



# City Commission Work Session Minutes

**August 14, 2025 at 3:30 PM**

City Hall Commission Chambers  
401 S. Park Avenue

## **Present**

Commissioner Kris Cruzada, Warren Lindsey, Mayor Sheila DeCiccio, City Manager Randy Knight; Assistant City Manager Michelle del Valle and City Clerk Rene Cranis.

## **Absent**

Commissioner James Sullivan, Commissioner Craig Russell

## **Also Present**

Director of Electric Utility Jamie England  
Director of Finance Wes Hamil  
Director of Office of Management and Budget Peter Moore

## **1. Meeting Called to Order**

Mayor DeCiccio called the work session to order at 3:35 p.m.

## **2. Discussion Item (s)**

### **a. Electric Utility - Cost of Service**

Craig Shepard, Project Manager, Leidos Engineering, presented the Cost of Service Study scope with an anticipated completion date of February 2026 at a cost not to exceed \$109k. He explained that the city sets the rates and submits them to the Public Service Commission, it only approves the city's rate structure. Discussion followed on rates and rate structures. He reviewed the prior study which was completed in 2022. Consensus was to approve the new study.

Mr. Knight advised that the Utilities Advisory Board recommended bond issuance to complete undergrounding. He noted that the FY 26 proposed budget includes a 15% increase in the non-fuel component of the bill or approximately 9.5% of the total bill, which would generate an additional \$5m and cover increased costs to complete undergrounding by 2030. He explained the financial impact of bonds versus a rate increase. Budget cuts will be necessary if the recommended rate increase is not approved as part of the budget.

Director of Electric Utility Jamie England explained the condition of substations and transformers, replacement costs and purchasing timeline. The OMS system is projected at \$5m with phased meter replacement over six years. He noted that progress on undergrounding has slowed to remain on budget and impacted the ability to underground five miles per year.

Utilities Advisory Board (UAB) Chair Michael Poole spoke about and opposed ongoing rate increases and feels funds should be used for undergrounding rather than secondary connections. Discussion was held on the interpretation of costs and rates. Mr. Poole stated the UAB recommended a bond issue by a 5-1 vote.

UAB Board Member Todd Weaver supported a bond issue to complete undergrounding and decrease future maintenance costs and recommended a hybrid approach of a bond issue for undergrounding with a smaller rate increase to fund other capital projects.

Mayor DeCiccio expressed concern about the inability to fund capital projects and suggested a combination of a rate increase and bond issuance. Discussion was held on options to have a smaller rate increase. Mr. Shepard recommended analyzing different scenarios based on rate increases and the amount of bond issue. Mr. Knight will work with Mr. Poole and staff to develop scenarios.

### **3. Adjournment**

The meeting adjourned at 5:17 p.m.

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Mayor Sheila DeCiccio

ATTEST:

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City Clerk Rene Cranis