

MINUTES
.16 Utility Fund Oversight Committee
January 11, 2008

Members Present: Alan Hanks, Deb Hadcock, Lloyd LaCroix, Frank Etter, Gary Brown, Marcia Elkins, Jim Preston, Dirk Jablonski

Others Present: Sharlene Mitchell

Call to Order

Elkins called the meeting to order at 10:04 a.m.

Approve Minutes

Brown moved, Hanks seconded and carried unanimously to approve the minutes of the October 5, 2007 and October 31, 2007 meetings.

Morningstar Utility Oversizing

Jablonski presented the request to oversize the Morningstar Subdivision water and sanitary sewer mains and increase the water reservoir storage capacity. Jablonski indicated that the infrastructure being installed by the developer will service only the Morningstar development noting the City interests that will be served with the proposed utility oversizing. Jablonski indicated that the proposed utility oversizing will allow Green Valley Estates to purchase City water and will support future development in the area.

Discussion followed regarding repayment of the developer and City infrastructure costs from the Tax Increment District for those expenditures inside City limits and connection fees for those expenditures outside of City limits.

Elkins reviewed the amendments to the Tax Increment District recommended for approval by the Planning Commission.

Discussion followed regarding the impact the infrastructure improvements will have on Green Valley Estates and the surrounding area. Elkins addressed the potential utilization of the Green Valley Estates grant funding for the costs of the water reservoir expansion. Elkins indicated that Green Valley Estates did not wish to pursue annexation at this time as it would eliminate their access to federal programs for infrastructure projects. Discussion followed regarding the anticipated service area with the increased reservoir.

LaCroix stated that installation of the oversizing at this time is cost effective and insures that the infrastructure services are in place ahead of development.

Hanks stated that the Morningstar proposal meets the needs of that development only noting that the requested oversizing will improve City capacity to serve other areas.

Preston voiced support for the request noting the financial benefit to the City with the developer up-fronting the cost of the reservoir.

Discussion followed regarding the developer funded infrastructure costs and the repayment sources including the Tax Increment District and connection fees.

LaCroix moved to recommend funding of the Morningstar Utility Oversizing costs from the .16 Utility Fund as presented with staff to review the changes to the Tax Increment District Project Plan recommended by the Planning Commission and adjust the final funding request accordingly. Brown seconded the motion.

Preston presented the updated .16 Utility Fund spreadsheet for Committee review. Discussion followed regarding the 2007 Sales Tax revenues and reallocation of fiscal year expenditure for individual projects.

In response to a question, Preston stated that the updated spreadsheet would be presented at the January 16, 2008 Legal & Finance Committee meeting for formal adoption.

The motion to recommend funding of the Morningstar Utility Oversizing costs from the .16 Utility Fund as presented with staff to review the changes to the Tax Increment District Project Plan recommended by the Planning Commission and adjust the final funding request accordingly carried unanimously.

Jablonski moved, Hadcock seconded and carried unanimously to recommend that the .16 Utility Fund spreadsheet be updated to reflect the 2007 Sales Tax Revenues and be presented for formal adoption at the January 16, 2008 Legal & Finance Committee meeting.

Adjourn

There being no further business the meeting was adjourned at 10:36 a.m.