

**Finance Committee**  
**Thursday, May 30, 2013**  
**7:00 P.M.**  
**Council Chambers**

Present: Mayor Edward McConnell, Councilmen Lee Anderson, Kent Buss, Fred Wangler, City Auditor Sheila Klevgard, Public Works Supervisor Kevin Mayer.

The recommendation to council will be to use a sewer surcharge for the extra \$20.00 required for the sewer project. However a couple of line items may need to be combined to make room on the bill card. Council may also want to consider charging more than \$20.00 to the apartments. The interest rate on SRF funds will probably be about 2.25% (1.75% + 0.5% administrative fee) and at that rate the city should pull as much costs into the SRF as possible rather than bonding them.

Many residents that are high usage don't seem to care about the cost or the summer restrictions put in place by the city. So far this spring the pump stations are pumping about the same amount of sewage as during the winter months. Cass Rural Water is buying water from Fargo and Enderlin since they are not able to get enough from Hickson. Water pressure is still bad at certain times of the day and water usage will continue to go up with new construction. A new tower will need to be built and the city may want the construction to be a joint venture with Cass Rural Water, like the last one was. It was suggested that maybe the water rate for high users should be increased rather than the sewer rate since it is being used for the lawn and not going into the sewer. The recommendation to curb summer watering is to create a 3<sup>rd</sup> tier residential water rate which is triggered at 9 units and increases the water rate starting at 3 units to \$9.25 per unit if the computer software can do it, and otherwise \$12.00 per unit for anything over 8 units. For those year round high water users, a 3<sup>rd</sup> tier residential sewer rate is recommended for an annual average of 9 units and up at \$40.96 per month.

Meeting adjourned at 8:45pm.

Respectfully Submitted,

Sheila K Klevgard  
City Auditor