



Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
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Meeting Minutes

City Council Workshop Session

Wednesday, June 21, 2017

3:00 PM

Basement Training Room
1201 Leopard Street

THE USE OF CELLULAR PHONES AND SOUND ACTIVATED PAGERS ARE PROHIBITED IN THE TRAINING ROOM DURING MEETINGS OF THE CITY COUNCIL.

A. Mayor Joe McComb to call the meeting to order.

Mayor McComb called the meeting to order at 3:02 p.m.

B. City Secretary Rebecca L. Huerta to call the roll of the required Charter Officers.

City Secretary Rebecca L. Huerta called the roll and verified that a quorum of the City Council and the required Charter Officers were present to conduct the meeting.

Charter Officers:

**City Manager Margie C. Rose, City Attorney Miles Risley, and
City Secretary Rebecca L. Huerta.**

Present 7 - Mayor Joe McComb, Council Member Rudy Garza Jr., Council Member Paulette Guajardo, Council Member Michael Hunter, Council Member Ben Molina, Council Member Greg Smith, and Council Member Carolyn Vaughn

Absent 1 - Council Member Lucy Rubio

Note: Council Member Guajardo arrived at 3:04 p.m. Council Member Vaughn arrived at 3:06 p.m.

C. BRIEFINGS TO CITY COUNCIL:

1. Strategic Plan for Active Mobility (Phase 1: Bicycle Mobility Plan) and Water Utility Rate Update

Mayor McComb referred to Item 1. City Manager Margie C. Rose provided opening remarks regarding the Strategic Plan for Active Mobility (Phase 1: Bicycle Mobility Plan) and the Water Utility Rate Update.

Director of the Corpus Christi Metropolitan Planning Organization Jeff Pollack, presented information on the following topics: key destinations; planning outreach; network vetting and refinement; CoastalBendInMotion.org; infrastructure type and network miles; demand analysis; infrastructure

prescription by segment; facility selection; bike boulevards; one-way cycle track, both sides (unconstrained and constrained rights-of-way); specialized intervention crossings; infrastructure design/maintenance standards; custom/local engineering standard details; and a summary.

Council members, Mr. Pollack and staff discussed the following topics: air quality regulations; local air attainment requirements; and the pros and cons of on- and off-street bicycle lanes.

Assistant City Manager Mark Van Vleck presented information on the following topics: rate review schedule; water system components; and assumptions.

Assistant Director of Support Services for Utilities Treatment Reba George presented information on the following topics: inside-city-limits water rate options; water rate sample bills at various levels of monthly water usage; inside-city-limits wastewater rate options; the pros and cons of the following wastewater fee options: winter quarter averaging, flat use fee, and tiered actual water usage; and that staff recommends moving from winter quarter averaging to the tiered actual water usage option.

Council members and staff discussed the following topics: the median versus mean water usage in gallons; the effect of increasing rates; higher-volume residential users' water use does not change during the year or as a result of rate increases; average wastewater use in gallons; modifying the number of gallons of water associated with the minimum charge; that the rate options presented are revenue neutral; rates being higher for higher-volume users or lower-volume users under different water rate options presented; the frequency with which the City makes rate adjustments; water system improvements; revenue from outside-city-limits customers; that industry represents approximately 50% of demand for water furnished by the City; industry demand is outside-city-limits and does not, therefore, have a stormwater fee component; treated versus raw water sales; that water system improvement costs are factored into the treated water rate charged to outside-city-limits users; rounding the dollar amount of rates versus to-the-penny; and contractual limitations relating to rounding of rates.

MOTION OF DIRECTION

Council Member Vaughn made a motion directing the City Manager to round up water and wastewater rates where possible, seconded by Council Member Hunter and passed unanimously (Council Member Rubio - Absent).

Council members and staff discussed the following additional topics: the rate cap associated with 25,000 gallons of monthly water usage; verifying the accuracy of the calculations in the rate options presented; combining the various cost components of water on utility bills; historical water sales trends; the aggregate increase in revenue resulting from the water rate option recommended by staff; that City employee health benefit costs and Step salary increases are factored into the water rates presented; whether private industry employees are receiving salary increases; City employee health insurance premiums proposed to take effect October 1, 2017 versus premiums paid by employees in private industry; concerns about including Step increases in the FY 2018 proposed city budget; concern about the effect of water rate increases on higher-volume users; higher-volume users having more resources to pay for an increase in water rates than lower-volume users; not wanting to increase

rates for low-/fixed-income users; the financial impact of rounding up water and wastewater rates; the \$13.35 million to be added to Wastewater Operating annually for 'pay-as-you-go' Collection System Repair and Replacement Program; the impact of water rates on the Capital Improvement Program (CIP); eliminating winter averaging; Step increases in City employee pay being tied to certifications/licensure versus being an annual pay increase; the purpose of Step increases in pay being to correct pay inequity in order to ensure tenured City staff, many of whom may not have received a raise over many years, are not paid less than new staff who may have to be paid more due to the rising cost of wages in general; raising raw water rates five cents per 1,000 gallons; that raw water rates are calculated by contractually defined formulas; the impact of holding water rates as they are; and resolving water-related issues.

D. ADJOURNMENT

The meeting was adjourned at 5:04 p.m.