



RAG Meeting #1 Notes Summary: May 28, 2025

- **Introductions**
 - Consultant team
 - Staff
 - Participants
 - Half the group has been involved in a rate advisory group before, the other half has not
 - Half the group is on non-potable water for irrigation, the other half is on potable water for irrigation
- **Public Access to RAG Meetings**
 - Request from BOT members to review option for opening the RAG meetings to the public
 - Recorded / Streaming
 - Physical attendance to listen, but not able to participate
 - Original invitation to participate did not identify the meetings as open
 - Want to ensure RAG member privacy and protection - they are volunteers, not elected officials, and we want this to be a safe space to ask questions, share experiences, and have good discussion
 - Most members were open to the idea with some reservations (possible disruption to current format, meetings would need additional structure, some okay with in-person but not recorded, or vice-versa)
 - One member expressed a desire for there to be a way for non-RAG members of the community to submit questions/feedback for consideration
 - One member expressed concerns due to past experiences with backlash (e.g., being stopped at the grocery store by upset residents)
 - RAG members submitted their preferences for open vs closed meetings via non-identifying checkbox ballot
- **RAG Responsibilities (Charter Discussion)**
 - Some confusion among RAG members about their role in the process and the scope of changes under consideration
 - In-depth discussion on the purpose of the study and the RAG. Several members spoke to the fact that the previous stakeholder group recommended significant rate structure changes and presented those to the BOT, and believed this group should have the same ability.
 - One member elaborated that the community and utility had been "shooting from the hip" for a number of years. Including the significant rate change that went into effect in 2020 to "staunch the bleeding" from the Water Fund. The 2022 Rate and Fee Study was a thorough and comprehensive review to bring the Town's utility rate setting practices in-line with industry best practices.



- The consultant team clarified the RAG's role is to advise the consultants, while the consultants and Staff will be responsible for making recommendations to the BOT
- Staff acknowledged the importance of providing the RAG an opportunity, if they so choose, to present their recommended changes and rationale to the BOT
- The discussion was lengthy and adoption of a Charter was tabled to the first agenda item at the June meeting to allow for the meeting to move forward and review the packet materials
- Staff committed to sending out a word version of a proposed charter to all members for review and to propose changes
- **Rate Design & Cost-of-Service Overview**
 - Presented on the basics of rate design and cost-of-service methodology
 - Reviewed pricing objectives, including objectives from the 2022 Study, objectives highlighted by the BOT, and solicited feedback from the RAG on potential modifications/additions to pricing objectives for this Study
 - Several clarifying questions were asked by RAG members
 - Example: One member questioned why chemicals would cost more at peak production times
 - Clarified that tiered volumetric water rates are predominantly based on peaking factors and how the customer class uses water, and how that translates into infrastructure needs. Not on variable costs like chemicals.
 - Reviewed single-family residential water usage trends
 - Discussed the discrepancy in winter water use (what is thought of as essential use) between residential customers
 - "High user" profile using 10K gal/month while "low" and "average user" profile using ~4K gal/month
 - The high user is paying ~\$150 for their essential water use, and everyone else is paying ~\$70 for their essential water use
 - Discussed the need to address this imbalance
 - One member "I'm happy to pay an extra \$10/month so my neighbors can afford their water bill"
 - Another member was unsupportive of an increase in their bill so another resident could pay less per 1,000 gal and use more
 - No questions were asked that needed follow up