

BOARD OF PUBLIC WORKS & SAFETY
JANUARY 18, 2011
1:15 P.M.
SPECIAL SESSION

The Board of Public Works & Safety of the City of Warsaw met in a Special Session on Tuesday, January 18, 2011 at 1:15 P.M. in the Council Chambers at City Hall. Mayor Ernest B. Wiggins presided and the following persons were noted as present or absent:

PRESENT: Board members Charles Smith, Joseph Thallemer and Mayor Wiggins. Also present Clerk-Treasurer Lynne Christiansen, WWTU Manager Brian Davison, City Planner Jeremy Skinner, and Jeffrey Rowe from H.J. Umbaugh & Associates.

ABSENT: None.

The meeting was called to order by Mayor Wiggins, followed by the Pledge of Allegiance.

NEW BUSINESS –

FUNDING POSSIBILITIES/PHASE II WASTEWATER TREATMENT PLANT CLOSING-

Mayor Wiggins explained that the purpose of this special meeting was for direction of possible funding possibilities for Wastewater improvements/closing of WWTU Plant #1. Mayor Wiggins asked that Brian Davison or Jeffrey Rowe to begin the conversation. Mr. Davison explained several different options recommend by H.J. Umbaugh such as using Wastewater Reserves in combination with Bonds. Mr. Rowe took over the discussion and explained three Scenarios that he had laid out on a Schedule of Estimated Project Costs and Funding. Scenario 1 assumes applying 75% of available funds on hand; Scenario 2 assumes applying 50% on hand; while Scenario 3 assumes applying 25% of funds on hand with the rest of the cost paid for through a bond. Mr. Rowe further explained that each scenario is broken down in construction phases and non-construction costs. Mr. Smith asked for information on reserves the City may need to preserve in case of unforeseen circumstances or emergencies that may occur at the WWTU Plant. Mr. Rowe mentioned the rate impact using the information that he provided and that he recommends a reserve equal to the proposed 2011 budgeted capital improvements amount of \$632,304, and that the depreciation fund listed on his report is the same thing as capital. Mr. Rowe went on to explain the difference between level debt structure where payment for principal and interest begins immediately as opposed to wrap debt service when initial payments are for interest only. Mr. Rowe continued to explain how monthly billing may be impacted with each scenario. Mayor Wiggins asked Mr. Davison if the “upsizing” for the Anchorage lift station was included in the information provided and is under Phase III of the construction estimated costs. After further discussion of related expenses and savings related to each scenario, the board had a better understanding on the various funding possibilities presented to them.

ADJOURN –

There being no further business to come before the Board by a motion duly made and seconded, the meeting was adjourned.

ATTEST:

Lynne Christiansen, Clerk-Treasurer

