



# Technical Customer Advisory Committee

## ACTION SUMMARY

**March 28, 2019**

Members Present:

Janie Chermak  
Mike Hightower  
Amy Miller  
Ron Schwarzwaldner  
Scott Verhines

Members Excused:

Melissa Armijo  
Andrew Bernard  
Dave Hill  
Ege Richardson

Water Authority Staff Present:

Stan Allred, Chief Financial Officer  
Adrienne Candelaria, Customer Service Manager  
Elizabeth Anderson, Water Quality Program Manager  
Frank Roth, Senior Policy Manager

Consultants Present:

Carol Malesky, Stantec  
Siyuan Rao, Stantec

### **Item 1 – Call to Order - Note presence of quorum**

The meeting was called to order at 4:07 pm by Chair Janie Chermak.

### **Item 2 – Approval of Agenda**

Ron Schwarzwaldner made a motion to approve the agenda. Scott Verhines seconded the motion. The motion passed on a 4-0 vote.

For: 4	Chermak, Miller, Schwarzwaldner, Verhines
Against: 0	
Excused: 5	Armijo, Bernard, Hightower, Hill, Richardson

**Item 3 – Approval of January 15, 2019 Action Summary**

Scott Verhines made a motion to approve the action summary as amended. Ron Schwarzwald seconded the motion for the amendment to correct the vote tally for agenda item four. The motion passed on a 4-0 vote.

For: 4 Chermak, Miller, Schwarzwald, Verhines  
Against: 0  
Excused: 5 Armijo, Bernard, Hightower, Hill, Richardson

*Mike Hightower entered the meeting at this time.*

**Item 4 – Water-Sewer Rate Study Update & Water Resource Charge**

Carol Malesky and Siyuan Rao provided an update of the rate study. Ms. Rao reviewed the finance plan components, costs funded by rates, and cost-of-service elements. Ms. Malesky provided an overview of the Water Resource Charge (WRC) methodology. She reviewed the proposed increase in the WRC and provided a comparison of charges for other utilities in the region. The Committee discussed different phase-in options of the WRC. The Committee suggested that the Water Authority phase the WRC over a five-year period and re-evaluate the phase-in during the 2021 Rate Study. Ms. Malesky also discussed the changes to the Utility Expansion Charge (UEC) from the Rate Study. She showed how the UEC methodology is tied to the capital plan, level of service, capacity, and asset replacement value. She compared the proposed charges for water and wastewater to other utilities in the region. The Committee discussed the proposed increase in charges and concurred with staff that the UEC should be adjusted annually based on the ENR construction and building indexes.

**Item 5 – Presentation on FY20 Budget, Goals and Objectives**

Stan Allred provided an overview of the Water Authority's proposed operating and capital budgets for Fiscal Year 2020. He reviewed the budget highlights and assumptions and the projected expenditures and revenues. He also discussed the capital improvement appropriations and the planned spending for the next ten years. Frank Roth provided an overview of the Water Authority's strategic planning process. He reviewed key objectives by goal area for Fiscal Year 2020.

**Item 6 – Public Comment**

Elaine Hebard provided comments.

**Item 7 – Adjournment**

The meeting concluded at 6:10 pm.