

Special Council Meeting  
September 25, 2017  
5:00 P.M.  
Medford City Hall

Members present: Nelson, Sexton, Maas, Merritt, and Dempsey.

Members absent: None.

City staff and consultants in attendance were Andy Welti, Elizabeth Jackson, Seth Petersen, Mike Bubany, and Richard Olson.

Others attending were Bernie LaCanne Sr. and Bernie LaCanne Jr.

Mayor Nelson called the meeting to order at 5:02 p.m.

The purpose of the special council meeting is to discuss the Lazy U Engineering and Financial Studies.

Seth Petersen from Bolton and Menk gave a power point presentation on the impact of providing water and wastewater services to the Lazy U. Petersen stated the total project costs for the wastewater treatment facility improvements would be approximately \$3,160,000 without connecting the Lazy U and approximately \$3,590,000 with the Lazy U connecting. Petersen stated upgrades to the wastewater treatment facility would be needed by 2027 even without the Lazy U being connected.

Petersen stated the City's water system has sufficient capacity to provide water service to the Lazy U. A new water main connecting the Lazy U to the existing distribution system and a booster station would need to be constructed to provide water service to the Lazy U.

Petersen stated the total project costs for utility connections for the Lazy U would be approximately \$1,222,000 for the water main extension and sanitary sewer extension.

Mike Bubany from David Drown & Associates gave a presentation on the cost benefit analysis of utility connection to the Lazy U Mobile Home Park.

Bubany stated the following findings:

**without LAZY U CONNECTION**

\$1,086,972	Present Value of Revenues
\$(3,160,000)	Present Value of Capital Outlay
\$0	PV of Additional Operational Costs

\$(2,073,028) NET PRESENT VALUE

**with LAZY U CONNECTION**

\$3,061,430	Present Value of Revenues
\$(4,812,000)	Present Value of Capital Outlay
\$(182,026)	PV of Additional Operational Costs
\$(1,932,596)	NET PRESENT VALUE

Bubany stated there is not a significant difference between connecting or not connecting the Lazy U, as long as the Lazy U pays for the approximate \$1,222,000 utility connection cost for the water main extension and sanitary sewer extension.

Council discussed whether the City should consider asking the City of Owatonna & Faribault if the cities would be willing to consider allowing the City of Medford to connect to their wastewater system. The engineering report

illustrating the City's current plant needing to be upgraded, and the lack of certified wastewater operators were two of the reasons Council members felt it should approach neighboring communities with larger facilities.

The City of Medford compared expanding its wastewater treatment plant to connecting its wastewater system to neighboring communities prior to the last expansion.

Council's consensus was to explore that option again prior to making a decision on upgrading the current plant.

Motion by Merritt, seconded by Maas to adjourn the special council meeting at 6:45 p.m. All members voted aye for approval. Motion carried.

Minutes approved at \_\_\_\_\_ meeting.

Submitted by \_\_\_\_\_ City Clerk.

Signed by \_\_\_\_\_ Mayor.