

**CITY OF GREENDALE**  
***Special Council Meeting***  
**September 25, 2018**

Mayor Weiss called the meeting to order.

PRESENT:           MAYOR ALAN WEISS  
                  TY BOWELL  
                  VINCE KARSTETER  
                  MATT McCOOL  
                  WALT WILSON  
                  KURT MOLLAUN  
                  SCOTT LIBBERT  
                  CITY MANAGER STEVE LAMPERT  
                  CITY ATTORNEY ANTHONY SMART  
                  CLERK TREASURER MARY JO LYNCH

ABSENT:            JERRY ABBOTT

There were no minutes presented for approval.

The Mayor turned the meeting over to City Attorney Smart who introduced Ordinance 2018-8 *titled: Ordinance for Appropriation and Tax Rates – 2019 Budget* and stated that this would be the first reading and that no action would be taken tonight. The second reading will take place at the regular council meeting on October 10, 2018 and the Board will vote on the Ordinance that night. There were no questions. Mayor reminded Council if they had any questions between now and the second reading to get with Angie or Joey.

Prior to going over the results of the Water and Sewer Rate Studies, Mayor Weiss read a statement. He said that that Council will be faced with some tough choices due to the following: 1) **increased costs at the SDRSD**; 2) **increase of costs in the Water Department**; and 3) the fact that **no rate studies have been done in over 10 years with the last rate increase having been passed in 2008-2009**. He stated that Greendale's water and sewer rates are among the lowest in SE Indiana due to cost controls by the City and City Manager throughout the last 10+ years and the fact that almost all capital spending has been paid for out of the Riverboat Fund. Mayor Weiss stated that it is easy to say that the Riverboat Fund has subsidized the utilities in Greendale and with good cause, since Riverboat has paid for such projects as 1) **new water and sewer lines throughout the City**; 2) **storm sewer projects**; 3) **electrical projects**; and 4) **water treatment plant projects** just to name a few; all paid for with Riverboat Funds instead of utility

funds. If these projects would have been paid for by using utility funds, the City would have had to bond most these projects and/or increase the rates to the customers. This would have had a major impact on what our residents would be paying now.

The Mayor stated that with the decline in Riverboat Revenue it is important to plan for the future and make the utilities more self-sufficient. As we all know, Riverboat sharing is always under attack and not guaranteed. **RATE STUDIES** - Twelve years is too long to wait for rate studies. The longer you wait, the larger the increase. Mayor Weiss stated that he is asking Council to consider an Ordinance that will require the City to begin a new rate study every 3 years with Council action within the 4<sup>th</sup> or 5<sup>th</sup> year. **RATE INCREASES** - No one likes to increase rates, especially politicians. We were all elected to serve the City and get things done to keep the City on the right course. If all we are worried about is getting re-elected, then I suggest that we kick the can around until after next year. If all we're worried about is re-election than shame on us. Now is the time to do the right thing, listen to the suggestion and make the tough decisions that we were elected to make.

The meeting was turned over to Sue Haus, *London Witte* to give her PowerPoint presentation on both the Water Rate Study and Sewer Rate Study. She started with the Sewer Utility Study (IC 36-9-23) and stated that the City needs to establish just and equitable fees for services. She presented the following:

**Sewer Rate Study:** Last study was done in 2008 and put in place in 2009. Greendale Utilities has one wholesale customer, Valley Rural Utilities Company (VRUC). In summary, the proposed increase is 31.71% over current rate revenues (which includes the South Dearborn Regional Sewer District (SDRSD) and includes a PILOT revenue requirement). The City does not receive property taxes and is entitled to a payment in lieu of taxes "PILOT" which would be transferred to the City General Fund. After presentation, she indicated that the total increase needed for the sewer to stand on its own is \$361,365. Greendale has received notice from SDRSD of its increase to the City for 2019 in the approximate amount of \$189,000 for chemical costs to reduce phosphorus.

Ms. Haus went over each Exhibit (B, C, D, E, F, G, H) regarding proposed Sewer Rates.

There was discussion about inside rates vs. outside city rates. Exhibit H compared Water and Sewer Rates to surrounding cities and towns. Ms. Haus referenced the increases as follows (Exhibit F, pg. 8): Year 1: 22.75%; Year 2: 2.65%; Year 3: 2.45%; Year 4: 2.45%.

Ms. Haus next went over the Sewer Utility Study (IC 8-1.5-3). She indicated that rates and charges must produce sufficient revenue. She presented the following:

**Water Rate Study:** The last rate increase was done ten years ago.

Councilmen Karsteter, Mollaun and McCool had to leave the meeting at 6:00pm.

The recommended increase is 31.37% over current rate revenues (Exhibit E, pg. 20) along with Year 1: 16%; Year 2: 4.00%; Year 3: 4.00%; Year 4: 4.00%. The total increase needed is \$243,825.

After question and answers, Mayor Weiss commented that looking into the future, the City might consider looking at doing rate studies or a sufficient analysis every 3-4 years.

**There being no further business to come before the board, Councilman Libbert made a motion to adjourn. With a second by Councilman Bowell, the motion carried by voice 3-0.**



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MAYOR ALAN WEISS

ABSENT

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JERRY ABBOTT



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TY BOWELL



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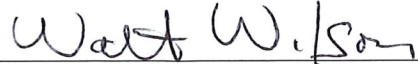
VINCE KARSTETER




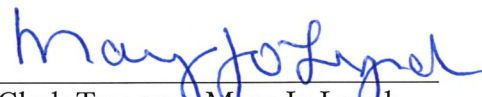
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MATT McCOOL

  
KURT MOLLAUN

  
WALT "DOC" WILSON

  
SCOTT LIBBERT

ATTESTED:   
Clerk Treasurer Mary Jo Lynch