

CITY OF SHELLEY  
WORK MEETING MINUTES

MAY 28, 2026

PRESENT: Mayor Westergard, Councilman Kress, Councilman Watson, Councilwoman Street, Justin Johnson, Jordon Johnson, Dave Noel, Spence Ward, and Ted Hendricks

The meeting was called to order at 5:42 p.m.

SUBSTITUTE USAGE RATE

The Mayor and Council discussed the proposed temporary flat water flow rates that Spence drafted. The chart bases the flat rate on the size of the property owners' lot and will be used during the interim of having all of the meters installed. All of the businesses that currently have meters will still be read but the businesses based on light, medium, or heavy usage will follow the chart being proposed. The Council discussed if the residential property owners should be charged for metered rates after one year of monitored usage or if everyone will wait to pay metered rates until one year after all of the meters have been installed. Some residents will have approximately four years of usage but other may only have one year to see how much water they are actually using. Sean said the metered rates should begin being billed one year after the last meter is installed. However, the businesses that do not currently have meters will begin to be billed metered rates 30 days after the meter is installed. It was discussed that the flat usage rates are very comparable to the current existing rates. A copy of the proposed rate table is attached. A public hearing is needed to establish this new fee. At the public hearing this table will be considered for adoption for a temporary substitute usage rate will be considered in lieu of the actual flow rates. A hearing will be held and the council proposed this rate should be in place August 1, 2026. The meter rate of \$1.75 per thousand was previously adopted but will not be effective until August 1, 2026.

ERU TABLE

Dave said in October he will be able to provide an ERU table for the businesses and schools for their base rate. He said this table will be established by actual data and then the city can decide when to implement the ERU count. For the present everyone will be charged one base rate/ERU.

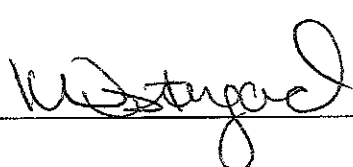
COPPER MEADOWS SUBDIVISION

The Copper Meadows Subdivision has been annexed into the city and therefore all of the properties should be on a flat rate and not a metered rate.

MISC.

Bubba Ricker said Knife River is doing a really great job on this project.

Adjourned: 6:55 p.m.

APPROVE:  ATTEST: 