

CITY OF LENOX
CITY COUNCIL REGULAR MEETING MINUTES
JUNE 14, 2021 · 5:30 p.m. · City Hall

A regular meeting of the Lenox City Council was called to order by Mayor Douglas on June 14, 2021 at 5:30 p.m. at City Hall with the following council members answering roll call: Bowman, Brown, Tull, Zabel and Cruz. Staff present was City Administrator, Allison Kitzman and City Clerk, Dawne Bowman. Tom Christensen and Colleen Larimer were also present.

Bowman made a motion to approve the agenda, seconded by Brown, all ayes, motion carried. Brown made a motion to approve 05/24/21 meeting minutes, seconded by Tull, all ayes, motion carried. Bowman made a motion to approve the payment of bills, seconded by Brown, all ayes, motion carried. Brown made a motion to approve May 2021 Clerk Treasurer Report, seconded by Cruz, all ayes, motion carried.

Kitzman discussed the library repairs, stating the bump out wall has been totally removed and we are still waiting on asbestos and lead testing results.

Tom Christensen was present and advised the Council that landfill rates are increasing. Zabel made a motion to increase the garbage fee by \$.20, seconded by Bowman, all ayes, motion carried. This fee is what the City pays Tom for picking up the garbage, which will be going from \$15.20 to \$15.40.

Zabel made a motion to approve Resolution 21-21 Setting Time and Date of June 28, 2021 at 5:30PM for Voluntary Annexation Application, seconded by Tull, all ayes, motion carried. This was previously approved; however, the timeframe of the publication was incorrect.

Brown made a motion to approve Resolution 21-22 City of Lenox Gas System Drug and Alcohol Policy, seconded by Cruz, all ayes, motion carried. Kitman stated this policy had not been updated since 1995.

Kitzman discussed the skid loader, as it is currently in the 21-22 budget to replace; however, the tracks are in very poor shape. This machine is used daily and currently we are renting from Agrivision. The purchase of new skid loader is \$58,500 and the trade in value on ours is \$39,000. Bowman approved the purchase of 2021 John Deere Compact Track Loader in the amount of \$19,500 to be taken from the Roads budget, seconded by Brown, all ayes, motion carried.

Brown made a motion to approve Resolution 21-23 Seasonal Employee Wages, seconded by Tull, all ayes, motion carried.

Kitzman discussed the Prescott Natural Gas System. Currently there are no wages coming out of their budget, due to the little revenue that is brought in. Kitzman discussed the operating revenues and operating expenses for Prescott and stated that they need to be operating on their own. The current net profit for the Prescott Natural Gas System is approximately \$3,000, which is not including any wages. The City of Lenox leases the Prescott Gas System at an annual fee of \$13,500. Dawne Bowman is trying to contact the City Clerk in Prescott to discuss the annual lease payment, as this needs to be reduced as well as the natural gas rates need to be increased. Brown made a motion to approve Resolution 21-18 Increasing Rates for Prescott Natural Gas System from \$3.10 MCF (\$.31 CCF) to \$3.60 MCF (\$.36 CCF), seconded by Tull. Roll call votes-all ayes, motion carried.

Tull made a motion to approve Resolution 21-20 Adjusting Meter Fee for Prescott Natural Gas System from \$10.50 per meter to \$11.00 per meter, seconded by Cruz. Roll call votes-all ayes, motion carried.

Kitzman then discussed the Lenox Natural Gas System and the operating revenues and operating expenses. Kitzman explained that the goal for the Lenox Gas System is to have a net profit of operating revenues of \$30,000 to cover any maintenance expenses, equipment purchases, capital projects and other unforeseen expenditures for the gas system. Kitzman also mentioned the increase in revenues will also cover the City's regular increases, such as wages and insurance. Brown made a motion to approve Resolution 21-19 Increasing Rates for Natural Gas System for meters with consumption over 40,000 CCF from \$.70 MCF (\$.07 CCF) to \$.80 MCF (\$.08 CCF), seconded by Tull. Roll call votes-all ayes, motion carried.

Deputy Pafford entered the meeting at 6:16PM.

Bowman made a motion to approve 1st Reading Ordinance 391 Amending Code of Ordinance of City of Lenox by Amending Rates for Natural Gas System, seconded by Brown. Roll call votes- all ayes, motion carried. The meter fee for residential customers will increase from \$8.00 to \$9.50 and commercial and farm tap customers from \$15.00 to \$15.75.

Pafford advised the Council they have been working on the STEP program.

Brown moved to adjourn the meeting, Tull seconded, all ayes, motion carried. Meeting adjourned at 6:25 P.M.

Mayor

City Clerk