

City of Bayfield

Common Council & Public Works Committee Meeting

Tuesday, November 25, 2014

Call to Order and Roll Call: Mayor MacDonald called the Council Meeting to order and Chairman Bryan called the Public Works meeting to order followed by roll call.

Present - Council: Nelson, Bryan, Johnson, McMullin and Mayor MacDonald

Absent- Council: Johnson

Present – P. Works: Albrecht, Brevold, Whiteside, Kelly and Chairman Bryan

Others: Hoopman-Clerk

Agenda: Brevold/Nelson moved to approve the agenda. Carried.

Public Input on Agenda Items: None.

Agenda Item:

1. **Proposed Water Rate Increase:** The meeting was called in order to make sure everyone understood the proposed water rate increases prior to the Public Hearing which is scheduled for Wednesday, December 3, 2014 at 10 a.m. The Mayor began by saying everyone was provided with their rate increases prior to the meeting, they were given a copy of the City's W/S rate sheet showing the proposed 2015 rates and the PSC Report which includes their proposed rate structure.

Discussion ensued, but no action was taken by either the Common Council or Public Works Committee. Some comments made include:

- The proposed rate structure would garner a 5.25% rate of return.
- There has been a great deal of improvements made to the system; 154% increase in gross plant investment. May need to reconsider any additional work.
- Operating costs have increased 52% over the past 12 years.
- Concern was expressed over the amount of seasonal residents we have that contribute to the system.
- The increase to the Fire Protection is significant; \$15,181.
- The Public Hearing is scheduled for December 3, 2014 at 10 a.m.
- A significant increase has not been made to the Water Utility rates since 2002.
- Most meters have been replaced with new remote readers.
- All customers will be affected by the new proposed rates; it's based on meter size and amount of use. The rumor that B&B's are exempt is false.
- Anybody with questions is encouraged to contact staff at City Hall.
- Sewer rate may also need to be evaluated. Will discuss after the 2014 audit is conducted. Hoping to wait at least a year before any changes (if needed) are made to those rates.

Adjournment: McMullin/Albrecht moved to adjourn. Carried. (4:19 p.m.)