

**NEW SHARON CITY COUNCIL
SPECIAL MEETING
July 11, 2017**

The New Sharon City Council met in special session at city park building on Tuesday July 11, 2017 @ 6:00 p.m. with Mayor Dustin Hite presiding and the following members answering roll call: Terry Hudson, Keri Lamberson, and Wes White present. Others in attendance were Lisa Munn, Kevin Lamberson, Clay Beyer, Linda Steel, Randy Pleima and 27 citizens of the community. Kenneth Ward came in later.

Roll Call answered by:

Ayes:Hudson, Lamberson, White

1. Motion was made by Lamberson and seconded by White to approve the 7/11 agenda.

AYES: Hudson, Lamberson, White

NAYES: None

ABSTENTIONS: None

1. Dustin opened the meeting with the community in regards to a possible franchise with Mahaska Rural Water. He stated we are talking about ways to serve the citizens of New Sharon with water. He then turned the meeting over to Randy Pleima with Mahaska Rural Water to answer the questions from the public. Randy described how rural water process works. They are membership owned and have 3260 customers. There is a \$35.00 one time membership fee to give right to vote. This makes you a part owner of MRW and can run for a seat on the board. They are governed by a 7 member board and they are a non- profit entity, all the money that is generated goes back into the system. This helps reduce the cost since they do the work themselves can save about 35% on projects. Rates and rules are based on the town itself. They would have a 25 year franchise and at the end of that period the council would make the decision rather to stay with Rural Water or to take the water back and run it ourselves. Mahaska Rural Water would do the billing for both water and sewer and then send a check to the city for the sewer portion of the bills. Mahaska Rural water would assume the debt and notes that the city still has for the water department along with the new debt for improvements.
2. Questions from the public:
 1. Are there any grants available? We can try again but it is highly unlikely we will receive the CDBG grant more than once.
 2. Will homeowners have to buy new water meter? No they will not have to purchase new meters. Mahaska Rural Water will install any new hardware they need for their readers
 3. From the treatment plant to the rest of the town houses do these lines need to be replaced? Not all of them will have to be.
 4. If Mahaska Rural Water softens the water will that eliminate water softeners at homes? Very possibly 98% of MRW customers do not use water softeners in their homes.
 5. Cost of the water project? 1.25 million and the upgrade should take approximately 2 years. MRW does their own inspection which would lower the cost
 6. How often does MRW raise their rates? They just raised it and it was the first time in 8 years.
 7. When MRW puts in the new mains would they do directional boring? Yes
 8. How do you let the public know about what is going on? The city puts notices on their website, in the papers, on the window of the city hall, post office and in the bank. Also RD puts articles in the New Sharon Sun.
 9. Will water rates go up? Water rates will need to be increased no matter if we go with MRW or stay with the city. Engineer projections without MRW is that the minimum water bill will be increased to \$30.23 per month average only for water only sewer would be in addition. If go with MRW water bills will be sent monthly.

3. The next step will be three readings of the ordinance approved by the City Council. Then the ballot language will be submitted and the citizens will be able to vote for this on the November 7th election. If voted to go with Mahaska Rural Water the change would take effect approximately January 1st.

Adjournment:

There being no further business to discuss, it was moved by White and seconded by Hudson to adjourn at 7:07 p.m. All in favor, whereupon the Mayor declared said motion approved.

Lisa Munn
City clerk

Dustin D. Hite
Mayor