

**BOARD OF PUBLIC WORKS
PUBLIC HEARING
RATE INCREASES
JUNE 18, 2018
6:00 P.M.**

At the appointed time, Mr. Heath Hall called the Public Hearing to order.

Mr. Hall welcomed everyone to the meeting and stated the purpose of the Public Hearing was to receive public comment on the following rate increases the HBPW is proposing to take effect July 1, 2018.

The proposed revenue increases include **Water (3.7%)**, **Sewer (3.7%)**, flat **Electric** rates, and no **Stormwater** revenue.

Customer Comments

Bud Janes, Hannibal citizen asked, "Is the customer service charge going to go up due to the rate increases?" Heath Hall replied, "These changes based on the cost of service study recommendation got us in line to move up the meter charge and usage charge equivalent percentages." Bud Janes asked, "Of the additional \$19 a month increase, how much is being covered by customer charge?" Abe Gray replied, approximately 40%.

Wes Mitchell, Hannibal Citizen asked, "Did the HBPW explore converting to well water?" Heath Hall replied, "The HBPW did explore that option during the 20 year water system study. The study found the disinfection upgrade would be 20-25 million dollars in capital expense and the option was not worth exploring." If there are new regulations and we have to spend more money, it may be worth exploring in the future."

Bud Janes asked, "How many customers are past due on their bill, around 1800?" Heath Hall replied, "Yes, that is around the current amount and has been for several years. We do not anticipate the number of customers past due to go up throughout the increases."

Bud Janes asked, "The future rate increases that are proposed, are those rate increases going to be included into the bond issue?" Mr. Hall replied, "We have a financial advisor under contract right now that will guide us through the bond process, and they have not rated the HBPW at this time. We have committed to certain rate increases, but we will still have to hold public hearings and may make changes as needed." Mr. Janes noted he is concerned about obligating rate increases in the future." Mr. Hall replied, "We have a long term plan, and will make everyone aware of the plan and why it's happening." Bud Janes asked, "Is this bond issue to increase bonding capacity, or do we have the bonding capacity now?" Heath Hall replied, "No we do not have bonding authority right now, we cannot sell bonds in the water department."

There being no further comments from the audience, the Public Hearing was adjourned at 6:45P.M.



Heath Hall
General Manager

William Fisher
Secretary