

Special Meeting, Ethan Town Board, 11/19/09

The Town of Ethan board met in special session on November 19, 2009 at the Town Hall at 6:30 p.m. Members present were Nancy Schoenfelder, Robert Fitzgerald, Chad McGuire and Josh Franks. Others present were Sonya Hespe, Brett Scott, Patricia Reif, Doug Dailey, Dan Schroeder and Lyle Schumack.

Chairman Schoenfelder called the meeting to order at 6:34 pm and led the pledge of allegiance. All motions were unanimously voted as aye unless stated otherwise.

Motion Fitzgerald, second McGuire to approve the agenda.

NEW BUSINESS

City attorney Doug Dailey met with the board to review the lease agreement he drew up between the Town of Ethan and Hanson Rural Water.

At 7:17 pm Dan Schroeder from Hanson Rural Water (HRW) and Lyle Schumack from Bartlett & West joined the meeting. Schumack presented the board with an option of HRW making a one time lump payment for the lease instead of the flat \$200 per year for the 99-year term of the lease. Instead of making a full \$19,800 payment, they would pay a certain amount that would be placed in an interest bearing account. There were different amounts and interest rates calculated so the outcome would be the full lease price. These figures were not brought to the meeting so the board could not make a decision on that option. Dailey had mentioned it to the board while discussing the lease and the board did not act in favor of this option. Schumack also informed the board that Maguire Iron had the lowest bid for both a leg tower and a pedestal tower. The leg tower was bid at \$532,000 and the pedestal tower was bid at \$589,000. Under the engineers' recommendation for liability and maintenance issues, the HRW board awarded the bid for a pedestal tower. Brett Scott pointed out that the current meter pit is owned by HRW so they would be responsible for taking out the pit once the new one is put in place. Scott also brought up some concerns for the contract that Ethan has with HRW regarding metering equipment, the demolition of the existing tank, maintenance cost of \$0.30 per 1,000 gallons, quality and quantity of water, and the removal of the old meter pit. Scott was asked to write out his concerns and present them to the town board for review. If the board feels they are items that need changed they will present the suggestions to the HRW board for review. A new or revised contract will need to be drawn up after the completion of the tower to reflect Ethan's share of the tower payment. This would be a good time to make any other necessary changes.

The board talked with Dailey about his help in taking steps to place an offer on property for the new city office/shop. Dailey said he would draw up a purchase agreement. He explained the procedure and costs that are involved in purchasing any property.

The board had a brief discussion about whether or not to purchase a Bobcat. It was decided that no purchase would be made at this time.

Motion Franks, second McGuire to adjourn at 9:39 pm.

Sonya Hespe
Finance Officer

Nancy Schoenfelder
Chairman

Published once at the approximate cost of \$_____.