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Council Audit & Finance Committee
Minutes
8/15/11
10:00 to 12:00
CIC Room

Council Attendees: Mayor Karen Weitkunat, Mayor Pro Tem Kelly Ohlson, Ben Manvel
Staff: Darin Atteberry, Mike Freeman, Diane Jones, Brian Janonis, Steve Catanach, Patty Bigner, Christina Vincent, Bill Switzer, Ellen Switzer, John Voss, Lawrence Pollack, Heather Shepherd, Steve Mason
Others: Jeff Jones, Executive V.P of Capstone Development; Joe Mancinelli, vice president of rates for R.W. Beck Consulting; citizen attendees

Approval of minutes

Kelly Ohlson moved approval of the July minutes and Ben Manvel seconded. The July minutes are approved unanimously.

Darin Atteberry stated that due to the lateness of the information for agenda item 2, it will be added to an upcoming agenda instead of this one.

Capstone Project

Christina Vincent presented an explanation of some changes to the Commons Capstone project.

Based on the architectural renderings, Kelly Ohlson asked about the height of the building. The building will consist of four stories, however it will have a slightly taller ground floor, where there is space for retail.

Kelly Ohlson stated that, in his opinion, in the phrase "will consider LEED standards" the word 'consider' isn't strong enough. The project contractor said that LEED standards will definitely be implemented. Mike Freeman clarified that contractor has seen the City's 'green' requirements and has based the designs on it. There are at least 44 points of LEED standards addressed in the designs, another 11 that are likely to be implemented.

In regard to sustainability planning and implementation, Kelly Ohlson asked for more specific details pertaining to the on site recycling center, and on what the plans would be regarding animal habitat disturbance.

Ben Manvel asked about the new City storm drainage plan that is concurrently going on nearby. There has been a remapping of the spring creek basin. The contractor is familiar with that map and stated that it will actually help this project. Darin Atteberry said the new drainage plan will help the upcoming Mason Corridor project too.

Utility Rate Development

Some changes to utility rates are being planned and these Rate ordinances are scheduled for first reading at the October 18, 2011 Council Meeting. Because of the amount and type of information included in the discussion of rate options, staff is seeking feedback from Finance Committee in advance of the City Council Work Session.

Brian Janonis summarized the proposed rate changes. **(See full presentation posted at <http://www.fcgov.com/council/finance.php>)** These would be phased in over time and a tiered structure for implementation would be used. Brian said that under this model, rates will increase once a certain level of usage is reached, and he outlined four options for rate structures:

- A. Adjusted Existing Rate to COS
- B. Seasonal Rate (PRPA Pass Through)
- C. 3-Tier High Tail Block Rate
- D. 3-Tier Moderate Tail Block Rate

Kelly Ohlson suggested ensuring that the tier structure is thoroughly explained in detail at the Council Meeting. Ben Manvel said it should also be made clear to City Council that this will still be "revenue neutral" and that the City is not attempting to raise more money to fund other areas like Police, for example. Ben also suggested a comparison of general rate information with other cities and the state, and to include data showing that all utilities cost more in summer than winter.

At the next Council Finance Committee meeting, further information will be presented on proposed rate changes for water and waste water. Finance Committee feedback will also be sought in preparation for the October 18, 2011 City Council Meeting.