

The Public Hearing was called to order by Mayor Heron at 6:15 p.m. with the following people present:

Ald. Hoy, Ald. Voss, Ald. Nitschke, Ald. Moede, Ald. Smith, Ald. Pasbrig, Mayor Heron, Deanna Boldrey, Ron Wellner, Kate Price, Dan Nelson, Edward Hilbert, Darrell Paulsen, Dennis Hintz, Bob Frechette, Jody Steger, Sally Kahlhammer, Dena Harris, Sergioz B Jimenez, Lourdeen Robson, Sharon Chmiewlewski

The Mayor opened the hearing and explained the procedure of the hearing and opened the floor for the hearing to individuals wishing to speak in regards to the Wastewater Rate Increase.

Dan Nelson from Virchow and Krause was on hand to explain the increase and the impact on the typical residential monthly bill. He distributed a report to the Common Council and explained the report through a power point presentation at the Public Hearing. Dan also gave history that the last rate increase was in 2002. This increase is presented to prevent debt borrowing. The rate increase is to be in two phases starting May 1, 2009, for the first increase and then May 1, 2010, for the second increase. Volume rates are at 4.59/100 cubic feet for May 1, 2009, and then 4.86/100 cubic feet for May 1, 2010. Dan Nelson continued by stating that in 2006 there was a 3%-4% shortfall, and it was decided to look at it again in two years. Now it is showed there is a 12% shortfall.

Open dialog started with Ald. Voss, stating that he would like less chemicals used. Ron Wellner answered by stating that they have looked at installing ultraviolet disinfection. The last time it was looked at the costs were over \$150,000. Ron Wellner went on to state that domestic levels for phosphorus were being reduced to 7 mg/l from 9 mg/l. When influent testing began on phosphorus in the influent it averaged around 9 mg/l and since implementation of phosphorus rates the influent average has been reduced to less than 5 mg/l, the national domestic average is 7.0 mg/l and therefore the level of 7 mg/l phosphorus will now be used for our domestic strength limit. Ron Wellner also continued by stating that the replacement account was used for the purchase of the last two liftstations. These were replaced without borrowing. The replacement account can be used for liftstations, sewer jettors, and ultraviolet disinfection. Ald. Moede stated that he liked the idea of using ultraviolet light.

Discussion continued with Ald. Smith stating that it appears that the Public bears too much of the burden of expense and that the percentage of increase is not proportionate. Stating that with residential at the 5/8 meter the increase is 3.25%. Step one and step two increases are at 5% each. Dan Nelson stated that this could be with the volume charge which could be variable. It was stated that there is a basic charge for the service whether it is used or not. Ald. Smith pointed out that there have been additional fees instead of rate increases.

Ald. Smith inquired to Ron Wellner if expenses are controlled. Ron Wellner explained that the electric bill at the plant can be \$100,000 per year, a 10% increase in utilities is a very big deal for them. He went on to state that two year's ago one of the water department employees transferred to the parks department. They did not fill that full-time position. They have a part-time person instead. They also use electronic meter reading. Ald. Smith also inquired about methane for heating. Ron Wellner said that at this time they are not large enough for this type of heating to be cost effective.

Darrell Paulsen, of the Water/Wastewater Commission stated that he is for the increase.

Ald. Moede stated that small adjustments are better than larger adjustments all at once.

The Mayor closed the public hearing at 6:50 p.m.

Deanna Boldrey, City Clerk