

**Worden/Ballantine Water & Sewer District
Public Hearing Meeting Minutes
Special Assessment and Rate Increase Resolutions
May 17, 2021 @ 7pm**

Call to Order/Roll Call: Judy Becker, Board Vice President, called the public hearing to order on May 17, 2021 @ 7pm. Board members present: Judy Becker, Marc Larson, Scott Schelm, and Gary Fredericks; Board member absent: Dan Ewen; employees present: Dan Krum, Joey Oltrogge, and Sandy Kust; Engineer present: Crystal Bennett, Great West Engineering; public present: sign in sheet on file with District records;

Judy Becker stated the 1st order of business would be discussion of the Special Assessment Resolution-5-17-2021-1 and then move on to the Rate Increase Resolution 7-17-2021-2. Board members informed the public of the project and total cost of the project estimated at \$4,844,000.00 and the District received a grant in the amount of \$2,119,000; loans in the amount of \$2,621,000.00 from USDA Rural Development and the District will put in \$104,000. The loans will be paid by a Special Assessment Bond in the amount of \$850,000 and a Revenue Bond in the amount of \$1,771,000. The public was also informed that 2 protests were received and will be kept on file with District records.

The Assessment Methodology was also explained to the public stating each benefited lot tract, or parcel in the District would be assessed an equal amount per lot, tract or parcel, based on the total cost of the project which is estimated to be a principal amount of \$2,361.12 over a 40 year period, this cost does not include interest which is 1.75%, the total annual amount of the special assessment for each benefited lot, tract, or parcel is expected to be approximately \$82.35 based upon 360 assessed properties. It was also explained that if an increase occurs in the number of benefited lots, tracts, or parcels within the boundaries of the District prior to or during the term of the Assessment Bond that the Board will recalculate the amount based upon the outstanding principal and interest of the bond. A map showing the benefited properties was provided.

Motion by Gary Fredericks to accept Resolution # 5-17-2021-1 Special Assessment, 2nd by Marc Larson, absent: Dan Ewen, motion carried unanimously;

Motion by Gary Fredericks at accept Loan Resolution USDA RD-Special Assessment, 2nd by Scott Schelm, motion carried unanimously;

Rate Increase Resolution 7-17-2021-2 was also explained to the public by the board showing the rate increase would be \$12.00/month per Equivalent Dwelling Unit (EDU); total amount for this loan is \$1,771,000 and there are a total of 349.82 EDU's with the rate increase beginning with the June 2021 billing.

Motion by Gary Fredericks to accept Resolution #5-17-2021-2 Rate Increase, 2nd by Scott Schelm, absent: Dan Ewen, motion carried unanimously;

Motion by Gary Fredericks to accept Loan Resolution USDA RD-Rate Increase, 2nd by Marc Larson, motion carried unimously;

Questions that were asked by the public:

1. Why doesn't the district have the money to fix the problems without having to take out loans and raise the rates? It was explained to the public that the District has money bills to pay and they do not have \$5,000,000.00 sitting in the checking account as the rates would be estimated to be \$125.00 to \$150.00 a month just for the base rate if we were to have that kind of money in checking account
2. The system is aged, is the district planning to keep improving the system? The District has a Preliminary Engineering Report on file and that is why the water system is being addressed and once the water system is upgraded the sewer system will be addressed. The District is always conducting Operation and Maintenance issues on both systems.
3. If you are planning for long term why is the District putting in wells as they are risky? The District is putting in wells as it is the most cost effective compared to a water treatment plant which is also risky as we do not know where the water comes from until it gets into the drains and the drains may also dry up.
4. How many wells will be put in and how will the testing be done on the new wells? The District is putting in 3 wells, 2 in the Ballantine Park, which was deeded over to the District from the Huntley Project Irrigation System, and 1 will be on private property in Worden, and the District is looking for another well site. Water quality testing will take place as well as quantity testing which will be a 72 hour test and transducers will be placed in various private wells to measure the drawdown of wells.
5. What is the timeframe to be able to start using the water? It is anticipated to drill the wells this summer, then apply for water rights, and when approved put phase 2 and 3 out for bid and connect to distribution system, it is anticipated to be completed in February 2023.
6. Why aren't you putting in individual R/O system? This is an unapproved system with DEQ for public water systems and it is expensive.
7. Why do we have to pay for the increases before we can even use the water? The Special Assessment will not be in place until the project is complete, however the rate increase needs to start now due to having to pay for engineering and construction costs.
8. Are you going to turn around and increase the rates again next year, it seems as though you are always raising the rates? At this time the District is not anticipating raising the rates, but that could change depending on future projects and maintenance on the system.

Other questions were asked, however they are not relevant to this project. It was also noted that the public does not like the increases, they understand they are necessary.

Meeting adjourned at 8:27pm