

Town of Lake Santeetlah

Special Called Meeting Minutes

May 25, 2019

Mayor Jim Hager called the meeting to order at 10:30AM. Vice Mayor Keith Predmore, Council Members Mary Williams, Roger Carlton and Patrick O'Donovan were present. Town Administrator Kim Matheson and Clerk Emily Hooper were also present. There were 12 Town residents in attendance.

The first order of business was the approval of the agenda. Councilmember Keith Predmore made a motion to approve the agenda. Councilmember Mary Williams seconded. All others approved. The motion carried.

New Business

#1 Capital Outlay Plan for the Town of Lake Santeetlah/Keith Predmore: Councilmember Predmore presented a PowerPoint presentation to explain the type of projects that the Town of Lake Santeetlah would need to include in a long term plan. Predmore stressed that, water, is a necessity and must be maintained. Predmore explained that the Town will plan to include small projects each year in the budget. Having a Capital Outlay plan will help the Town to better prepare for large expenses in the future. Randy Welch, from, Southeast Rural Community Assistance Projects (SERCAP), a group under the USDA, has visited Lake Santeetlah several times and offered to assist in the development of a capital outlay plan. Welch will focus on a five year plan that will layout the projects in order of need. During Welch's visit to Town Hall last week he was accompanied by a certified tank inspector and recommended that the tanks at the well site be given priority. The well houses also need extensive repairs within the next five years. Welch plans to have the outlay prepared within the next two months.

#2 TOLS Water System: The Town of Lake Santeetlah water system is approximately 25 years old. When the system was installed the pipes were placed directly over large rocks in certain areas. Over time the rock has pressed against the pipes causing them to eventually break. This has been the case in the majority of leaks over the last two years. The long term maintenance cost continues to increase. The Town recently raised water rates and will re-evaluate each year to ensure that the water operating account has adequate funds to address ongoing issues with the water system.

3 Proposed Budget for 2019/20 Fiscal Year/Public Questions and Comments: Finance Officer Patrick O'Donovan and Town Administrator Kim Matheson presented the proposed budget and began by explaining the main points within the budget.

General:

The Ad-Valorem tax increased \$622.07 for the upcoming year.

The revenue for the year is down due to lack of land sales. Last year's budget had \$82,350 for land sale. These lots have all been sold and a total of \$105,000 is in the escrow account.

The maintenance truck will be paid off in June and therefore, that expense is no longer in the budget.

Each employee will receive a 2.8% (cost of living) salary increase.

Legal fees increased from \$12,000 yearly to \$30,000. The Town attorney has a contract for \$24,000 yearly. Travel, secretary expenses and other items outside typical town business (Zoning) are additional.

The front entrance upgrade will be separated into different projects. This fiscal year the plan is to have a design and drawing completed by a qualified professional. This expense decreased from \$30,000 to \$5,000.

Each year the Town transfers \$32,000 to reserves to set aside for paving roads. This transfer has occurred for the last two years.

Water:

The water rate increase has helped with the water revenue.

\$28,300 was placed in long term maintenance due to ongoing water breaks and repairs.

Once all the information is received regarding an outlay plan for water it will be determined if the projects can be budgeted or if a loan is necessary. The proposed budget will likely need to be adjusted to reflect these expenses.

Covenant Construction provided a detailed list of repairs needed at the well house. The repairs would cost approximately \$100,000 to complete (this is an estimate, not a quoted amount).

The three tanks would cost approximately \$35,000 to repair and paint (this is also an estimate).

More information should be received prior to the June Council meeting. The items will be discussed in detail and a plan finalized to include certain repairs in this year's budget and determine how to fund the remainder. The Town Council agrees that steps must be taken in order to maintain the water system.

Announcements

Mayor Hager announced that there would be a Council Meeting June 10, 2019 at 10:00AM at Town Hall. With no further business at this time Councilmember Roger Carlton made a motion to close. Councilmember Patrick O'Donovan seconded. All others approved. The motion carried. Mayor Hager adjourned the meeting at 11:27AM.

Jim Hager, Mayor

Emily Hooper, Town Clerk