

UTILITY ADVISORY BOARD MINUTES

Thursday, March 8, 2018 – 5:15 p.m.
Mendenhall Wastewater Treatment Plant
2009 Radcliffe Road

Board Members Present: Leon Vance – Chair; Geoff Larson – Vice-Chair; Bryan Farrell; Andrew Campbell; Janet Hall Schempf (telephonically); Grant Ritter; Kevin Buckland

Board Members Absent: None

Staff Present: Roger Healy; Autumn Sapp; Holly Kveum

I. CALL TO ORDER

The meeting was called to order at 5:17 p.m. by Chair Vance.

II. APPROVAL OF AGENDA

Agenda was approved without amendment.

III. APPROVAL OF MINUTES

February 8, 2018 Draft UAB Meeting Minutes- Mr. Campbell motioned to approve the minutes with minor amendments. Motion passed with no objection.

IV. PUBLIC PARTICIPATION

None.

V. ACTION ITEMS

None.

VI. INFORMATION ITEMS

- i. Annual Report Review: Mr. Healy introduced the 2017 Annual Report to the Board, noting that it was an abbreviated report in comparison to the last submission, and asked for questions or requested edits. Ms. Hall Schempf asked that staff clarify calendar and fiscal years, and asked that “FY” be removed from the title “FY2018 Board Meetings and Membership”. Ms. Hall

Schempf also inquired about what types of meetings to include within the report. Discussion of meeting types ensued, and the Board requested that an additional table be added to include non-mandatory meetings. Mr. Campbell expressed concern regarding the language for water rates. Mr. Farrell suggested adding in the fiscal years to clarify the timeframe and that it would allow for reevaluation of the fund balance at that time. Mr. Campbell agreed to the change. Mr. Campbell also asked staff and the Board about the Capital Improvement Project forecast and if it should be six or ten years. Mr. Healy answered that the City uses a six-year forecast, but the rate model uses a ten-year forecast. Discussion ensued. Ms. Sapp asked the Board if they would like the last sentence changed to clarify the difference- the Board agreed that the current language was acceptable. Mr. Campbell reiterated that FY2029 should be added to the sewer rate recommendation and FY2024 to the water rate recommendation. Mr. Farrell asked that both recommendations include FY2024. The Board agreed with the requested edit. Vice- Chair Larson added one suggestion in the Board's objectives: to include an asset valuation model/assessment. Mr. Farrell asked if that should be in one solicitation or two. Staff encouraged the members to include them as two separate requests. Mr. Campbell asked Staff if the report could be reviewed once more with the requested revisions. Ms. Sapp answered yes, that the final report was due in late April, and that Staff will bring the report back to the next meeting for final review and approval. Mr. Buckland brought forward the language in the Advisory Board Resolution that discusses a minority report and presentation and asked if such a report had ever been submitted. Chair Vance answered that he believed it had happened with the Biosolids Project, but not with the Board's Annual Report. Discussion ensued about the report and its purpose. Mr. Campbell asked Mr. Buckland if he intended on submitting a minority report, and Mr. Buckland answered that he still felt strongly that the Board should recommend a one-year rate increase rather than a five-year increase, and evaluate rate structures during that time period, and that he would be inclined to include a minority report if that wasn't achieved in the Annual Report. Mr. Campbell expressed concern about the unity of the Board. Vice- Chair Larson added that the inclusion of the solicitations for information and proposals for a new rate study were added to address Mr. Buckland's concerns. Discussion ensued regarding the financial health of the Utilities and the different methodologies of achieving a sound fund balance. Mr. Buckland added his concern that identifying different user groups/rate structure was included in the 2003 rate study, but never addressed. Mr. Campbell added that the Board has identified areas that need improvement, and that they have the ability to recommend something different in the future, but that the 2.5% increase for wastewater will achieve a healthy fund balance in the interim. Vice-Chair Larson added that a line could be inserted at the beginning of the rate recommendation that the Board will be monitoring the financial health of the Utilities and will make

recommendations to the Assembly as needed; Chair Vance requested that the language be included. Chair Vance added that the final draft should be circulated before the next meeting, and requested edits be sent to staff; if they are substantial, they would be addressed at the meeting.

- ii. Pending Board Matters- Ms. Sapp told the Board the following informational items were requested by Mr. Buckland and asked Mr. Buckland to lead the discussion. Mr. Buckland told the Board as a new member he was having difficulties finding information of what was assumed to be lost institutional knowledge, and proposed including a report at each meeting that included a list with the Board's goals, objectives, date requested, and target completion date. Mr. Buckland explained it may be a good tool to capture what the Board completes or intends to complete. Chair Vance asked if this document would be standing agenda item, Mr. Buckland answered yes. Ms. Sapp interjected that this would be a good time to discuss liaison roles; after seeking direction from the CBJ Acting City Clerk, it was found that Staff have been overstepping in their liaison role. Staff included the Advisory Board Informational Packet in the Board's meeting packet, which included a section about the use of staff and staff time. Mr. Campbell asked to table the discussion and the rest of the informational items to the next meeting. There were no objections to the motion, and Chair Vance adjourned the meeting.

VII. NON-AGENDA ITEMS

None.

VIII. ADJOURNMENT

The meeting adjourned at 6:21 p.m.