

A Special meeting of the Village Board of Page was held Tuesday, October 17, 2017, at the Village Office. Chairperson Rachel Linquist called the meeting to order at 5:01 p.m. with Trustees Mosel and Bartak present. Also present: Cora Calkins, Janann Sobotka, Charlotte Linquist, Don Linquist Jr., Rod & Diane Heiss, Larry Peed Sr., Doug Cunningham, Dave Gilmore of Gilmore & Assoc. Engineering, and Roberta Mues & Taylor Medina from the Kearney USDA office . Chairperson R. Linquist informed all persons present, that this meeting was in compliance with the Nebraska Open Meetings Act and the Open Meeting Laws are posted for inspection at any time.

After a call for discussion, Bartak made a Motion to approve the Regular Minutes of the October 9, 2017 meeting as presented by the Clerk. The Motion was seconded by Mosel. Motion passed all ayes.

Laura Lyons entered the meeting at 5:06 p.m.

Chairperson Linquist advised those present that this meeting was being held to discuss opinions and gather public input in relation to the proposed 2017-2018 Water project loan/grant.

Walt Calkins entered the meeting at 5:08 p.m.

Questions were posed to the USDA personnel present as to how the loan/grant division is derived. Ms. Mues explained that the average user cost reflected an average of \$38.00 per customer. She explained that the base charge should cover all existing debt, and standard operating costs, such as, insurance, annual maintenance contracts, debt/loans, wages, etc. for the system. Consumption income is used to cover the cost of equipment replacement, line repairs, etc. Water funds are only used for water costs and are reported annually to the USDA. Taking this fund's profit and loss into consideration, it was determined that the village is able to support the cost of repayment of a loan in the amount of \$189,000.00 at 2% interest; therefore, this amount is required to be spent before any grant funds would be disbursed.

Rod Kennedy entered the meeting at 5:16 p.m.

The public posed some of the following questions:

- How much profit does the engineer build into the project? 10% of project costs can be attributed to this per Mr. Gilmore.
- Why is even one generator needed since we have the ability and an agreement for a portable generator to be delivered in the event of a prolonged power outage? Mr. Gilmore explained that due to the small size of our water tower, should there be a prolonged outage the village would be unable to provide water for a prolonged period of time. Even though the emergency plan calls for a portable generator to provide a solution, the most common reason for this type of power outage is winter weather which would probably prohibit delivery of a portable generator and thus potentially cause a water outage.
- Several parties present raised concerns over the longevity of the town population, and how this might affect rates in the future residents who would have to pick up more of the cost of any improvements.
- Is there an option to go back to the drawing board and scale the project down to only necessity repairs currently needed? Yes, however, there is no guarantee what funds would be available and the project scope would need to conform to the requirements of engineers, USDA consultants, DHHS regulations, and multiple other agencies to be considered for funding.
- Parties inquired whether any conversations had been sought with the NRD since nitrates are the primary concern? Not at this time, but this avenue will be explored.
- Some parties present expressed that the metering of water use is a detriment to the community stating that it is cost prohibitive for the general enjoyment of landscaping or gardening. They also expressed that the cost of meter repair is unnecessary. Ms. Mues explained that the water department must be ran like a business; meaning that it must be self-sufficient to pay for pumping, treatment (chlorination/nitrate control) and distribution from the source to each individual residence. Therefore, if there is no metering of water, the base rate would have to increase substantially for all residents to generate the income necessary to cover the costs currently paid for by consumption/use funds. Mr. Gilmore also advised that meters are often required to receive funding in an effort to promote water conservation.

Janann Sobotka exited the meeting at 5:40 p.m.

A large concern expressed by both the USDA and Gilmore & Associates during the course of the study was the extremely high water loss rate. (74%). Meaning that, at the time of the Preliminary Engineering Report, only 26% of the water pumped at the wells, was being accounted for in customer usage. The acceptable rate of loss is 10%. A review of new data will be done to see how the progress of meter replacement has affected this loss rate. By metering all connections, this provides for an alert system in the event that there are issues with the distribution lines themselves. (If water pumped at wells is not accounted for in user consumption, then the water is being lost from distribution lines between the point of origin and the point of consumption.)

- Some concern was expressed about what if a major issue develops; how would these repairs be funded and how could the Village afford the determined payments required for this project? Ms. Mues advised that the ability to pay required amounts was calculated prior to the offer being presented. She also explained that the reserve funds required annually are meant to force the Village to set aside money for any future repairs to the system and would remain Village assets. Should a repair be needed, a funding request would be made for USDA to release some of these reserve funds for approved repairs. Essentially, encouraging appropriate financial planning for the future.
- Why can't we just shut down the treatment plant and pump solely from the South Well? Mr. Gilmore advised against this for any municipality to rely solely on one water source. Unlike an irrigation system, when there is an issue with a municipal well, the repair process is much more complicated due to flushing, testing, etc. requirements.
- Calkins asked if the project could be scaled back and the Village still receive direct loan funding at the 2% rate even if not requesting near the \$189,000.00? Ms. Mues advised that it may be possible, but the project would have to be drawn up by an engineer and approved based on the long term sustainability of and benefit to the water system. (Meaning that if the project does not insure the system as a whole will be viable for the duration of the loan, it would probably not be funded.)
- Some concerns were raised about the speed at which this project is seeking approval? Ms. Mues advised that funds were still available for the financial year ending September 2017 and that is why the application moved so quickly. She stated that this is the first time a community had questioned the recommendations of the PER Study noting that normally the suggested improvements are agreed upon by all parties prior to its completion. Ms. Mues also advised, however, that there is no necessity to decide immediately on how to proceed. Most funds are allocated for up to a five year project, however, some decision should be made within at least the next 4-6 months at a maximum.

Chairperson Linquist thanked all visitors present for their attendance and encouraged continued input and ideas for this issue and others within the Village.

Rod & Diane Heiss, Larry Peed Sr., Rod Kennedy and Doug Cunningham exited the meeting at 6:10 p.m.

Charlotte Linquist requested to have the floor momentarily to thank the Board for having this special meeting and considering this project and the future of the town in its entirety. She expressed her support and confidence that the Board would act in the best interest of the community as a whole.

Charlotte Linquist and Laura Lyons exited the meeting at 6:18 p.m.

Trustee Bartak advised that had heard concerns expressed over the Agenda listing an approval or denial of funding decision to be made on this date. Calkins advised that this was only placed on the Agenda to allow the Board to take action if, after all parties were heard, a decision could be reached to conclude the matter. Otherwise the option is always open to table the discussion if such a Motion is presented and passed.

The Board had additional discussions regarding revision to the scope of the project with the USDA representatives and Mr. Gilmore. After a discussion regarding public comments and concerns, a Motion was made by Bartak, 2nd by Linquist to table a decision pending further discussion and perhaps a meeting with the USDA engineer and Mr. Gilmore about changes to the scope of the project. Motion passed all Ayes.

There being no further business, Bartak made a Motion to adjourn; 2nd by Vice Chair Mosel. Motion passed all Ayes. Meeting adjourned at 7:00 p.m.

Please note that next month's meeting is scheduled for Monday, November 6, 2017 at 7:00 p.m.

/s/ Rachel Linquist, Chairperson
/s/ Cora L. Calkins, Clerk