

EMMONS COUNCIL SPECIAL MEETING

Date: December 17, 2025

Time: 10:00 a.m.

CALL TO ORDER:

Meeting was called to order by the Mayor, Dave Bosma at 10:00 am

ATTENDANCE:

Council Members: Paul Lair, Jerome Wuerflein, Eleanor Bauman, Neal Honsey

City Clerk: Lorry Zasada

Council met to discuss the various financing options for the Clean Water and Wastewater projects and if the city should proceed with the clean water (tower, wells & water treatment improvements) or wait another 15 years.

PROS for proceeding with the Clean Water project:

- Usually drinking water projects are not offered grants and funding through Drinking Water Revolving Fund (DWRF) (2.5% interest) - this preferred funding opportunity is unique to this year.
- DWRF affordability rate is lower, which translates to a higher grant eligibility. Interest rate on the DWRF loan is only 2.5% compared to USDA funding at 4.38%.

CONS on holding off on the Clean Water project:

- Overall costs in the future will be higher (assuming a rise of 4% inflation rate each year), so a larger loan would be needed, requiring utility rates to be significantly higher. If the city decided to go forward with this project in 15 or so years, there is no guarantee these projects would be fundable at all or even eligible for grants in the future. The city would have to acquire standard loan financing at significant cost, raising utility rates again and potentially levy all or a portion of the loan costs over a number of years.

Other considerations:

- Water and Sewer rates will need to be increased to cover the monthly loan payments. City will use as much of its current funds as possible to offset some of the rate increase needed. Rates should be increased \$10 for each service beginning with January water/sewer billing (total \$20). Once the project is completed the city will reevaluate the rates vs costs to determine if another increase is needed in end of 2027 or beginning of 2028.
- The figures the city has to date does not include the Water Mains nor the Collections system which is estimated at \$10 million. City will work with ISG Engineers to determine what parts of town mains and sewer lines need replacing versus the whole system to keep costs down.

A vote was taken from all Council Members to move forward with the Clean Water Project and finance it through the Drinking Water Revolving Fund and to finance the Lagoon system through the Clean Water Revolving Fund (CWRF) versus the USDA Funding program.

VOTES: Neal Honsey, yea; Jerome Wuerflein, yea; Paul Lair, yea; Eleanor Bauman, yea, Dave Bosma, yea

Total VOTES: 5 yeas / 0 nays, voted motion carried.

A Public meeting is scheduled for January 20th, 6:00 p.m. at the Emmons Lutheran Church Social Hall to inform the public of the City's intent to move forward with the Clean Water Project and the Mains & Collection System.

ADJOURNMENT – motion made by Wuerflein to adjourn the meeting, seconded by Lair. Motion carried 5/0. Meeting adjourned at 11:50 a.m.

Submitted by:

Lorry Zasada
Clerk/Treasurer