

**IRON RIVER CITY COUNCIL
PUBLIC HEARING – W/S RATES
WEDNESDAY, APRIL 9, 2003
6:00 P.M.**

Mayor Charlotte Soderbloom called the meeting to order at 6:00 p.m. in the Legion Room of the Iron River City Hall.

Members present included Councilmen Tom Beber, Ray Coates, Virgil Thompson, Mayor Charlotte Soderbloom, City Manager Rick Commenator, City Attorney Mark Tousignant and City Clerk Peggy Shamion. Absent was Councilmen Klint Safford.

Don & Marie Ciochetto, Craig Tarsi, Arthur Sacheck, Roy Polich, George Treado, Robert Swanson, Curtis Denis, Gary Pisoni and Wayne & Karen Wales also attended the meeting.

The purpose of the meeting was to hear public comment regarding the proposed amendments to the water and sewer ordinances.

Manager Commenator informed everyone that there was a typo in the ad in the newspaper and the correction should read that the proposed readiness to serve fee for Iron River South should be \$22.50 and not \$21.00.

With that, Mayor Soderbloom opened the floor to the public. Wayne Wales was the first to speak. He wanted to know under the new proposal, what his business would be classified as. Tousignant told me he would be billed for 11 apartments.

Karen Wales commented that the volume of water that their apartments use is double of what is used at her residents and under the proposed amendments, their apartment building will pay 11 times that fee. Mrs. Wales also pointed out that the Nursing Home is not a transient building; they have one meter and they are billed for gallons beyond that. However, all the people living there are considered residents and live there year round.

Roy Polich asked how the city would determine how many id numbers are in a building. Commenator told him that a letter would probably be sent out to each business owner asking them to confirm or deny the information the city has on id numbers. Polich said if the city implements the id numbering system he would have 14 in his building. He felt one option is to bill by usage.

Commenator explained that the city has to be guaranteed some type of minimum to be able to pay back the debt.

Attorney Tousignant interjected that one of the problems with billing by usage is that even though a business would only use enough water for a 1 ½ inch line, because they have a sprinkler system in it, and have a 6" line coming into the building to handle the sprinkler system. The six-inch line that runs out into the street, has to be fed by a 10" line. If that building wasn't there the people near there could be fed with a 6" line therefore having a smaller tank, smaller pipe and pumps. The city has to provide the ability to pump the water through the 6" line even though they aren't using it.

Commenator stated that there is approximately 83 buildings that are charged for more than one unit. There are approximately 255 extra unit charges off of those 83 buildings.

Tousignant interjected that $\frac{3}{4}$ of the residents in the city use less than 4,000 gallons and they are all charged for 5,000.

Roy Polich suggested possibly inflicting a user charge on classifications for residential, commercial and industrial users.

Wayne Wales asked the board to consider leaving the minimum as is, but raising the gallons used over the minimum.

City Treasurer Suzanne Johnson stated that the city has to come up with \$775,000/yr. The breakdown is \$375,000 to operate the system and \$398,000 to pay the bond.

Arthur Sackeck pointed out that Rural Development is the one that set the \$21.00 for the city, because of the city debt for the water project.

Some members of the board agreed that the amendments should be reviewed again.

With that, Mayor Soderbloom closed the Public Hearing.

Beber moved to adjourn the Public Hearing and Thompson supported. All were in favor. Motion carried.

Meeting adjourned at 7:00 p.m.

Peggy Shamion, CMC
City Clerk