

## **MAYER CITY COUNCIL SPECIAL MEETING MINUTES – November 30, 2015**

Call Special Meeting to order at 6:30 p.m. by Mayor Thomas

**PRESENT:** Mayor Thomas, and Council Members Stieve-McPadden, McNeilly, Osborn, and Boder.

**ABSENT:** None

**STAFF:** Kyle Kuntz, Public Works and Administrator Ruch-Hammond

**ALSO PRESENT:** Mike Dodge Don Wachholz and Ivan Raconteur

The Meeting was called to order at 6:30 PM and opened with the Pledge of Allegiance.

### **APPROVE AGENDA**

A MOTION made by Council Member Osborn with a second by Council Member McNeilly to approve the agenda. Motion carried 5/0.

### **REVIEW OF SEWER AND WATER BUDGETS FOR 2016**

The 2016 proposed sewer fund budget expenses are \$727,437.35. The 2016 budget is \$32,213.70 more than the 2015 sewer fund budget (\$695,223.65).

The largest increase in the budget is for the inflow and infiltration (slip lining of sanitary sewer). Last year's budget for inflow and infiltration was \$40,000 and this year staff is proposing to increase the line item to \$60,000.

Other areas of increase were in the sewer plant for repair of the broken upper seal on the clarifier drive and in the Capital Outlay line items.

The proposed water fund budget expenses for 2016 are \$396,977.16 slightly lower than the water fund budget expenses for 2015 (\$399,193.95). In this budget the debt expense for the water tower repair of 2015 is interest only and does not include any funds for principle.

On a motion by Council Member Stieve-McPadden and seconded by Council Member Boder to approve the 2016 sewer budget expenses at \$727,437.35 and the water budget expenses at \$396,977.00

### **DISCUSSION ON UPDATING OF WAC, SAC AND AREA CHARGES**

Staff informed the City Council that the sewer and water access and area charges had not been updated since 2005. City Engineer will update the charges for a fee of \$520.00.

On a motion by Council Member Osborn and seconded by Council Member Boder to have Bolton and Menk update the fees. Motion carried 5/0.

### **WATER AND SEWER RATE STUDY**

City staff, consulting staff and the Mayor had met with the Teri Osterman, a representative from MN Rural Water to review the water and sewer rates.

The 2016 sewer and water budget expenses were added to the rate sheets for Council to review.

In order for revenues to meet expenses rates need to increase rates by roughly 71%. This increase calculates to an increase in per month costs of \$25 for water and \$20 for sewer.

City Council did not want to raise the rates at once and wanted to do an increase over time. City Council instructed staff to compile proposed rate adjustments for 2 years and 5 years.

### **DISCUSSION ON 2016 GENERAL FUND BUDGET**

After some discussion the City Council instructed staff to prepare the necessary documents to certify the City's levy at \$987,464.00.

### **CLOSED SESSION FOR CITY ADMINISTRATOR REVIEW**

Council meeting was closed at 8:10 for the purpose of performing the City Administrator's annual review. Council reviewed comments about performance with the City Administrator. Administrator received a satisfactory review.

### **ADJOURNMENT**

On a motion by Council Member Stieve-McPadden and seconded by Council Member Osborn to adjourn the meeting at 10:00 PM. Motion carried 5/0.

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Gerald W. Thomas, Mayor

**Attest:** \_\_\_\_\_  
Lois A. Maetzold, City Clerk