

**CHISHOLM CITY COUNCIL  
SPECIAL BUDGET MEETING  
NOVEMBER 29, 2017**

CALL TO ORDER

Mayor Todd A. Scaia called the special budget meeting to order in the City Hall Council Chambers at 5:00 p.m.

ROLL CALL

Present: Council Members Campbell, Halverson, Rahja, Varda, K. Scaia and Mayor T. Scaia

Absent: None

Also Present: City Administrator Jennifer Sterbenz, Deputy Clerk Susan Schweiss, Public Works Team Coordinator Don Haenke, Public Utilities Clerk Denise Kealy, Public Utilities Commission (PUC) Chairman William Krebs & Central Iron Range Sanitary Sewer District Board Member Steve Zalec

PROPOSED BUDGET

The City Council reviewed and discussed the proposed 2018 budget for the Enterprise Funds which consist of water, sewer, wastewater and refuse revenues and expenses.

Discussion took place on the following items:

PUC Chairman Krebs recommended hiring Springsted to do a new rate study. It should be based on items needed such as water & wastewater (to include the mercury piece) but does not need to be done on refuse.

The \$50,000 budgeted for a new pickup truck for the water department will be decreased to \$12,000 to repair the two existing trucks. Councilor Varda recommended taking the Rescue 1 vehicle from the Fire Department that is 10 years old and only has 10,000 miles on it.

Will need to budget for a new garbage truck in 2019 at a cost of over \$295,000.

Susan will check to see what line item 410 (under distribution) for rentals in the amount of \$2,291 is for.

May look at passing the fee on to the customer that the City is being charged for utility payments made by card cards.

Council Member Jim Varda will look at the water locator that was purchased in 1994 to see if it needs to be replaced or if it can be repaired. \$4,100 was budgeted for a new one.

A comprehensive study was done previously for the water treatment plant to determine the cost of a new plant versus refurbishing the existing plant. \$30,000 will be taken out of the proposed budget for a new study and the previous study will be used instead.

The PUC would like to purchase four fire hydrants each year to replace old ones (budgeted \$18,000 for four), they currently have three in inventory.

Budgeted \$5,700 to replace the 5<sup>th</sup> Street Lift Station.

Decreased budgeted amount of \$5,000 for GIS mapping to \$2,500.

Decreased budgeted amount of \$78,000 by \$9,000 to \$69,000 for recycling fees.

CIRSSD board member Steve Zalec suggested starting a replacement fund for items that break or need to be replaced.

The recommendation at this time is to increase Sewer rates by 1%, Refuse rates by 5% and Water rates by 7.5%.

A special meeting will be held on Wednesday, December 6, 2017 at 5:00 p.m. to continue with the budget process.

ADJOURN

Moved by Councilor Campbell and supported by Councilor K. Scaia to adjourn the Special Budget Meeting at 6:27 p.m.

Voting Aye: All

Motion Carried

Attest: /s/ Jennifer A. Sterbenz  
City Clerk-Treasurer/Administrator

/s/ Todd A. Scaia  
Mayor