

## Finance Committee Minutes

January 15, 2019

Members Present: Joe Emmett, Joe Rodriguez, and Paul Davidhizar and Tish Humphrey

Staff Present: Steve Ritter, Aron Kulhavy, Ram Ramachandra, Kevin Lunsford, Brent Sherrod

The agenda items discussed were:

- Approved minutes from the January 3, 2019 meeting.
- Aron discussed the status of a proposed contract amendment with Architect Design Group (ADG) for services related to design and construction of the Police and Fire facilities related to the Proposition 1 bonds. ADG is proposing an increase of \$567,883 with \$349,265 related to Basic Services and \$218,618 related to Additional Services/Reimbursables. The item is on the City Council agenda for tonight with a first reading. City staff was able to negotiate/lower the amount to approx. \$450K.
  - The consensus of the Finance Committee was to use General Fund Unallocated Reserves per the Finance Committee meeting on January 3, 2018
- Brent discussed the Raw water agreement in place with Elkins Lake Rec Cor. Currently the contract has a rate of \$0.27 per gallon and they city has agreed to a minimum 10 million gallons "take or pay" per year with a maximum of 40 million they could purchase. The contract lets the agreement be renegotiated every three years and after in-depth review of the operational costs associated with providing water from Well #20 which is where the water is being provided from the committee approved a recommendation of a rate of \$0.53 per 1000 gallons to charge Elkins Lake Recreation Corp. in a new/revised agreement/contract.