

MINUTES-SPECIAL MEETING
TOWN COUNCIL MEETING – February 21, 2018 – 6:00 p.m.

PUBLIC PRESENT: (See attached sign-in sheet) – no one in attendance

COUNCIL & EMPLOYEES PRESENT: Jane Efinger-Hayden, Sharman Jarboe, Linda Crawford, Adam Hoffman, Jay Oliva, and Pudder Linne

ABSENT: Brandon Kleeman

The meeting began with the “Pledge of Allegiance”.

Linda Crawford, President, called the public hearing meeting to order at 6:00 p.m. She advised this meeting was strictly to discuss the RD apply process.

Linda turned the meeting over to Pudder. Advised that last Thursday, Mike Strahl came to meet with Jane and himself. We were advised at that time that we will not be receiving any grant money. We have no debt and our rates have been too low. We cannot reapply. Also that two industries use 70% of our water. We were turned down from OCRA. Tell City was in the same situation recently. We have been approved for an RD poverty interest rate of 2.125%. The Feds will meet by 4/15/2018 to review the interest rates. We will be locked in for 40 years and will never change. The timeline will now be moved up and we will have one year for completion. Midwestern will bid out within 30 days and there will be inclement weather days built in. There will be a completion date, or fines will be assessed. If we get more industries in the near future, this will help our financial situation. Pudder went through briefly, the Project information Packet.

Pudder then went over the Town Special Meeting Information Page. #2 (SEE ATTACHED)

Pudder then went over the Projected Income from Water Sales Information Page. #3 (SEE ATTACHED) Phase 2 water rate increase may be possibly lowered to 18.72%.

Pudder then went over the Water Fund Report. #4 (SEE ATTACHED) Loss in 2014 due to water tank debt payment. Loss in 2017 due to Meggitt improvements and manganese meter replacements.

Linda asked if new businesses came in, how much we would be responsible for infrastructure. Pudder advised we have an 8” main in place. Hydrants, meters, hook-ups and sprinklers would be additional on our part. If the railroad expanded, would there be a cost to us. No, per Pudder, we own the property/easement by the tower and that would be someone else’s expenses.

We would need to vote by the 3/14/18 meeting to lock in the interest rate at 2.125 for 40 years.

Pudder then discussed the London Witte Rate and Financing Analysis briefly. Also advised that the Phase 1 water rate increase has been turned into Keystone and will take 4-6 weeks. We will then begin a build-up from that. Our first payment should be due in 2020. Discussion of a Phase 3 increase. Will hold off on that for now. There will be some changes to factor in such as we can no longer use chlorine gas and will have to switch to liquid, etc. Also, if there is any money left over, we will get to keep it, since there is no grant. We are invested at \$47,000.00 to this point.

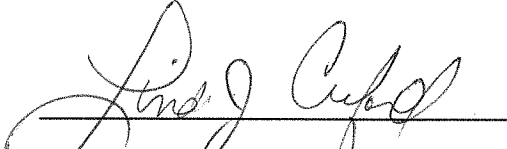
Pudder advised he went to a PCDC Utilities Roundtable meeting today.


Brief discussion on acquiring extra help for replacing new meters.

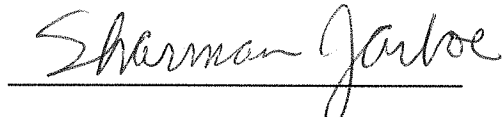
Adam made a motion to move forward to accept the loan only, no grant agreement with Rural Development at 2.125% interest rate for 40 years and we will be financing 2.104 million. Jay seconded. All in favor. Motion carried.

Linda signed the Letter of Intent for this project and we will get that to Mike Strahl.


ADJOURNMENT: There being no further business, the meeting was adjourned at 7:00 p.m. Adam made a motion to adjourn and Jay seconded. All in favor. Motion carried.

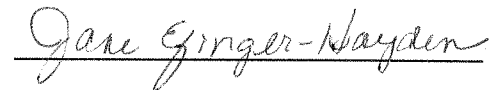

Linda Crawford, President


Jay Oliva, Vice-President


Sharman Jarboe, Board Member

Adam Hoffman, Board Member


Brandon Kleeman, Board Member


ATTEST: Jane Efinger-Hayden
Clerk/Treasurer