

COUNCIL MEMBERS
David Lim, Mayor
Rick Bonilla, Deputy Mayor
Maureen Freschet
Joe Goethals
Diane Papan

CITY OF SAN MATEO

Special Meeting Minutes

City Hall
330 W. 20th Avenue
San Mateo, CA 94403
www.cityofsanmateo.org

City Council

Monday, February 6, 2017
City Hall Conference Room C 5:30 PM

Special Meeting

Roll Call

Present: 5 - Council Member Freschet, Council Member Goethals, Mayor Lim, Council Member Papan, and Deputy Mayor Bonilla

CLOSED SESSION

Following the opportunity for public comment, there were no speakers, the meeting convened into closed session to consider:

1. [Conference with Labor Negotiators \(Gov. Code section 54957.6\)](#)

City designated representatives: Casey Echarte and Fran Buchanan
Employee Organization: San Mateo City Management Employees Association

2. [Conference with Labor Negotiators \(Gov. Code section 54957.6\)](#)

City designated representatives: Larry Patterson, Casey Echarte and Susan Manheimer
Employee Organization: San Mateo Police Officers Association

STUDY SESSION

3. [Sewer Rate Structure and Increases - Part 2](#)

Cathi Zammit, Clean Water Program Manager, presented the staff report with an update on the Sewer Enterprise Fund and the development of a strategic financial plan. She reviewed the feedback received at the January 17, 2017 study session in which Council chose a hybrid rate structure with 50% revenue collection through a fixed fee component. She requested Council direction on rate implementation options. Option 1 has year 1 rate increase of 24% with increases in years 2 to 5 of 12% to 16% and Year 6 with 5% to 9%. Option 2 has Year 1 with a 36% increase and Years 2 to 5 with 8% to 13% rate increase range, and Year 6 would be in the 6% to 9% range. She noted the next steps are the rate setting process, public outreach, informational meetings, and Prop 218 noticing.

Council asked questions of staff. Bill Euphrates, Municipal Finance, responded noting the extensive modeling completed to test the underlying assumptions and he further noted the most important decision to make in order to provide funds at the lowest possible costs for residents is to commit to the multi-year rate increase this year; having a larger amount in the revenue stream early on, makes the City more attractive to investors ensuring a lower interest rate.

Council by consensus were most interested in Option 2. Comments included getting public notice out as quickly as possible, get the effort on track as quickly as possible, and a robust public outreach program is required.

ADJOURNMENT

The meeting adjourned at 6:37 p.m.

APPROVED BY:

SUBMITTED BY:

David Lim, Mayor

Patrice M. Olds, City Clerk