

Council met in special session with the following persons present: Mayor Richard Zink, Safety-Service Director Ralph Holt, Law Director Fred Beery, Auditor Gary Lewis and Clerk Beverly Brown.

President Richard Donley called the meeting to order at 7:30 p.m.

Mayor Dick Zink led the assembly in the "Pledge of Allegiance".

ROLL CALL:

Present: Mr. Kevin Chambers, Mr. Lee Koogler, Mr. John Levo, Mrs. Bonnie Parr, Mr. David Shoemaker, Mr. Charles Walker, Mr. Tim Young.

Absent: None

The meeting was called for the specific purpose of making a determination on what action was going to be taken regarding the upgrade of the Wastewater Treatment Plant.

Utilities Committee chairman Mr. Shoemaker gave an overview of the meeting of his committee prior to the special council meeting.

We did have a meeting of the Utilities Committee meeting at 5:30 here at the Public Access Building. Present was all committee members and also the mayor and Mr. Holt, Brandon Leeth from the Wastewater Treatment Plant, Kirby Ellison, Randy Barr, Gary Lewis and Mr. Donley, Mr. Koogler and Mrs. Parr plus our committee members.

Brandon Leeth gave us an overview of the workings of the Wastewater Treatment Plant and kind of gave us some information about how the system works and what we have as far as overflow concerns that the EPA has mandated that we take care of, to stop those overflows. Some of it has been helped by the South Lift Station but we do have problems that we have influent that goes in to the Wastewater Treatment Plant and does cause an overflow. They do a very good job out there of maintaining and taking care of that, but as he said in his presentation; '89 was the last time that it was updated and it is getting to the nineteenth year and it is time for another update the EPA has mandated. Some of the equipment, just like everything else in your home; wears out. That's just some of the problems they have come forth with.

Kirby Ellison gave an overview of the project expenses with comparison to a 13-million dollar plan or a 24-million dollar plan if we go with a "phase" project where we do 6-million dollars now and a little bit at a time later on for the next eighteen years. She gave us an idea of what interest costs was going to be on the financing end of it.

The last person to speak was the most impressive as far as I was concerned; was Mr. Lewis our Auditor. He gave us what the actual cost would be because we do have a loan maturing on the old update of the Wastewater Treatment Plant and that will be coming up in 2008. That loan would be paid off and he gave us a difference of \$139,000 and some dollars that we would pay the difference between what we now service the debt at and what the new debt of 13-million would be. So after a great deal of discussion and consideration; it was the Committee's recommendation of the Utilities Committee by a 3-0 vote in approval that we recommend to full Council that we go ahead with the Alternative 1 plan which states that we would do the whole project for 13-million dollars and present that to recommendation to Council.

That pretty well completes my report.

President Donley asked if any Council member has any questions and Mr. Walker asked where the money was going to come from. Mr. Shoemaker said that the information that was given by the Auditor stated that the current attachment and amortization was going to be \$720,399.00 for the DEFA loan and the existing annual debt service on the existing bond is \$581,366.00 which is a difference of \$139,063.00.

They say that we have approximately 2700 sewer customers in the City of Hillsboro. We're talking about an annual increase of \$51.50 per year and you divide that by twelve months and we will be increasing your sewer bill by \$4.29. Now the Safety-Service Director had recommended and it also came through had recommended for future review for the Utilities Committee that we look at a \$6.00 per month charge to go on the sewer bill to start taking care of not only this project but also infrastructure when we do camera readings and camera sightings in the sewer lines that we would actually become proactive instead of reactive and start fixing that \$1.71 per person; that we set that money aside. It would be fifty some thousand dollars a year that we earmark for the improvement of the infrastructure. Mr. Walker asked if this would take care of the sewer problems and Mr. Holt said that it would take care of the upgrade at the sewer plant but

they were trying to build a reserve for the infrastructure so they can take care of it before it collapses and before it breaks. He said this would add about \$55,000 a year if they increase it to \$6.00. He said the \$4.29 would just offset the payment of the \$139,000. If they increase it to \$6.00 that would allow them \$1.51 from each customer times the amount of customers they have which is 2700 and that would allow \$55,000 a year for a reserve.

He said that after the upgrade is done the sewer plant should be set for twenty years and what is going to be biting us is the infrastructure which seems since I've been here; we've seen every year we have some kind of a failure of infrastructure.

Mr. Shoemaker said that the Utilities Committee would be reviewing and just because they say \$4.29 over \$6.00; does not mean that that's locked in either. We're going to be reviewing a lot of different things because we're required to by the EPA standards when we submit this that we look at our fee structure of our sewer bills and the minimums and that sort of thing, so that's not locked in stone and it's not to be decided tonight. We're giving you an idea of where the money could come from and how it could be spent.

Mr. Holt told Mr. Walker that the monies were coming from a 1% loan from DEFA for the whole 13-million dollars. Mayor Zink said that they were also going to try for some grants but there were no guarantees.

RES. 06-54 – A RESOLUTION TO AUTHORIZE IMPROVEMENTS TO THE WASTEWATER TREATMENT SYSTEM TO CORRECT IDENTIFIED DEFICIENCIES AND TO DECLARE AN EMERGENCY- The clerk read this resolution in full for a first reading. Mr. Chambers made a motion to suspend the three-reading rule and Mrs. Parr seconded the motion. All members present voted yea. Mrs. Parr made a motion to accept the resolution and Mr. Chambers seconded the motion with all members voting yea. Resolution passed.

Mr. Koogler made a motion to adjourn and Mr. Chambers seconded the motion. Meeting adjourned.

Richard Donley, President of Council

Beverly Brown, Secretary