



# City of Olympia

City Hall  
601 4th Avenue E  
Olympia, WA 98501

## Meeting Minutes - Draft Finance Committee

Information: 360-753-8447

Thursday, September 13, 2012

5:00 PM

Room 112

### 1. ROLL CALL

**Present:** 3 - Chair Stephen H. Buxbaum, Councilmember Nathaniel Jones and Councilmember Karen Rogers

### 2. CALL TO ORDER

*Chair Buxbaum called the meeting to order at 5:00 p.m.*

### 3. APPROVAL OF MINUTES

#### 3.A 12-0180 Approval of August 13, 2012 Finance Committee Minutes

**The minutes were approved.**

### 4. COMMITTEE BUSINESS

#### 4.A 12-0540 Preliminary 2013 Utility Rate Recommendations

*The City has four separate utilities providing services to the community – Drinking Water, Storm Water, Waste Water and Waste ReSources. Public Works Director Rich Hoey reviewed the preliminary estimates, key drivers and options for each of the utilities for 2013. The Utility Advisory Committee will conduct its review of the proposed 2013 Utility rates at its October 4 meeting. Given water utility revenue volatility in recent years, staff will be recommending an increase in fixed charges (ready to serve). This would be the second in a three year phased increase to the ready to serve charges. LOTT currently projects the need for a \$0.99 increase to the LOTT wastewater treatment charge, raising the 2013 charge to \$33.99 per month for an equivalent residential unit (ERU). This is a 3 percent increase and has already been approved by the board. Below are the preliminary rates for 2013.*

#### *Finance Committee Preliminary Rate Review September 2012*

<i>Utility</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>Projected rate increase</i>
<i>Drinking Water</i>	<i>\$33.50</i>	<i>\$36.54</i>	<i>\$39.10</i>	<i>7% increase</i>
<i>Wastewater</i>	<i>\$37.09</i>	<i>\$37.09</i>	<i>\$37.09</i>	<i>No increase</i>
<i>Waste ReSources</i>	<i>\$38.36</i>	<i>\$38.36</i>	<i>\$38.36</i>	<i>No increase</i>
<i>Storm water</i>	<i>\$21.17</i>	<i>\$21.17</i>	<i>\$22.44</i>	<i>6% increase</i>
<i>LOTT</i>	<i>\$63.00</i>	<i>\$66.00</i>	<i>\$67.98</i>	<i>3% increase</i>
<b>TOTAL</b>	<b>\$193.12</b>	<b>\$199.16</b>	<b>\$204.97</b>	
<b>% increase</b>	<b>3.1%</b>	<b>2.9%</b>		
<b>\$ increase</b>	<b>\$6.04</b>	<b>\$5.81</b>		

The report was received.

**4.B 12-0555 Options for Expanding City's Revenue Base**

*The Finance Committee invited the Executive Directors of Thurston County Economic Development Council (EDC), Thurston County Chamber of Commerce, and the Olympia-Lacey-Tumwater Visitor and Convention Bureau (VCB) to speak with the Committee. VCB Director George Sharp was unable to attend.*

*The Committee asked to discuss the topic of building the local economy and growing the City's revenue base. EDC Director Michael Cade said Olympia's top three options for expanding revenues were health care, food manufacturing and fiber optics. "We need to maintain and expand on what we have. We are looking for high wages and a spectrum of jobs." Chair Buxbaum asked what kind of revenue structure is needed to maintain and retain current businesses. Mr. Cade said a consistent and predictable one. Thurston County Chamber Director David Shaffert asked how the Council/Committee views business and for suggestions on how to aggressively go after new businesses. "Talk to your existing businesses, ask them why they choose to open a business in Olympia. Why do they choose to stay?" The Committee thanked Mr. Cade and Mr. Shaffert and asked them to continue the dialogue with staff and Council.*

The report was received.

**4.C 12-0539 Oral Report - Long Range Community Development Investment Plan**

*Planning Commission Finance Sub Committee Chair Roger Horn presented draft findings on a long range community development investment plan (CDIP).*

*Chair Buxbaum asked the Planning Commission Finance Sub Committee to evaluate how a long range community development plan could benefit the community and complement the Comprehensive Plan. Ultimately the investment plan should*

- 1. Provide a linkage to the Comprehensive Plan*
  - 2. Depict the big picture community perspective (vision)*
  - 3. Provide a means for evaluating progress towards achieving the Comprehensive Plan*
- The 6 year CFP should be done in context to the 20 year Investment Plan. For a 6 year plan to be effective, policymakers must know the long range context. Citizens want to know the long range direction as presented in the Comprehensive Plan. The CDIP should ensure the Comp Plan vision is realistic and would provide the community's financial commitment to achieve it*

*Former Mayor Holly Gadbow participated in the discussion and said, "GMA requires a 20 year CFP for land use. You don't have to be uptight about it. Twenty years is more of a strategy." She said the real question is can you finance your land use?*

*City Manager Steve Hall said he is open to a conversation around a problem statement. He said we already have 20 year plans in utilities and transportation. When we adopted the Parks Plan we included a 10 year investment plan. "I believe we have done all the work, we just need to link the plans to the CFP."*

*Mr. Horn asked what the next steps were. Chair Buxbaum suggested taking this discussion to other advisory committees. "We have to build some capacity first." I think this discussion needs to be wrapped into the Comprehensive plan update and hopefully the Chamber, VCB and EDC can help us in the conversation.*

The report was received.

**5. ADJOURNMENT**

*The meeting adjourned at 6:50 p.m.*