

City of Willow Springs

Special Council Meeting

AGENDA

Monday, November 6, 2023

City Hall Council Chambers

Closed Session, 5:30 pm

Open Session to follow at approximately 6:30 pm

I. EXECUTIVE SESSION PURSUANT TO 610.021 FOR (1) LEGAL, AND (3) PERSONNEL

II. NEW BUSINESS

A. 2024 Budget Work Session



City of Willow Springs

900 W. Main
 P.O. Box 190
 Willow Springs, MO 65793
Phone: (417) 469-2107
Fax: (417) 469-4789

Budget 2024 Discussion, November 6th at 5:30

ELECTRIC RATES---We are scheduled for an electrical rate study sometime this year. This will provide suggestions for the Council to use as a guideline on approaching the discussion of rate adjustments, therefore, I do not recommend a rate adjustment for the beginning of 2024.

WATER RATES---The following are the water rates established in 2016 for a three-year step increase beginning in 2017 through 2019.

Section 1. *The water service charge rates shall increase three and one-half percent (3.5%) per year for three (3) years, which shall be applied under this Chapter shall be as follows:*

2017

0 – 1,000 gallons	\$13.23
1,001 – 3,500	.005712
3,501 – 15,000	.003006
Over 15,000	.001863

2018

0 – 1,000 gallons	\$13.69
1,001 – 3,500	.005911
3,501 – 15,000	.003111
Over 15,000	.001928

2019

0 – 1,000 gallons	\$14.70
1,001 – 3,500	.006118
3,501 – 15,000	.003220
Over 15,000	.001995

Section 2. Effective Date. *Upon its final passage by the City of Willow Springs Board of Aldermen this Ordinance shall be in full force and effect on January 1, 2017.*

For the past two years we have audited our water system, making sure that information in the billing software matches the meters in the ground, including serial numbers and multipliers. A few accounts were found not having the correct multiplier or no multiplier at all. All have been corrected.

Water, Sewer, and Wastewater are all under the same fund (21) and revenues from water and sewer are the source for expenditures for all three departments. Water revenues have increased 20% from 2017 to 2022, due

to both correction of the multipliers and the rate adjustments listed above. Regular burden expenses for the water department have risen around 15%, however, this does not include any capital expenditures like vehicles, equipment, or the expansion of water utilities for economic development.

With the emerging concerns of Per and Polyfluoroalkyl Substances (PFAS) in water, soil, air and food, EPA has released proposed regulatory drinking water standards for maximum contaminate levels, coupled with regulatory analysis of lead and copper in existing pipe from the water distribution to the wastewater discharge, we expect all of costs associated with all these changes to rise significantly. It is worth noting that we have been pro-active on this front, including voluntary testing for PFAS and reporting to MoDNR with no traces detected per the current lab analysis, however, the new limits proposed by EPA could pose to be a problem. Techniques and more labor will have to be implemented to test and control these limits, along with controlling the corrosiveness in water.

SEWER RATES---Below is the current rate structure for sewer and the last time that we implemented a sewer rate adjustment.

The sewer service charge rates shall increase three and one-half percent (3.5%) per year for three (3) years, which shall be applied under this Chapter shall be as follows:

All sewer customers –

Year 2017 – thirteen dollars and eighty-seven cents (\$13.87) per customer per month, plus four dollars and fourteen cents (\$4.14) per thousand (1000) gallons.

Year 2018 – fourteen dollars and thirty-six cents (\$14.36) per customer per month, plus four dollars and twenty-eight cents (\$4.28) per thousand (1000) gallons.

Year 2019 – fourteen dollars and eighty-six cents (\$14.86) per customer per month, plus four dollars and forty-three cents (\$4.43) per thousand (1000) gallons.

Under the current rate structure for both sewer and water, an average 5000-gallon water user spends \$37.73 and sewer user spends \$37.04 monthly. The City of Willow Springs has an average of a little over 1000 users. Below is a table showing the possible rate adjustments up for proposal:

WATER RATES						
EFFECT ON BILLING						
BASED ON 5000 GALLON MONTHLY USER						
CURRENT	2024	2025	2026	2024	2025	2026
	3%	3%	3%	4%	4%	4%
\$37.73	\$38.85	\$40.03	\$41.23	\$39.28	\$40.85	\$42.49
MONTHLY INCREASE	\$1.12	\$1.18	\$1.20	\$1.55	\$1.57	\$1.64
YEARLY INCREASE	\$13.44	14.16	14.4	\$18.60	\$18.84	\$19.68
SEWER RATES						
SEWER RATE ADJUSTMENTS SPREADSHEET						
CURRENT	2024	2025	2026	2024	2025	2026
	3%	3%	3%	4%	4%	4%
\$37.04	\$38.10	\$39.21	\$40.38	\$38.45	\$39.96	\$41.55
MONTHLY INCREASE	\$1.06	\$1.11	\$1.17	\$1.41	\$1.51	\$1.59
YEARLY INCREASE	\$12.72	\$13.32	\$14.04	\$16.92	\$18.12	\$19.08

Updated : 04/13/2022		2020		2010		Population		Population Change		2021 Median		2022		Annual		2022		Annual		Goal 2%		Goal 2%	
Final v1		US Census		US Census		Population		Population Increase (decrease)		Household Income		Water Bill		Water Billing		Sewer Bill		Sewer Billing		Water Bill		Sewer Bill	
Community		Population		Population		Population		By %		2021 ACS 5-yr Est		Monthly		Monthly		Monthly		Monthly		as % of MHI		as % of MHI	
Communities (serving between 1000 and 3500 population)																							
Based on 5,000 gallons potable water used																							
Ash Grove	C	1,512	1,472	40	3%	\$ 34,625	\$ 31.79	\$ 381.48	\$ 31.75	\$ 381.00	1.10%	Greene											
Ava	C	2,894	2,993	(99)	-3%	\$ 31,298	\$ 19.06	\$ 228.72	\$ 56.14	\$ 673.68	0.73%	Douglas											
Billings	C	1,084	1,035	49	5%	\$ 38,553	\$ 26.20	\$ 314.40	\$ 68.93	\$ 827.16	0.82%	Christian											
Cabool	C	1,946	2,146	(200)	-9%	\$ 25,399	\$ 33.27	\$ 399.24	\$ 12.71	\$ 152.52	1.57%	Texas											
Cassville	C	3,190	3,266	(76)	-2%	\$ 31,818	\$ 35.53	\$ 426.36	\$ 54.99	\$ 659.88	1.34%	Barry											
Clever	C	2,918	2,139	779	36%	\$ 49,766	\$ 24.50	\$ 294.00	\$ 26.80	\$ 321.60	0.59%	Christian											
Cole Camp	C	1,104	1,121	(17)	-2%	\$ 42,596	\$ 36.50	\$ 462.00	\$ 43.65	\$ 523.80	1.08%	Benton											
Crane	C	1,495	1,462	33	2%	\$ 35,000	\$ 34.24	\$ 410.88	\$ 21.47	\$ 257.64	1.17%	Stone											
Cuba	C	3,181	3,356	(175)	-5%	\$ 20,607	\$ 33.00	\$ 396.00	\$ 28.50	\$ 342.00	1.92%	Crawford											
Dixon	C	1,232	1,549	(317)	-20%	\$ 38,438	\$ 46.59	\$ 559.08	\$ 47.90	\$ 574.80	1.45%	Pulaski											
Doniphan	C	1,781	1,997	(216)	-11%	\$ 25,485	\$ 21.40	\$ 256.80	\$ 25.30	\$ 303.60	1.01%	Ripley											
El Dorado Sprgs	C	3,493	3,593	(100)	-3%	\$ 30,923	\$ 23.50	\$ 282.00	\$ 23.50	\$ 282.00	0.91%	Cedar											
Forsyth	C	2,730	2,255	475	21%	\$ 39,476	\$ 30.40	\$ 364.80	\$ 31.40	\$ 376.80	0.92%	Taney											
Goodman	C	1,202	1,248	(46)	-4%	\$ 36,818	\$ 33.16	\$ 397.92	\$ 31.28	\$ 375.36	1.08%	McDonald											
Granby	C	2,050	2,134	(84)	-4%	\$ 29,886	\$ 28.34	\$ 340.08	\$ 50.40	\$ 604.80	1.14%	Newton											
Greenfield	C	1,220	1,371	(151)	-11%	\$ 27,241	\$ 32.85	\$ 394.20	\$ 40.90	\$ 490.80	1.45%	Dade											
Hermann	C	2,185	2,431	(246)	-10%	\$ 47,463	\$ 39.30	\$ 471.60	\$ 47.25	\$ 587.00	0.99%	Gasconade											
Houston	C	2,079	2,081	(2)	0%	\$ 26,250	\$ 33.44	\$ 401.28	\$ 35.74	\$ 428.88	1.53%	Texas											
Ironton	C	1,475	1,460	15	1%	\$ 33,214	\$ 55.13	\$ 661.56	\$ 20.74	\$ 248.88	1.99%	Iron											
Lake Ozark	C	2,077	1,586	491	31%	\$ 64,881	\$ 36.30	\$ 435.60	\$ 31.55	\$ 378.60	0.67%	Miller											
Licking	C	2,851	3,124	(273)	-9%	\$ 28,086	\$ 34.25	\$ 411.00	\$ 22.26	\$ 267.12	1.46%	Texas											
Linn	C	1,350	1,459	(109)	-7%	\$ 46,719	\$ 36.25	\$ 435.00	\$ 37.75	\$ 453.00	0.93%	Osage											
Mansfield	C	1,193	1,296	(103)	-8%	\$ 26,300	\$ 35.25	\$ 423.00	\$ 39.50	\$ 474.00	1.61%	Wright											
Mearns Woods	V	2,006	1,761	245	14%	\$ 40,055	\$ 31.00	\$ 372.00	\$ 47.00	\$ 564.00	0.93%	Taney											
Milan	C	1,819	1,960	(141)	-7%	\$ 37,182	\$ 53.45	\$ 641.40	\$ 43.09	\$ 517.08	1.73%	Sullivan											
Monroe City	C	2,652	2,531	121	5%	\$ 36,993	\$ 65.00	\$ 780.00	\$ 55.00	\$ 660.00	2.11%	Marion											
Mountain View	C	2,533	2,719	(186)	-7%	\$ 36,399	\$ 46.00	\$ 552.00	\$ 31.50	\$ 378.00	1.52%	Howell											
Noel	C	2,124	1,832	292	16%	\$ 25,847	\$ 39.26	\$ 471.12	\$ 24.25	\$ 291.00	1.82%	McDonald											
Owensville	C	2,757	2,676	81	3%	\$ 38,009	\$ 18.20	\$ 218.40	\$ 42.00	\$ 504.00	0.57%	Gasconade											
Piedmont	C	1,897	1,977	(80)	-4%	\$ 30,430	\$ 34.94	\$ 419.28	\$ 28.60	\$ 343.20	1.38%	Wayne											
Pierce City	C	1,251	1,292	(41)	-3%	\$ 37,500	\$ 49.50	\$ 594.00	\$ 40.00	\$ 480.00	1.58%	Lawrence											
Purdy	C	1,031	1,098	(67)	-6%	\$ 46,071	\$ 45.00	\$ 540.00	\$ 70.00	\$ 840.00	1.17%	Barry											
Reeds Spring	C	1,136	913	223	24%	\$ 39,792	\$ 40.05	\$ 480.80	\$ 36.25	\$ 435.00	1.21%	Stone											
Richland	C	1,734	1,863	(129)	-7%	\$ 32,381	\$ 21.00	\$ 252.00	\$ 34.54	\$ 414.48	0.78%	Pulaski											
Seneca	C	2,230	2,336	(106)	-5%	\$ 37,117	\$ 46.30	\$ 555.60	\$ 40.80	\$ 489.60	1.50%	Newton											
Seymour	C	1,841	1,921	(80)	-4%	\$ 36,397	\$ 26.23	\$ 314.78	\$ 42.50	\$ 510.00	0.86%	Webster											
Shelbina	C	1,613	1,704	(91)	-5%	\$ 38,594	\$ 58.41	\$ 700.92	\$ 49.27	\$ 591.24	1.82%	Shelby											
Sparta	C	1,876	1,756	120	7%	\$ 41,445	\$ 42.00	\$ 504.00	\$ 48.50	\$ 582.00	1.22%	Christian											
Stockton	C	1,683	1,819	(136)	-7%	\$ 31,818	\$ 28.50	\$ 342.00	\$ 55.82	\$ 669.84	1.07%	Cedar											
Stratford	C	2,561	2,358	203	9%	\$ 45,811	\$ 18.68	\$ 224.16	\$ 61.26	\$ 735.12	0.49%	Greene											
Thayer	C	1,883	2,243	(360)	-16%	\$ 29,006	\$ 32.45	\$ 389.40	\$ 33.95	\$ 407.40	1.34%	Oregon											
Willow Springs	C	2,164	2,184	(20)	-1%	\$ 36,330	\$ 37.73	\$ 452.76	\$ 37.04	\$ 444.48	1.25%	Howell											

Currently, the City of Willow Springs charges a tapping fee with new housing construction or a re-connection water tap of \$500 and a sewer tap of \$75. We would recommend for 2024 to increase both of those fees. Those fees were established in 2006, therefore, we propose raising the water tap to \$1200 and the sewer tap to \$500. In most instances a water tap requires a new setting of a water meter pit with a meter and connections.

EXPENDITURE REQUESTS:

Based on projected revenues, we believe the 2024 budget will be approximately 7.6 million. The current budget of 2023 is 7.5 million with sales and use tax out-performing projections. The City of Willow Springs must provide a budget with balanced revenues and expenditures, including all funds. We are in the initial stages of preparing a draft, but the following gives you a glimpse into what we believe is the goals for 2024.

The following are projects and prioritized requests by department supervisors, boards, and staff. I am certain that not all requests will be possible, therefore, departmental discussions and council discussions will continue as we solidify the 2024 budget.

Airport—MoDOT will be resurfacing the runway in 2024 with a 90/10 grant through MODOT multi-modal funds. The approximate 10% match will be approximately \$38,000 with the entire project to run around \$386,000. Also, requested are funds to upgrade the airport lounge with new heating and cooling, windows, and a partnered project to pave the area around the lounge including Howell County.

Admin/City Hall--Ecode is the company we use for codification services and provides an online view of current City of Willow Springs municipal codes. A review of these codes has not been completed since 2008. This ensures that local codes are consistent with ever-changing state and federal laws, well-organized and easily manageable by the public. This review will cost around \$12,000.

Animal Control/Code Enforcement—Currently we only have one transport cage that is very old, worn, and only allows for the carrying of one animal. We would like to purchase a new one double carrier and one mobile singular model for smaller animals. The cost would be approximately \$2000. The current animal control/code enforcement officer is doing an excellent job and we would like to provide continued training to support his position. The cost of this training is \$1200....this includes training and meals/travel.

Electric Department---We have the need for increasing supplies and materials for this department due to the increased costs of materials and the extended lead times. For example, a load of power poles now cost around \$36,000 which we will need to purchase this coming year, but the first priority is a recloser for the 7200 voltage side. A recloser is an automatic, high-voltage electric switch. Like a circuit breaker on household electric lines, it shuts off electric power when trouble occurs, such as a short circuit. Reclosers for the circuit size needed will run approx. \$35,000.

Sewer Department-----Next year, we will be focusing on sealing/grouting manholes and lift stations where infiltration is very evident. Grouting manholes will allow us to preserve manholes that are extremely deep and in difficult locations to repair. The lift station on Sunshine Drive is extremely old and the pump is experiencing issues. This lift station does not have a secure top, therefore, when it rains, there is direct rainwater influence affecting how hard the pump works and causes high-flow infiltration all the way to the wastewater treatment plant. The lift station replacement will cost around \$185,000. First stage grouting will cost around \$40,000.

Water Department-----We will continue to work on our replacement goals as stated in our engineered plans. The High Street Tower is in need of some repairs to maintain our compliance with MoDNR per their assessment. The cost of that will be around \$29,000.

Fire Department—We are currently working on a three-year-old replacement project of our SCBA breathing apparatus which are time sensitive. We of course, continue to look for ways to fund these with grant opportunities, however, to ensure the safety of our firefighters we must continue to fund. Bunker gear is another item that must stay current. Two years ago, we could purchase a set of gear for around \$2000, currently one set costs from \$3000 to \$4000. No other items were requested, and most line items could remain at the funded level.

Police Department----With the department fully staffed, regular and re-occurring expenses have risen, hence, the reason for the recent amendments to the '23 budget. With the purchase of department issued duty 9mm handguns, the cost of the ammo has stayed consistent and should continue. We do feel it beneficial to purchase agency issued rifles and shot guns in the future. We have, in the past, obtained surplus M-16's and shotguns, however, they are worn out and need to be returned. Recently, one of our officers had a shotgun blow up on him, fortunately, he was not injured. We feel the need to increase the training/education budget to stay in compliance and to mitigate the risk factor of the department. We would like to be placed on a replacement program with Peacemaker. Technology and computers are ever-changing and is difficult to keep up with replacement, therefore, a program for leased data terminals in our cars would be beneficial and would level the regular expense.

Option #1: Replaces equipment every three (3) year with everything covered under a no-fault warranty including batteries Cost: \$2350 per year per vehicle.

Option #2: Replaces equipment every four (4) year with everything covered under a no-fault warranty including batteries Cost: \$1875 per year per vehicle.

Option #3: Replaces equipment every four (4) year with everything covered under a no-fault warranty including batteries and includes the handheld ticket writer Cost: \$2500

Updating security cameras for this department is critical when preserving evidence in our newly constructed evidence room funded in 2023. They have requested the purchase of two-gun safes for office owned weapons and for evidence weapons. We are currently working on securing body cameras with support from grants, however, grants will not fund all that is needed. This department has many needs; however, we are only allowed what sales tax dollars will support.

Street Department--With the new oil distributor purchased in 2023, we are hoping to provide more paved streets, over-lays, and chip-sealing in 2024, therefore, we would like to increase our supply/material and infrastructure capital to \$140,000 from the current amount of \$107,000. This purchases oil, rock and concrete for roads and sidewalks. We have been looking for a used 5-yard dump truck for a couple of years for easy yard-debris clean-up and another provide a small truck for snow removal. Some areas of town are very congested making snow removal difficult and to mitigate accidents, a smaller dump truck would be beneficial. This is a vehicle we would use almost daily. A good used vehicle would cost approx. \$40,000.

Wastewater Treatment----Requested as priority one, is an influent control panel at the plant. It is very old and parts are limited to repairs. The cost would be \$38,000. Gears for the clarifier are almost gone and replacement would cost around \$11,000. We also must continue to purchase regular 2.2 HP pumps for the filters. It is imperative that we always have a couple of these on the shelf. Currently, we are having issues with the bearings and chains for the aerator, therefore, we are moving to have this fixed in '23. The cost will be around \$4,000. Already mentioned above, Vandevanter has given us a quote for the replacement of the lift station on Sunshine Drive of \$185,603.00. This quote is good until December 31, 2023; however, the project will take place in 2024. This is a specialized field of repair and so it has been impossible to get any other quotes. Vandevanter Engineering is a Missouri Corporation and is used by most municipalities in Missouri. We will continue to try to get quotes from other companies, however, I don't want to miss the window of getting a contract signed before the end of the year, due to the lengthy requirement of this project.

Employee wages--- The social security announced last Thursday, the 2024 COLA will be 3.2%. It's a relatively small adjustment compared to the COLA (8.7%) that employees received for 2023. The annual COLA is meant to keep federal retirees and Social Security recipients' benefits on pace with rising inflation. COLA amounts are determined by the third quarter each year of the Bureau of Labor Statistics' Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The City of Willow Springs put into place a few years prior a wage (grade/step) plan that adjusted yearly by the official announced COLA for the above reasons. We hope to keep this in place in 2024, if approved.

It has been discussed with several of the utility departments along with the street department the need of pole barns or buildings that could house the new equipment, vehicles, and critical supplies. Keeping these items under cover would lengthen the life of those vehicles and equipment. When responding to emergencies, keeping the vehicles dry would certainly be beneficial as well. We believe we could build a 60' x 50' pole barn for around \$80,000.

Budget requests sheets from supervisors are attached.

Budget continued.....

REQUESTS FOR SUPPORT:

The Willow Springs Public Library has respectfully requested an increase in support in the amount of 10% or \$3,900 for a total of \$42,900 or \$3,575/monthly. Currently we support the library in the amount of \$39,000.

The Willow Springs YMCA has requested that we continue to support the local YMCA in an annual support of \$16,200. This is not an increase to our current amount supported.

The Willow Springs Chamber of Commerce has requested we continue to support them at the current of \$1200 to help off-set the cost of utilities.