

**OFFICIAL MINUTES
COMMISSION OF THE CITY OF BRUNSWICK, GEORGIA
CALLED MEETING
9:00 A.M., AUGUST 28, 1998**

PRESENT: His Honor Mayor Bradford S. Brown, Commissioners Roosevelt Lawrence, Harold E. Jennings, Jonathan Williams and Doris A. Davis.

INVOCATION: The invocation was given by Commissioner Jonathan Williams.

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was recited by the Mayor and Commissioners and everyone in attendance.

Mayor Brown announced that this meeting has been called to discuss the water rates.

The City Manager stated that representatives from Tribble and Richardson, the Director of Finance, the Director of Water and Water and the Assistant Director of Water and Wastewater is present to discuss the water rates.

Elmo Richardson representing Tribble and Richardson stated that figures were developed based on the Water and Wastewater budget. The last water rate increase was in 1994. Mr. Richardson submitted a financial statement of revenues and according to the statement the City had considerable losses. In 1994 all of the water rate increases were not imposed at one time. The increase was never taken into account. The bond company requested over the years that the water increase be included. Mr. Richardson pointed out that a cost schedule was developed and explained the rate schedules and the proposed rate schedule.

Commissioner Jennings questioned how much increase would a family of four receive. Mr. Richardson stated that a family that used 8,000 gallons of water per month present water rate is \$11.82 and the proposed rate will be \$15.80, the increase is \$4.00 per month for water. The 8,000 gallons sewer rate presently is \$22.20 and the proposed rate will be \$31.50, the increase is \$9.00 more per month. The total increase will be approximately \$13.20 per month.

Mr. Richardson stated that senior citizens who use 2,000 gallons of water, the proposed rate increase will be \$2.30 per month. Mr. Richardson stated that letters were written to the Mayor and City Manager about the water increases and the rate increase was never addressed.

Commissioner Jennings questioned why the City never discussed this before today. Mayor Brown pointed out that the Commission must make a choice or the City will run into problems.

Mr. Richardson pointed out that July 1, 1999 the figures will change. The rates must be equalized with the County.

Commissioner Lawrence recalled that the City decided to improve the water lines and some type of grant was used to upgrade the water lines and make improvements. The City had to pay back the cost of the grant and the County was never charged anything. The cost of running lines in the County cost more. Mr. Richardson pointed out that the cost of running lines in the County cost the same. He mentioned that the water customers in the County must pay a higher tap in fee called cost recovery.

The Director of Water and Wastewater stated that their budget have never been set up to include placing lines in the City and County.

Mr. Richardson stated that customers outside the City should pay a proportional share for service.

Assistant Director of Water and Wastewater stated that operation and maintenance cost must be considered in the budget.

Commissioner Jennings questioned why the Water and Wastewater Director submitted a Balanced budget which was unbalanced.

The Director of Water and Wastewater stated that they had instructions from the previous City Manager to submit a balanced budget.

The Director of Finance pointed out that the Water and Wastewater operating figures were listed in the audit report.

Commissioner Lawrence questioned paper loss. Mr. Richardson stated that paper loss is a depreciation of equipment in the Water and Wastewater Department.

Commissioner Jennings asked the Director and Assistant Director of Water and Wastewater if one person ask them to mislead the Commission would they do it.

The Assistant Director of Water and Wastewater stated that this would not happen again. He stated that a memo was submitted along with the balanced budget concerning deferring the maintenance and operation cost.

The Director of Water and Wastewater discussed problems the department dealt with. He pointed out that the staff did a super job.

Commissioner Lawrence questioned how the City got into this debt. Mr. Richardson stated that a lot of the cost is with the maintenance of the system.

Commissioner Lawrence questioned why the City would continue to patch up equipment when the City can purchase new equipment.

Mr. Richardson stated that the operating conditions will be improved with SPLOST moneys.

Commissioner Williams stated that these things must have not been discussed in 1994. He stated that the Commission must focus attention on the deficit. He mentioned that part of the deficit may have been a result of over use in the operation of the water plant.

Mr. Richardson stated that it will take at least three years to get the City back on track.

Mayor Brown pointed out the rates cannot be frozen. The rates will have to be increased.

A series of questions were asked by the Commission concerning the water rates, tap in fees and training for City employees who do not perform well in the Water and Wastewater Department.

Mayor Brown stated that all the information and all the facts will be presented. Nothing will be covered up and the Commission will deal with the previous cover ups. The Commission will push forward and get the issues resolved and move on.

Commissioner Williams offered the motion to accept the report, subject to some refinement made to the water and wastewater budget.

Commissioner Jennings requested that Commissioner Williams amend the motion and add the stipulation that citizens who use 1,000 gallons of water the rate will not go up.

Commissioner Williams motion died for lack of a second and the amendment died also.

Commissioner Lawrence moved and Commissioner Jennings seconded the motion to accept the report as information. The motion carried.

The Director of Finance requested to set up a meeting to discuss the water and wastewater budget.

The budget meeting was scheduled on September 2nd after the Commission meeting.

Mayor Brown stated that the Braswell Group Services, Incorporated contract was amended to include a performance bond.

MEETING ADJOURNED.

/s/ Bradford S. Brown
Mayor

Attest: /s/ Georgia E. Marion
City Clerk