including the Verde Street area, that there is a lot of parking in the street and it is getting harder to find a parking spot. Residents have complained to the police, but Chief Muma has explained that there is nothing the police can do, since he has not received a parking ordinance from Council that would allow him to distinguish who should or shouldn't be parking in that area. That ordinance has been presented two times to Council, Mr. Currier said, but it has been over a year since they last looked at it, and he thought that they should look at it again now in light of the parking problem. He added that some of the older women around Verde Street have complained about having to walk quite a ways to get to their cars, and he suggested adding handicapped parking spaces in that neighborhood close to those who need them. Mr. Currier*

said that he had hoped for some kind of a sticker system and no overnight parking on the street without a sticker. He noted that there are people with off-street parking who are parking on the street whenever they want, and there is nothing in the law to disallow it.

Mr. Currier said that when they addressed vacation rentals, the idea was to have off-street parking so that it wouldn't impact the on-street parking. He asked Mr. Sims, if someone has off-street parking, can they can still park wherever they want on the street? Mr. Sims asked if the Vice Mayor was referencing the vacation rental ordinance and Mr. Currier replied that he is referencing the vacation rental ordinance that is now in abeyance but is the one that they passed. Mr. Sims said that he would have to look it up. (See Mr. Sims' response six paragraphs below.)

Ms. Stanley commented that one problem with Jerome's residential parking is that some residents have no parking at all on their property but have multiple vehicles. She feels that no one should be able to park more than two vehicles on the street.

Councilmember Bassett commented that she would be in favor of limiting vehicles to two per household that could be parked on the street. She likes the idea of not issuing parking stickers to a household that already has off-street parking. Ms. Bassett added that there should be a visitor's permit available at the same free rate, but she would not want anyone to be able to purchase additional permits, as the draft ordinance would provide. She also said that permits should be issued just once instead of every two years, and they would become invalid if someone moved. In addition, they should be transferable to another vehicle if the police are informed.

Mayor Check said that she does not like this concept for several reasons. For one, she said, the issue of enforcement would give everybody a reason to be nasty to their neighbor, and she does not want to involve the Town or its police department in neighborly disputes. She would like to see them out of those disputes, she added.

Ms. Stanley commented that she knows that there are issues all over town, but people park on Holly Avenue who don't even live there. She has a garage that she uses, but if she has company, there is no place for them to park. Ms. Stanley opined that only one vehicle per licensed driver should be allowed to park on the street.

Mayor Check said that that would be a lot to ask of the police department, the judge and the Town to enforce. She would like each neighborhood to discuss their parking issues, as every neighborhood is different. Vice Mayor Currier agreed, and said that there are going to be issues in the different neighborhoods that everyone is going to have to deal with. "What is the answer?" he asked. Mayor Check said that the answer is for everyone to work it out amongst themselves. Ms. Stanley said that that is not possible.

Mr. Sims, in answer to a question posed earlier by Vice Mayor Currier, stated that the Town can require off-street parking, but there is nothing to prevent anyone from parking on the street regardless. He agreed that the police department has no ability to enforce against that.

Councilmember Bassett called a point of information and stated that the vacation rental ordinance which was just adopted states that there will be no on-street parking overnight. Ms. Gallagher pointed out that that ordinance is not in effect due to the referendum having been filed.

Mr. Sims said that, in order to enforce any regulations against on-street parking, the Town would have to have a sticker system, and the police force would be consumed with enforcing the regulation. Mr. Currier agreed and said that, with the limited police force that we have, it's virtually useless for that purpose. He said that he just wanted to make sure that he understood the reality of this situation, and now he does – there is no way to address this.

Mr. Phinney noted that on some streets, there is not enough parking on the street even with only two cars per household.

Mayor Check commented that, if we were to be more strict about parking in the residential zones, people would start parking overnight and beyond in the commercial areas, where we

	want people to have easy access to our businesses. *Councilmember Phinney asked if they could use parking permits to regulate time limits. "Who are we trying to keep from parking?" he asked, "Anybody that doesn't live in the neighborhood, any time of the day or night? Or do we just need to regulate at certain times?" He asked if the problem is that there has been an influx of out-of-towners parking on the town streets, or if it is just residents with lots of cars parked on the street, including "junkers."* *Ms. Stanley said that she doesn't care how many cars people have, but there should only be on-street parking allowed for one car per property. Other vehicles should be parked elsewhere, she said, and "that's not being done at all." The older generation, she added, feels entitled, and they don't want to be told where to park.* *Ms. Moore said that a permit system would be a nightmare. She agreed with Mr. Currier and suggested that we designate handicapped parking spaces to be reserved per house.* *Vice Mayor Currier asked if parking could be reserved for specific individuals. Mr. Sims replied that it could be done, but they would need stickers and enforcement.* *Mayor Check added that we would also need signage. She asked what kind of spacing would be needed for those signs, and if we would be willing to have them in our historic residential district. Mr. Currier said that he would be.* *Ms. Stanley opined that the Town keeps getting more congested and "people don't seem to care if you or your company has a place to park." If there is a rental, she said, the landlord should provide parking for the renters. She said that she is lucky to have a garage, and added that she had tried talking to a neighbor about parking but it didn't work out.* *Mayor Check said that this not something that she would like to have the Town and police department invest a lot of time with.* ***Motion:** Councilmember Hunt agreed with that and made a motion to **table this discussion on parking.** It was seconded by Vice Mayor Currier.* *There was a brief discussion regarding whether the item needed to be tabled to a particular date. After discussion with Mr. Sims, it was determined that this was not necessary.* *Mayor Check called the question and it was **approved by all.***
ITEM #5:	**ADJOURNMENT** *Upon motion by Councilmember Bassett seconded by Councilmember Hunt and unanimously approved, the meeting was adjourned at 8:18 p.m.*

Edited by Town Manager/Clerk Candace Gallagher from minutes taken and transcribed by Deputy Town Clerk Rosemarie Shemaitis.

APPROVE:

_____

Nikki Check, Mayor

ATTEST:

_____

Candace B. Gallagher, CMC, Town Manager/Clerk

Date: _____