

**COMMUNITY ADVISORY COMMITTEE MEETING MINUTES
OF THE
FLORIN RESOURCE CONSERVATION DISTRICT/ELK GROVE WATER DISTRICT**

Tuesday, January 22, 2013

Attendance:

Committee Members Present: Linda Amelia, Bob Gray, and Karen Smith

Associate Directors Present: Donald Menasco

Staff Present: Mark J. Madison, General Manager; Dennis Coleman, Finance Manager; Stefani Phillips, Board Secretary; Bruce Kamilos, Associate Civil Engineer; Donella Ouellette, Finance Supervisor; and Ellen Carlson, Management Analyst

Consultants Present: Habib Isaac and Carlos Villarreal
Willdan Financial Services

1. 2012 Water Rate Study Review

General Manager Mark J. Madison advised the Community Advisory Committee that he was pleased with the progress of the 2012 Water Rate Study.

Habib Isaac, Willdan Financial Services, presented the 2012 Water Rate Study Review. Topics of discussion included:

Adjustments to Rate Analysis

- Consumption adjustments
- Revenue check
- Residential non-metered accounts
- FY 2012-2013 consumption projection
- Revised proposed rates for each scenario (fix/variable split)
- Customer impact based on usages levels

Comments, questions and answers include:

- A concern was expressed regarding customers on a fixed income that may pay their bill; felt that the fixed cost is too high.
- A question was asked regarding the percentage of individuals that will complain of increase with Scenario 1.
 - Depends where the customer is in the spectrum (summer vs. winter). They will need to be using more than 36 units of water. However, Mr. Isaac stated he will follow up with specific information.
- A question was posed regarding Scenario 1- What percentage of consumption is lost due to customers not using tier 3?

- About 10% consumption as reduction in revenues.

The CAC held a brief discussion regarding their preferred option between Scenario 1 and Scenario 2.

Mr. Madison is pleased with Willdan for working hard to bring the water rates down.

Mr. Isaac noted that refinancing is not an option until the Rate Study is completed.

Mr. Isaac recommended Scenario 2.

Mr. Madison states that Scenario 2 seems to be more balanced.

Mr. Madison stated the multi-family classification is still under review as there is not quite enough data.

The majority of the CAC preferred Scenario 2.

2. Connection Fees

Carlos Villarreal, Willdan Financial Services, presented the Connection Fee Study overview.

Mr. Madison provided background on the Districts methodology. He stated that staff and consultants will look at the meter charge and the water capacity fee.

Mr. Madison informed the CAC that the 2012 Water Rate Study will be presented to the full Board on April 24th, 2013, for tentative approval.

Follow-up items:

- Mr. Madison assured the CAC that Staff would email them the Urban Water Management Plan and the staff report and materials regarding the Water Capacity Charge that was initially addressed in 2003.

Respectfully submitted,

Stefani Phillips

Stefani Phillips, Secretary

SP/mcn

Adjourn to next Community Advisory Committee Meeting on February 19th, 2013.