



Approved Minutes Draft

Regular City of Athol City Council Meeting
Held in the Council Room in City Hall

Tuesday, May 1, 2018
7:00pm Regular Council Meeting

Mayor Wachter called meeting to order: 7:00 P.M Visitors please sign in.
PLEDGE OF ALLEGIANCE

ROLL CALL:

Present: Mayor Wachter; Councilwoman Zichko; Councilman McDaniel; Councilman Hill;
Councilman Spencer; Clerk/Treasurer, Lori Yarbrough and Public Works-Mark Mitchell;
Not present: City Planner, Rand Wichman; & City Attorney, J. Cafferty

APPROVAL OF LAST MONTH (April 17th) REGULAR MEETING MINUTES:

Motion by McDaniel seconded by Hill that we approve last month's regular meeting minutes (4/17/18) without amendments. *DISCUSSION All in favor- **Motion passed.**

APPROVAL OF BILLS AS SUBMITTED: Motion by Zichko, seconded by McDaniel that we approve paying April's bills as submitted without amendments. *DISCUSSION-All in favor- **Motion passed.**

OTHER BUSINESS:

- 1. Chief Steele with the Timberlake Fire Department-** Discussion with Council on the Fire Departments' future budgeting needs. They have been working on the Strategic Planning processes and are on path. The Fire Dept would like to hold a joint town hall to present the State of the State of the Fire District. They have seen about a 10-15% increase in calls over the last year and the prior was a huge increase from all previous years. He hopes to work together for solutions for funding strategies to meet the growing needs of the community we serve. After a brief discussion of dates, it was agreed to hold this joint Town Hall meeting at 6pm on June 5th before the regularly scheduled city council meeting, which is at 7pm.
- 2. Presentation of the Water Rate Study by Shelly Roberts with the Idaho Rural Water Assoc. –** Shelley Roberts (Diane Sauer, off for medical leave) and Paul Sifford. This was presented at the end of the meeting.
- 3. Discussion/Approval for Mayor to submit a silent bid on a truck for the city; that is up for auction with the Timberlake Fire Department –** Mayor Wachter wanted to discuss with council the possibility of bidding on the truck. After a brief discussion it was determined that it might not be the best route to go. Keep looking for a truck.
- 4. Update on the additional Water Rights process-** Lori shared an update with the council, she spoke with Dana with Hawley Troxell regarding the timing to apply for more water rights, as this is something we had budgeted in this fiscal year. Since the water facilities plan has not been finished and approve, and the legal requirement for getting additional rights requires construction to begin

NOTE: The City will make reasonable accommodations for anyone attending this meeting who require special assistance for hearing, physical or other impairments. Please contact the City Clerk at (208) 683-2101 at least 24 hours in advance of the meeting date and time.

within 1 year of approval- its best to wait until next fiscal year. She suggested to re-budget for the additional water rights in the FY19 budget. Council agreed.

5. **Update on Budget Planning for FY2019** – Lori to give update on Public Hearing date and set the next Budget workshop for FY2019 planning. It was previously determined to hold the budget public hearing on July 17th; but after further review by Lori and the Mayor they felt it was an unrealistic date based upon tax and levy dates in which the city gets the most updated information. So, Lori made the change in time for the county notification to go out and wanted to share the new FY19 Budget Hearing date will be at the August 21, 2018 council meeting at 7pm. The next Budget workshop will be July 3rd at 6pm.
6. **Approval to authorize Mayor's signature on the USDA Rural Development grant application** as soon as it's finished and ready as prepared by Keller Associates. This also includes setting up an electronic signature for the funding application. It's nearing completed, just waiting on the CAGE # from SAM.gov and Keller has the application ready. Both the Mayor and Lori have been working closely with the engineers to have it ready.

Motion by McDaniel, second by Zichko, to authorize the Mayor's signature on the USDA Rural Development funding application. *DISCUSSION Roll Call: Zichko-yes; Hill-yes; Spencer-yes; McDaniel-yes. - **Motion passed.**

7. **Hosting the Big Back-In Pre-trials-** June 9th or 10th – Lori shared with council that due to some recent construction and development in Spirit Lake the street that was previously used by the Big-Back In was no longer available and that the City of Athol was approached to host the pre-trial races the week before their opening season event. The only obligation of the city was to close off the road at 1st street and Hwy 54 for a couple of blocks. The few home owners were contacted and ok with this as well. The Mayor added we would roll the fencing in the ball field back just like we did for the race to keep the racers out of the roadway when not racing. It might draw a small crowd, but this is not an advertised event and therefore not necessary to prepare for the spectators like we would for a full day event. Council did ask about insurance and Lori thought it should be the same as if it were the Athol Daze racing event.
8. **Discussion on CCATT Holding Cell Tower Lease Proposal (AT&T)** – Lori shared the written proposal for amendments on the current contract. This offer listed 2 options that the staff is looking for direction from the council. Are you interested in looking at making an amendment to the current agreement, after a brief discussion the council said they would entertain option #2 and the staff would go back and get a draft of the lease and have the city attorney review? It was agreed to consider option #2. The amendment will be brought back to the council at the next council meeting for their review and attorney feedback.
2. **Presentation of the Water Rate Study by Shelly Roberts with the Idaho Rural Water Assoc.** – Shelley Roberts presented the findings of the study. She started with a review of the agenda for tonight's presentation. She discussed consumption usage: city having 306 users and the city using 35,719,567 gallons/year, using a 3-year average. Rate considerations to think about: sufficient to cover all expenses, reserves to plan for future, fair & equitable, justified, and as simple as possible. Then she reviewed the current rate structure citing the basics of a residential (1 unit) user now pays \$20 a month for up to 15,000 gallons a month and \$1.10 per 1,000 gallons over the 15k. For commercial the rate is \$52.00 for up to 45,000 gallons a month and again the \$1.10 per 1,000 gallons over the 45k. She also wanted to educate and explain the various rate structure methodologies to consider when setting rates. They are: flat rate, consumption, customer classes, declining rates, inclining rates and uniform rate. There was a brief discussion on EDU's (equivalent dwelling unit). After reviewing each of the methodologies the "uniform rate" is the most commonly and recommended usage method. So, the base rate covers fixed expenses, or they can be based upon meter size, or based upon the EDU. Plus, consumption charge (based upon water use). She explained expenses can be broken into 2 categories: Fixed (costs that are shared by all users every month) and

variable (costs associated with pumping water). She discussed a minimum bill vs. water use bill. Meaning some communities include 2k-7k gallons "ready to serve" charge, some penalize low users (seniors), some do not promote water conservation and others reduce importance of water meters if substantial # of gallons per month are included. So, to be fair and equitable to all users the city's usage summary in 1k gallons a month for a 5-year average resulted in the following:

All Users (average)	9.4	Residential (avg)	8.2	Commercial (avg)	18.2
High	87	70		87	
Low	1	1		1	

In sum 74% of residential usage uses less than 10,000 gallons per month
63% of commercial usage uses less than 15,000 gallons per month

Current Operations Expenses of: \$131,965

Equates to \$17.26 base rate (0 gallons) with \$1.10/k so 15k usage is = \$33.76 we now only charge \$20
Or \$20.00 base rate (0 gallons) with \$1.10/k so 15l usage is = \$36.50 This is what the rates should be now to break even. Also noted was by applying the cell phone tower lease/franchise fees to the water fund, saves about \$8.00 per account.


SO, moving forward if we were to project expenses to include Bond payment future rates would run:
Proposed Monthly Base Rate of \$42.75 (0 base rate) at 8,000 gallons a month at \$3.17 per 1k/gal= \$68.11.

Much conversation and number running continued and Shelly will share the rate calculator spreadsheet with Lori, so the city can play with and work out what might be the best rate decision.

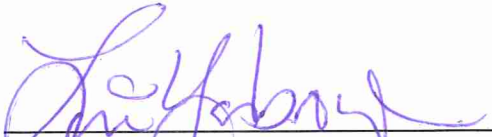
ANNOUNCEMENTS City Council – Councilman Spencer requested to add a discussion on the paving of the Trail along the northside of Hwy 54 that was listed under the annexation agreement with HJ Grathol. Lori will add to the next agenda and Mark will get a pricing from CDA Paving; **Mayor Wachter-** nothing; **City Staff- Lori** – 1) Reminded the next Athol Daze and Beautification Planning meeting will be Thursday, May 10th at 1:00pm here at city hall; Athol Daze is Saturday August 11, 2018 and Beautification will be Saturday May 19, 2018 as well as the city-wide yard sales. Councilwoman Zichko working on house list about 25 or so of them, and Lori said about 15-yard sales so far. Mark-none.

ADJOURNMENT at 9:15pm

ATTEST:



Bob Wachter, Mayor



Lori Yarbrough, City Clerk/Treasurer

Approved at Council on 5/15/18

