

**CITY OF BYRON
MINUTES OF THE COMMITTEE OF THE WHOLE
SPECIAL MEETING
WEDNESDAY, OCTOBER 7, 2020, 5:00 PM
BYRON CITY HALL**

Mayor Rickard called the meeting to order at 5:05 pm.

1. ROLL CALL:

MEMBERS PRESENT: Alderman Todd Isaacs, Alderman Emily Gerdes (by phone), Alderman Mittzi Fulrath, Alderman Dan Reilly, Alderman Zeke Hobbie, Alderman Jessica Nehring, Alderman Mike Gyorkos

MEMBERS ABSENT: Alderman Christy Hanlin

OTHERS PRESENT: City Attorney Kim Krahenbuhl (by phone), Mayor John Rickard, Clerk Caryn Huber, Public Works Director Aaron Vincer, Development Director Larry Hewitt, Bill Pirnat, Pam Kultgen

- 2. APPROVAL OF MINUTES – SEPTEMBER 16, 2020 – Motion by Alderman Hobbie to approve, as presented, the minutes of September 16, 2020. Motion seconded by Alderman Isaacs.** Roll call vote: **Gerdes, AYE; Gyorkos, AYE; Hobbie, AYE; Fulrath, AYE; Reilly, AYE; Isaacs, AYE; Nehring, AYE.** Motion passed: **AYE, 7; NAY, 0; ABS, 0.**
- 3. WATER RATE STUDY –** Director Vincer distributed a handout of Byron water rates compared to Stillman Valley and Oregon. Byron has significantly more miles of water main than either of these towns, which makes comparing somewhat difficult. Both towns charge more for water, and both are mandated by IEPA loans. He is afraid that if we don't take action, we will be forced to get a loan as well. Stillman Valley has a base rate of 0. Price per 1,000 gallons is \$8.40. For comparison, at 5 units, the bill for water in Byron is \$46.24. The same amount in Stillman Valley is \$85.34, and in Oregon is \$71.05. Alderman Isaacs asked if either community has a charge comparable to our \$10 capital improvement fee. Director Vincer said he is not aware of any additional charges for capital improvement. Stillman Valley does have a \$4 fee which goes into an account that is used to repair main to curb stops if needed. Director Vincer does not believe we need a total overhaul of the sewer plant. He estimates that 20% of equipment needs to be replaced. Part of the Request for Proposal for energy savings includes recommended sewer plant upgrades. If council decides on an incremental increase over several years, a review of the rates can be done every year. Mayor Rickard said that if we accumulate a reserve, and we have a catastrophic failure at the sewer plant, we will be able to pay a portion of that loan without a mandated increase by the EPA. Like any lender, the EPA needs to see that we are generating enough income to repay a loan. Alderman Gerdes asked what the actual increase on a bill of 5 units would be. Director Vincer said that if the base rate also changes to 1,000 gallons, it would equate to approximately \$32 over the course of several years. These increased rates would still keep us lower than Stillman Valley. Alderman Gerdes also asked about the base rate change to 1,000 gallons. Mayor Rickard does not agree that the base rate change helps residents as much as we originally predicted, as we are "taking away" 1,000 gallons. Director Vincer did not disagree, but if a base rate changes is not

implemented, our price per gallon would likely need to increase. Alderman Reilly asked Director Vincer to make a proposal that the council could review, as he feels there are too many scenarios being presented. Director Vincer added that after our recent COLA increase and decreased water loss, we are operating at a 10% surplus on the water side, and the extra \$1 may not need to be charged. It did not make as much of an impact on the sewer fees. Mayor Rickard summarized that Director Vincer will prepare a proposal with a 1,000 base rate, and another staying at a 2,000 gallon base rate, along with an implementation schedule. Director Vincer said that the original proposal, with the base rate change, is to increase \$2.16 over three years. Alderman Fulrath said it is important to consider how a rate change will affect lower income families and those on a fixed income. She wants to avoid a mandated increase, and also wants to make sure that these increases can be used in water and sewer, as opposed to raising property taxes and risk the money being spent elsewhere. Alderman Hobbie asked about the use of the capital improvement charge. Alderman Isaacs said it was meant to be able to pay down bonds, in order to increase our borrowing power. However, it is currently being used to cover water and sewer operating costs.

4. Mayor Rickard suggested continuing the discussion at a Committee of the Whole meeting at 5:00 pm on Wednesday, October 21. He adjourned the meeting at 5:43 pm.

Respectfully submitted,

Caryn A. Huber, City Clerk of Byron, Illinois