

VILLAGE OF HICKSVILLE
SPECIAL COUNCIL MINUTES

Monday June 1, 2016 at 5:00 p.m.

The meeting was called to order by Mayor Diane Collins, followed by the invocation.

The Pledge of Allegiance was recited by all present.

Roll call was taken with the following persons in attendance: Mayor Diane Collins; Council members Ron Jones, Mike Barth, Shelia Baker, Ron Beverly, Mike Headley, Mick Pocratsky; Administrator Kent Miller; and Fiscal Officer Cheryl Smith. Solicitor Troy Essex was absent.

Mike Barth, Chairman of the Water/Sewer/Refuse Committee introduced Roberta Acosta from RCAP. She once again was in attendance to discuss rates and to provide guidance to council concerning financing Phase I sewer projects. She handed out spreadsheets showing past, current and future budgets.

Roberta spoke of 3 things relating to our current rate structure:

- (1) Loan rates and terms
- (2) Balancing the budget
- (3) Funding future projects

The OWDA Community Assistance Program is the best way to go but the village has to show they can repay the debt. The utility rate must be 2.6% of the median household income or \$35,074. The government uses strict guidelines including, in the case of Hicksville, a monthly payment of \$75.99 for 4500 gallons. Currently we charge \$66.94. The amount would have to be raised by \$9.05 monthly per utility bill. This loan would be at an interest rate of 0.55% which is extremely attractive.

Raising the base rate from \$15.00 to \$25.00 will put the utility bill at the approved amount for the OWDA Community Assistance Program to consider our application. It will not balance the budget. According to the spreadsheet passed out, the hike would have to be on usage - from \$6.50 per 1,000 gallons to \$10.00 per 1,000 gallons - an increase of \$3.50 for each 1,000 gallons.

As far as future projects, the rate structure should be incremental annually to keep up with inflation as well as other unforeseen expenditures. The OWDA Community Assistance Program will be available for future projects. The interest rate may not be the same as it changes daily.

Roberta was asked by council to come up with scenarios of rate structure raising the base rate, the usage rate or a combination of both to try to balance the budget. Ron Jones made a motion to increase the base rate by \$10.00, seconded by Mike Barth. All voted yes. Troy Essex will be asked to bring legislation to the next meeting.

A vote was not taken, but the consensus was that the village would self-fund the Pearl/Columbia Project (approx. \$511,000.00) and the water projects on Haver Drive (approx. \$437,000.00).

Roberta Acosta left the meeting. She was thanked by council for all her hard work on the village's behalf.

The next item discussed was the new water tower. The QBS (Quality Based Selection) process was completed and Poggemeyer Design Group was selected. Ron Beverly and Mike Headley were verbally opposed to choosing Poggemeyer. Beverly questioned the process and having an inexperienced council member making the decision. Shelia Baker responded that she deliberated very carefully when scoring each company. Beverly said the cost will end up being wrong and the work won't be done like we want it. He cited the street light problem and asked if everyone felt confident in their decision.

Kent Miller reported that he published an ad as well as sending 9 letters out. He received 6 submittals and the committee interviewed 3.

Mike Headley said the project should be put on hold citing how much we are already spending on other projects. Miller said the council had just discussed the cost of dragging their feet on making decisions and this process was put in motion at a previous council meeting. He had been asked to begin finding an engineer and he has done that. It will be up to council to approve the bid. After more discussion about the firm chosen,

some councilmen wanted the bid process scrapped and done over. Miller said he didn't want to fight with council and he would pull the contract if that is what they wanted. Ron Jones stated that the situation needed to be looked into by our solicitor as legal issues might arise by doing that. Miller reminded them the answers to the questions from the engineering firms about their qualifications and experience would end up the same if the process was repeated.

Jessi Elson, water superintendent, spoke up to tell council this part of the process, or "Phase I" was only to do a systems analysis and site plan. It would answer all the questions about the project everyone has been asking. The tank design and construction would be "Phase II" at a later date. Nothing is going to be done without hiring an engineer first.

It was decided to have Essex bring legislation to the next council meeting and then a vote can be taken on accepting or declining the bid from Poggemeyer.

Mike Headley moved to adjourn, seconded by Ron Beverly. All voted yes. Council was adjourned at 5:55 pm.

Mayor

Fiscal Officer

