

Comments to Sweetwater Authority Board of Directors Special Meeting  
September 24, 2019

Good afternoon. I am Dave Schlesinger speaking on behalf of the Sweetwater Ratepayers Association (SARPA). First, your Board is to be congratulated for directing staff to educate those members not familiar with the current process of Board Adopted Water Rates and Proposition 218 Process. I assume this is anticipation of changing or updating water rates and charges to reflect current conditions and goals of this Board. Secondly for those Board members not familiar with the rate setting process it is complex. It relies on future projections of revenue, rainfall, inflation, population, MWD/CWA pass thrus, and a myriad of other issues. The last water rate study was produced by Raftelis Financial Consultants in June 2018. Raftelis is one of many consultants who provide these services to water agencies across the country. Raftelis purports to base their methodology on principles contained in the American Water Works Association M-1 Manual. However Raftelis is quick to point out that each agency is different...many significantly so. This is where the subjectivity comes into play. Consultants are strongly influenced by direction given by staff. Why not?....they want to be back for future consultant work! Listen carefully to what you hear today...Prop 218 requirements, readiness to serve charges, tiered water rate structure, separate charges to customers for wholesale charges that were previously embedded in the Authority rate structure, inflation indexes, and the necessity for a Rate Stabilization Reserve among other issues. Ask questions on what you will be asked to vote on at tomorrow's regularly scheduled meeting. Above all remember the principle..."Proportionate allocation of costs for providing service".

Thank you.