

**MAYOR AND COMMISSIONERS
TOWN OF NORTH EAST
106 S. MAIN STREET
NORTH EAST, MARYLAND 21901**

Water Rate Study Workshop Meeting – March 8, 2017

Mayor McKnight called the Water Rate Study Workshop to order at 5:30 P.M. Present were Commissioners Hilary A. Crothers-Moore and Michael Kline, Director of Finance and Administration Kendrick Natale and Head Clerk Stephanie Racine-Dean. Commissioners Eric B. Braley and Paul A. Stark were conferenced in to the meeting via telephone.

WATER RATE STUDY

Mr. Robert Ryall, of Wilden Financial Services, 2301 Maitland Center Parkway Maitland, Florida 32073, gave a presentation to the Board about the rates The Town of North East should be charging their water customers in order to maintain and expand the water system. The key areas would include the Develop an Optimized Financial Management Plan, Cost of Service Analysis and Design Rates.

Mr. Ryall gave several scenarios for both plans, in-town and out-town customers. The first plan that was discussed, a fourteen percent increase in fiscal year 2018 and then a six percent in fiscal years 2019 through 2022. The second plan was a sixteen percent increase in fiscal year 2018 and then a five percent in fiscal year 2019 and three in half in fiscal years 2020 through 2022. Mr. Ryall stated both plans whether in town customers or out of town, they will see an increase on different levels with a minimum of 5,000 gallons and additional per 1,000. The reasoning for the rate increase is due to a need of funding for Capital Projects over the next six years for infrastructure needs which include, tank repainting, water main, tank mixers and a system acquisition. Other fees included in the analysis were the Major Facility which is currently \$3500.00 and Connection Fees of \$2500.00. The purpose of these fees, to expand the water system and use to pay the debt service.

Mr. Ryall asked the board to authorize staff to move forward with adopting the proposed rates and also to schedule a public hearing for April 26, 2017 for the adoptions of the new rates. After discussion, the board agreed to meet on Wednesday, March 15, 2017 after they have had time to review the proposals so they can discuss each of them and determine which scenario they want Mr. Ryall to prepare for the public hearing.

With there being no further questions or discussion Commissioner Kline made the motion to close the meeting, Commission Crothers-Moore seconded the motion, the meeting ended at 6:28 p.m.

Attest:

Respectfully submitted,

Robert F. McKnight
Mayor

Stephanie Racine-Dean
Head Clerk