

City of Freeport
WORKSHOP MINUTES
6:30 p.m./Council Chambers/Freeport City Hall
December 15, 2015

I. Meeting Opened

The December 15th 2015 Workshop was called to order at 6:30 pm by Mayor Russ Barley. The meeting was held in City Council Chambers of Freeport City Hall.

Council members present: Councilman Eddie Farris, Councilwoman Kasey Cuchens, Councilwoman Janice McLean, Mayor Russ Barley, Councilwoman Elizabeth Brannon and Councilwoman Jennifer Laird.

Staff present: City Attorney Clayton Adkinson, City Planner Latilda Hughes-Neel, City Clerk Rebecca Podraza, City Engineer Anna Hudson, Sewer Supervisor Robert Fawcett and Water Supervisor Larry Tuggle.

II. Invocation and Pledge of Allegiance

The invocation was given by Councilman Farris, followed by the Pledge of Allegiance to the American Flag.

III. Water & Sewer Rate Study

Councilwoman Cuchens introduced Bob Mearns, Rural Development Circuit Rider with the Florida Rural Water Association. Mr. Mearns presented his Water and Wastewater Rate Study Findings and Recommendations. (Attached)

- Attorney Adkinson inquired about a surcharge increase each year that currently is applied outside the city. Would that be applied inside the city as well and what is that percentage.

Mr. Mearns said that yes, a surcharge would be charged within the city each year. The rate is 1.57%.

- Councilwoman Cuchens asked if the 1.57% is applied each year as well as the increase over the 3 year period. And would that increase continue after the 3 years was completed.

Attorney Adkinson replied that yes, other cities do charge the 1.57% as well as the increase over the 3 year period and continue to add the surcharge each year.

- Councilwoman McClean asked how long it has been since our last rate increase and it was determined that it has been 11 years since our last rate increase.
- Councilwoman McLean asked if other cities charge an application fee or deposit.

Mr. Mearns replied that application fees are usually very minor. Most municipalities charge a deposit and it is documented when the customer requests

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service that deposits will not be returned unless requested.

- Councilwoman Cuchens asked what the process would be to take action with the rate change.

Attorney Adkinson responded that Council would need to amend our ordinance as follows:

- Council would hold two public hearings
 - 1st reading advertised for two weeks
 - 2nd reading advertised for adoption of ordinance
 - Future rate change language should be included so that future increases would be set by resolution.
- Councilwoman McLean asked if this process would be adopted to carry through the three year period or would it need to be approve each year.

Attorney Adkinson and Mr. Mearns both concurred it would be approved for the full three year plan.

- Councilwoman Brannon asked if an administrative cost breakdown was looked at.

Mr. Mearns replied no, that would be an internal budget exercise.

- Councilwoman Brannon asked if the capital improvement cost was looked at.

Mr. Mearns replied yes but he did not have time to thoroughly prepare it since he just received the information last week. He plugged in numbers off of the City of Freeport's capital improvement plan and used the percentages recommended by the American Water Works Association.

- Councilwoman Brannon asked what the American Water Works Association percentages are that were built into the study.

Mr. Mearns replied with the following percentages:

- Minor Capital Improvements – 5%
 - Major Capital Improvements – 10%
 - Contingency – 6%
- Councilwoman Cuchens asked the Council to be thinking about any direction they may have in regards to the next meeting agenda and are there any other studies they would like Mr. Mearns to look at.

Mr. Mearns said no he cannot think of any further studies but he could attend the next Council Meeting to answer questions.

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- Councilwoman Cuchens asked if Mr. Mearns would do a rate study to include North Bay.

Attorney Adkinson said it would be good to include North Bay in the study and to build in the surcharge for North Bay as well.

- Councilwoman Brannon asked if it would be possible for Mr. Mearns to prepare a chart with the outside rates added in.

Yes, Mr. Mearns will be able to prepare a report to include all residential customers of the Water System.

- Councilwoman Cuchens asked if Mr. Mearns could attend the January 12th meeting.

Mr. Mearns said yes and asked what Council would like for him to present.

It was asked that he provide charts to include the outside rates and surcharge increase to both inside and North Bay customers.

- Attorney Adkinson asked if we could include commercial rates in the study.

Mr. Mearns suggested we call it non-residential rates. The rates would be based according to meter size.

- Councilwoman McLean asked if we could get the non-residential study before the next meeting.

Yes, Mr. Mearns will do that.

IV. Adjournment

Mayor Russ Barley called for a motion to adjourn. Janice McLean motioned to adjourn.
Meeting adjourned at 7:35

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FREEPORT CITY COUNCIL

Mayor

Council President

ATTEST:

City Clerk

APPROVED