

CITY OF ISLE COUNCIL MEETING

Special Meeting Minutes – Monday December 9th, 2019

At 6:00 pm the special meeting was called to order.

Council members present: Mayor Rodney Schultz, Donald Dahlen, Robert Koelfgen, Ginger Houle and Monica Keding.

Other staff present were: Jason Minenko, Jamie Hubbell, and Tim Ramerth (WSN Engineer).

Motion to approve the agenda by Houle; second by Dahlen. All in favor, none opposed. Motion carried.

Open Forum: None

Public Hearings, Requests and/or Complaints: None

Department Reports: None

Unfinished Business: None

New Business:

- a. 2020 Water and Sewer Fund budgets work session. Review of the 2019 budget status to date. Current water budget is \$18,424.44 over budget. With \$113415.78 in revenue and \$131840.22 in expenses. Current sewer budget \$1102.33 under budget in revenue with \$332240.61 in revenue and \$331138.28 in expenses; to date. Total outstanding debt at \$3,082,000 for Sewer Fund and \$133,000 for Water Fund. Council agreed with Clerk Hubbell to increase the monthly fund transfer to the General fund to \$10,000 from each fund from the \$8500.00 from previous years to cover the increase in wages and expenses for administrative services.

Water usage revenues are down with continued foreclosures, and increased numbers of non-usage properties. Also usage numbers were down due to all of the rain, which increases discharge expenses. Discussion about adding the proposed storm sewer rate to every billable account for 2020 at a rate between \$.50-\$1.50 per billable account. Council discussed reviewing the water tower loan that still has 10 years left to pay off the \$133,000 bond, where they could potentially save \$12,137 in interest if able to pay off early. The water and sewer infrastructure plan was discussed and reviewed by Ramerth and preliminary costs reviewed. City reserve obligation at \$332,000. \$2,230,000 USDA Rural Development loan at 40 years adds \$57,000 per year. \$858,000 USDA grants and \$3,000,000 in United States Army Corps of Engineers grant. Proposed rate analysis and city financial review to determine if interim financing will be necessary. 2020 Water Budget set at \$137,614 balanced for Revenue and Expenses. 2020 Sewer Budget set at \$413,622 balanced for Revenue and Expenses. A temporary 603 Project Fund was established and set at \$6,420,000 with \$332,000 coming from reserves transfers from 601 and 602 funds.

- b. New rates and type of user definitions discussed at length. Review of deficits to the income for both funds, causing the need for additional revenue streams. Prior to a full rate analysis, determination of adding a Multi-user rate for properties with more than one building structure, but only one main meter. Council did not want to change the per 1000 usage rates at this time. Increase of the "CIC" rate from \$21.03 to \$25.00 and the proposed "MU" at \$10.00 per billable unit was suggested to be set at \$15.00 each. A new

storm sewer base rate recommended at \$.50 per billable account and set for approval at \$1.50 each. CIC increase due to generate \$2524.92 per year. MU rate increase due to generate approximately \$16,000 per year. Storm sewer base to generate \$8700 per year.

- c. New Rate for Services Resolution will be submitted at the next Council meeting for public review and council vote.

Clerk’s Report: None

Adjourn Motion to adjourn at 8:05 P.M.. by Dahlen, seconded by Houle. Next regular meeting, December 10th, 2019. All in favor, none opposed. Motion carried.

Dated on this 9th day of December, 2019

APPROVED on this ~~10th day of December, 2019~~ 14th day of January, 2020.

CERTIFIED BY VOTE:

Motion _____

Second _____

AYE

NAY

- Donald Dahlen
- Ginger Houle
- Monica Keding
- Robert Koelfgen
- Rodney Schultz

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Rodney Schultz - Mayor

ATTEST:

Jamie Hubbell, MCMC Clerk-Treasurer