

Olivehurst Public Utility District



Agenda Item Staff Report

Meeting Date: 11/03

Item description/summary:

In attachment 1, Please find appropriate document with full proposed recommended changes/recommended items up for changes. Addressed hereon, are the proposed changes to the "Construction Hydrant/Load Count Meter Agreement". See Attachment 3 for current Construction Meter Agreement.

- Water Permits will run for one year, beginning on January 1 and are valid thru following December 31. If project exceeds time period, additional permit will be required.
- Reduce number of units included in permit fee from 15 to 5 units.
- Monthly Service fee of \$50
- Charge Monthly fee with language of Fine if not paid on time.
- Increase deposit of Owner owned Meters from \$100 to \$1500.
- Price increase of OPUD owned Meters from \$1700 to \$2000.
- Number system issued for each water permit which is read as xxxx-xxxx. For example, in the year 2021 the 23rd permit would be read as 2021-0023. Allows for easy record keeping.

Fiscal Analysis:

It has come to my attention, after reviewing current construction meter procedures and standards, our system has failed to hold clients/customers accountable for payment of construction water usage from OPUD, which has caused and led to a significant loss of income for the community. The water usage fee and update to hydrant meter construction agreement will help cover cost of staff time and capture cost of water usage. A nexus study was conducted regarding staff time and procedure that are accompanied with the hydrant meter load application.

Employee Feedback

Sample Motion:

Motion to authorize staff to proceed/not proceed with implementation of any or all changes proposed to the Construction Hydrant/Load Count Meter Agreement.

Prepared by: Swarnjit Boyal, Public Work Engineer

ATTACHMENT 1

OLIVEHURST PUBLIC UTILITY DISTRICT

Our mission is to provide high quality services to enhance our community's quality of life.



BOARD OF DIRECTORS

Dennise Burbank John Floe MaryJane Griego Lacey Nelson Marc Perrault

GENERAL MANAGER

John Tillotson

Good afternoon staff,

My name is Swarnjit and I am honored to be a part of the OPUD staff and be able to serve the community.

It has come to my attention, after reviewing current construction meter procedures and standards, our system has failed to hold clients/customers accountable for payment of water usage from the OPUD, leading to a significant loss of income for the community. Below please find my initial findings and proposed recommendations for a solution in the very near future.

In order for a construction operator to have access to OPUD water service, they must first notify OPUD, place a OPUD supplied/contractors own meter at the designated and approved fire hydrant, and make sure to remove meter after end of each workday and reinsert the next construction day. At current rates, OPUD supplies construction meters with a \$1700 deposit and for contractor owned meters, a \$100 deposit. The fee for getting a construction water meter permit currently is \$50 for the life of the project, which includes 15 units of water. There was a recent change to deposit to OPUD for district supplied meters (\$1000 to \$1700) but no other changes have been made to the Construction Hydrant/Load Count Meter since its revised date of 04/30/2010.

Below you can find my proposed amendments to current Construction Hydrant/Load Count Meter Agreement.

1. Construction Water Permit are effective for one year, beginning on January 1st and are valid through December 31st. If project is to be longer than a year, an additional permit will need to be required for proper time period.
2. Reduce number of units given in current agreement from 15 to 5 units. Keep application fee at current \$50.
3. Monthly fee of \$50 which includes 5 units plus additional cost per unit at current standards.

Current practices have OPUD staff charging contractors/clients at roughly around a year after there initial application, or a year from there last meter reading. In most cases, project length is less than a year and clients with their own meter just leave the site and never contact staff to come out and do final readings. The other factor is having to pay a large bill at the end can be daunting for contractors/clients than it would be to do monthly. In the new proposal, construction meter users to be billed once a month and

have a month to pay bill. Meters information will be provided by the contractor once a month to OPUD officials. Time period of fee statement to be determined at a later date. This allows the contractor/client to view their monthly construction water usage and be proactive in conserving as much as possible and being aware of their usage instead of waiting a whole year to find out how much they've used. (Below is a recommendation only and one of many approaches dealing with late payments; open to all or any options regarding late fees: Any late payment will incur current residential rate fees or the following:

Late Fee for Non-Reporting-first offense:	\$25
Late Fee for Non-Reporting-second offense:	\$50
Late Fee for Non-Reporting-third offense:	\$100

Reporting Fee will remain \$100.00 per month for each month following the third offense.

*Please note that the \$50.00 Monthly fee will continue to be charged until such time as the hydrant meter is returned.

4. Price increase of deposit of Owner Meters from \$100 to \$1500. (This encourages contractors/clients to not leave the site without notifying OPUD to come and read final meter reading when a project is closed out. Current practices and records show over 25+ owned contractor/client meter that have not reported back to OPUD regarding final meter reading and no invoice has ever been submitted to the owner or unable to reach client/contractor. Having only a \$100 deposit for contractor/client owned meter is very minimal compared to likely water use (which is easily over \$100) therefore the contractor/client don't bother to come into the office and ask for a final meter reading to get back there \$100. What the increase to the \$1500 contractor/client owned meter would do is encourage contractor/client to notify OPUD of project closeout which then allows OPUD staff to either go on site do a meter reading and report back in house of project closeout and submit last invoice to client. This will increase the amount of projects that will be closed out within OPUD and keep contractors/clients accountable regarding water usage from OPUD.
5. Price increase of OPUD owner meters from \$1700 to \$2000. (This price increase includes cost of meters, potential inflation price, cost to order, shipping, etc...). The current \$1700 rate only cover the cost of meters and with current COVID-19 protocols and the shortage of metals and resources, prices will only be increasing, at least for the near future. Raising it to a minimum \$2500 will cover all cost down the future that normally afterthoughts when it comes to not just having the actual product(water meter) but what it actually takes to get to our hands/office.
6. Permits will be issued by number for easy record keeping. Permit numbers will be addressed as following: xxxx-xxxx. For example if it's the year 2021 and the next customer will be the 23rd construction meter permit, the permit number will be read as 2021-0023. This will make it easier to look up for record keeping/invoicing by the

finance department along with assigning the proper serial number to the permit, allowing for better record keeping and assuring where meter are located.

I look forward to hearing from staff/board advisors for any question and concerns and look forward to hearing from you regarding proposed amendment to current construction Hydrant/Load Count Meter Agreement.

ATTACHMENT 2

	Permit Fee	Refundable Deposit	Meter Monthly Rental/ Backflow tag	Usage	
OPUD	-	1,000.00	15.00	1.65	
Sacramento Suburban Water District	50.00	2,300.00		1.18	
City of Roseville	230.00	1,500.00	100.00	1.25	
Sacramento Co. Water Agency				\$42.11+\$1.17 monthly	1"
				\$113.04+\$1.17 monthly	3"
				\$175.11+\$1.17 monthly	4"
				\$292.58 Bi-	
Citrus Hights Water District		1,778.00		monthly+\$3.1920/unit	

ATTACHMENT 3

Olivehurst Public Utility District
1970 9th Avenue
Olivehurst, CA 95961
Office: (530) 743-8132
Fax: (530) 743-3023
Cell: (530) 933-8830



CONSTRUCTION HYDRANT/ LOAD COUNT METER AGREEMENT

Company Name _____

Applicant's Name _____

Billing Address _____

City _____ State _____ Zip _____

Phone Number _____ Alternative Number _____

Job #: _____

Location of Use (please be as descriptive as possible):

Plumas Lake

Olivehurst

Type of Use: Filling water truck Street Sweeper Other

Size _____ Painted Zeros _____ Dial _____

Meter Brand _____ Serial Number _____

Beginning / Starting Reading _____ End Reading: _____

Reads in: Cu. Ft. Gallons Read By: _____

Date Returned _____

CONDITIONS FOR USE OF METERS

1. For fire safety, the meter must be removed from the hydrant each night and whenever not in use, or upon OPUD approval.
2. Applicant shall open and close hydrant valves slowly - 2 minutes each way minimum.
3. Applicant shall only use hydrant(s) at locations specified by OPUD and specified above.
4. Meter shall be used only in locations approved by OPUD and specified above. Meters shall not be moved without prior notice to OPUD.
5. Applicant agrees that to adhere to these conditions and to reimburse OPUD for any costs incurred as a result of applicant's failure to adhere to these conditions.
6. Application fee of \$50 which includes usage up to 15 units and is not refundable.
7. Deposit of \$1700.00 for rental of OPUD meter or \$100.00 deposit if you provide your own meter.
8. All backflow devices must be tested and approved by a certified tester or show proof of certification and receive a permit tag, which costs \$15.00.

I understand and agree to the foregoing:

Applicant's Signature: _____ Date: _____

REV 02.22.2019

Meter Returned in good condition _____

Comments: