



**Joint Committee on Austin Water Utility's Financial Plan  
April 30, 2014  
Waller Creek Center, Room 104  
625 East 10<sup>th</sup> Street  
Austin, Texas**

For more information go to: <http://austintexas.gov/department/joint-subcommittee>

**AGENDA**

**Water & Wastewater  
Commission Members**

Mickey Fishbeck (Absent)  
Chien Lee, P.E.

**Resource Management  
Commission Members**

Sean Kelly  
Luke Metzger

**Impact Fee Advisory  
Committee Members**

Kris Bailey  
J.R. (Hank) Kidwell  
Brian Rodgers

**Staff in Attendance:**

David Anders, Assistant Director, Daryl Slusher, Robert Rowan, Michael Castillo, Jane Burazer, Jason Hill, Sonia Stefaniw, Ron Bedinghaus, Bart Jennings, Amy Hunter, Rick Coronado, Chris Chen, Kristi Fenton, Songli Floyd, Henrietta Melgar, Dan Wilcox and Chevonne Pullen

**Additional Attendees:**

Citizens: David Foster, Dina Cannon, Raymond M. Lopez, Jr., Donna Howe, Brenda Richter

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**A. CALL TO ORDER**

Chair Fishbeck called the meeting to order at 6:03 p.m.

**B. CITIZEN COMMUNICATION**

1. David Foster described that it is not the conservation programs that is causing the need to discuss higher rates, but the growing scarcity of water driven by climate change coupled with the population growth in Austin. Studies show conservation is the most cost-effective method of meeting future water needs. Would like the committee to remember the citizens of Austin have rightly decided that as a community as a priority we need to protect the sources of our water.
2. Ross Smith encouraged the Commissioners to remember that law stated that in a Drought everyone shares in the suffering of a drought. Encouraged the

**Commissioners to look at creative metering as a way to deal with the issue. Split metering for indoor and outdoor use to make it fairer. For example, separating what people use for cooking and cleaning on one meter to placing water used for watering grass on a separate meter.**

- 3. Donna Howe spoke briefly on the rate design issue versus Austin Water Utilities request for a larger budget. Decrease in AWU revenue is a rate design issue not a conservation issue. Mrs. Howe describes how AWU cost should be driven lower due to the drought because the cost to treat less water should go down if there is less water to treat. Her second issue of discussion is the funds transferred out from the Water Utility. She urges the Commissioners to seek answers to the 21% increase in the Treatment budget and request a 10% decrease in the AWU budget across the board.**

### **C. APPROVAL OF MINUTES**

**Luke Metzger moved to approve the minutes. Chien Leer 2<sup>nd</sup> the motion to approve them. Vice-chair Bailey, Commissioner Kelly, Commissioner Rodgers, and Commissioner Kidwell approved the minutes. Chair Fishbeck did not participate in the approval of minutes since she was absent on April 23, 2014.**

### **D. DISCUSSION ITEMS FOR COMMITTEE'S REVIEW:**

**David Anders provided short description on discussion items including new Forecast Option Summary 7 and 8, along with a new Rate Design Option 8 for review. David reviewed the handouts provided to the Commissioners to reference during the meeting including an updated Evaluation Matrix ranking "Option 8" as the highest-ranked option at this time and the base option, which is the 2012 Joint Committee recommendation, is now ranked 6<sup>th</sup> out of 9.**

#### **1. Handout Summary**

- a. Presentation**
- b. Forecast Option Summary 7 and 8**
- c. Rate Design Option 8**
- d. Evaluation Matrix**
- e. Drought Surcharge Options Summary**
- f. Drought Rate Options Summary and Options 1-5**
- g. Dallas Drought Contingency Plan**
- h. Fluoride Resolution No. 20111215-011**
- i. Q&A Responses**

### **E. REPORTS BY COMMITTEE**

**None**

### **F. VOTING ITEMS FROM COMMITTEE**

**None**

**G. NON VOTING DISCUSSION ITEMS****1. Chair Fishbeck motioned to hold Straw Polls on several topics:**

- a. Straw Poll 1: Those in favor of keeping the Joint Committee's 2012 recommendation, which is the Base Option as the current rate? [Item D (2 of 3) 63:27]**
  - i. Straw Poll vote: 7 to 0 in favor**
- b. Straw Poll 2: Committee members who are comfortable with Drought Rate Option 1. [Item D (3 of 3) 18:01]**
  - i. Straw Poll vote: 5 to 2 in favor**
- c. Straw Poll 3: Implementation of the Drought Rate as stated on slide 46, with the removal of the last bullet point. [Item D (3 of 3) 30:10]**
  - i. Straw Poll vote: 7 to 0 in favor**
- d. Straw Poll 4: Provisions to remove the Drought Rate based on slide 47, with the revision of bullet 2 "When revenue losses are recovered or ending at the end of the FY, plus one month." [Item D (3 of 3) 40:21]**
  - i. Straw Poll vote: 5 to 2 in favor**

**H. STAFF BRIEFINGS, PRESENTATIONS, AND OR REPORTS**

- 1. Drought Rates**
- 2. Expense Review**

**David Anders presented Austin Water Utilities Drought Rate presentation that included a new Forecast Option Summaries 7 and 8 along with Drought Rate Option 8. David also directed the Commissioners to review the expense reports provided in the handouts section in preparation for Meeting 4 with specific attention called to the updated "Evaluation Matrix" from the 2012 Joint Committee meetings.**

**I. FUTURE AGENDA ITEMS**

- 1. Drought Rates**
- 2. Expense Review**
- 3. Forecast and Rate Design Options**

**J. ADJOURN**

**Chair Fishbeck adjourned the meeting at 9:27 p.m. without objection.**