

UTILITY BOARD/COMMON COUNCIL

Tuesday, January 22, 2019

5:30 P.M.

The Common Council and Utility Board of the City of Huntingburg met in joint session at the scheduled meeting time on Tuesday, January 22, 2019 at the hour of 5:30 P.M. in the Council Chambers of the Huntingburg City Hall at 508 E. Fourth Street, Huntingburg, Indiana. Members Bounds, McPherron, Kissling, Blessinger and Wehr were present. Also present were Mayor Spinner, City Attorney Schneider and Clerk-Treasurer Dippel.

Mayor Spinner called the meeting to order.

A motion was made by Kissling, seconded by Blessinger and carried to approve the minutes of the January 8, 2019 regular meeting and the January 15, 2019 Executive Session meeting.

A motion was made by Wehr, seconded by Bounds and carried to approve the claims as presented.

The Mayor presented an Amendment to Owner-Engineer Agreement (Amendment No. 03) to the original contract dated October 8, 2015, between the City of Huntingburg and Cash Waggner and Associates for as needed engineering services. An updated rate schedule for 2019 for the contract was presented. He noted a slight increase in hourly rates.

A motion was made by Kissling, seconded by Bounds and carried to approve the amendment to the engineering agreement with Cash Waggner and Associates.

The Mayor informed the Council that last week he received a call from School Superintendent LaGrange concerning an error that was made in their utility payment, noting a clerical error and a couple of missteps causing the schools payment to be late and that they immediately paid upon receipt of the late notice. He noted there were assessments for late fees in accordance with the City's current fee structure. The Mayor indicated that Mr. LaGrange asked him if it could be considered by the Board that the late fees be waived since it was a unique circumstance; an error by their clerical staff. The Mayor indicated that he had discussions with the Council on this issue and the amount of the late fees are \$1,381.54. The Mayor noted the bill was accurate and was late. He recommended that due to the special circumstances a waiver of the penalty should be considered as this customer is a taxing unit and the penalty would affect taxpayers, and the school corporation had been on time with their bills in the past.

Discussion followed.

A motion was made by Wehr, seconded by McPherron and carried to waive late fees totaling \$1,381.54 (for Southwest Dubois County School Corporation).

The Mayor noted the need to consider appraisals for a couple of properties. He indicated that Energy Superintendent Reutepohler had been here before with a discussion on the property near the school at Main Street and Sunset Drive on what would be the proper way to use that property. He noted that if the property is to be sold or if there is other interest in the property an appraisal will be needed. He indicated the other property is a utility easement near Market Street Park. The Mayor has been working with a couple of firms in deciding to have the appraisals done. The Mayor recommends using the firm of Bartlett & Associates for the utility easement at Market Street Park and Dwayne Persohn for the property near Southridge High School.

A motion was made by Bounds, seconded by McPherron and carried to approve contracting for appraisals for the properties at Southridge High School and utility easement near Market Street Park.

The Mayor indicated that notification has been received that there will be a water rate increase from Patoka Water. He noted that in anticipation of the Patoka Water rate increase the City of Huntingburg's water rates were looked at to see how the City's

customers would be affected. A recommendation of adding \$.26 per 100 cubic feet was presented along with increased water tap fees to help cover the cost of new customer taps (Exhibit A).

Attorney Schneider indicated that O.W. Krohn and Associates (City's utility rate consultant) has done a limited rate study and it was determined that the \$.26 per 100 cubic feet of water would be needed to just cover the wholesale cost increase from Patoka Water. He noted that a cost adjustment tracker be implemented and the tracker be set at \$.26 per 100 cubic feet of water.

It was noted that the average customer will see an increase between \$1.30 and \$1.56 on their water utility bill.

A motion was made by Bounds, seconded by Blessinger and carried to introduce Ordinance No. 2019-06 entitled:

**AN ORDINANCE AMENDING ORDINANCE NO. 2009-36 AND
AMENDING THE SCHEDULE OF RATES AND CHARGES FOR USE OF AND
SERVICES RENDERED BY THE MUNICIPAL WATERWORKS OF THE CITY
OF HUNTINGBURG, INDIANA**

The Mayor noted that the Electric Department is proposing changes of connection fees for the Electric Department. He noted the increase is to cover the City's costs to install an electric service. The proposed Electric Department rate changes were presented (Exhibit B).

A motion was made by McPherron, seconded by Wehr and carried to introduce Ordinance No. 2019-07 entitled:

**AN ORDINANCE AMENDING ORDINANCE NO. 2006-44 TO AMEND
THE CONNECTION CHARGES IN THE CITY OF HUNTINGBURG ELECTRIC
RATES AND CHARGES**

A motion was made by Bounds, seconded by McPherron and carried to set a public hearing for 5:30 P.M. on February 12, 2019 in the Council Chambers of City Hall to consider proposed changes in electric rates and for changes in the water rates.

The Mayor indicated that he will ask that there be a scheduling of the Utility Rate Advisory Board at the same time as the Common Council public hearing at 5:30 P.M. on February 12, 2019 concerning the electric and water rate increases. He noted it will be a joint session.

Energy Superintendent Reutepohler presented his monthly Gas Utility report. He noted that crews will be working on 4th Street on both sides of Jackson to cut and vacate the main that goes across 4th Street for the 4th Street Heritage Trail project. Work is also being done on 3rd Street between Chestnut Street and Walnut Street abandoning the steel mains in the street and steel services to houses and replacing with plastic by running it behind the curb.

Reutepohler presented the monthly Electric Utility report. He informed the Board that crews are putting up street lights in Hunters Crossing and running electric along Progress Parkway.

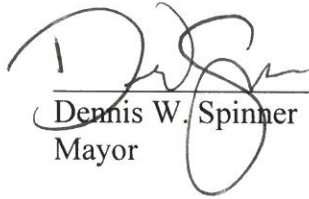
Reutepohler requested the Board approve SITCO's request to attach fiber to an additional 67 utility poles starting at Industrial Drive and Hwy. 64 to 12th Street then to County Road 400 W, then to the Coop. He noted there is room on the poles for the additional lines.

A motion was made by McPherron, seconded by Blessinger and carried to grant approval to SITCO to have installation on 67 poles for the project described by the Superintendent.

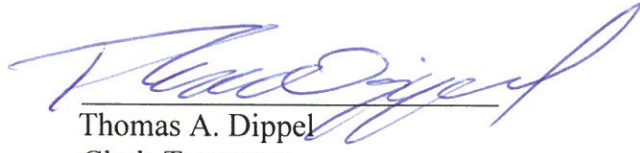
Water Superintendent Meyerholtz presented the monthly Water Utility report. He noted the water main break at 6th Street and Washington Street resulted in a loss of

approximately 1,300,000 gallons of water. He noted the Water Department is finished laying the floor at the City office.

There being no further business before the Council, a motion was made by Kissling, seconded by Wehr and carried to adjourn the meeting at 6:09 o'clock P.M.



Dennis W. Spinner
Mayor



Thomas A. Dippel
Clerk-Treasurer

EXHIBIT A
Common Council/Utility Board
1/22/19 5:30 p.m.

NOTICE OF HEARING
PROPOSED WATER RATES AND CHARGES

Ratepayers and other interested parties in or served by the waterworks of the City of Huntingburg are hereby notified that the Common Council of the City of Huntingburg will conduct a public hearing at 5:30 o'clock P.M. on February 12, 2019 in the Council Chambers of the City Office Building 508 E. Fourth Street, Huntingburg, Indiana to consider an ordinance adopting a water cost tracking factor in the sum of \$0.26 per 100 cu. ft. to recover the increased cost of purchased water, and increasing customer connection charges. Said proposed ordinance provide for the following changes to the water rates and charges:

<u>Monthly Metered Rates In-City (per 100 cu.ft.)</u>		<u>Current</u> <u>Rate</u>	<u>Proposed</u> <u>Tracker</u>	<u>Total</u> <u>Proposed</u>
FIRST	5,000 CUBIC FEET	\$ 4.6483	\$ 0.26	\$ 4.9083
NEXT	20,000 CUBIC FEET	4.3844	0.26	4.6444
NEXT	2,475,000 CUBIC FEET	3.9444	0.26	4.2044
OVER	2,500,000 CUBIC FEET	2.7076	0.26	2.9676

Service Outside City Limits

Rural rates equal to 125% of in-city base rates if usage is less than 1,000,000 cu. ft. per month.
Usage over 1,000,000 cu. ft. is same as in-city rates:

		<u>Current</u> <u>Rate</u>	<u>Proposed</u> <u>Tracker</u>	<u>Total</u> <u>Proposed</u>
FIRST	5,000 CUBIC FEET	\$ 5.8104	\$ 0.26	\$ 6.0704
NEXT	20,000 CUBIC FEET	5.4805	0.26	5.7405
NEXT	750,000 CUBIC FEET	4.9305	0.26	5.1905
NEXT	1,500,000 CUBIC FEET	3.9444	0.26	4.2044
OVER	2,500,000 CUBIC FEET	2.7076	0.26	2.9676

<u>Connection Charges</u>	<u>Current Rate</u>	<u>Proposed Rate</u>
5/8 to 3/4 INCH METER	\$ 750.00	\$1,500.00
1 INCH METER	900.00	1,800.00
1 1/2 INCH METER	1,100.00	5,000.00
2 INCH METER	1,250.00	6,000.00
3 INCH OR LARGER	AT COST	AT COST

All interested persons may attend and be heard concerning the proposed water rate changes at said public hearing.

Dated: January 22, 2019

CITY OF HUNTINGBURG

By: /s/ Thomas A. Dippel
Clerk-Treasurer

NOTE: Publish one time, no later than January 31, 2019, and mail to all water service customers outside the city limits.

EXHIBIT B
Common Council/Utility Board
1/22/19
5:30 p.m.

**NOTICE OF HEARING
PROPOSED ELECTRIC RATES AND CHARGES**

Ratepayers and other interested parties in or served by the electric utility of the City of Huntingburg are hereby notified that the Common Council of the City of Huntingburg will conduct a public hearing at 5:30 o'clock P.M. on February 12, 2019 in the Council Chambers of the City Office Building 508 E. Fourth Street, Huntingburg, Indiana to consider an ordinance increasing customer connection charges. Said proposed ordinance provides for the following changes to the electric connection charges:

<u>Connection Charges</u>	<u>Current Rate</u>	<u>Proposed Rate</u>
Residential Service	\$ 100.00	\$ 200.00
Commercial, Small Industrial	200.00	\$ 400.00 or \$2.00/amp., whichever is greater
Large Power Service	500.00	\$1,000.00 or \$2.00/amp., whichever is greater

All interested persons may attend and be heard concerning the proposed electric connection charges at said public hearing.

Dated: January 22, 2019

CITY OF HUNTINGBURG

By: /s/ Thomas A. Dippel
Clerk-Treasurer

NOTE: Publish one time, no later than January 31, 2019.