



NO TENANT PROPOSAL

PRESENTED BY: TERI MACDOUGALL & AMBER DICKENS

Key Points



IMPACT



PROS AND CONS



TIME/MONEY SAVINGS

Impact

Time and Cost Savings

More control over customer accounts

Improve record organization

A stylized lightbulb icon with a yellow base and a white top, positioned above the word 'G' in the title.

DID YOU **G** KNOW?

- ✓ According to the City of Lakewood, approximately 48% of current residential properties in Lakewood are rental properties.
- ✓ 50% of all disconnects are tenant accounts.

Pros

Lakewood Water District

- Time and Cost Savings:
 - The tenant/landlord account set up process is very time-consuming.
 - Fewer Late Fees and Disconnections.
 - Fewer refund checks to process.
- Quicker Revenue (less time spent on collections).
- Eliminates mediating of landlord/tenant disputes and avoids potential for verbal abuse.
- Will improve organization and record keeping.
- The other 52% of residential property owners (that are not rentals) will not be paying for LWD to manage tenant accounts.

Landlords

- Less likely for a lien to be filed on the property.
- No minimum vacancy bills.
- Less likely for water to get turned off in between tenants.
- Do not have to follow up to verify tenants have opened/ closed their accounts.
- Will not have to follow up on if tenant has paid their final bill (possibly preventing new tenants from being signed up).
- Fewer fees to be paid if a tenant vacates the property with delinquent balances.

Cons

Lakewood Water District

- Will receive potential resistance from landlords.
- Will have to leave door hangers for possible disconnect accounts where tenants are signed up to receive a bill copy.

Landlords

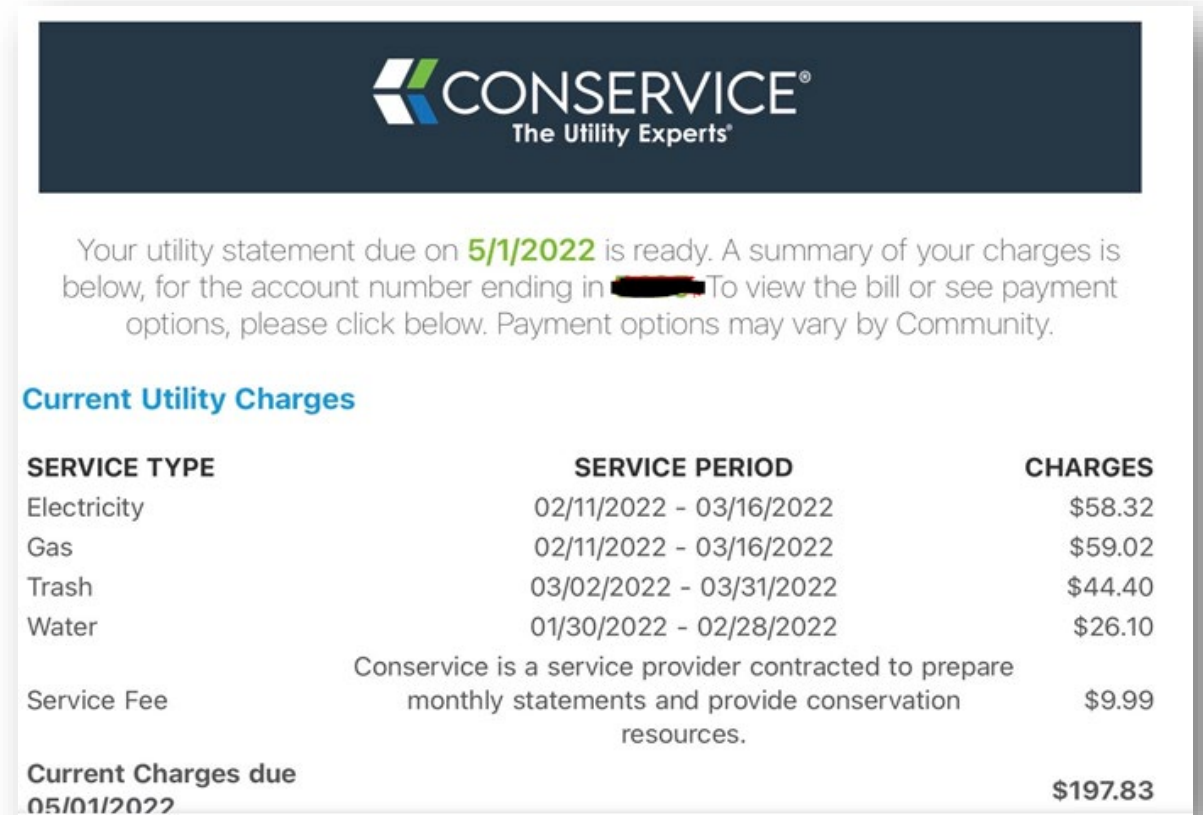
- More responsibility placed on the landlord.
- May have to re-evaluate their leases.
- May need assistance in calculating final billings
- Negative impact from current landlord/tenant laws

Possible Solutions to Landlord Concerns

Landlords can still have an agreement with their tenants that they are responsible for paying the water bill. However, the agreement for Lakewood Water District will remain between LWD and the property owner.

- Anyone can make a payment on an account
- Duplicate bill copies can be mailed to the current tenant (permission must be granted by the owner)
- There are companies that can assist in collecting payment from tenants on their utilities (i.e. Conservice, Vervantis)

Lakewood Water District provides both a Customer Water Usage portal and billing calculator to help monitor your tenant's water usage and calculate any final bills once your tenant moves out.



The screenshot shows a utility bill summary from Conservice. At the top is the Conservice logo with the tagline 'The Utility Experts'. Below the logo, a message states: 'Your utility statement due on 5/1/2022 is ready. A summary of your charges is below, for the account number ending in [REDACTED]. To view the bill or see payment options, please click below. Payment options may vary by Community.' The main section is titled 'Current Utility Charges' and contains a table with three columns: SERVICE TYPE, SERVICE PERIOD, and CHARGES. The table lists charges for Electricity (\$58.32), Gas (\$59.02), Trash (\$44.40), and Water (\$26.10). Below the table, a note states: 'Conservice is a service provider contracted to prepare monthly statements and provide conservation resources.' At the bottom, the total 'Current Charges due 05/01/2022' is listed as \$197.83.

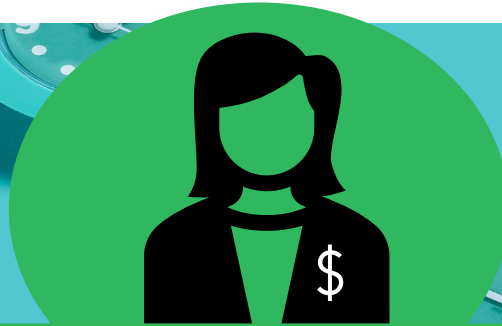
SERVICE TYPE	SERVICE PERIOD	CHARGES
Electricity	02/11/2022 - 03/16/2022	\$58.32
Gas	02/11/2022 - 03/16/2022	\$59.02
Trash	03/02/2022 - 03/31/2022	\$44.40
Water	01/30/2022 - 02/28/2022	\$26.10
Service Fee	Conservice is a service provider contracted to prepare monthly statements and provide conservation resources.	\$9.99
Current Charges due 05/01/2022		\$197.83

For Every Tenant move out/in:



Customer Service Rep:
8-11 Min

- Takes phone call to initiate move out/in
- Processes request
- Creates billing
- Reviews billing/ account
 - Verify reads, usages, bill amount
 - Verify deposit is refunded or charged correctly
 - Verify new account/ hold account is set up correctly
- Create s/o for door hanger if required
 - Follow up on door hanger 48 hours later
 - Create service order for tech to t/off if no new customer signed up.
- Note Accounts



Billing Department: 2-5
Min

- Review billing/ account
 - Verify reads, usages, bill amount
 - Verify deposit is refunded or charged correctly
 - Verify new account/ hold account is set up correctly
- Fold and mail bills
- Upload bills to XBP
- Landlord Disconnect Bills (very tedious)
 - Each bill must be uploaded individually to XBP
 - Each upload requires several steps
 - Gathering service dates, bill and due dates and cycle date
 - Enter dates into Caselle to generate bill
 - Process billing in order to upload to XBP
 - Reviewing XBP to make sure bill was properly uploaded



Field Technician: up to
30 min

- Will possibly have to leave a door hanger to identify hold account.
- Turn off meter if no new sign up
- Turn meter back on when customer calls for sign up
- Likely more disconnects, and therefore doing turn-offs and turn-ons for each delinquent tenant account.

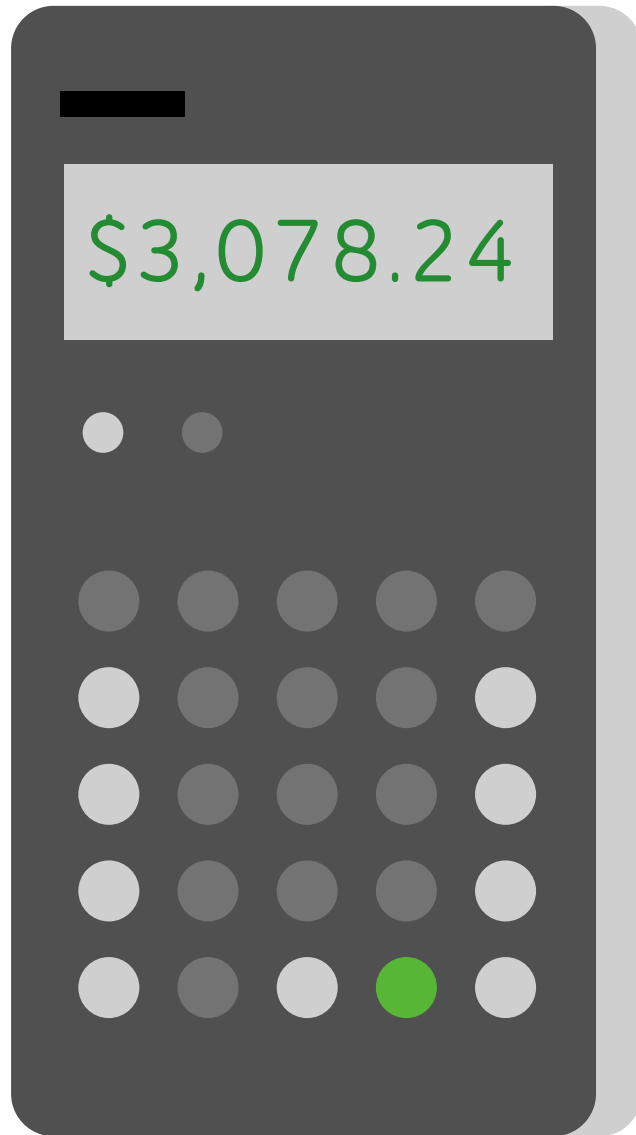


Accounting: 1-2 Hours/
Check Run

- Run refund report and research all accounts to verify credit balance
- Send for approval
- Enter all valid refunds manually into system.
- Cut checks
- Have checks signed
- Mail out checks

Customer Service						
Task	Average Time Per Task (minutes)	Average Rate per Minute	Average Cost per Task	Average Monthly Occurences	Average Monthly Cost per Task	
Move-In	9.5	\$ 0.88	\$ 8.36	32	\$ 267.52	
Move-Outs	9.5	\$ 0.88	\$ 8.36	34	\$ 284.24	
Late Fees	30	\$ 0.88	\$ 26.40	4	\$ 105.60	
Disconnects	45	\$ 0.88	\$ 39.60	4	\$ 158.40	
				Total Monthly Cost		\$ 815.76
				Total Annual Cost		\$ 9,789.12
Billing						
Task	Average Time Per Task (minutes)	Average Rate per Minute	Average Cost per Task	Average Monthly Occurences	Average Monthly Cost per Task	
Move-In/ Out	3.5	\$ 0.88	\$ 3.08	66	\$ 203.28	
Late Fees	30	\$ 0.88	\$ 26.40	4	\$ 105.60	
Disconnects	45	\$ 0.88	\$ 39.60	4	\$ 158.40	
				Total Monthly Cost		\$ 467.28
				Total Annual Cost		\$ 5,607.36
Field Tech						
Task	Average Time Per Task (minutes)	Average Rate per Minute	Average Cost per Task	Average Monthly Occurences	Average Monthly Cost per Task	
Move in/Out	30	\$ 0.88	\$ 26.40	7	\$ 184.80	
Disconnects	30	\$ 0.88	\$ 26.40	55	\$ 1,452.00	
				Total Monthly Cost		\$ 1,636.80
				Total Annual Cost		\$ 19,641.60
Accounting						
Task	Average Time Per Task (minutes)	Average Rate per Minute	Average Cost per Task	Average Monthly Occurences	Average Monthly Cost per Task	
Refund Checks	90	\$ 0.88	\$ 79.20	2	\$ 158.40	
				Total Monthly Cost		\$ 158.40
				Total Annual Cost		\$ 1,900.80

Total
Monthly
Costs



Total
Annual
Costs



* Roughly 4.59% of Annual Customer Service Budget

TIME & MONEY SAVINGS



Advancement in technology has increased the frequency and duration of calls in the office. With extra time allowance CSRs can spend more time with other calls.



Will allow staff to dedicate more time to cross training and taking on new tasks



More availability to work on going paperless and scanning documents into the cloud and will allow us to more frequently rotate out old records per our retention policy



More time for larger projects



Providing more time for CSRs to assist in other departments where needed (500 administrative hours to backflow & extra assistance in Accounts Payable)



Spend more time on internal committees which increase employee morale

UTILITY COMPARISON

Utilities that DO NOT take tenants

Alderwood—Stopped taking tenants about 7 years ago. Can provide a duplicate bill to the occupant.

Skyway—Do not allow tenants to sign up but can provide a duplicate bill to the occupant.

Water District 119—Used to bill tenants but stopped because of the difficult situations it created with tenant/landlord relationships. They have no exceptions to keeping it in the owner's name. Can send a duplicate bill to the tenant for a fee of \$2.

Woodinville—Stopped taking tenants a few years ago. Best decision they ever made. Would 100% recommend it.

Lakehaven—Does not allow tenants, but can provide a duplicate to the occupant

Silverlake—Does not allow tenants but provides a duplicate to the occupant

Soos Creek—Does not allow tenants but can provide a duplicate to the occupant

Utilities that DO take tenants

Highline—Have bounced the idea around. Felt that it would save staff time in some ways but increase it in others. Any way you look at it, they feel tenant billing is by far the most labor-intensive customer category to manage.

Tacoma- Signs up tenants

Olympic View Water—Does put the account in the tenant's name, they have the parent account as the owner and sends a duplicate bill to them.

Parkland- Will sign up a tenant if the owner signs an affidavit

Fruitland- Signs up tenants, but does not function smoothly as they cannot lien and makes it hard to collect on the accounts

Firgrove- Signs up tenants, but only through the owner

Implementation

If approved, timeline would be as follows

May

District Hosted Open House

- Will create mailing to invite Lakewood homeowners, residents, property management companies to the open house
- Will present our findings and recommendations to update our policy
- This will allow landlords the opportunity to ask questions and give feedback
- Question and comments can be submitted via email until June 6, 2022 (csweb@lakewoodwater.org)

June

Final Recommendation

- Will report back to the Board our findings on customer feedback, cost savings
- Will provide an outline of the program



July

Board Makes Final Decision

- Board will make decision on the policy change

August

Notify Landlords of Policy Change

- Inform landlords of our new policy via letter
- Letters will be sent to all homeowners in Lakewood (rental or not)
- Date will be provided of when policy change officially takes affect

September

Policy Change Takes Affect

- New policy would implement over time (current tenant accounts would be grandfathered in)
- Once a tenant moves out, it will remain in the landlord's name (no new tenants could sign up for service)
- Will have all publications updated (brochures, billing statements, etc.) as well as Social Media and Website