



## **January 29, 2019 Water, Sewer, & Sanitation Committee Meeting – Minutes**

**The City of Adel’s Water, Sewer, & Sanitation Committee met in the council chambers at Adel City Hall, 301 South 10<sup>th</sup> Street, Adel, Iowa, on January 29, 2019 at 6:00 p.m.**

Ockerman called the meeting to order at 6:00 p.m. Members present: Christensen, Miller, and Ockerman. Others in attendance: Council member McAdon, City Administrator Brown, Public Works Director Overton, Water Superintendent Altenhofen, City Clerk Leopard, McClure reps. Brons and Anderson, and PFM rep. Burmeister.

Christensen motioned, seconded by Miller, to approve the August 7, 2018 minutes. Motion carried unanimously.

Discussion began on water and sewer rates. Burmeister reviewed financial models of the water, sewer, and storm water funds. The water budget had to be rearranged due to the 2013 bond’s coverage ratio. PFM, McClure, and the City will work together to update the water and sewer budgets ahead of the new treatment plants in 2020 and 2021.

Burmeister noted that the “C” charges, which are used to pay the USDA-RD bonds, are set to increase on July 1, 2019. Brown asked whether these increases should be reviewed prior to that. Burmeister stated that it would be beneficial to wait another year, especially when project costs are known. The 2013 water bond will be paid off by the end of 2020 with the USDA-RD proceeds. Burmeister noted that, if the City sees substantial growth, it may be possible to flatten out the “C” raises in future fiscal years. Given the project schedules, the earliest the FY20-21 water rates could be reviewed is July 2019; for sewer’s FY20-21 rates, spring of 2020.

Brons reviewed rate comparisons with the greater Des Moines metro area. Adel’s water rates are approximately half of Xenia Rural Water. Adel’s sewer rates are roughly in the same place as a few years ago, which means other communities have major projects. For storm water, Adel is practically at the top, but this rate will pay off the USDA-RD loan in 20 years instead of 40 years. Brons noted that the metro is increasing rates overall for major projects.

Discussion moved to general project updates. A fourth storm water project would be bid this spring. Most water projects have begun. The East Annex Sewer Extension Project will be completed by November 2019. The wastewater treatment plant will be bid next year. McClure will also be reviewing a possible connection to the WRA.

Discussion moved to the septic system moratorium that is in place through the early summer. Brons reviewed sewer options for the North 15<sup>th</sup> Street area and the Prospect Pointe development near 288<sup>th</sup> Trail.

Discussion moved to the East Annex area. Brown stated that commercial entities in this area were not currently being charged for storm water. Brown suggested that the City could begin charging them once they were hooked up to the East Annex Sewer Extension project. The committee asked staff to review this situation and contact legal.

Discussion moved to sewer credits vs. leak insurance. Brown stated that several customers had requested leak credits for water leaks on outside hoses. Leopard noted that a clear policy would be beneficial. The committee suggested reviewing a one-time sewer credit above normal rates with a \$50.00 administration fee with legal.

Discussion moved to the City’s water policies. Brown noted that the City had moved to enforce existing policy (i.e., zero balance) in the past 1.5 years. Leopard noted that 8-10% of accounts do not pay on time. Brown stated that the accounting software can provide email and phone reminders. Brown noted that some commercial buildings are habitually late. The committee advised sending letters and working with businesses before enforcing the policies.

Discussion moved to the garbage and recycling rates. Brown stated that Ankeny Sanitation and the landfill were increasing their rates. The City will target increasing rates by June for July 1.

With no other business, the meeting was adjourned at approximately 8:24 p.m.  
Respectfully submitted, Anthony Brown, City Administrator