



## JOINT BUDGET & FINANCE COMMITTEE AND BOARD OF TRUSTEES MEETING

Friday, October 28, 2022, at 7:30 a.m.

### Memorandum

Ms. Merrill called the meeting to order at 7:33 a.m.

Members Present: Committee Chair Jane Merrill, member Carl Mills. Others in attendance were Utility Director Andrew Williams, Pretreatment Coordinator Shaun Odom, Plant Superintendent Scot Watkins, Engineering Manager Wes Merkle, Controller Cindy Sheeks, Administrative Assistant Maggie Crediford and Reed Carlson with C&C Realty.

Michael McDonald arrived at 8:05 a.m.

### **PUBLIC COMMENT**

There was no one present from the public.

Ms. Merrill moved the discussion regarding C&C Realty fees to the front of the agenda.

### **C&C REALTY FEES**

Mr. Williams explained that the group of properties owned by C&C Realty along Michigan Road have received their fourth violation to TriCo's FOG Ordinance. Previous fines have been issued in the amounts of \$200, \$400, and \$1,000. In each instance there was an additional \$225 charged for testing fees since the samples failed. Shaun Odom, TriCo's Pretreatment Coordinator, has been working with the restaurants and more recently the property owner to remediate the grease issue. While working with Jackie's Café it was realized that all the tenants in that location discharge into a private sewer line that then discharges into TriCo's manhole. Since there is no way to separate out how much of the grease is coming from individual business owners it has become the responsibility of the owner of the private sewer line to fix the issue. Per the Sewer Use Ordinance, the fee for the most recent violation is determined by the Board of Trustees.

Mr. Odom said he spoke with the building owner, Mr. Carlson, yesterday. The \$400 and \$1,000 violation had not hit their bill yet, so he was unaware those fines had been assessed. They had received the written violation, they just had not received the bill that included the fines before this meeting. Mr. Odom had been dealing mainly with the management company and Jackie's Café. Mr. Carlson said he was unaware the fines had grown to that level. Ms. Merrill asked what is being done to correct the problem.

Mr. Carlson said he was at the meeting representing his family which are the property owners. Paragon is the property manager for the site. A contractor and plumber came out to the site Monday October 24, 2022 to assess the situation. They ran cameras in the line and found some blockage due to grease. There are three undersized grease traps. There

are issues with the placement of the current grease traps being located too close to the dishwashers causing grease to be expelled from the grease trap into the pipes whenever the dishwashers drain after a cleaning cycle. The plumber that evaluated the issues did not have the expertise to remedy them. Mr. Carlson has been in contact with the grease trap manufacturer to find someone they would recommend for sizing and placement of updated or new grease traps. Mr. Carlson has a meeting scheduled with that plumber on Monday October 31 to discuss options.

Mrs. Poindexter said the Board has flexibility in what they choose to do. The Board can continue to assess fines based on results of continued sampling. The Board can determine what to do with the fines as the repairs are made. But until and unless repairs are made it is subject to fines. Mr. Williams said Jackie's Café has begun daily cleanings of their grease trap, but when grease gets into TriCo's manhole, there are staff hours required to remove and dispose of it before it gets to the treatment plant or damages the collections system. There is also the risk of a total clog and pipe breakage as well. Mr. Mills asked if staff is keeping track of the costs associated with addressing this issue, time, materials etc. Mr. Odom said he has not kept track of the time spent on this issue he could go back and look, but he has records of every sampling event and what was done after and what that has cost. Mr. Hand asked if TriCo has offered suggestions or solutions to the processes Jackie uses to dispose of grease. Mr. Odom said he has, she now scrapes grease from pans into a waste receptacle before putting them into the dishwasher, lining the pans with parchment paper and they are cleaning their grease traps daily. However, they continue to violate.

The Committee decided they would recommend the Board of Trustees issue a fine in the amount of \$2,500 to be held in abeyance and would like weekly updates from the property owner regarding the steps being taken to remediate the grease discharging from their property.

Mr. McDonald arrived.

## **FINANCIAL STATEMENTS**

Ms. Sheeks said there is nothing unusual with the financial statements. Numbers are trending to be on track for 2022. The Committee had no questions.

## **2023 BUDGETS**

### **2023 Operating Budget**

Mr. Williams presented the 2023 proposed operating budget. Mr. Mills asked if there has been a slow down in growth. Mr. Williams said single family has slowed some, but multifamily units are moving forward. Mr. Williams said he is expecting to see a pickup in commercial growth as well. Mr. Mills said he and Ms. Sheeks will review TriCo's current investments and make decisions on those in March. Mr. Williams said the largest increase to the budget is employee wages. Mr. Williams figured in a 5% salary range increase in addition to the step increases and the total comes in around 8% overall. Mr. Mills said the overall increase to the 2023 budget is 2.2% excluding wages. Mr. Williams said the proposed budget does not reflect a 2023 rate increase, but one could be considered if operating costs rise to a level that requires one.

**2023 Capital Budget**

The Committee briefly reviewed the proposed capital budget. Mr. Mills said they will wait for the Capital and Construction Committee to review the proposed budget and make recommendations.

Mrs. Poindexter left the meeting at 9:04 a.m.

**2023 COST OF LIVING INCREASE**

Mr. Williams said the Personnel and Benefits Committee discussed a proposed salary range adjustment for 2023. Considering the midyear salary adjustments made at the Utility the Personnel and Benefits Committee is recommending a 5% salary range adjustment for 2023. The Budget and Finance Committee agreed a 5% range adjustment reasonable considering the compensation study recommendation that were implemented in July.

Respectfully Submitted



Cindy Sheeks  
Controller