

Special Meeting
January 19, 2011
City Council

Present: Councilmembers Dee Brown, Jane Rea, Ty Lewis, Bill Owens, Darren Tynan and Terry Edwards with Mayor Glenn Fischer presiding. Clerk Cheri Peine and Superintendent Donnie Allison.

The meeting was called to discuss the water and sewer funds, including refinancing of outstanding bonds; change orders for the water distribution project and a request from USD 504 to consider a rate reduction for water consumption at the football field.

Refinancing of Water Revenue and Sewer General Obligation Bonds

Peine presented information on both the water and sewer funds for Budget/Actual for 2009-2011, Approved Budget and Revised Budget for 2012, and Estimated Budgets and Revised Budget with Reopening of Correctional Camps for 2013 and Estimated Budget for 2014. Budgets for the water and sewer fund were presented: 1) Current bond and interest payments; and 2) with revised bond payments after refinancing and with new bond to be issued in 2013 for the water, streambank project.

Peine advised by refunding the water revenue bonds the city would not be required to continue transferring funds to the Bond Debt Reserve Fund of \$4,164 annually. Also, the funds currently in the Bond Debt Reserve Fund could be transferred to the Water cash fund or used toward the Water Distribution or Streambank project if needed.

Kevin Cowan, Gilmore & Bell, presented information on the refinancing of the bonds to those present via conference call.

Owens made a motion and Brown seconded to move forward on the refinancing of the Series 2005 water revenue bonds and the Series 1999 and 2003 sewer general obligation bonds.

Change Orders for Water Distribution Project

After discussion, Owens made a motion and Brown seconded to approve Change Order #4 which includes work at North & Michigan, 5th & California, 6th & Nebraska, X-Ray (Oregon Drive) Road, Commercial & Merchant Alley, Misc. Items – New Main/Meter on South Wallace Road (Doug Smith); and Courthouse Sidewalk in the amount of \$73,670, with X-Ray (Oregon Drive) Road deducted for a revised total of \$56,992.00. Motion carried.

Allison presented information recommending the city purchase shut-off valves for each meter location where needed. The city currently has 300 shut-off valves on hand. This would require the purchase of approximately 550 more. He also recommended that the contractor on the Water Distribution Project, LaForge Construction be hired to install the shut-off valves at a cost of \$104.50 for each installation. If the contractor comes to a meter can that needs to be removed and a new one installed they will contact city crews to install one. The city has approximately 400 meter cans on hand.

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Rea made a motion and Edwards seconded to approve the request as submitted by Supt. Allison. Motion carried with Bill and Darren voting no.

Supt. Allison covered three other items – tying in fire protection sprinkler lines to the new mains, additional inspection charges for the additional work approved in Change Order #3 – replacing all service lines from the city’s main to outside the meter; and replacement of some rural water meter cans. Council instructed Allison to talk to the engineer and/or contractor about obtaining a cost based on hooking up the sprinklers for the February 13 Council meeting.

Request from USD 504 for reduced rate to Football Field
After discussion, Brown made a motion and Lewis seconded to charge \$6.50 per 1,000 gallons to USD 504 for water used at the football field, and the rate to be reviewed annually. Motion carried.

There being no further business, the meeting adjourned at 9:08 p.m. on motion by Brown and second by Lewis. Motion carried.

Glenn Fischer, Mayor

Attest:

Cheri R. Peine, City Clerk