

**Troy City Work Meeting  
Council Chambers  
January 12, 2012  
6:30 pm**

The meeting came to order at 6:30 pm. Present: Mayor Donald Banning, Council: Phil Fisher, and Joe Arts, and Crystal Denton, and City Clerk Tracy Rebo.

**GUESTS:** Julie Meyer, Devin Meyer, Roger Larson, Gary Rose Linda Rose, Danette Fisher, Larry Coryell, Fran Stanton, Linda Rhoades, Sandi Sullivan Ron Rebo, Mary Jane Cowdrey, Jackie Reichert, Susie Taylor Clint Taylor, Steve Bowen, Jess Teats, Cody Orr, and John Clogston.

**COUNCIL PRESIDENT:** Mayor Banning presented Council with MCA 7-4-4403 allowing Council to elect a president. Banning advised that nominations and election will be next Wednesday at the regularly scheduled council meeting. Phil Fisher questioned the MCA as the City Charter states that it is established by Ordinance. Discussion followed.

**ELECTRIC RATES:** Clint Taylor asked the Council and Mayor to refer to the worksheet he prepared in their packets. In reviewing the numbers, he gave reasoning's that showed that the Capital improvements are why the cash reserves have gone up. Fiscal Year 2009/2010 had no equipment purchased and transmission has had no increases. Discussion followed. Taylor advised Council with the comparisons between last Fiscal Year's rates and this year's \$142,577 increase in power rates from BPA and it was his determination was to absorb the increase for this fiscal year from the reserve and not increase customer rates. He advised Council and Mayor that there will be another rate increase on power and transmission by BPA in 2013. Taylor expressed the need to review this again in June or July when preparing the 2012/2013 budget. Roger Larson asked; what gives BPA the right to raise Troy's rates 48%. Taylor answered; we were locked into a 20 year contract that didn't allow rate increases while the rest of the countries rates were rising slowly. Now, after the contract, BPA is catching us up to current rates. Larry Coryell disagreed with Taylor's recommendation to not raise rates. He stated that the reserves should not be used to offset the power usage. Coryell added; the base rate was increased from \$6 to \$10 was put in place to build the reserve. He stated that he would like to see \$500,000 of it set aside in a lock box account. McCully stated; that is a good idea. Coryell added; that he would like to see the base rate return to the \$6 now that the reserve goal had been met.

**SEWER RATES:** Tracy Rebo presented council with a recommendation from Public Works Director Dave Norman for video analysis recommended by the State. She added that it is not required yet, but if they start requiring it, the City would need it to stay in compliance. Rebo also advised that the sewer jet is beginning to fail and will need to be replaced. Rebo presented Council with her recommended sewer rate increase of 4%. She also recommended a flat fee for the seasonal users that are not being charged for the months they are not in the home even though the service is still present. Discussion followed regarding the number of seasonal customers and vacant rental homes.

**EECBG PROJECT UPDATE:** Clint Taylor advised Council that they are still waiting for BPA to see what rebate could be. He stated that Friday or Tuesday he may have the information so it can be presented at the Council meeting to be able to award the bid. Taylor added; we are looking at about a \$3,000 rebate from BPA.

**CITY ATTORNEY CONTRACT:** Mayor Banning advised council that a certified letter was sent to City Attorney Charles Evans terminating the contract. Phil Fisher asked for the reasons. Banning read aloud the termination clause in his contract. Fran McCully asked how Evans can be terminated if it hadn't gone through Council. There was discussion regarding the contract not officially being approved, however because it has been in place, Local Government Center advised that the contract is valid. Mayor Banning continued with the reasons he feels the termination was necessary.

**POLICE DEPARTMENT LOG BOOKS:**

**BUDGET REVIEW:**

**BUDGET APPROPRIATIONS:**

**PUBLIC COMMENTS:**

**ADJOURNMENT:** Meeting adjourned at 9:10 p.m.

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Donald C. Banning, Mayor

ATTEST:

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Tracy Rebo City Clerk/Treasurer