

Town of Sedgwick
SPECIAL MEETING

May 15th, 2023

Members Present: Peggy Owens, Roger Munson, Darrin Tobin, Dale Jones, Traci Sanchez, Juan De La Hoya
Employees Present: Heather Moore

Call to Order: The Town Board met in regular session. A quorum was verified, and the meeting was called to order at 6:15 pm by Mayor Danny Smith

Roll Call Mayor Danny Smith Here

Traci Sanchez	Here	Juan De La Hoya	Late Arrival
Peggy Owens	Here	Roger Munson	Here
Dale Jones	Late Arrival	Darrin Tobin	Here

Greg Etl – our Regional Manager for DOLA.

- **Water and Sewer Rates**
 - In order to be eligible for a grant with us, you need to be near the statewide average. Keeping in mind goes up around \$1.50 each year. Or a 2% to 2.5%
 - If your well below that, you won't be eligible for funding from DOLA
 - The State thinks that if the Town isn't trying to be proactive by raising the rates why would they want to give you grants?
 - All DOLA Grants are matching grants. And you're asking for 1 million dollars. If you show initiative your chances increase. This also means you will have a lower loan amount.
 - Our current water base is \$37.95, and sewer is \$25.35. The 2023 rates haven't come out yet but the 2022 statewide average for water is \$55.72 and Sewer is \$40.38
 - Most Towns have separate Residential rates, Commercial rates and Out-of Town rates.
 - Some communities will come up with a 5-year plan to get the rates up in increments.
 - When the Town goes to the Pro-Con grant meeting in Denver, I will help you in that process. This can be done by video conference or in person. It's just my opinion, if you're asking for 1 million dollars you should be there. I do not recommend the engineers being there, that is a waste of money.

- **Board Discussion**
 - If we look at a small about over 5 years, we won't be able to get the grant we are trying for now.
 - We can look at doing water increase at budget time, but to get our sewer rates up for the grant is needed now.
 - Greg mentioned a larger increase up front, because everyone knows why you're having an increase due to the current project. Then smaller increases for the coming years for regular annual increases to maintain those averages.
 - If we want more grant funding to keep the overall cost of the project down, we need to be proactive.

- We know that the community won't be happy about an increase, but this is a business, and we need to have rates that pay for the service. When we move funds from the General Funds it takes away our Enterprise Status, when that happens, we are not eligible for funding from state either.
 - Ideas on raising it \$5 or halfway to \$7.50, then \$10 was discussed so we guarantee the better chance of maximizing our grant chances.
 - The majority of the Board agreed with \$10 as the first-rate increase.
 - One thing to also consider, when the Sewer Project is completed the loan amount will dictate the next major increase.
 - Federal Funding does not jeopardize the Enterprise Status, but State Funds do. With that said DOLA FML funding would be the ideal source for this project.
- **Board Directions**
 - Clerk is directed to make the Resolution that increases the rates for sewer to \$10.
 - With expected annual increases to keep up with the Statewide averages.
 - Greg feels the \$10 will look better for the Grant Process and consider setting higher rates for commercial and out of town tap rates. This should be for the January discussion. Also look at your rate scale by volume.
 - We will not increase the water at this time, but it will be discussed at budget time.
 - Notice will be sent out to all residents to come to the next regular meeting to discuss the Resolution setting the new Sewer Rates that will be effective on July 1st's Bills.
 - **Public Comment**
 - Lupe expressed the way the Board is going about the preparation and presentation of makes a difference. I know this will hit some families hard, so we need to use gentle gloves. But I realize this has to be done. Can we cut our trash fees to help?
 - *Response was, we need to consider that going up too. Dump fees go up, maintenance of the Truck goes up.*

Meeting Adjourned:

Motion:

At 7:31pm, Dale Jones made a motion to adjourn, Traci Sanchez seconded, all were in favor, motion carried.



Mayor



Attest: Town Clerk

