



Meeting Minutes

Finance Committee

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Wednesday, October 11, 2017

5:00 PM

Room 207

1. CALL TO ORDER

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

2. ROLL CALL

Present: 3 - Chair Jim Cooper, Committee member Jessica Bateman and Committee member Jeannine Roe

3. OTHERS PRESENT

City Staff:

City Manager Steve Hall

Assistant City Manager Jay Burney

Acting Administrative Services Director Dean Walz

Administrative Services Deputy Director Debbie Sullivan

Public Works Director Rich Hoey

Water Resources Director Andy Haub

Waste ReSources Director Dan Daniels

Community Planning & Development Director (CP&D) Keith Stahley

CP&D Associate Director Karen Kenneson

Building Official Todd Cunningham

Acting Finance Manager Bill Sampson

Utility Advisory Committee:

Vice Chair Dever Haffner-Ratliffe

4. APPROVAL OF AGENDA

The agenda was approved.

5. APPROVAL OF MINUTES

5.A [17-1034](#) Approval of September 20, 2017 Finance Committee Meeting Minutes

The minutes were approved.

6. COMMITTEE BUSINESS

6.A [17-0864](#) Preliminary Review of Utility Rates

The Utility Advisory Committee (UAC) is recommending increases for 2018 utility rates and 2018 general facility charges. These rates are reviewed annually in conjunction with the Capital Facility Plan (CFP).

The proposed 2018 utility rate increases are:

| | |
|-----------------------|--|
| Drinking Water | 4.4% |
| Wastewater | 0.0% |
| Storm & Surface Water | 2.0% |
| LOTT | 2.0% (The City collects this rate on behalf of LOTT) |

The proposed 2018 general facility charge increases are:

| | |
|-----------------------|------|
| Drinking Water | 6.0% |
| Wastewater | 0.0% |
| Storm & Surface Water | 0.0% |
| LOTT | 4.1% |

Ms. Haffner-Ratliffe stated the purpose of the increase is to sustain infrastructure and programs while keeping the rates competitive compared to Lacey and Tumwater.

Mr. Haub pointed out the increases are inflation pressures; no new initiatives are creating the need for rate increases.

The discussion was completed and will be forwarded to the Council for consideration.

6.B [17-0961](#) Building, Engineering and Land Use Fee Increase

Community Planning and Development (CP&D) is recommending an increase to building, engineering and land use fees. The proposed fee increases support the City policy of 85% cost recovery.

Ms. Kenneson reviewed the history of the Development Fee Fund as well as the policy relating to the 85% cost recovery. The fund is used to help maintain staffing during lean periods as well as with technology advancements. CP&D has implemented SmartGov and Blue Beam. SmartGov allows for online project applications, scheduling and tracking. Blue Beam facilitates viewing plans electronically.

Mr. Burney said he has heard positive reviews from the community regarding new procedures/processes for development and plan reviews.

Mr. Cunningham indicated that, though the City is not currently reaching the 85% cost recovery threshold, the measured fee increases put us closer to the goal. He reported staff has completed outreach with the Olympia Master Builders (OMB) organization, which included a tour of the SmartGov and Blue Beam services. While OMB doesn't support the fee increases, they are not opposing them and conveyed understanding of the need for cost recovery and maintaining service levels.

Starting November 1, 2017, CP&D will require the use of the SmartGov portal for all new applications. Ms. Kenneson noted an RFP has been written to digitize the microfilm.

Following discussion, the Committee decided to forward the proposed fee increases to City Council for consideration.

The recommendation was completed.

6.C [17-1027](#) Ambassador Program Review

The City has funded the Downtown Ambassador program since 2012. A Request for Proposals (RFP) was issued for 2018 and were due for submission September 22, 2017. A selection committee has been established and the proposals for consideration have been pared down to two. It is anticipated the committee's recommendation will be presented to the Council in November.

Mr. Stahley presented the approximate program budget for 2017 totaling almost \$350,000 along with a history of the funding sources for the program.

There was discussion regarding the wage and benefits for the Downtown Ambassador team members. The Committee was in consensus to proceed with the understanding they would like more money budgeted for wages and benefits and ensuring the selection committee understands they have more than two options.

The discussion was completed.

7. REPORTS AND UPDATES

Mr. Hall provided a list of 2018 unfunded needs to the Committee.

Ms. Sullivan has starting building the 2018 Work Plan.

8. ADJOURNMENT

Chair Cooper adjourned the meeting at 6:26 p.m.