

**Fairfield Town Council Water/Wastewater Priorities and Investment Opportunities Work Session  
November 29, 2023**

Those Present: Council Members, Ron Dauwalder, Carmen Staigmilller, Scott Hoyt and Chuck Brown; Public Works Department, Nick and Chuck Dale; and Clerk/Treasurer, Tammy Comer.

Also Present: None.

Mayor Tacke opened the work session with the pledge of allegiance at 6:00 pm.

Mayor Tacke stated that our engineer, Collette with Great West Engineering wants to know how the Town would like to prioritize the water and sewer projects. Knowing both projects are of equal importance, she needs to know which project should be first in line. Nick and Chuck Dale both stated they would like to see the water project first in line because streets will also get taken care of during the project. They stated that if the water lines leak and/or lose pressure, contaminants would go into the water system. They expressed their concerns for public safety. They said that phase one took care of quite a few leaks, reduced run time of an hour per day at the wells and helped with fire flow. Chuck added that well 2 (by 3-Rivers shop) has not recovered for the past two years. The nitrates/nitrites are too high because it is too close to the irrigation ditch so they can not pump out of that well. Well 1/1A is borderline on the nitrates/nitrites also. He is worried that if well 2 doesn't recover, they may have to shut it down completely.

Nick and Chuck stated that the lagoon is also an issue, but it will be an issue for a long time. If the lagoon dyke fails, there should be emergency funding to fix the issue. Councilor Brown asked if Nick and Chuck could track discharge at the lagoon. Chuck explained that if there is a leak in the cells, the wastewater goes in the ground and filters underground. Right now, they can discharge when DEQ allows. Currently they have minor violations caused by either high BOD, e coli, or suspended solids. These violations will not give the Town a ten percent discount on the discharge permit. If it moves to a major violation, administrative action could be taken which may include DEQ sending someone out to fix the lagoon and send the Town the bill.

Council said that they trust Nick and Chuck and said if they feel the next phase of the water project should be first in line, then they would lean that way also. Mayor Tacke said he would call Collette Anderson, our engineer, and have her speak at the December council meeting as to what they are thinking also and give us some timelines with both projects.

Mayor Tacke said that Bobbie from Rural Water came out to look at our water rates and structure. She explained that charging a base rate covers infrastructure and water usage rate cover O & M. Mayor Tacke stated the Town's water rates are a mess and need to have some structure. The ordinance states that all residents can only have a ¾" water line and right now, several residents have a 1" water line. During phase one of the water project, those one inch lines were replaced with ¾" lines to follow the ordinance. Mayor Tacke gave water rate examples from several different towns around the same size as Fairfield. He also stated that the last water rate increase was in 2013 when the water meters were installed. Nick and Chuck stated that the cost for a water tap is \$1,000 and that does not cover the expense to install the tap. Councilor Dauwalder said he would like to have a work session in January to discuss the water rate structure further. Mrs. Comer stated that bond council will also help implement the water rate structure when the time comes.

Moving on to investment options, Mayor Tacke stated that in the closing statements during the audit, the auditor mentioned that our cash funds in the bank account were not receiving any interest. He asked if we knew about the STIP (short-term investment pool) that is offered to municipalities. When we told him we had not heard of that program, he explained they created this program to allow municipalities to get some sort of return on their money. Since municipalities are offered very few ways to invest money, they created the STIP program to allow a better return and the money be liquidable. Mrs. Comer said once she heard

about STIP from the auditor, she reached out to other clerks to see what they knew about the program. Several clerks knew nothing of the STIP program, so she and the clerk from Cascade quickly organized a speaker to explain the program at the League conference next week. After researching and learning about the STIP program, Mrs. Comer spoke with a representative of the local bank to see what they could offer. The best the local bank could offer was a money market account that would earn 2 percent interest and allow six free transactions per month. The other option was a one year cd earning 4.25 percent interest but was not liquidable. STIP's current interest rate is 5.56 percent. The only downfall with STIP is that it is not FDIC insured where the bank is insured up to \$250,000. She suggested investing the lagoon settlement money in a one year cd with the local bank at the 4.25 percent and put the rest of the cash in STIP. Since they would not need the money for the lagoon for at least a year, it would keep some of the money in the local bank. Mrs. Comer said if council would like to proceed with STIP, she would need to have a resolution prepared for the December meeting. Council agreed with Mrs. Comer's suggestions so Mrs. Comer said she would have everything ready for the December meeting.

With no further discussion, Councilor Hoyt made a motion and Councilor Staigmiller seconded to adjourn the meeting at 7:28 pm. Motion carried by a vote of 4 ayes and 0 nay.

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Loren B. Tacke, Mayor

ATTEST:

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Tammy L. Comer, Clerk/Treasurer