

Mayor Darrell Kerby called the special council meeting of April 12, 2005 to order at 7:00 p.m. Present for the meeting were Mayor Kerby, Council President Mick Mellett, Council Members Russ Docherty and Leslie Falcon, Clerk Kris Larson, City Administrator Stephen Boorman, Planning and Zoning Coordinator Gary Falcon, Water/Sewer Department Employee Doug Ladely, Jr. and Water/Sewer Department Supervisor Chuck Lycans. Also present for the meeting were Doug Ladely, Sr., Lois Litalien, and Frank Spalding.

Mick Mellett moved to authorize the Mayor to sign the contract with Northstar Plumbing for plumbing at the Golf Clubhouse. Leslie Falcon seconded the motion. The motion passed – Mick Mellett “yes”, Russ Docherty “yes”, Leslie Falcon “yes”.

Mayor Kerby explained to the group that three different water systems use City water and only City residents are allowed to vote on the revenue bond and to determine if the citizens want the City to consolidate with North Water and Sewer District and also with South Hill Water and Sewer District. The boards of South Hill Water and Sewer District and North Water and Sewer District will hold elections to determine if their customers wish to consolidate with the City. Mayor Kerby explained that the voter must live within the respective districts.

Councilman Jim Burkholder joined the meeting.

Mayor Kerby said there are several projects that have been identified as needed improvements to the water system. Some of the improvements are dictated by the federal government. The turbidity level comes into play through the new laws concerning filtration and a storage facility is needed to hold the filtered water so the City can meet the needs of the public and another law dictates an increased chlorine contact time. A new larger water tank will help the City meet both of these requirements. Another advantage of the new tank will be that it will be built at a higher elevation to resolve some of the water flow problems experienced by some customers. It will also help with fire flows for fighting fires.

Frank Spalding said he is opposed to water meters but is in favor of the new tank being built. Mayor Kerby said the water meters will be installed as that decision has already been made by Council. Frank said metering was not discussed prior to the discussions of the new tank being built. Mayor Kerby said a conservation effort is made when meters are a factor. He said all City water consumers are paying a flat rate and we know our costs and residential customers are paying more than what the neighboring district customers do. As a residential class they are paying more. A small water user such as an elderly person is subsidizing the large water user and when meters are installed it will be more equitable.

Frank said even minimum water rates will go up if there is a \$3,000,000 bond. Mayor Kerby said depending on the outside funding sources the full \$3,000,000 may not be spent and if the funding does not come to the City then the Council will have to be selective with future projects. Mayor Kerby said it is to be determined by the voters.

Mick said meters will also help determine leaks. Russ said residential customers in the outlying districts use more water.

Lois Litalien inquired where the water meters will be located. Mayor Kerby and Stephen said the meters will be at ground level near the curb and they will be read by radio reads.

Doug Ladely, Sr. inquired about the rate schedule and the number of cubic feet allowed.

Mayor Kerby said the granting agencies are offering cheaper money if the systems are combined. More and more certifications and testings are being required by government agencies and by consolidation a savings will be made. Consolidation will result in all the citizens using City water to pay the same rate.

Lois inquired about the time frame for meter installation. Mayor Kerby said some meters may be installed this summer or it could be this fall. He is hopeful that the customer will have a trial basis of a month or two to know how much water they use. Doug Ladely, Sr. inquired if the meters will be read in the winter. Mayor Kerby said the meters will be read monthly because the electric meters must be read each month.

Lois inquired about the water running down the hill near the City water tank and thought that the City water tank was leaking. Chuck Lycans responded that the tank was repaired several years ago. He said there was a leak at Lincoln and El Paso and it has been worked on.

Mayor Kerby explained that the State constitution does not allow governments to exceed their budgets so the citizens are asked to vote to allow the spending for large amounts such as is needed for the water projects. There is an opportunity to borrow cheaper money today and the City has received quite a lot of attention from funding agencies due to the Myrtle Creek fire. He said the tank would help a lot because the river pumps cannot keep up with demand during peak usage if Myrtle Creek should fail.

Gary Falcon inquired about the example impact of capital improvements with a merged system. Stephen explained the handouts.

Stephen said there are approximately 1334 customers between the City and the adjoining districts. He said there is little growth in the City limits but the outlying districts are experiencing growth.

Mick said the bond is a revenue bond and is not tax based.

Mick Mellett moved to adjourn the meeting at 7:45 p.m. Leslie Falcon seconded the motion. The motion passed, all in favor.

Darrell Kerby, Mayor

Attest:

Kris Larson, City Clerk