

Comments to Sweetwater Authority Board of Directors Meeting  
September 25, 2019

Good evening. My name is Dave Schlesinger. I am speaking on behalf of the Sweetwater Authority Rate Payers Association (SARPA). As a follow on to your Special Board meeting last night I would like to address 4 questions to the Board:

Question #1: The Raftelis Rate Study in 2010 developed a Readiness to Serve Fee of \$39.50 per residential rate payer. The current 2019 Raftelis RTS fee is \$18.73. This resulted in a reduction of \$4,548,882 in annual revenue to the Authority. How is that lost revenue being recovered?

Question #2: Authority staff continually states that rates are among the most affordable in the 23 water agencies in SD County. They are referring to the ratepayer who uses 8 HCF per billing period (Tier 1). SWA ratepayers who use 20 HCF per billing period (Tier 3) have the 9<sup>th</sup> highest rates of the 23 local water agencies. SWA Ratepayers who use 40 HCF (Tier 4) have the 4<sup>th</sup> highest rates of the 23 local water agencies. Why are the Tier 3 and 4 rates so high if the Tier 1 rates are so low?

Question #3: At a Board meeting last month staff displayed a map by District showing the source of water supplies for the respective District ratepayers. District 5 is shown to use 100% water supply from the Reservoir. Other Districts are shown to have supply from NC wells and groundwater desalination. Raftelis Table 6-4 shows average year water sources and costs. Costs of supply and treatment for reservoir water are significantly cheaper (\$244/AF) than groundwater desal (\$411/AF). If pass thru costs from CWA/MWD are equally shared by all ratepayers should not District 5 ratepayers be charged less for their water supply?

Question #4: SWA paid consultant Koff & Associates \$110,000 for various organizational studies of the Authority workforce. The final reports were delivered in 2018. Among other findings the salary and benefits for SWA employees were found to be 8% higher than similar employees at selected local water agencies. The current estimate for annual salary and benefits averages \$190,000/employee based on the latest budget approved by the Board. What actions are the Board contemplating to bring this salary and benefit issue back in line with other local water agencies?