

# **MEMO**

**TO: Mayor and Council**

**FROM: Mike Althoff, Public Works Director**

**SUBJECT: Olmsted County Medical Center Utility Bill**

**DATE: June 18, 2019**

## **BACKGROUND**

This past winter, staff noticed a discrepancy in the Olmsted County Medical Center utility bill. After a site inspection, it was noticed that the two meters they have were installed in series and after the main meter. The way accounts are setup in our billing system requires the irrigation meter to be added in parallel, not stacked on the main meter. This created a double billing situation where all the irrigation water is also run through the main meter and billed for both water and sewer. The calculations below will show what has been overbilled, back to the date of installation. Going forward, knowing how it's installed we have added the modification in the billing software so it will be billed correctly in the future. At the June 10<sup>th</sup> Public Works Commission meeting the Director suggested to the Commission that we continue with past practice which is 100% sewer credit and 50% water credit. The commission approved 3-0 to adjust as stated above. The adjustment total is \$6,015.07 for water and sewer.

### **Total Sewer Adjustment**

2014 = \$1,089.28

2015 = \$786.72

2016 = \$1,131.16

2017 = \$1,128.95

2018 = \$1,044.34

Total = \$5,180.45

### **Total Water Adjustment**

2014 = \$359.16

2015 = \$248.64

2016 = \$369.82

2017 = \$378.31

2018 = \$313.31

Total = \$1,669.24

50% of the Water: \$834.62

### **Total Sewer and 50 % Water Adjustment**

\$6,015.07

## **REQUESTED COUNCIL ACTION**

Motion to approve the utility credit for Olmsted County Medical Center in the amount of \$6,015.07 to be applied to their account.