

WATER DISTRICT 19
BOARD OF COMMISSIONERS MEETING
Tuesday, July 17, 2018

SPECIAL MEETING 4:00 PM

A Special Meeting of the Board of Commissioners was held in the district's board room. **President Bob Powell** called the Special Meeting to order at 4:03 PM. Those also in attendance were **Commissioners Jenny Bell** and **Seth Zuckerman**, **General Manager Jim McRae** and **Office Administrator Melody Snyder**. The purpose of the Special Meeting is to discuss the 2018-19 rate survey proposal presented by Katy Isaksen, Katy Isaksen & Associates and other business as necessary. The Vashon Beachcomber and The Loop were notified in advance of the Special Meeting.

• **RATE STUDY PRESENTATION**

- Katy Isaksen – Utility Financial Planning Board Presentation – Katy presented the updated consumption analysis with real numbers that match the current plan. She went over a few key factors for raising rates/minimum fees and the reasons the district needs to do so. Discussions included: percentage to increase the minimum base rate to help offset the Capital Improvement Plan (CIP) funding, more efficiencies on the usage rate versus the base rate, penalties for customers going over the ERU usage (6000 cf), rate structure based on zoning, Agriculture rate structure, adopting rates for multiple years for program stability, possible CIP surcharge and adding the water rate step tiers on the billing statements. Also discussed: a minimum rate would have been \$68.72 had the district adjusted for inflation, changing meter sizes for commercial customers based on their consumption and grandfathering peak day planning figures.

• **BOARD – ACTION REQUIRED**

- *Additional information required for tonight's topics?*
- Conservation Rates Development
- Capital Improvement Plan – recalculate % increase for delaying the CIP by one year
- Water System Plan – Borrow for 1st set of CIP projects
 1. Vashon Highway
 2. Well Improvement
 3. 20 year bonds

• **BOARD – DISCUSSION/TABLE/MORE INFORMATION**

- A General discussion on capital needs, plus Operating & Maintenance,
- Quick review of CIP and reordering/changing the timing of projects,
- Further discussion on the roll out of a conservation rate structure

• **Meeting concluded at 7:21 PM**