

BOARD OF WORKS AND WATER BOARD JOINT MEETING
JANUARY 19, 2010
TIME: 6:30 P.M.

PRESENT:

Board of Works Members Mayor Gary Herbert, Steve Simmonds, Darrell Poling and Linda Oldham. Rodney King was absent.

Water Board Members Chuck Storie, Robin Meyer, Frank Massey, John Wall and Tony Higginbotham.

Pledge of Allegiance was recited.

Roll call was taken and all were present for both Boards except one.

Gary Marlowe and Andre Riley of H. J. Umbaugh and Associates presented the information of their analysis study of the water and wastewater rates and their recommendations.

They looked at the water first.

There has not been a rate increase for two and a half years. A 5% rate increase is recommended for three years for each. The second and third year would be compounded. Last year the rate increase would have been 3% and if the rate increase is held off again then the % will be higher. It would grow approximately .50 cents to \$1 in each of the cubic feet rates increase. The bigger users would have a larger % increase.

A chart was provided showing several different cities and their rates. Greensburg at present is \$16.93. Phase I would be \$17.78, Phase II \$18.69 and Phase III \$19.64.

Mayor Herbert stated he would like to have an increase of 3% every year and control the cost.

The Water Board members wanted to make sure the public and the Utility manager and Superintendent knows that the Board wants the costs to be kept at a low. They are not just raising the rates for no reason.

The Water Board members would like the rates to be looked at each year to see if that year's increase still needs to be implemented.

The Water Board would make their recommendation on to Council for a Water Rate increase. The Council would need to pass an Ordinance on three readings and public hearings would be held.

Motion by Chuck Storie and seconded by John Wall to recommend to Council a 5% rate water rate increase for three years with a stipulation the rate could be reduced by looking

at the figures each year. Ayes Tony Higginbotham, Robin Meyer, John Wall, Frank Massey and Chuck Storie. Nays none. So passed.

Gary Malone and Andre Riley then reviewed the information and their recommendation for the wastewater utility.

A comparison of several cities was reviewed also. Greensburg's present cost is \$26.12. Phase I would be \$27.43, Phase II \$28.82 and Phase III \$30.24.

Superintendent Jeff Smith stated that a lot of improvements have been made to the Wastewater Plant, but very little has been done to improving the system. The lines are very old and they are going to have to start working on them. Money has not been put back for these on a monthly base as they had been doing in the past.

The rate increase of 5% a year would be compounded each year and would be approximately \$4 - \$7 more over a three year period.

The Mayor stated when Honda came to Greensburg they did not want any rate increases due to them coming to Greensburg. Honda is paying the full amount of usage rate even though they are not using their capacity. The rate increase is not because of Honda.

Council would need to pass an Ordinance on three readings and public hearings would be held.

Motion by Steve Simmonds and seconded by Linda Oldham to recommend to Council a 5% rate increase for three years with a stipulation the rate increase could be reduced by looking at the figures each year. Ayes Darrell Poling, Linda Oldham, Steve Simmonds and Gary Herbert. Nays none. So passed.

Rick Denney Water Superintendent explained Mr. Reed is requiring a sewage connection fee be waived if he brought the easement at no cost to the City. He is not requesting this connection fee at this time.

Motion by Darrell Poling and seconded by Steve Simmonds to approve this. Ayes Linda Oldham, Steve Simmonds, Darrell Poling and Gary Herbert. Nays none. So passed.

Mark Klostemper Street Superintendent asked the Board to relook at the fuel prices and see if they would like to lock them in. He had checked with Premier today and the present prices are unleaded \$2.42, diesel \$2.49 and off road \$2.28. If locked in the prices would be unleaded \$2.63, diesel \$2.58 and off road \$2.45.

After discussion the Board decided to revisit this at their February meeting.

Meeting adjourned at 8:20 P.M

PRESIDING OFFICER _____

ATTEST: _____
Clerk-Treasurer

ATTEST: _____
Utility Office Manager