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Capital Improvements Advisory Committee
Minutes for the Meeting on
May 19, 2016
1:30 p.m.
Utilities Center
Conference Room 218

Committee Members Present:

William Beerman, Vice-Chairman
Brian Crawford, Committee Member
Lonnie Hamilton, Committee Member
Eugene Suttmiller, Committee Member

Committee Members Absent:

Ronald Johnson, Chairman

City Staff Present:

Travis Brown, Fire Chief
Carl Clark, RES/TS Administrator
Marcy Driggers, Senior Assistant City Attorney
Justin Dunivan, Deputy Police Chief
Dr. Jorge Garcia, Utilities Director
Carolynn Rouse, Utilities Office Assistant Senior
Alma Ruiz, Utilities Office Manager Senior
David Sedillo, Public Works Construction Projects
Administrator
Ted Sweetzer, Fire Marshal
David Weir, Community Development Director

Vice-Chair Beerman: Called the meeting to order at approximately 1:30 p.m.

I'm Bill Beerman, the Vice-Chairman, and I'm chairing the meeting today because Mr. Johnson, the Chairman, is traveling.

Acceptance of the Agenda:

Vice-Chair Beerman: The first item on the Agenda is Acceptance of the Agenda.

Hamilton: So moved.

Suttmiller: Second.

Vice-Chair Beerman: All in favor? Aye.

Hamilton: Aye.

Suttmiller: Aye.

Crawford: Aye.

The Agenda was Accepted Unanimously 4-0.

Acceptance of the Minutes:

a. Regular Meeting of April 21, 2016

Vice-Chair Beerman: Next item is Acceptance of the Minutes from April 21, 2016.

Suttmiller: I so motion.

Hamilton: Second.

Vice-Chair Beerman: All in favor? Aye.

Suttmiller: Aye.

Crawford: Aye.

Hamilton: Aye.

The Minutes were Accepted Unanimously 4-0.

New Business:

Vice-Chair Beerman: Under New Business, we have new member introductions. Our new member is Brian Crawford. Brian, would you like to say a few words about yourself?

Crawford: I come from a building background. Currently, I'm a realtor with Steinborn and Associates.

Vice-Chair Beerman: Welcome aboard.

Crawford: Thank you.

Vice-Chair Beerman: Now, we have a discussion on the CIAC Annual Report. Lonnie, I think you might have some comments?

Hamilton: I do. We've had Max prepare a brief report and an attachment with the minutes of the previous meetings. We omitted the months of January, February and March in this, and I'll go through and make that addition, and do some detail work with that if that's agreeable with everyone. I don't think we're in any kind of bind with this unless Ms. Driggers calls me on that. I've been wrong in a few cases. What we would like to do once we get this all finalized, I'll send it out to the membership of the CIAC and if you have any concerns or amendments to it, we'll make note of those. I'll go ahead and complete that. Mr. Johnson, being the Chairman of the CIAC, had wanted to meet the Mayor and the Acting City Manager, Mr. Avila. I have agreed to go with him with the Annual Report to deliver that personally to them and make

that introduction for Mr. Johnson, so he can get one-on-one with them and get acquainted. With that said, if no one has a problem with that particular plan, I'll be glad to follow through with that.

Suttmiller: I have, not a problem, I've got a question. We can't approve it, if we need to approve it, until it's complete.

Hamilton: Correct.

Suttmiller: We can't do it by you sending it out, I don't think. That would be a rolling poll outside the thing, we'd have to do it after the next meeting, or we'd have to call a quick meeting and do it, I believe. That's what my training tells me.

Hamilton: I don't disagree, Gene, but this is kind of a recap of all the activities that's based on the Minutes. I'm not sure that it even calls for an approval through the CIAC.

Suttmiller: That's my question.

Hamilton: Maybe you can answer that for us, Marcy, if you don't mind?

Driggers: I'm just remembering from the past, since the report is submitted by the Chairman on behalf of the Committee, so I would say that the Committee has to agree to the form of it. I think that's what they've done in the past, although you're to be commended for doing the yeoman's work of assembling the report. In the past, we didn't always do them.

Hamilton: Since I've been involved, we've done this religiously since 2013. Gene prepared the first one.

Suttmiller: The first two.

Hamilton: I guess that's since 2012, then.

Suttmiller: Somewhere in there.

Hamilton: Ron sent out last year's, so we've got a good model based on the previous, and we'll get that set up and bring it back to this Committee in June.

Suttmiller: If for some reason we're in a bind, we can have a quick meeting just to approve it, but I don't think we're in that kind of a bind.

Hamilton: I don't think so, either.

Suttmiller: I think the City will survive without it for another month, as much as it pains me to admit that.

- Hamilton: I know that the City has their fiscal year end in June. As long as we have it done by fiscal year end, we've complied and I think that's all that's really necessary. I'll have it ready by the June meeting and we'll do that, and then we'll set up the meeting with the Mayor and the Acting City Manager at that point if that's agreeable with you all.
- Vice-Chair Beerman: Thanks for your efforts on that.
- Hamilton: You bet.
- Ruiz: Lonnie, will you be contacting the City Manager's office to make that appointment, did you need me to facilitate that for you, or how do you want to schedule that meeting?
- Hamilton: You can do that, if you don't mind, Alma. I talked to the Mayor on Monday and told him our intentions, and he said just to contact his office, but it's probably better that we coordinate through the City Manager's office and then let them coordinate with the Mayor.
- Ruiz: Okay. Thank you.
- Vice-Chair Beerman: Is there anything else you'd like to say, Ms. Driggers?
- Driggers: No, sir. Thank you, though, for the offer.
- Vice-Chair Beerman: Thank you. Next, we have a review of the Utilities Current Fee Structure by Dr. Garcia.
- Dr. Garcia: Thank you, Mr. Chairman. Welcome, Mr. Crawford, it's nice meeting you. In addition to talking about the current fee structure, since we have two brand new Board members who were not involved in the Utility adjustments in 2013, I included the first four slides that are from the presentation when you all approved the changes, so if you are wondering, "Are we back to square one or did we approve that AWWA (American Water Works Association)?" I'll start with that, because one of the major accomplishments that we did in the fee structure in 2013, there were two things. One is looking at the fee itself, and the fee is indexed on meter capacity. A 5/8-inch meter, which is a common house meter, is the reference, and then the bigger meter fees are multiples or scaled up from that meter fee. The problem we had prior to 2013 is that we had deviated from industry standards over the years, since 1995, in terms of ranking the meter capacity from the little meters to the big meters.
- The consultant recognized that and the CIAC spent a lot of time discussing the benefits of adopting somethings that I've highlighted in yellow, is the AWWA - American Water Works Association - published scale factors for different meter sizes. That's very important because if you don't have that,

you don't have a true reflection of the impact on the system. Whereas, if you size your fee, and if the fee is based on how much is used to the meter, then the AWWA is the best information that we have available in the industry to do that.

One of the slides you saw back there in 2013 when you made the final decision, many cities did it different ways, including us. We had migrated to that third column that says CLC Current at the time, so CIAC adopted the AWWA. That's one of the things you did. The other thing you did is you recommended the consultant's fee for Water, which was a change of about 1.7%. The reason the change was small compared to Wastewater was because we had to reallocate a lot of the debt from the Development Fund or Impact Fee Fund to the Operating Fund, because we had grown into that capacity. We have this much capacity in the ground, we have customers that eat into that capacity, it's not fair for the new development or the building industry to be paying for that debt. It has to pay less of that debt, so we accomplished that.

You also recommended a phased increase in the Wastewater fee because the consultant had come up with a 16.7% increase. You recommended a 10% and then revisiting it later. That part, my Board did not concur; however, they phased the 16%, so we ended up with 8% in 2014 and then 8% in 2016. All of the increases that you all recommended in 2013 started effective January of 2014 and January of 2016, so the full expansion now is in effect.

Also, if you recall, given the changes of the ratios, some of the fees were technically going to go down a little bit, or not as much of an increase in Wastewater, because it wasn't affected by the factor. From 1-inch to 3-inch meters are what we phased over that two-year period. The basic fee didn't change very much, and then the big fees, actually some of them came down a little bit to get these red curves and red graphs that you have over there in terms of the ratio. You can see that for an 8-inch meter, the ratio used to be 105 times the fee of the smallest meter; now it's 80 times according to AWWA. We changed that, it's all in place, and it is working well.

In terms of Wastewater, for the new members, we size our Wastewater service based on the Water services, because there are no Wastewater meters on residential. We have Wastewater meters in industrial uses, but not in residential, or small commercial, etcetera. We index that so the same ratios apply to Wastewater than do to water.

What we have in place today is what the CIAC recommended and my Board adopted. My Board acted in September of 2013, it was effective January of 2014, with an increment, second stage, in January of 2016. That just is a recap as to where we have been, and we adopted an industry standard which is the best practice we could have done. I know you all debated that, but then

my Board was very comfortable adopting that because you all, through your Minutes and your debate, my Board was convinced that that's the best way to go. I'm glad we're there, because we're not going to change it. That's a defensible volumetric scaling of a small meter to a large one. What we had before was adjustments based on meter types and brands, so I'm glad we did that and that it's in place.

Mr. Beerman, you have a question?

Vice-Chair Beerman: On the first chart with the yellow column. I was just curious on why there is such a big difference between the CLC Current and the AWWA numbers?

Dr. Garcia: Because we migrated over the years, we migrated based on the brand of the meter in the field. There may be an 8-inch meter that is 105 times the small meter at one time, but once you go with respect to a brand rather than an industry standard, that is actually an average of all the brands on the market. Then we deviated too much since 1995 to 2013 where we ended up, that far up. Our consultant recommended, we supported that, and the CIAC supported it as well. We need to use an industry standard, because it is something that is defensible, we can live with, and it's a published standard that is used throughout the country by American Water Works. That's how we migrated.

You can see that we started in 1995 at 80, but that was not exactly, that was the CLC original, but you can tell the 2-inch meter was not AWWA standard. We cannot claim that in 1995 we had AWWA standard. I don't believe the AWWA has changed very much over the years, they adjust it a little bit if they have to based on industry tested meters. That's how and why this Committee and my Board, the Utility Board who ultimately has the authority to approve the Impact Fees, they completely concurred with using a standard rather than something that is sort of homemade based on history. That's why we ended up there.

Again, this is what is in place, so I want to clarify that those first four slides are history, what it shows as the updated fee scale is what we're using today in all of our fees, and I'll get to the fees at the very end of this presentation.

Water and Wastewater are the same, so now let's look at dollars where we are. You all have seen these charts before, over the years I've been showing these charts where we are. FY13 was a peak year in terms of fee collection. Before I go into the dollars, let me explain for the sake of the new members. You have been working with Parks Fees and Public Safety Fees that are based on cash; meaning I get money in, I have enough money, I go build a project that is approved through the Capital Improvement Plan.

The Utility, from the very beginning, you would have to wait many years and collect lots of fees before you could build anything because of the size and scale of our projects. What we did from the very beginning with Council approval is, the fees are committed to Debt Service. We go and borrow the money in the market Utility Revenue Bonds, but we don't issue that debt just based on the fees we will collect in the future. We do it based on all of the Utility Fees. In other words, the rates that you pay for Water, Wastewater, including Gas, are the security for those Bonds.

Now, when the actual debt has to be paid, the proportion of those projects that are Impact Fee-based, then the Development Fund will pay that piece of the debt, but they are part of a big debt package that is really secured by, in the case of Water, the revenue from the 32,000 customers that pay every month. We call that the Joint Utility Revenue System. Otherwise, it wouldn't work for us, because to build a well we'd have to wait three or four years to collect money and let that cash grow and hire a contractor to drill the well. When we needed capacity, especially during the high growth years of the late 2005 to 2008, we had to issue Bonds and go build things. The fees for Water and Wastewater go to Debt Service.

Carl will talk about projects later. There's a couple of projects from that Debt Service that still have to be built, and we call it Impact Fee Funded Projects. The rest are just bonded projects that come from the ratepayers. That's very different than specific items like the Chief showed, the Public Safety Facility, this facility, or this equipment, this is the dollars and this is what we're getting. Very different; goes to Debt Service. The two members that were here in 2013 remember that one of the things we did is we reduced the debt service by almost \$1.3 million dollars in Water because some of that capacity had been utilized already, so the Development Fund didn't have to pay that, the ratepayers had to pay that. We did that as part of the recommendation from the consultant.

Vice-Chair Beerman: You have different Bond Issues.

Dr. Garcia: Yes.

Vice-Chair Beerman: And they're based on prior years' or current year needs?

Dr. Garcia: Every time we issue bonds, it could be for two purposes, or almost three purposes. It could be just refunding or refinancing, it could be refinancing and additional monies to build some other projects, or it could be just new projects for the future. Normally, the last few bonds, for example the 2014 Bonds last year we did two Bond Issuances, we call it 2015-A and 2015-B, but it started in 2014. Those don't affect the Impact Fee Fund because there were no Impact Fee projects, but the 2009-2010 Bonds that we're still paying into have some component that is the Development Funds for Water and Wastewater.

Vice-Chair Beerman: When the Bonds are refinanced, everything gets merged together?

Dr. Garcia: Not the debt.

Vice-Chair Beerman: The identity or original purpose of the Bond gets lost when you...?

Dr. Garcia: The way we issue Bonds, if you read the Bond Issuances historically with the City, is to do any and all projects. It doesn't say building Tank A; no, it is to do rehabilitation, new development. Where we have the separation is on the debt. For example, if today the debt in the Wastewater Fund for Development is about \$500,000, if we were to refund the Bonds and the Debt Service drops for everybody, then proportionally that \$500,000 that's 30% of the Bond Issuance, they would get a 30% of the rebate in Debt Service. So the Debt Service is kept separate. But the purpose of the Bond itself is not because in the first place, we keep the Bond money in Bond Funds. You cannot mix it with the Operating Funds.

Vice-Chair Beerman: Okay.

Dr. Garcia: It's just some dollars. Big drops in Water Development since 2013. This year it looks like, you have to remember FY16 and I call it revised, but it's not up to date, my Staff updated some numbers recently. We still have two months to go, we may hit 2015, which is good news. 2014 was low, \$653,000 total. I'll explain how that fee is split.

In Wastewater we're actually doing good, we already surpassed FY15 and we have two months to go. Why the difference? I know that the older members of the Committee know that we don't have a one-to-one correlation between Water and Wastewater customers. There are private utilities that serve inside City limits, number one, and number two, our Wastewater Utility is a regional utility. Meaning we serve down to San Pablo and Rios Encantados, down Carver Road, we have some sewer system there, we serve the Village of Dona Ana, we serve areas outside City limits surrounding. That has revenue because we collect Impact Fees. That's number one.

Number two, we recently have started, thanks to Carl's group and funding from the Legislature, we are retrofitting several septic system areas with state monies. That money is for construction; if the customers connect, they have to pay Impact Fees, so we're collecting those fees.

There's several reasons; there's some growth in the county in the South Valley, in some houses, so that is growth that Wastewater has that Water does not. They are not a one-to-one. The Water customer is not always a Wastewater customer, so that's why the difference. We are doing pretty good on Wastewater to date in FY16 to \$866,000.

Let's look at the split, because that's also different from any of the other fees that we've talked about. For the new members of the Committee, back in the

mid 90's, the City Council decided that the ratepayers were going to contribute a portion of the fee. The fee is calculated using a consultant, and it is sized by capacity, etcetera, etcetera. The Council at the time said "We need the ratepayers to pay some portion, to match some portion of that fee." It happens that it is approximately 22% in Water and 30% in Wastewater. That's policy directive. We tried to change it once, many years back, and I was sent packing out of the Council so I didn't try again. I think that was when I first became Interim Director, I tried to change that because I wanted to save some money to the ratepayers, but Council said, "No."

The current ratepayers benefit from large lines going through their neighborhoods and more storage, because if there's a fire and we have better fire capacity, it doesn't necessarily go to the new customer, it goes to everybody, right? So that's the rationale for having ratepayers pay for a portion. Is there a science behind 22%? Not that I know of. Is there a science behind 30%? There was never a study, City Council decided that, the day they approved the fee.

Vice-Chair Beerman: I'm glad to hear your views on it. I was curious about that because at a previous meeting, and I might remember this incorrectly, but it looked to me like between Water and Wastewater the ratepayers were contributing about \$1,000 per house to the Impact Fees.

Dr. Garcia: Correct. You saw the breakdown that the Chief presented. I'll go over that breakdown today, too.

Vice-Chair Beerman: So if you're a homebuilder, you get \$1,000 per house from the Water ratepayers?

Dr. Garcia: Let me clarify. We'll get to the numbers, but it is only 22% of the fee, so I think the number you're thinking is it's \$500 on the smaller fee because there's three components. Let's talk about the components.

The builder is the first one, so if you're going to build a house, you have to pay that. It used to be called the developer, but at the end of the day, it's not the developers that build it, right? So the builder pays approximately half of the fee right there up front.

The customer, the end customer, the gentleman or lady who is going to live at the house that is procuring the builder, when they sign off they pay the customer portion. That's the middle, in the case of Water that's 28% of the fee. Some builders pay the two, they say, "I'm going to pay all the fees for my customer," and they pay the 78% or so, and then the rates contribute a portion which is 22%, so it's a match.

The customer portion, and you don't see a correlation on the size of the bars, I'd better explain that. The customers can phase the payments over 60

months, so the ratepayer amount matches immediately with the builder portion, but if I'm an end customer I can pay over a five-year period, so there's a lag.

Suttmiller: How is that done? Do you automatically take 60 separate payments and put it on the bill, or does the customer get a choice?

Dr. Garcia: It is on the bill, there's a line item on the bill.

Suttmiller: It's automatically done?

Dr. Garcia: That is only for the original customer.

Suttmiller: Right.

Dr. Garcia: If you build a house and you have five years, you pay for three years and decide to sell your house, at closing we'll ask that you pay the fee because tracking from one customer to the next was a problem.

Suttmiller: You'd go crazy.

Dr. Garcia: To the initial owner is the benefit of the surcharge.

Suttmiller: Now this is just curiosity on my part. If I bought a house and two years later I'm moved by my company to another place, you lose three years of payments?

Dr. Garcia: No, at closing when you transact your house, we'll get paid.

Suttmiller: That's good. I don't want anybody to get away with it.

Dr. Garcia: We get paid. What I'm saying is, we don't extend the payment terms to the next customer.

Suttmiller: Right, I understood that.

Dr. Garcia: We collect at the time of closing. The fees are due and there's a record that there's a debt on the house, that's part of the debt.

Suttmiller: Okay. Good.

Dr. Garcia: In Water Development Fees, that's the breakdown for FY16 to date: \$292,000, \$171,000, \$132,000 is what the ratepayers have paid to date as of end of April 2016. In Wastewater, it's a higher percentage; \$416,000 for the builder up to \$267,000 for the ratepayers of Wastewater.

This is the same data, except cumulative data through the year. It's nicer to see that. If you look at the light blue line, it shows that we're at \$596,000 but we have two months to go. We might hit FY16 in the \$700,000. Certainly, we're going to be better, we're already better right now than FY14 at the same time, but again, I'm hoping that we get to FY15. There's a little bit of movement in terms of the building industry, so we can see that. Again, the cumulative for Wastewater, \$866,000 vs. the \$864,000 so we've already surpassed FY15 and we surpassed FY13 at this time in April. We're doing well in Wastewater again because it's a broader Utility, like I said earlier, growth in the County areas and new customers coming into the system from septic systems and that pays Impact Fees.

I incorporated the data just if you want to know the specific numbers, but this is the data on page 10. It's just the data that was used to do those plots. Again, traditionally I've shown you a couple of years, so I've used two years of the data here. Of course, we have two other years that are plotted.

Let's look at the fee structure. I think that was something that you wanted to look at and something that Mr. Beerman was referring to. You see at the first line of the Water fee, the total fee is \$2,420. The builder pays \$1,210; the customer \$678, and the fee to the rate base, which is what Mr. Beerman was talking about per residential house is \$532; but if someone in a residential or commercial has a 1-inch meter, it would be \$1,300 what the rate base matches. There's the three components.

One thing that my Board phased, after we did the 2013 update of the fee, is the fact that when you have developed property, and this came up with the septic systems. I have an old house; the state funded the septic system in the street but I have to come up with the monies. I can only amortize over five years \$678 and that was a deterrent for many to connect, because there's no mandated connection to the septic systems if it's a viable septic system.

Marcy and I have talked about someday changing the Ordinance, but I don't think we have the political will to say, "You shall connect within X". Our Ordinance says, "You shall connect to the system; however, if you have a functioning septic system, you don't have to." Basically, that's the way the Ordinance is. So unless the state denies a renewal of the septic permit, that person will not connect. One thing that we proposed to my Board and said it's better for people to connect, even if they have to pay the fees over time. So for developed property, what my Board did is, since this is developed property, there's no homebuilder. It's me, the homeowner, that I would have to pay the additional \$1,200, and I'm using the Water example \$1,210 that mainly applies to sewer. That's a lot of cash to be putting down up front, so my Board said, "For developed property, let's allow the customers to amortize, over five years, everything they owe." We still collect the whole fee and we have a 3.5% interest, I think, in Water as our cost of capital, that's

where we add to it. By doing that, now there's an incentive for people to connect without having to change the Ordinance or the Regulations; just saying it's a financial interest, saying I can pay over time on my bill and connect, and we're also collecting the Wastewater fee or the Water fee in this case because they both can be amortized if it's developed property.

If someone is on a well and decides to go with City water, they would have to come up with \$1,210 dollars in cash and amortize \$678. Now, the \$1,888 dollars they can pay over five years and connect now. That is also helping with people connecting to the Wastewater system as soon as it's done in the street, regardless of whether their septic system is functioning or not. That is a regulatory change that my Board has made, but the fee has not changed. The fee is collected in the same amount, with interest if it's amortized; about 3.5% for Water and 3.9% I believe for Wastewater.

Those are the Wastewater fees, \$1,943 is the fee; \$1,971 the builder, \$389 the customer and the rate base pays \$583. If you add the two, Mr. Beerman, that's where you get \$1,000, if you're doing both Water and Wastewater. Again, you can't assume that all Wastewater customers are Water customers. Some are just Wastewater, especially the newer ones that are connected to Wastewater. Some of them are on a private water system, Jornada Water, and they are connected to our sewer system.

That is our fee structure and let's talk, I think that's my last slide, but where are we in terms of the fee? We are collecting right now in Wastewater, sufficient fees to pay the debt service. In Water, we still have sufficient revenues for the next couple of years and then we'll decide what to do, but I expect after you do Parks and we review our fee, what I expect is going to happen is we'll have to reduce the debt associated with development like we did before. Why? Because we're eating into that capacity so that debt, unless we do new projects which we don't need because we have plenty of capacity in the ground, like I've said many times to this Committee, we don't want to build any more until we use that capacity.

This City has built tremendous capacity in 2005-2008, and now we have a tremendous amount of capacity in the ground that we need to utilize instead of building new stuff. Other than a couple of the projects that Carl is going to talk about that are lagging and there's right of way issues etcetera, the rest is plenty of capacity in terms of what Impact Fees fund. We need to pay the debt first.

What I anticipate when we review the fee is not necessarily a change in the fee, it's adjusting the debt associated with that fee. Then, once you know what the debt is due to Water and Wastewater Development Funds, which are the Impact Fee funds, then we can decide whether the fee is sufficient to pay the debt because we don't need money to pay for projects, we need money to

pay the debt proportionate to the debt of those Bonds that is attributable to capacity expansion. It's all about debt service management, it's not about building new stuff, which is what you've addressed in both Parks and Public Safety. It's a very different business model that we've used since 1995, it's all about debt and again, unfortunately, we had postponed.

Last time, if you recall, Water was at \$1.3 million dollars that we had to immediately reduce from the Development Fund, because we hadn't updated the fees. We skipped one 5-year and went actually 7 years, so I don't want to do that now. I want to review the debt service as soon as you're done with Parks. It might be a simple exercise of saying this is the analysis, we have the Land Use Assumptions so we'll know the projections, and we'll say, "Okay, is this the debt that's going to continue or is it going to drop?" If it's going to drop, then we need to know if this fee will cover that debt.

The rest will go to the Operating Fund to raise because if there's already ratepayers using that capacity, it's not fair for the Development Fund to be paying that debt. That was the exercise we went through last time, it was a \$1.3 million adjustment in Water. In Wastewater, there was no adjustment and hence the smaller increase in the Water fee and larger increase in Wastewater fee. It was because Wastewater cash flow, a lot of their projects over the years including part of the planned expansion because there was a lot of money and we had those 7 years to use it and we used that cash to expand the plant, but then the increase in 2013 was larger, 16% phased over a two-year period skipping one year in between.

That's where we are, we're doing fine again but in a couple of years, or at least in a year and a half or whenever you're done with Parks, we need to use the current Land Use Assumptions and see where we are in the debt service allocation.

Suttmiller: That should be quickly done and easy, right?

Dr. Garcia: Yes. It's just a financial analysis that we need to demonstrate to you, so you can recommend and my Board can implement, but it's not going to be a full-blown Capital Improvement Plan and all that. We'll have to go through the recommendations, but we need to be convinced that the fee will be stable to fund the debt service until the next cycle, which is what we did in 2013. In fact, this Committee recommended revisiting in 2 to 3 years, and that's what we're going to do. 2016 was the last implementation, so we're barely seeing the full benefit of the total increase since January, because it was phased over a two-step process, not a three-year process.

Hamilton: This is an example that we came with a recommendation of the 10% increase, and as we made our presentation, they bought into everything except the increase and the Utilities Board decided at that point that it needed to be a

little higher, we took our 10%, they took that and expanded it to 16% but then they stepped that in as Dr. Garcia said before at 8% initially and then 8% in January of this year. Now we're at the full 16% increase. Had we had our recommendation follow through completely, we would have had a 10% initially, and then we wouldn't be reviewing this until five years had lapsed. We're on a five-year cycle review regardless. Sometimes that's a moving target, it can be quicker, but five years is our...

Suttmiller: We do a quick review in two years or a year and a half, then you've got the five-year out where you've got a RAC involved.

Hamilton: The thing is, we've only had that occur twice. The first time that we looked at Parks, we made a recommendation that the Parks Development Impact Fee be X, and it went to City Council, and City Council came back and said no, it can't be X, it's got to be X-plus. As an advising body, we give our best input, we don't have the final say. Just so you're aware, that's how some of these differences show up. If for some reason there's a disagreement with the Board at Utilities or City Council, they can override our recommendations and actually implement what they want or need to do from their viewpoint.

Dr. Garcia: Mr. Chairman, Mr. Hamilton, you're correct. One of the things my Board debated was going with the consultant's number, because the consultant's number was the 16%, or doing the 10% and then revisiting it again. They said well, if we go 8 and 8, we accomplish the phasing that you were proposing in a lower number for Wastewater, but then we get the fee done and let's skip one year of no change, which was 2015. So 2014 changed, 2015 no change, 2016 changed. Now these new numbers finally have the full fee that the report had.

Suttmiller: And that's working out well. Short of a major explosion in development in Las Cruces, that fee should hold for a while, right? Because of the amount of capacity.

Dr. Garcia: Mr. Suttmiller, you're right. More development is welcome because we have the capacity in the ground, so we'll collect more fees and there will be no question. If we were to explode in growth, and if we don't have a Capital Improvement, you cannot accumulate monies for more than seven years. We need to decide to amend the Capital Improvement Plan, or decide to reduce the fee for a while or a fee moratorium, because you can't accumulate money.

Suttmiller: But short of an explosion, we're pretty well set for a while.

Dr. Garcia: Correct. We are at about in the Utility system, and again it deviates a little bit from some of the numbers you've seen and the reason is because we serve outside City limits, in mainly Wastewater and a little bit of Water, so it's not one-to-one and the growth in Water I would argue is a little lower than the

projected growth because we have Moongate Water, Jornada Water Company, Dona Ana Mutual Domestic and now we're acquiring Mesa Development's system on the East Mesa; but all those four use some of the customers inside City limits that would otherwise be our customer, so we collect fewer fees. The fact that there's private water companies serving inside City limits reduces the growth of the Water utility below projections of growth of houses. We can't assume that they will be served by the City.

Vice-Chair Beerman: The 16% increase in the Impact Fee, about a third of that would be covered by the ratepayers?

Dr. Garcia: Yes. Any new fees, the ratio did not change, so the ratepayer contributions of 30% haven't changed since the fees were first started by the City Council in 1995. That never changed, and I don't think it would be a worthwhile effort to try to change.

Suttmiller: You'd have to get another newbie coming in as Director to try it.

Dr. Garcia: When we looked at other cities, there is some rationale to say the bigger system redundancy, reliability, bigger pipes, better fire protection helps everyone. That's the rationale in many cities, too, so I'm not arguing that. What helped the ratepayers is that even though we've increased the fee, it was a good time to increase the fee because the growth is not very big. It's not like what happens if we have booming growth; you may see an impact and that's good for the Development Fund, but then the Rate Fund, the Operating Fund has to come up with that match. Right now, at the growth rate we're doing, it's not a problem but if we were booming, let's assume the growth doubles, then we have to contribute now.

Suttmiller: But you don't start collections immediately.

Dr. Garcia: Well, we have to pass that to the ratepayers, right? That's a rate review process, and Lonnie loves those things. Your other hat.

Hamilton: That has been adjusted, by the way.

Dr. Garcia: That's right. Less gaudy, simpler, and cheaper. Anyway, it does affect the other side if there's booming growth. Slow growth on the development is good for the ratepayers, because the contributions are slow and reasonable.

If any of you have additional questions later, we can visit and those of you who are new, we can talk anytime you want. If you want to see me and discuss, we can do that. Again, a little different structure to our fee than the other fees for a reason. I think next item is Carl and he'll talk about projects.

Old Business:

Clark:

Vice-Chair, Committee Members, I'm Carl Clark. I'm the Regulatory and Technical Section Administrator. My group oversees the projects as well as the operations and regulatory side for Utilities. This presentation I'm going to give you is the exact same presentation I gave to the Board. It's all our CIP so, as Dr. Garcia said, some of them have Impact Fees. I'll let you know which projects are identified as using Impact Fees. As you know, we don't collect Impact Fees for the first ones, Gas. That's where I started off with the Utilities Board.

The first project I have to show you is the Talavera 8-inch Steel High Pressure Gas Pipeline Extension. This project is basically extending gas up to the Talavera area, and the first portion of this project is the extension of the high-pressure gas line that goes from Sonoma Ranch Blvd. up to around Soledad Canyon Road. That's approximately two miles of 8-inch steel high pressure gas line that we're going to be installing at a cost of approximately \$838,000. That was the cost estimate that was initially come up with for that. Later on in the future, we'll be moving towards the low-pressure design to install 2-inch or 4-inch low-pressure gas lines out in the Talavera area. The cost for that portion of that work is approximately \$2.4 million. Right now, we're in the design phase of the 8-inch high pressure gas line, and working with the BLM and other property owners to get right-of-way out there for this project.

The next project is the Sierra Norte High Pressure Gas Pipeline. The budget amount for this project is \$1.8 million. This project was kind of held back until the City approved another TID or other type district for Sierra Norte. This is paid separately out of that. Utilities has committed the dollars to extend this high pressure gas line; it will be designed by Sierra Norte Development and then installed when they start building the roadways and the rest of the infrastructure for that development. That line goes from Thurmond Road up to Arroyo Road with approximately 16,000 feet of 6-inch high pressure gas line. That will be quite a big project for that.

The next project is the Calle Jitas High Pressure Gas Pipeline. Estimated cost for that is \$261,000. That project is about 5,000 lineal feet of 6-inch high pressure gas that goes from Sonoma Ranch Blvd. to just up past Calle Pueblo, I believe is the name of that street. Right now, it's fully designed; we're still trying to get the right-of-way to install this high pressure gas line.

The next project is the Zone 1 Interconnect Phase B Project. This is a water line project. This does use some Impact Fees to pay for this project. The entire project is approximately \$4.8 million; it's for the installation of a 24-inch ductile iron water line that's going to go from our Jornada Tank to the north side of Highway 70. We're phasing this project out due to the cost; this first phase is already getting ready for construction. We have a contractor selected and we're heading into the pre-con. This phase is at \$1.5 million and

hopefully we'll be installing this phase really quickly here, getting that installed and moving on to the next phase.

Mesa Development Water System Rehabilitation is identified in our CIP. This is a phased project once again, with the first phase at about \$1.1 million and Phase II is \$775,000. We're going to rehab all the water lines within Mesa Development; we know that they're sub-standard so we're going to go in there and update those lines, and get the system running the way we prefer to run a system with our customers. Some of this was paid with older bonds and this next phase, Phase II, is paid with 2015-A bonds, that's where we identified the funds to come for this.

My favorite projects, the Water Supply Wells 29, 31, 32 Replacement and Griggs-Walnut Monitoring Well Construction Project. As you all are aware, we received funding from the State, \$2 million for these projects. We were excited when we got that much money, we rarely get that much. That was from a 2014 grant that we'll be using for this. We've already completed the Griggs-Walnut Monitoring Wells, those are done and we're moving forward.

Hamilton: How is that checking out, Carl? Is the monitoring process telling you everything you needed to know as far as the contaminant control and all of that?

Clark: Yes, that's supplemental wells for us to identify how the plume is moving through. We provided that information over to our consultants who help us, the hydrogeologists. We worked with them to identify that specific location so we can understand that plume better.

Hamilton: And it's cleaning up at the rate that you expected?

Clark: Yes, it's actually cleaning up slightly faster.

Hamilton: That's good.

Clark: Yes, we are moving through with that cleanup like we're supposed to.

Hamilton: What do you do with the excess waters, may I ask? That's just an informational question, I guess.

Clark: The water is pumped out of the ground.

Hamilton: It's just recycled?

Clark: Basically, yes. We push it back up into our Griggs tank. It gets cleaned up through the irrigation process and then it's pushed over to our Griggs tank and sold to the customer.

Hamilton: Okay.

Clark: We do that at a nice, smooth, constant rate to clean up efficiently.

The Water Supply Wells 29, 31, 32. Well 29 is complete; they're beginning the 24-hour pumping process to see how well that well will produce. Well 32, borehole has been drilled, we're getting ready for the reaming process and we've ordered up materials for the screen and the gravel pack that goes in with that Well 32 which is next to Munson Center. Once the contractor has completed drilling there, then he's going to shift over to Well 31 which over by Mayfield High School and start boring that new hole there. I've installed a couple of slides there for you all to look at of the drilling process. Like I said, this is one of my favorite things to do is build these wells. The left over there is the rig over at Well 29 and you can see the logging being done on the right there, the lith logs that are needed for us to identify the borehole and materials that are down below so we can be efficient for that well.

Sandhill Wastewater Interceptor, this is another project that will be using Impact Fees to be constructed. It is a carry-over project, we phased this project due to cost. The first phase is \$1.5 million; second phase is \$1.2 million. That design is complete, and we are working on getting property from the developer in that area so we can move to construction on this project.

Plan, Design, and Construct Sewer Systems Top-Priority Project, this is another project that the State stepped in and gave us a little bit of money to construct a portion of sewer line that we needed. It is a Top-Priority Project identified in our Septic Replacement Plan. The overall project cost is \$359,000, the City or Las Cruces Utilities will be supplementing that project so we can move it forward with \$189,000. The State provided \$170,000 for that project. We'll basically be installing a new sewer line on Dona Ana Road from Fred Way to the outfall channel. Fred Way has had sewer installed for a while and we need to tie that together so they can start delivering that wastewater to the treatment plant.

Hamilton: I don't quite have my bearings here. What is this green line leading over to Well 33?

Clark: Since this is a top priority project, the green lines are the sewer lines. What I'm identifying there is Well 33.

Hamilton: What street is that?

Clark: That's a good question. I know that Camino Real is just to the west of El Camino Real.

Hamilton: Then you've got Dona Ana Road.

Clark: Dona Ana Road, right. I don't think that's actually a paved road, it follows the outfall channel is what it does. If you go from Dona Ana Road on the outfall channel, you can make it to Camino Real and our well is just to the north of that road.

Suttmiller: And the next road north is Dalrymple.

Clark: Dalrymple, right.

Suttmiller: All right.

Hamilton: So that's in the, well here's Three Crosses, and this would be Valley Drive over here? If this is Dona Ana, Valley would be...?

Clark: No, I think that would be further to the west, Valley Drive would be. Three Crosses turns into Dona Ana Road as you turn around the bend there, and the well is just to the east.

Hamilton: I see that off of Camino Real. I was just trying to get my bearings, I don't recognize some of these streets.

Clark: North is up on that one, if that helps you with that. It's kind of a tight picture to show the actual project itself, but I wanted to show the location of the well, the proximity of the septic tanks to our well. That's the reason it's a top priority project. That was probably one of the reasons the State felt the need to give us some of that money, so we can get this installed.

Hamilton: Cool, good.

Clark: Moving on to the next one. This is a high priority project, this was funded by the State once again and it was a 2014 State Legislative Grant, they gave us approximately \$2.25 million dollars to do the septic replacement project. There were four areas identified for this project and you can see them all: Hacienda Acres, Sunrise-Sunset Heights, Lantana Estates and Salopek Subdivision. The Sunrise-Sunset Heights portion of that project, we haven't got to that end, but we're already completed Lantana Estates so they've already had the sewer installed. The Homestead Acres, Hacienda Acres, is complete with construction, we just have to go to acceptance of that. Then the last project is the Salopek Sunrise Phase II project that we're doing, and Public Works is actually running that project for us right now. Everything is under construction, a couple of them are already completed, and we've got one ready to go.

Another project that I really enjoy a lot, and we had a great meeting today with the manufacturer of the equipment, is the Jacob Hands Wastewater

Treatment Plant Co-Generation Project. We're in the acquisition phase, in fact we've completed the contracts, we had our first kick-off meeting with the manufacturers GE Jenbacher Smith Power, so that's who we're purchasing the engine generators from and the gas purification system. That project is \$2.9 million. We're in the acquisition phase, we believe we'll have our engine gen sets they told me in October or November, which is fast. They are being built in Austria. I'm excited about this project, we've been waiting a lot time to try to get to this point.

Hamilton: That equipment that you've got over there is really old, isn't it?

Clark: Yes. It's on the market, if you know anybody that's interested. You have to bring your own crane, though.

Hamilton: Okay, all right.

Clark: The next project is the East Mesa Water Reclamation Facility Solar Photovoltaic Project. Estimated cost on this project is \$2.1 million. That one, we have the design complete; we're working with El Paso Electric and we're getting ready to bid this contract out. We will have our first solar photovoltaic site for the Utilities Department.

Hamilton: Okay, again, what's the location of this?

Clark: The East Mesa Water Reclamation Facility off of the end of Lohman. You'll see that the panels will be set behind the system tank.

Vice-Chair Beerman: That's the grey water facility?

Clark: Yes, that's the reclamation site.

Vice-Chair Beerman: Where does that water go, the product?

Clark: Several areas. There are a couple of parks that it goes to off of Roadrunner, it would be Sage and Veterans, and then one of our big customers is the golf course so they buy the water from us.

Vice-Chair Beerman: Which golf course?

Clark: Sonoma Ranch. And then Centennial High School is also on the reclaimed water.

Suttmiller: Which one?

Clark: Centennial.

Vice-Chair Beerman: Are there enough customers to buy it all?

Clark: That's kind of a loaded question.

Vice-Chair Beerman: I didn't mean it to be.

Clark: During the peak times, yes. During the summer times when they want the water, we've got plenty of customers and not enough water sometimes, but yes.

Vice-Chair Beerman: That makes sense.

Clark: In the winter time it tapers off, so then we make a lot of water that we have no customers for, so we have to ramp down our plants to meet that need.

Another great project, the new Water Quality Lab.

Hamilton: Now this is next door to Jacob Hands?

Clark: This is next door to Jacob Hands. The lower left photo there, you can see it's a pretty well used lab, all the surface space used up. They're in about 1,000 square feet and they have six people working in there along with co-ops and temps. We're going to expand this lab; it was identified back in the 1990s for expansion so here we are. We've issued bonds and we're moving forward with this new lab that's going to be off to the northwest of the existing building. We're doubling the actual lab space itself, and we're separating Water and Wastewater. Right now we do both of those processes in the same spot.

Hamilton: It seems as though that was pretty much a critical issue when you were talking to us early on.

Clark: Exactly.

Suttmiller: I thought that was going to be moving a little faster than it is.

Clark: We thought so too. It's actually moving into the design phase, we've selected a consultant. It's a local consultant, ASA Architects will be doing the design on that.

Suttmiller: What's your timeline on it, your proposed time line?

Clark: When we first looked at this with ASA, they were talking about six months, so hopefully six months from now we'll be having a final set of plans in our hands.

Suttmiller: And then you go to contract?

Clark: And then we can go to construction from there. The total cost on that project is approximately \$3.2 million, so \$2.1 million of that comes from the

Wastewater and \$1 million comes from Water. That's an exciting project for us, another big project, and the people over there at the Water Quality Lab are pushing me along to hurry up.

Suttmiller: It's one that's long overdue. Things aren't getting easier as far as the requirements for measuring, filtering, and everything else.

Clark: Exactly. Those get more stringent and more testing is needed.

Suttmiller: And the testing gets more costly, or the equipment to do it gets more costly.

Vice-Chair Beerman: Since we're talking about the Water Quality Lab, my water at home I think has 450 ppm of dissolved solids, and of course everything gets all corroded and crusty. We buy our drinking water and I know a lot of other people buy drinking water, and I was just wondering, without taking up too much of everybody's time, if there's a way to centrally treat the water to reduce the dissolved solids.

Clark: I'll let Dr. Garcia talk about that a bit. We've been going through this quite a bit lately.

Dr. Garcia: Mr. Chairman, as you know, we have groundwater. Groundwater is full of minerals, especially in this part of the country, and we have multiple wells. We have approximately 30 wells. We have a distributed production system, not a centralized production system, so you're talking about a mini-treatment plant at every well. Financially, it would be prohibitive to do that. If you had surface water plant treating 50% of the capacity or something, then you could incorporate that in the treatment.

A lot of people that are not used to hard water, they just put it at the house and they put a softener or RO system. But yes, our groundwater is well known. It's not the worst groundwater out here, you can go to Alamogordo and ask what the groundwater is like and in some areas of El Paso it's much higher TDS than what we have right now. Ours is not as bad to the point that the reclaimed water, which our reclaimed water does not remove TDS, is excellent water for the golf course. The maximum numbers that we get is about 700 in some wells, some wells are 200, 300, 400, but the grass still likes it so it's good because the reclaimed water cleans the biology and the wastewater gets cleaned to the point of almost drinking water, but we don't remove through reverse osmosis the minerals. If we had more minerals, we couldn't reclaim that water, because nobody would want it for irrigation. Anyway, that's a good question, because we do get those questions when people start looking at it.

Vice-Chair Beerman: I hate to take everybody's time, but since the experts were here, I couldn't resist.

Suttmiller: Seize the moment, carpe diem I think it's called.

Clark: If your house is constructed well and all the items inside, it will hold up just fine. My mom has been there for 40, 50 years now and I haven't changed any of that plumbing.

Hamilton: I experienced the same thing, we built our house in 2007 and the corrosion factor became such an issue that I did put soft water in and put an RO system in. That solved that problem, but it is an issue if you don't address it.

Clark: It's an issue for the entire area, not just us. It's Jornada Water, Moongate Water, and all these other water providers seeing the same water that we're all using.

The next project is the Jacob Hands Wastewater Treatment Plant Primary Clarifier Rehabilitation. This project estimated as \$1.2 million dollars, it's currently under design. We're at about 90% right now, 95% design, so we hope to be getting this put out to construction here probably in the next couple months, I would say. We're wrapping up some final items and we're going to move forward pretty fast on that project. That's at our Jacob Hands Wastewater Treatment Plant.

Public Works 2015 State Legislative, the HHGRT Hold Harmless Gross Receipts Tax Street Rehabilitation Projects. Why do I have a street rehab project in here? One, because we had to borrow money because we had to keep up with Public Works. Every time they're going to remove asphalt, remove and replace a roadway, we have to look at our Utilities. They won't allow us to cut that roadway until so many years have gone by, which makes sense, so we look at what we're going to replace out there and we need money to back that up, get in there and replace our Utilities under each one of the roads they're identifying.

Hamilton: I think that's a smart plan. We've talked about that often again for several years, that when you've got that open that's the time to address it.

Clark: That's the time to address it, yes. You can see the numbers that we've bonded for, that's \$1.7 million in gas, \$4 million in Water, and \$3.3 million in Wastewater. There will be a lot of construction going on when they start pushing those projects forward. We're just trying to keep up with them and benefit from them paying for the roadway, too.

NMDOT Valley Drive Phase II Street Utility Rehabilitation Project, I'm not sure if you all knew about this one. NMDOT is up to another large project, when they replace their roadway once again, we look at our Utilities. They are a little different because they are very personal with their right-of-way.

Dr. Garcia? Personal, is that a nice way to put it?

Clark: It's a nice way of saying it. We've estimated \$582,000 for Gas on that roadway, \$1.1 million for Water and \$534,000 for Wastewater. That's going to go from Picacho Avenue all the way up to Hickory Loop, so it's going to be a large project and it's going to take them awhile to get that done. The good part about those is the DOT runs most of those. We just jump on board and help them out with our Utilities, and let them know what we need to get done there.

In summary, we're going to continue to develop the necessary Utilities infrastructure to meet the growing demands that we have out there; continue to provide a level of funding for rehabs of Utility infrastructure; City streets and NMDOT right-of-way, as you can see, it's a very large dollar amount when NMDOT gets together and decides to start replacing roadways, so we have to be prepared for that; providing funding for the Water Quality Lab Improvements; we have two major energy projects consistent with the City's strategic plan to support the cost effective energy missives, which is the solar project and our co-generation system project.

Our CIP shows extensive use of bonds in this year's CIP to keep up with all the construction. That's basically all I have for you all, if you have any other questions.

Hamilton: Thank you, Carl.

Vice-Chair Beerman: Now we have the update on the City Council Action related to the Impact Fees by Chief Brown. Chief, when I read the account of the City adopting the Impact Fees and your participation in the meeting, it just struck me that you've really done a great service to the people of this town, I think, in handling a really complicated subject and getting it put through the City Council.

Chief Brown: Thank you, Mr. Chairman. I did not do it by myself by any means. The Police Department, Chief Montoya and Deputy Chief Dunivan, and our Fire Marshal Ted Sweetzer were there every step of the way as well as learned a lot from watching Dr. Garcia and Mark Johnston over the last four or five years present here and go through what they went through. So it was truly a team effort on the part of the City. Mr. Weir through the Land Use Assumptions, he and his department really oversaw the majority of that, and so we were very pleased that the City Council took the recommendation that came forward from this Body as well as what we as staff had developed, and adopted that without any changes. It will go into effect July 1st of this year, and we thank you and the rest of the Committee for all of your diligent effort and especially allowing it to move up a little bit.

Originally, our plan had been to go to City Council in June, and we were very thankful that you allowed us to up that time frame a little bit because it was something I was hoping to help get accomplished before I left, so I didn't feel like I left at the last minute and somebody else had to jump in and take it on. Other than that, in about three and a half years down the road, you'll be seeing probably one of these two gentlemen up here starting the process over for us again, and we're also hopeful that the process that we implemented as a group with the assistance and input of the Committee, that Parks and Recreation will follow really that same model that we used for the last 16 or 18 months. We're hopeful that it will work out just as well for them, and they will be able to move forth fairly easily also.

With that, if there's any specific questions, I'd be happy to answer them.

Suttmiller: No. We'll miss you.

Vice-Chair Beerman: Absolutely.

Chief Brown: For five years, I've been here almost every Thursday, so it might take me a month or two to get out of that habit.

Mr. Chairman, if I could though, since we were uncertain about City Council's action, we did request that next month this same topic be placed on the agenda in the event City Council for some reason had chosen to table the action yesterday. Just as a matter I would point out, we could remove that from next month's agenda if you would be agreeable to that, because there will not be any additional information in June. Thank you.

Vice-Chair Beerman: Thank you. Does anybody have any issues about the meeting schedule, other than adjusting the next meeting agenda? Does anybody from the public have anything they'd like to say?

5. Next Meeting Date:

Vice-Chair Beerman: The next meeting will be June 16, 2016, and that will just be primarily to review the Annual Report.

Suttmiller: And the Public Safety Current Projects update by Eric.

6. Public Participation:

There was none.

7. Committee General Discussion:

Vice-Chair Beerman: Any comments from the Board?

Suttmiller: I've got a question. On July 21st, there is no business. My thing would be if we can take a summer break, or ask Parks to move forward and speed up

the process a little bit. I like coming to these meetings, but I like coming to them when there's something happening. I can snooze at home just as good as I can here.

Vice-Chair Beerman: Any preferences, we're talking about whether to cancel July or August?

Suttmiller: That's just my thought. Can we do it and more importantly, can Parks and Recreation do it? If they can't move it forward, because I think the quicker we move these things through and get them done, the better off we are because the harder ones keep coming. Parks and Recreation is usually, from my experience, takes a long time. There are a lot of things involved in it. The more elasticity we can build into the schedule, the better off we are.

Hamilton: To Gene's point, also, with the revelations just now that we're not going to have Public Safety needs in the month of June, that may affect June and July.

Suttmiller: If we don't have business, we shouldn't meet. I've been past my share of meetings in my life.

Hamilton: There's a lot of time being spent here from public employees.

Chief Brown: Mr. Chairman, just to make sure I didn't confuse the Board. Under Old Business Item A, the updates, that would still be scheduled. It would be Item B for next month, the Review of City Council Action, that would not be necessary.

Vice-Chair Beerman: Okay.

Suttmiller: So then one would be necessary.

Hamilton: But that's basically a review of the projects, and that wouldn't be critical to move to August?

Chief Brown: I would not think so. Really, the primary project there, Mr. Chairman, is the East Mesa Public Safety Complex. That's really the only thing we have going on dealing with large scale projects right now for either Police or Fire.

Hamilton: However, we are going to have to deal, Bill, with the Annual Report, so it would probably be best to leave the June meeting in place.

Suttmiller: Like I said, my preference would be that Parks could move forward to July if they've got their stuff together. If not, if they can't do that or would prefer not to do that, I think we should cancel the meeting for July. We can do that in June, but the considerations and the contents necessary for Parks to make sure we're doing it right need to take place before the June meeting.

Vice-Chair Beerman: Can you find out if they are able to move it up?

Ruiz: Absolutely. We will reach out to Parks and Recreation, and then we will send you an email to confirm.

Vice-Chair Beerman: That was a good observation.

Hamilton: That would be in addition to the June meeting.

Suttmiller: I think that would be pushing Parks too hard, but if Parks can move from August to July, we would do a quick meeting in June to do the thing and we can go and probably don't need a whole lot of people there to get it done. It's got to be an open meeting, but other than that, and then if they can come up with July everything moves forward a little bit, and give us and them the elasticity if we hit a snag somewhere where we're not backing off. I just like to keep moving. I'm afraid if I stop moving I won't start again.

Vice-Chair Beerman: We can keep it flexible if there are issues like vacations and things.

Suttmiller: We've got a full board, so people can take vacations.

Vice-Chair Beerman: Or the Parks and Recreation people. Anything else?

8. Adjournment.

Vice-Chair Beerman: Is there a motion to adjourn?

Suttmiller: I so motion.

Hamilton: Second.

Meeting was adjourned at approximately 2:49 p.m.



Ron Johnson
CIAC Chair

Date