

**Stevensville
Town Council
Public Meeting Minutes
Monday, August 3rd, 2015
7:00 p.m.**

Council for the Town of Stevensville along with Mayor Mim Mack came together for a Public Meeting to discuss proposed water and sewer rate increases and a proposed rate reduction program for low income seniors and adults on disability. Mayor Mim Mack called the meeting to order. Councilmember's Perrin, Crews, and Hunter were all present as well as members of the public. Councilmember Holcomb was unable to attend.

Proposed Water/Sewer Rate Increases

Mayor Mim Mack gave a presentation on the proposed water and sewer rate increases beginning in FY15-16 and incremental for the next 5 years. The proposed rate increase for both water and sewer is 3% for Operation and Maintenance annually for the next 5 years. The intention is to keep up with inflation and avoid a large increase down the road.

Council reviewed and discussed a 5-year Water/Sewer Operation and Maintenance Expense Analysis.

Clayton Floyd commented on water/sewer rates and encouraged Council look at budget items that could be reduced; i.e. solar to reduce electric charges, versus just absorbing the cost increases.

Bob Michalson inquired whether the 3% increase would affect the water usage rate. Mayor informed him the increase is only on the base rate. The water usage rate would remain \$1.85 per 1,000 gallons.

There was further discussion regarding the rate study done by HDR in 2010 and analysis done by Rural Water; current rate structure which includes 3,000 gallons; commercial rates; and 5 year incremental increases.

Proposed Rate Reduction Program

Mayor presented a proposed utility billing rate reduction program for low income seniors and disabled adults. The reduction would only be on the O&M charges not the bond portion.

The presentation included who would qualify for the program, the savings to those who qualify, how the program is funded and the costs to all users to fund the program. This program would replace the LIEAP program.

Mayor informed the public if Council chooses to go forward with this program, the same procedures would apply as the water/sewer rate increase; public notices and hearing prior to approval.

Discussion ensued regarding the proposed program including renters' qualification, potential "gaming" of the system, and privacy of personal financial information.

Meeting adjourned at approximately 8:15 p.m.

APPROVE:



Gene Mim Mack, Mayor

ATTEST:



Stacy Bartlett, Town Clerk