

# Electric, water rates proposed to inch upward

Written by Elizabeth Barrett

Friday, 15 March 2013 13:41 -

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## **HOSPITAL GETS TECH LOAN**

Gothenburg Memorial Hospital will receive a \$300,000 low-interest loan to help install electronic health records and hardware.

At the city council's March 5 meeting, members passed a resolution granting the loan through a Rural Economic Development Loan and Grant (REDLG) funds from the United States Department of Agriculture.

City attorney Mike Bacon said \$200,000 will be loaned through the USDA plus \$50,000 from city sales tax funds to meet a 20% match requirement.

The loan will be repaid by the hospital in seven years, Bacon said, and will return to the revolving loan fund for more projects that qualify.

Gothenburg, Cozad and Lenington were the first three communities in the state to get REDLG funds for business retention and attraction projects because of the efforts of Dawson Area Development director Jen Wolf, he said.

Bacon said the installation of electronic records and hardware is estimated to cost \$23,000.

## **GMH to receive \$300,000 loan for electronic health records**

It's likely that Gothenburg residents and business and industry owners will pay more for electricity and water.

Under a proposal, passed on first reading by local city council members, electric bills will rise an average of 5.5% and water rates will increase 5%.

What that means for customers, who pay \$100 for electricity, is an average of an extra \$5.50 a month.

Although the overall average rate increase is 5.5%, different rate class increases may vary between 4% and 7%.

Water users, with three-quarter inch lines, would be charged 81 cents more. Their bills would increase from \$16.20 a month to \$17.01.

Commercial rates will rise an additional 5% for the base rate plus an extra 3 cents per 1,000 gallons used.

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The council took the action at a March 5 meeting after listening to the results of a cost of service and rate study by Nebraska Municipal Power Pool Energy official Phil Euler.

Euler said the electrical increase is necessary as the city replenishes infrastructure in the next few years and because the Nebraska Public Power District, the city's supplier, raised rates 3.75%.

Noting that the city is competitive with electric rates and has a well-run utility, Euler also said most cities in Nebraska have raised utility rates.

If passed on two more readings, the increases will be reflected on March utility bills.

Water and power rates also rose a year ago.

On another matter, the council decided to apply for at least the first stage of downtown revitalization funds through a Community Development Block Grant program.

CDBG officials want interested communities to apply for money to plan for projects they'd like to see implemented that fit certain criteria, according to Dawson Area Development director Jen Wolf.

Wolf recommended that the city ask for \$10,000 which would involve 25% in matching funds from the city or \$2,500.

The city would probably have a good chance of receiving funds, she said, since it's a certified economic development community, has a smaller population and a comprehensive plan.

Under Phase II of the program, up to \$350,000 (with a 25% city match) could be awarded for

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implementation of projects.

Wolf said DAD could assist the city in application for funds.

Mayor Joyce Hudson said a lot of good things happened from the first downtown revitalization grant the city received.

Council president Jeff Kennedy agreed, noting that it's a good opportunity to get things done.

The council also talked about a \$3,768 check, in excess revenue, the city received from the Public Alliance for Community Energy, the city's energy supplier.

Last year's check was used to help pay for a kiosk at the cemetery. The council will decide how to spend the money at its next meeting.

In other business, the council:

passed, on final reading, an ordinance amending industrial zoning regulations to allow sexually explicit businesses by special use permit.

granted Jim Long a license to install and maintain a private sewer line on city right of way in the southern part of the city for his bee-keeping business.

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