



Meeting Minutes - Draft

City Council

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Tuesday, September 20, 2016

5:30 PM

Council Chambers

Study Session

1. ROLL CALL

Present: 7 - Mayor Cheryl Selby, Mayor Pro Tem Nathaniel Jones, Councilmember Jessica Bateman, Councilmember Jim Cooper, Councilmember Clark Gilman, Councilmember Julie Hankins and Councilmember Jeannine Roe

2. BUSINESS ITEM

2.A [16-1034](#) Briefing on Proposed 2017 Utility Rates

Public Works Director, Rich Hoey noted this year's Olympia Utilities 2017 Budgets and Proposed rates presentation is early.

Mr. Hoey noted LOTT Clean Water Alliance is a separate agency which provides wastewater treatment services. LOTT provides the City with the cost of service per customer and the City collects the required revenue and passes it on to LOTT.

Mr. Hoey discussed the Utility Advisory Committee's (UAC) interest in reviewing LOTT finances and rates at a deeper level. LOTT has provided a high level presentation to UAC, but has not discussed their finances depth. Mr. Hoey announced the LOTT Board recently shared it has decided to reduce its proposed rate increases for 2017 - 18 from 3% to 2%. LOTT will soon begin developing its six year plan. UAC Chair Thad Curtz discussed UAC's role in future LOTT budget cycles.

Councilmember Hankins discussed the importance for the UAC to continue reviewing LOTT rates.

Water Resources Director Andy Haub discussed a focus on keeping rates down. The UAC and staff worked through the summer to understand and manage rate increases. A rate increase for 2017 will be 3.3%. He shared ongoing financial divers for budgeting; noting the internal and external influences on rates.

Waste Resources Director Dan Daniels discussed Waste ReSources efficiencies. He also shared some new factors affecting Waste ReSources such as annexation growth, increase in commercial garbage and organics, and additional routes. He reviewed the budget request numbers and the main budget drivers, as well as increased revenues.

Mr. Haub noted the City's water supply is excellent; however there is extensive and costly infrastructure. He shared an overview of the 2017 Water budget, Capital Project funding and 2017 Wastewater budget. Mr. Haub gave an update on onsite septic system conversation. He also discussed the importance of Storm and Surface Water and the evolving roles and responsibilities sea level rise has created.

Mr. Haub gave a quick summary of the increases to Utility bills in 2017.

Councilmembers asked clarifying questions.

The study session was completed.

3. ADJOURNMENT

The Study Session adjourned at 6:48 p.m.