

The Minutes of the Regular Meeting of the Parkersburg Utility Board

March 6, 2019

CALL TO ORDER

Pursuant to the call of its Chairman Tom Joyce, the Parkersburg Utility Board met in the Parkersburg Utility Board Administration Building, at 125 19<sup>th</sup> Street on the 6<sup>th</sup> day of March, 2019. Chairman Tom Joyce called the meeting to order at 9:00 a.m.

Roll Call

Present:

Tom Joyce, Chairman  
Gregory Herrick, Board Member  
Paul Hoblitzell, Board Member  
Robert Wright, Board Member  
Jeff Reed, Counsel  
Christopher Pauley, Assistant Comptroller  
Erin Hall, Comptroller  
Eric Bennett, Manager

Absent:

John Lutz, Vice Chairman

Others in Attendance:

Consideration of Minutes

Chairman Joyce requested the Board consider the minutes of the February 20, 2019 regular Board meeting for acceptance into the record.

Motion and Vote

Robert Wright moved to approve the minutes of the February 20<sup>th</sup> meeting as submitted to the Board. Paul Hoblitzell seconded the motion and it was approved by a unanimous vote of the Board members present.

Consideration of Bill Printing  
and Mailing Services.

Bennett stated Board members were provided with a correspondence concerning this matter. Bennett stated it was previously discussed with Board members about issues with the current

equipment being utilized by PUB staff to fold and insert bills. Bennett further stated there was at least one month that it was necessary to utilize a vendor to insert and mail bills in order to provide customers with a return envelope. Bennett stated there was at least one month that the majority of customers did not receive a return envelope.

Bennett further stated that when the folder/inserter was delivered and the technician arrived to perform setup on the machine he stated the machine was not sized for the work to be performed in the compressed time frame described by PUB staff. Bennett stated the machine is what the sales representative quoted for the same workload described to the technician.

Bennett also stated that an RFP was advertised last year requesting proposals from vendors that provide printing and mailing services. Bennett further stated when the decision was made to utilize the folder/inserter, it was first researched and compared to utilization of a vendor to perform the work, at that time it was determined the work could be performed by PUB personnel for significantly less than the third party. Bennett also stated it appears the vendor that provided the quote for printing and mailing services at the time was quite overpriced compared to the majority of proposals received when the RFP was done.

Bennett stated four proposals were received with one being significantly more expensive compared to the other proposals. Bennett also stated the remaining proposals were all fairly close in costs but SmartBill appeared slightly less and is located nearby in Ohio and already provides this service to multiple utilities in West Virginia.

Bennett stated the Board current cost is 0.1178¢ per bill less any PUB labor. Bennett stated SmartBill's proposes to do the work for 0.1187¢ per bill.

Bennett then stated the outstanding issue is the remaining time on the existing equipment lease with Pitney Bowes. It was further stated as a government entity we have the ability to not fund the lease in the next fiscal year. Bennett stated he believed they would still attempt to bill for the remainder of the lease. Bennett stated the machine has required continual maintenance for the duration of the lease including the replacement of the machine approximately 5 months ago.

Hoblitzell stated to insure the correspondence to Pitney Bowes describing the continual maintenance issues and the equipment being improperly sized and that PUB will no longer fund the lease and the machine needs to be removed from the property, send the correspondence registered mail. Bennett stated that was his intent and the lease would be paid through July.

Wright questioned how much time was left on the current lease. Bennett responded as of July it would be approximately 18 months remaining on the lease.

Wright also questioned if the use of a vendor to perform the printing and mailing services would cause any loss of employment or make PUB more efficient. Bennett responded no positions would be eliminated but it would be more efficient as PUB would no longer have to worry about equipment operating correctly at a crucial time. PUB personnel will upload a data file to the vendor and they will print, insert and mail within two days.

Bennett also stated the postage costs should be reduced as the vendor will mail all bills with identical name and address matches in a single envelope or box whichever is the most cost

effective to reduce the overall postage per bill. Bennett stated PUB would have to make improvements within the billing system to insure all multi account customers have matching names and addresses on the accounts to receive any benefit from the single envelope process described.

Herrick questioned if there would be any change to the customer in how bills are paid. Bennett stated the customer will receive a better formatted bill with additional information on the backside, but payment methods will not change due to the outsourcing of the printing and mailing. Hall stated the news bills would be rolled out at the same time we are converting to the new billing software, which will also have a new web portal for payment.

Hoblitzell questioned if a return envelope would be provided. Bennett stated that return envelopes shall be provided. Herrick questioned if that was correct for customers with automatic withdrawal. Bennett responded that customers utilizing ACH will not receive return envelopes. Bennett further stated the new billing system allows any customer to select e-bills so they would not receive paper bills and the hope would be most ACH customers would opt for e-billing.

Hoblitzell questioned if the vendor had a required quantity. Bennett responded the vendor was provided with the numbers that are currently processed on a monthly basis. Bennett further stated that if the numbers decreased significantly he would expect the vendor to request some adjustment.

Wright questioned how many bills were sent out on a monthly basis. Bennett responded that approximately 16,500 bills and 2,500 delinquent notices are printed and mailed monthly.

Hoblitzell questioned if the number provided includes mailing. Bennett responded the postage is separate from the printing cost and PUB receives the highest discount available by utilizing barcodes. Wright questioned if the vendor received a better rate due to the volume of items mailed. Bennett responded they receive the same rate PUB gets for utilizing a barcode system. However, as stated previously there can be additional savings by utilizing single envelope for multi-account customers. Bennett also stated the vendor would provide reports for correcting address issues to improve postage expenses.

Joyce questioned how special information or messages would be provided in the bills. Bennett stated between the new billing software and SmartBill we have multiple options for messaging to include the ability to put individualized messaging if needed.

#### Motion and Vote

Greg Herrick moved to approve SmartBill to provide print and mailing services. Paul Hoblitzell seconded the motion and it was approved by an affirmative vote of three Board members with Chairman Joyce abstaining.



and sale of the rear parcel. Bennett also stated that Mr. Brooks cost for the extension was in excess of \$30,000.

#### Motion and Vote

Paul Hoblitzell moved the list of invoices over \$750, dated March 6, 2019 in the amount of \$180,339.72 be approved for payment as submitted to the Board. Greg Herrick seconded the motion and it was approved with a unanimous vote of the Board members present.

#### Other Business

Joyce stated that following the end of the legislative session a representative from CSX should be in the area to discuss the railroad crossing issues the PUB and City are both experiencing.

#### Next Meeting Date

Erin Hall stated the next regular meeting would be March 19, 2019.

Due to Chairman, Board member and General Manager meeting conflicts the next regular meeting will be held on Tuesday the 19<sup>th</sup> instead of Wednesday the 20<sup>th</sup>.

Board members agreed to meet in regular session, at the Parkersburg Utility Board Administration Building in the conference room, at 9:00 a.m. on March 19, 2019.

#### Adjournment

Paul Hoblitzell moved the meeting be adjourned. Greg Herrick seconded the motion and it was approved by a unanimous vote of the Board members present. The meeting adjourned at 9:17 a.m.

Respectfully Submitted:

Eric Bennett, General Manager