

## Utilities Advisory Committee

SPECIAL MEETING MINUTES (Meeting #6 on January 23, 2020)

MEETING MINUTES APPROVED  
BY UAC AT THEIR FEBRUARY 20,  
2020 MEETING.

### I. Call to Order, Roll Call, and Approval of Meeting Minutes from June 20 and July 11, 2019

Chairperson James called the sixth 2019 Utilities Advisory Committee (UAC) special meeting to order at 6:05 pm. Following a roll call the following UAC members were present: John James, Christine Roque, Richard Smith, and Ernest Marquez, Jr. Jonathon Corbridge arrived prior to the meeting and was excused due to illness. Richard Corneille had indicated he had a prior commitment and was therefore excused. Michael Ten Eyck would be marked unexcused as he indicated he would be attending the meeting. Staff in attendance were: Assistant Facilities and Community Services Director Tim Sullivan, Utilities Operations Manager Kevin Watson, Engineering Manager Goutam Dobey, Senior Project Manager Ross Wittman, Construction Manager Kyle Wagner and Senior Administrative Assistant Jane Weathers. Guests were: Stephen Rogers and Dennis Bell.

The meeting minutes from the UAC's fourth and fifth meeting of June 20 and July 11 were provided to the committee for review. Ms. Roque requested Ms. Weathers to confirm her vote for the recommended non-potable water rate increase as she did not recall abstaining. No other corrections were requested.

**A motion was made by Committee Member Smith to recommend approval of both UAC meeting minutes from their June 20 and July 11, 2019 fourth and fifth meetings. Committee Member Marquez seconded the motion which was approved by all 4 present members. (4-0, 3 members absent)**

### II. Public Comment

There were no public comments at this time.

### III. Update on Wastewater Treatment Plant

Mr. Wittman apologized on behalf of Interim Municipal Utilities and Engineering Department Director Chris Boatman as he was unable to attend the meeting. The ~20 minute video presentation from Director Boatman regarding the City's Wastewater Treatment Plant (WWTP) membrane bioreactor purchase provided to City Council at their January 21 meeting was shown to the committee. The video included questions from City Council, public comment, and City Council's unanimous approval of the purchase. Mr. Wittman explained the Municipal Utilities/Public Works Commission received the same update earlier at their special meeting.

A discussion followed regarding the initial draft assessment from Parsons, the consultant hired last year to assess the WWTP and provide staff guidance and recommendations following their evaluation of the WWTP conditions and operational

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processes. Further discussion related to costs for equipment, operation and maintenance, remaining funds, funding reserves, warranty and compliance, overall wastewater budget, and continued maintenance and assessment through the installation of the membranes.

The committee was informed they were being updated on the status of the WWTP because there was a pending wastewater rate recommendation that had been made at their June 20 meeting. Since that time frequent challenges occurred at the WWTP, and Parsons recommended staff pursue a two-phase approach. Replacing the membrane bioreactors immediately would extend the plant's life, thus allowing the continuation of Parsons' assessment and staff to monitor/adjust accordingly. Understanding the evolving changes at the plant, Chairperson James expressed to staff he wished to propose to the entire committee to withdraw all the pending recommendation made. This discussion segued to the next item on the agenda.

#### **IV. Discussion and possible recommendation to withdraw pending recommendations to City Council for an 11% wastewater rate increase, a 3.5% water rate increase, and a 3.5% non-potable water rate increase, with each for 5 years beginning in January 2020**

Chairperson James reiterated that at the onset of the rate study, the wastewater rate was of utmost concern and the committee was presented with a significant amount of information concerning the status of the plant, toured the plant, and had been provided financial information to gain a full understanding of the budgetary needs of the wastewater division and the plant itself. Following his summation of the rate study and recommendations made in June and July 2019, and in consideration of the current WWTP status, Chairperson James proposed to the group withdrawing all three rate recommendations made for wastewater, water and non-potable water. A discussion ensued regarding potential impacts to the revenue budget, reserves, and the City's bond rating without proposed increases; whether inflation was included in the rate model; the pros and cons to moving forward with rate increase recommendations for water and non-potable and waiting until later in 2020 to re-evaluate wastewater rates; and costs related to notification of proposed rate increases (should City Council approve one or any proposed rate recommendations).

Recommendations from staff and the rate study consultant, a revised rate model, the draft assessment report of the WWTP, and further consideration of the proposed recommendation to withdraw were requested. Staff modified the last version of the rate model provided by the consultant last year in effort to quickly see impacts to each budget when rate increase scenarios changed or had no increases.

Of the four UAC members present, all were in agreement to withdraw the wastewater rate increase recommendation. Two members agreed and one member disagreed to

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withdraw the non-potable water rate increase recommendation. No motions were made as the majority of the present members desired to have more members present to consider the withdrawal of the recommendations.

Ms. Weathers was asked to seek members availability and to determine a date and time that the UAC may meet with staff to further discuss the proposal from Chairperson James.

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### V. Committee Member Comments

Committee Member Roque inquired when the UAC would receive the draft assessment which is currently being conducted by the consultant, Parsons.

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### VI. Public Comment

Questions asked from the public concerned revenue and expenditures in the current approved FY 19-20 budget, whether we are going to be receiving the best technology for the plant, if there are additional alternatives with regard to any potential environmental concerns.

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### VII. Adjourn

The meeting was adjourned at 7:59 pm.

Jane Weathers, Senior Administrative Assistant