## Bancroft City Council Monday, July 14, 2025 PUBLIC HEARING-SEWER INCREASE

Meeting Minutes of the Mayor and City Council for Bancroft, Idaho

Roll call showed the following council and staff members present:

Cp, Rick Hatch, Eric Christensen, Jessica Vawser, Nate W. Eiman, Mayor Spencer, and Clerk Swensen Others in attendance: Attorney, Dean Gilbert, Curt and Debbie Hill, Trevor Parsons

Call to Order: Mayor Spencer called the meeting to order at 7:31 pm

Mayor Spencer opened the floor for public comment regarding the recommendations and requirements to raise sewer fees due to the city sewer ponds not holding water and not meeting compliance regulations.

Amanda Collins with (SICOG) has been working with the city and RCAC to establish a rate study which will help to determine what rates the city will need to be charging in order to have the required reserves to move forward with grants and bond loans. RCAC is recommending that the city take at least a 14% increase this year and then a 5% increase each year for the next 4 years and for commercial accounts it would the next five years. The increase will put approx. \$7,000 in reserves over the next five years. Mayor Spencer expressed that the city has been trying to get a sewer grant and asked if the plan to raise rates incrementally will be sufficient. Amanda informed council that without the completed facility planning study from the engineers, it is difficult to make an accurate assessment. Amanda expressed that the city has a savings in the sewer fund that will help but it is not enough to offset the cost of a sudden disaster. It is imperative that the city take an increase in preparation of unforeseen situations due to the sewer ponds failing rapidly.

Council explained that they have been discussing the sewer pond lining issues for several years and it is time to be proactive taking a larger increase rather than taking yearly increases for multiple years. Cm, Vawser advised that council had discussed raising the sewer flat rate to at least \$30.00. Cm, Eric Christensen would like to set a flat rate of \$50.00 to eliminate all the meetings and publishing costs that will accrue over five years. Council had discussed taking at least a 40% increase due to previous recommendations and reports. Council asked what the total recommended rate ends up being after the five years. Amanda looked up the recommended overall rates. They show that residential accounts need to be at \$25.87, commercial \$31.54, outside city limits \$52.52. Bancroft utility reports show that 94% of the connections are residential 5% are multi-dwelling accounts.

Resident Dean Gilbert asked Amanda if this discussion is to increase water or just sewer. Amanda advised that this hearing is to discuss raising the sewer rates only.

Amanda advised that having reserves serves as a buffer in the event that a pump goes down or other unexpected issues arise.

Amanda asked the council if they have had and feed-back regarding the increase. Council hasn't had a lot of negative feedback from residents.

Amanda explained that the city has no choice in the matter and it is recommended that an increase be implemented as soon as possible to prepare for keeping the sewer a self-sustaining fund.

The recommended rates should cover a functioning sewer system and will show that the city is doing what they can to prepare for the upcoming capital project. When applying for a bond the city should contact a bank through USDA. Amand reiterated that the city will be more eligible for grants and loans if they can show intent to sustain the fund. Cm, Nate Eiman mentioned that the cost of things will continue to increase and the city will fall further behind with an increase. Amanda reminded council that the engineers have their rate study which may be a little different, but they are all on the same page as far as acting now and taking the increase. DEQ will be up against a wall and required to fine the city for breached conditions until the ponds are realigned and made capable of holding water. The city is working

with them currently and following their recommended steps for compliance. The Mayor Spencer reminded everyone that the hearing is for public discussion only and no decisions can be made. Resident, Trevor Parsons asked what the current sewer rate is running. Council advised that the flat rate is under \$20. Trevor suggested doubling that rate to put the city in better standing and qualify for grants. Trevor asked is the city has considered extending the sewer line to the north side of the tracks. Cm, Eric Christensen recalled that the expenses to bore under the road and get through the lava rock were too costly. Council will address the sewer fee increase in regular council meeting.

## Adjournment

Cm, Jessica Vawser made a motion to adjourn the meeting. Cm, Eric Christensen 2<sup>nd</sup> the motion. Motion passed 4-0.

Recorded by: ds

City Clerk / Debbie Swensen

B - 11 - 2025

Date Accepted by Council

Mayor, LuCus H. Spencer