

WATER AND SEWER COMMITTEE MEETING MINUTES OCTOBER 15, 2013

The meeting was called to order by Mayor Dave Breunig, due to the absence of Committee Chairman Dave Gough, at 6:00 PM. Present at roll call were: Steve Pickett, Bev Anderson, Cindy Corley, John Sonsalla and Don Osterday. Excused absence: Dave Gough. Also present were: Jon Cameron of Ehlers Associates, Jeremy Williams and Phil Risseeuw.

Motion by Anderson second by Pickett that the meeting notice and agenda were properly posted. Motion carried. Motion by Sonsalla second by Anderson to approve the minutes of the previous meeting. Motion carried.

Under old business, Alderperson Anderson stated she has had people ask for monthly billing again for the utility bills. Customers are encouraged to pay monthly on their utility bills already, and will continue to be encouraged to do so.

Under new business, Jon Cameron of Ehlers Associates presented a sewer user rate study he recently completed for the City of Darlington. A copy of the sewer user rate study was included in the agenda packet. Mr. Cameron attended the meeting to present the information and answer questions. He also distributed copies of a power point presentation to those present at this meeting, regarding the sewer user rate study. Jon presented the information, and answered several questions concerning the financial condition of the Sewer Department. Jon stated the conclusion of the study was that current sewer user rates do not provide sufficient positive cash flow in order to meet current revenue bond coverage requirements. Therefore, Mr. Cameron suggests the Water and Sewer Committee and City Council authorize the approval of the new sewer user rates included in Table 8 of the sewer user rate study.

Discussion was then held concerning proposed changes in sewer user rates. After discussion and consideration, motion by Anderson second by Corley to recommend to the Council the approval of the sewer user rate schedule included in Table 8 of the sewer user rate study as presented. Motion carried. Mr. Cameron then left the meeting.

Discussion was then held concerning the proposed 2014 Water Dept. budget. A copy of the proposed budget was included in the agenda packet. The proposed budget calls for total revenues of \$561,800.00 and total operating expenses of \$531,800.00; resulting in net operating income of \$30,000.00. Jeremy Williams attended the meeting to present the information and answer questions. After discussion and consideration, motion by Pickett second by Anderson to recommend to the Council the approval of the 2014 Water Dept. budget as presented. Motion carried. Bill McDaniel arrived at the meeting at 6:50 PM.

Discussion was then held concerning the proposed 2014 Sewer Dept. budget. A copy of the proposed budget was included in the agenda packet. The proposed budget calls for total revenues of \$903,858.00 and total operating expenses of \$797,450.00; resulting in net operating income of \$106,408.00. Jeremy Williams also presented this proposed budget and answered questions regarding same.

After discussion and consideration, motion by Pickett second by Anderson to recommend to the Council the approval of the 2014 Sewer Dept. budget as presented. Motion carried.

There being no further business for this meeting, motion by Sonsalla second by Pickett to adjourn the meeting at 7:03 PM. Motion carried.

CITY OF DARLINGTON

Philip A. Risseuw, Clerk-Treasurer