

MINUTES OF THE FINANCE COMMITTEE  
OF MT. VIEW SANITARY DISTRICT  
JANUARY 7, 2020

The Finance Committee of the Mt. View Sanitary District convened a duly Noticed Committee Meeting at the Mt. View Sanitary District Conference Room, 3800 Arthur Road, Martinez, County of Contra Costa, State of California on January 7, 2020, at 10:00 a.m.

1. ROLL CALL OF DIRECTORS

PRESENT: Director Stanley Caldwell and Chair Elmer "Al" J. Schaal

ABSENT: None

Also Present: STAFF – District Manager Lilia M. Corona, District Engineer Chris Elliott, Denise Gray, CFO/Administrative Services Manager, and Board Secretary Stephanie Seregin, and representing the Consultant Municipal Financial Services, Tommy Pavletic

2. PUBLIC COMMENT

None

3. NEW BUSINESS

A. REPORT ON RATE STUDY BY CONSULTANT MUNICIPAL FINANCIAL SERVICES

1. RECEIVE REPORT FROM STAFF

District Manager Lilia Corona reported that after researching options to establish a rate schedule, potential debt issuances, and financing options, and determine a plan for capital expenditures that supports the maintenance of cash reserves for Operations & Maintenance and CIP that there are two basic approaches:

- A substantial rate increase in FY21 (30-38%), with lesser rate increases moving forward and a \$5 million loan (Alternatives 2-3).
- A significant rate increase for several years (12-20%) with moderate rate increases (7-8%) moving forward and \$12-13 million loan (Alternatives 4-6).

Tommy Pavletic of Municipal Financial Services provided a presentation of the six possible alternatives for rate increases, loan, and capital expenditures to the committee. Mr. Pavletic advised that the Draft Evaluation of Sewer Service Charges Study would be completed in mid-January and presented to the Board at the February 13, 2020, Regular Board meeting.

2. GENERAL DISCUSSION

The Committee reviewed the alternative options presented by Mr. Pavletic. The Committee discussed the options presented and supported Alternative 3 with a 40% rate increase in FY20-21 and subsequent 5% increases.

3. PROVIDE DIRECTION

The Committee provided direction to present the alternatives to the Board at the January 9, 2020, Regular Board Meeting.

4. ADJOURNMENT – THE NEXT SCHEDULED BOARD MEETING IS A REGULAR BOARD MEETING ON THURSDAY, JANUARY 9, 2020, AT 6:30 P.M.

Business having been concluded; the meeting was adjourned at 11:23 a.m.

  
Stephanie L. Seregin, Board Secretary