

**TOWN OF SUDLERSVILLE**  
**Commission Meeting Minutes**  
**October 4, 2017**

**Present:** President Ronald Ford  
Commissioner Connie Engrem  
Commissioner William Faust III  
Commissioner Kevin Kerr  
Commissioner David Ruffner

**Town Manager:** Jo Manning

**Public:** Faye Williams, Sharla Rice-Moore, Nick Short, Chris Stant, Joseph Apple of SFVC, Pamela Price, William Price, Sharon Wing, Sue Kidwell, Earl R Coleman, Mike Davis of Record Observer, Sarah Skinner, Matt Skinner, Sue Elter, Will Wallace, Dave Lettau, Carrie Comegys, and Bill Comegys.

**President Ford called the meeting to order at 6:30 PM.**

**The Pledge of Allegiance was recited.**

**Minutes of the September 6, 2017 meeting:** The minutes of the September 6, 2017 meeting were reviewed. A motion to accept the minutes as written was made by Faust; a second was made by Engrem, a vote of 5-0 was entered.

**All regular reports were copied available for everyone to read.**

**Action Items:**

**Utility Rate Study – Jean Holloway, SERCAP:** Mrs. Holloway introduced herself and provided background information on herself and SERCAP. Mrs. Holloway has been working with the staff to create a rate study for the Town required by USDA due to our financial struggles. Using financial data provided by the Town including but not limited debt, expenses, and income, Mrs. Holloway shared her findings via a slideshow. Her findings were that 46% of the water systems expenses is debt and the water system has been losing money for the past five years; 31% of the sewer systems expenses is debt and the sewer system has been losing money for the past two years. She recommended that the Town change from quarterly billing to monthly billing to provide a better cash flow and improve the timely return of customer payments. Her findings depicted three rate options for monthly billing: Option 1 - water customer charge (per EDU): \$25.00, water usage charge: \$5.50 per 1000 gallons, sewer customer charge (per EDU): \$25.00, sewer usage charge: \$12.00 per 1000. Option 2 - water customer charge (per EDU): \$20.00, water usage charge: \$7.50 per 1000 gallons, sewer customer charge (per EDU): \$26.67, sewer usage charge: \$11.50 per 1000. Option 3 - water customer charge (per EDU): \$26.67, water usage charge: \$4.75 per 1000 gallons, sewer customer charge (per EDU): \$23.33, sewer usage charge: \$12.60 per 1000. She reviewed how each option would affect a customer's bill.

Mrs. Holloway opened the floor for questions. Mike Davis asked if the increase in rates will make up for years of loss. Mrs. Holloway stated that the increase in rates is to recover the costs for running each system and not to make up for years of loss. A comment about the health of the system and whether repairs will make the rates increase was made by a property owner. The new rates reflect a percentage

of projected costs for future repairs and reserve. Sue Kidwell asked if the debt ratio would be affected by people not paying their bill on time. Mrs. Holloway explained it would improve the cash flow if people paid their bills on time allowing the Town to pay its bills on time but would not affect the debt ratio. Chris Stant expressed his concerns about switching to monthly billing and suggested that water be shut off sooner for those people who don't pay on time. Sarah Skinner questioned why the citizen's must pay for the Town's mistakes and her concern with the lack of notification for meetings and other events. Ford announced that the meetings are on the first Wednesday of every month and notices can be viewed in the newspaper and online. Faust explained that the Commission has been trying to do what is best for the Town and the Town people. He stated that he agrees that water should be shut off sooner for those people who don't pay on time. Pamela Price asked why the water tower is so dirty and are there any plans to clean it or fix the problem. Faust and Ford have looked into the type of paint that was used to paint the tower and the Town will have to consider budgeting a figure for cleaning the tower. Sue Elter suggested that the minutes be put on the website. Marshall stated that the minutes are on the website once approved by the Commission. Faust made a motion to have a workshop meeting on October 18, 2017 at 6:00 pm to discuss the rate options that were presented by Mrs. Holloway and requested Mrs. Holloway attend the workshop to answer any additional questions. A second was made by Ruffner. A vote of 5-0 was entered.

**Town Hall Rentals:**

**October 8, 2017** – Ron will open and close. Send him the times for the event.

**October 21, 2017** – Call Ron and Connie with the times for the event

**Public Comments:** None

A motion to adjourn the meeting was made by Faust, a second was made by Ruffner; a vote of 5-0 was entered at 7:45 PM

Respectfully submitted,

Michelle Marshall  
Town Clerk-Treasurer