

**REGIONAL WASTEWATER RECLAMATION ADVISORY COMMITTEE (RWRAC)
FINANCIAL SUBCOMMITTEE MEETING
Public Works Building
201 N. Stone Avenue – 7th Floor Conference Room
Wednesday, January 18, 2017, 9:00 a.m.**

Members Present: John Lynch, Corin Marron, Mark Stratton, Mark Taylor

Others Present: Jennifer C. Coyle (RWRD), Keith Dommer (FRMD), Adriana Fuentes (RWRD), Patrick McGee (FRMD), Fernanda Quintanilla (RWRD)

A. Call to Order / Roll Call

John Lynch, Chair, Financial Subcommittee, RWRAC, called the meeting to order at 9:06 a.m. Adriana Fuentes, Program Coordinator, RWRD, took the roll call and a quorum was present.

B. Pledge of Allegiance

C. Call to the Audience – There were no comments from the audience.

D. Safety Share

Mark Stratton, Member, Financial Subcommittee, RWRAC, stated to be careful with road conditions as the roads are taking a beating with the winter rains. John Lynch, Chair, RWRAC, added to be careful with bicyclist while driving.

E. Approval of Minutes – Meeting Minutes of October 25, 2016

ACTION: Mark Stratton made a motion to approve the meeting minutes of October 25, 2016. Mark Taylor seconded the motion. Motion passed unanimously.

F. Discussion/Action

1. Rate Study Update

Jennifer Coyle, Program Manager, RWRD, reported that the rate study is ongoing with Raftelis. Ms. Coyle stated that valuable feedback has been received from RWRAC members and several action items have been presented to Raftelis to include a commercial lite category, master meters and strip malls, additional sampling of commercial businesses, and review of the 2012 connection fees. Ms. Coyle stated that an update will be provided at the February RWRAC meeting and a presentation will be given at March RWRAC meeting by Raftelis.

2. 2017/18 Budget Process

Patrick McGee, Division Manager, Finance and Risk Management, stated that the requested budget for Fiscal Year 2017/18 has been submitted and is under review by Mr. Huckelberry, County Administrator, Pima County. Mr. McGee stated that they are awaiting Mr. Huckelberry's budget recommendations. Discussion ensued regarding the shortfall in revenue and the revenue projections for the coming Fiscal Year. Mr. Lynch questioned the implications the Department faces regarding outside overhead costs. Mr. Dommer stated that Pima County does not charge indirect cost to other departments.

3. Rate Increase: January 2017 and Future Fiscal Years

Keith Dommer, Director, Finance and Risk Management, reported on the Board of Supervisors meeting which occurred on January 17, 2017. Mr. Dommer stated that no action was taken on the proposed rate increase and the agenda item was moved to the February 7, 2017, Board of Supervisors meeting and will be heard at 10:30 a.m. Mr. Dommer stated that a study session was requested by the Board of Supervisors to provide background information regarding the proposed rate increase. Mr. Dommer stated that no action will be taken

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at this study session and is only for knowledge. Mr. Dommer stated that this study session has been scheduled for January 19, 2017. Discussion ensued regarding the proposed rate increase, the need for the rate increase, and the revenue implications. John Lynch, Chair, requested a copy of the material that will be presented at the study session. Mr. Dommer stated that he would provide a copy of the presentation material to Ms. Coyle for distribution and will also provide feedback to the Financial Subcommittee of the outcome of the study session. Ms. Coyle stated that due to the feedback received from the Board of Supervisors, would the committee like to have one more public meeting before the February 7, 2017, Board of Supervisors meeting. Discussion ensued regarding possible dates and the location of the public meeting and it was suggested that a public meeting be held downtown on January 26, 2017, at 8:00 a.m. before the RWRAC meeting. Ms. Coyle stated that she would discuss the change of location of the RWRAC meeting with Amber Smith, Chair, RWRAC, and Jackson Jenkins, Director, RWRD.

4. Financial Subcommittee Schedule

John Lynch, Chair, proposed the subcommittee meet after the Board of Supervisors meeting on February 7, 2017.

G. Future Agenda Items

Future agenda items discussed was the Capital Improvement Program.

H. Call to the Audience – There were no comments from the audience.

I. Adjournment

ACTION: Mark Stratton made a motion to adjourn the meeting. Corrin Marron seconded the motion. The meeting was adjourned at 10:36 a.m.