

**Earlham City Council Meeting
September 20, 2018**

The Earlham City Council met in special session on Thursday, September 20, 2018, 7:00 at Earlham City Hall. Mayor Lillie called the meeting to order and the following answered roll: Fredericksen, Griswold, Payne. Absent: Petersen, Swalla. Staff present: City Clerk Hibbs. Also present: Travis Squires from Piper Jaffray.

1. Approval of Agenda

Motion by Fredericksen, second by Griswold, to approve agenda.

Roll: Ayes – unanimous. Motion passes.

2. Discussion on financing options for Water Tower Project and Sewer Lagoon Upgrades with Travis Squires from Piper Jaffray, and possible action on same.

Travis Squires began the discussion by explaining the three different options as presented in the Preliminary Financing Information. After lengthy discussion, Council decided to go with a hybrid of Options 1 & 2, aka Option 4, where water rates would increase 4% in FY19 and FY20, and then 3.5% in FY21 and on for the length of the debt. Sewer rates would increase 3%. The Debt Service tax would increase by \$0.80. This would put half of the debt issued under revenue bonds and the half under general obligation bonds. Council felt this fairly distributed the burden of debt amongst the residents.

At the beginning of budget preparation time, we will connect with Ahlers Law firm about the proceedings for the water tower debt, which will lead into the debt service levy rate increase going in to the next year's budget

3. Other comments/discussion - none

4. Adjourn

Motion by Griswold, second by Payne to adjourn.

Roll: Ayes – unanimous. Motion passes.

Being there was no further business, the meeting adjourned at 8:22 p.m.

Jeff Lillie, Mayor

ATTEST: _____
Mary Sue Hibbs, Clerk/Treasurer