



AGENDA ITEM III.1b

Public Hearing
Approved Minutes
October 10, 2011

District Attendees

Randy Marx	Board President
Timothy Healey	Board Vice President
Daniel Gilliam	Board Member
Lonny Gossett	Board Member
Misha Sarkovich	Board Member
Tom R. Gray	General Manager
Michael Nisenboym	Operations Manager
Shawn Huckaby	Operations Superintendent
Chi Ha-Ly	Finance Manager

Other Attendees

See listing at District office (10326 Fair Oaks Blvd.)

Absent

AGENDA ITEMS

A. CALL TO ORDER PUBLIC HEARING ON PROPOSED 2012 WATER RATES & FEES

President Marx called the meeting to order at 6:30 p.m.

B. STAFF PRESENTATION ON PROPOSED 2012 WATER RATES & FEES

- General Manager Gray provided a presentation on the proposed water rates. The breakdown of the proposed charges between fixed portion and commodity portion is 59% and 41% respectively. The new commodity rate will be \$0.83 cents for all customers. The fixed service charge will be based on meter size. Over 90% of the District's customers have 1-inch meter services. The District is proposing an 18% reduction of the bi-monthly fixed portion from \$65.10 to \$53.53.
- Total District revenue with the proposed rate structure would increase by approximately \$730,000 from 2011 estimated to 2012 projected. This is an increase in overall revenues of 9%.

- With the new rate structure, the District charges for water services are in a mid-range compared to rates charged by other water utilities.

C. PUBLIC COMMENT ON PROPOSED 2012 WATER RATES AND FEES

- **The following summarizes the overall public comments:**
 - i. The District should not increase rates.
 - ii. The District should increase incrementally.
 - iii. The District should look into tiered rates.
 - iv. The District should find a way to level the bills throughout the entire year (average billing).
 - v. The District should delay the rate increase for one quarter allowing time for customers to adjust.
 - vi. The District should not increase, but rather decrease now that the meter implementation is complete.
 - vii. The District should find a way to accommodate the customers with financial needs.

D. BOARD DISCUSSION AND POSSIBLE ACTION ON FOWD RESOLUTION NO. 11-06: “A RESOLUTION ESTABLISHING 2012 WATER RATES AND FEES”

- The Board stated that it will consider the public comments received tonight and will review the letters from customers. The Board stated that this rate adjustment action will be deferred and will be continued to a Public Hearing in two weeks (October 24, 2011).

E. CLOSE PUBLIC HEARING ON PROPOSED 2012 WATER RATES AND FEES

- Board president Marx thanked everyone for their attendance and input.
- With no further business to come before the Board, President Marx adjourned the public hearing at 10:06 p.m.

The Board approved the preceding minutes on November 14, 2011

Tom R. Gray
General Manager/Board Secretary

Date