

On Tuesday, May 26, 2015, Mayor Dave Johannes called to order the Stockton City Council meeting at 7:03 PM. Council members in attendance were Lisa Gibbs, Jack Roberts, Neil Hjelmeland, and Travis McElmury.

Jack Roberts approved the agenda, motion seconded by Neil Hjelmeland. Motion passed unanimously.

Discussion was held on the Mobile Home Park water connection, with the City cost of \$125,264.96 from Phase III of the water project. Dave McCorquodale had stated at the previous Council meeting his intention to hook into the City water system by July 1, 2015.

There are 89 occupied mobile homes, out of 95 lots. It is a 6-inch line that runs to the curb stop and commercial meter. The property is listed as Mobile Home and would have to be taxed as such.

Mayor Johannes took the City's cost of \$125,264.96 and divided over a 20-year period, which comes to \$6,263.25 per year or \$521.94 per month. If the Council went with an \$11.00 base fee per unit it would cost him \$1045.00 per month.

Minnesota Rural Water Association (MRWA) has a spreadsheet to calculate what the City should be charging for water rates. Currently they have adjusted our population since the system only serves 115 households. MRWA also adjusted our depreciation, as they stated the it is unrealistic to try and capture \$99,000 in revenue, but that we should have some reserves. The rate sheet shows we would need an additional \$5.01 for each 1,000 gallons used, and since the City is charging \$5.50 we should be making a little cash. MRWA also stated that the number of connections for the mobile home park are similar to the number of connections that we have currently, so we can estimate the same usage which will increase the cost of our production, but shouldn't double our entire budget and that our rates now are okay.

Discussion was held on raising the base rate now to cover the cost of the new well that is needed due to the radium issue. Mayor Johannes would like to wait for the June meeting to get all size connections for a base fee including 1-inch commercial and industrial.

Jack Roberts made a motion to have a 6-inch Commercial base fee at \$150 plus \$5.50 per 1,000 gallons. Motion seconded by Lisa Gibbs. Motion passed unanimously.

Council discussed a \$522 base fee, for 20-years, that includes the \$150 for a commercial 6-inch pipe plus \$5.50 per 1,000 gallon to be offered to Dave McCorquodale.

Jack Roberts made a motion to close the Stockton Council meeting, with a second from Neil Hjelmeland. Motion passed unanimously, meeting adjourned at 8:32 PM.