

# 30Sep21 Special meeting

Thursday, September 30, 2021  
5:20 PM

## AUSTIN COUNTY WATER SUPPLY CORPORATION Monthly BOARD MEETING MINUTES

**DATE: 30Sep21**

**STARTED: 1800**

**ADJOURNED: 1930**

BOARD MEMBERS	Until	PRESENT	ABSENT	Email	position
Dana Minnaar		<input type="checkbox"/>	<input checked="" type="checkbox"/>	danam@industrytelco.com	
Clint Wills	2023	<input checked="" type="checkbox"/>	<input type="checkbox"/>	clintwill@yahoo.com	
Tony Krueger	2024	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<a href="mailto:thekenneystore@yahoo.com">thekenneystore@yahoo.com</a>	
DEAN CAREY	2023	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Dwcarey459@gmail.com	Sec.
JOSEPH REYNOLDS	2022	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<a href="mailto:acwpresident@gmail.com">acwpresident@gmail.com</a>	Pres.
SHARON VALIANTE	2022	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Savaliante@yahoo.com	VP

<b>Receive comment for corporation members</b>	<b>Comments:</b> <b>No members other than board members present.</b>
<b>Guest: Paul D. King / Circuit Rider for TRWA</b>	<b>Presented his proposal for increasing our revenue based on a Tiered type approach. Refer to his report for details.</b>

### All Business Discussions:

<b>Topic</b>	<b>Discussion. Note:: Quorum is not present. All votes for motions made below will be circulated via email and tabulated the same way.</b>
Special meeting held to review and approve proposed rate structure and rates	We are not bringing in enough revenue. Simple as that. Must increase rates. Tonight's discussion centered around that. Plan we're proposing will bring in an additional \$353k/yr. It includes a progressive charging structure (inclined block rates). We believe this will get us where we need to be.

	<p>The numbers presented included the cost of a GM. Should be close enough to get us there.</p> <p>We realize we need grant money.</p> <p>We need to get to know the county judge and the commissioners and meet with them.</p> <p>This plan will impact the minimum users the most.</p> <p>Current capital financing is roughly included in this plan.</p> <p>Expansion capital is not. Further expansion must come from either our own reserves or from grants.</p> <p>We need to begin rebuilding our 'replacement reserve' immediately.</p>
	<p>Progressive rate structure. First 2000 gal rate is X. Next 4000 gal is Y. Next 10,000 gal is Z, and so on.</p>
	<p>Pulled all of his data from the director's report and meter readings (usages) and expense reports (costs).</p>
	<p>Reviewed what we should be charging for the larger meters. We'll offer to resize those larger meters for those customers who do not want to pay for the larger meter at the new rates we are going to impose. Refer to the "systems meter data sheet" for this info. And breakdown.</p>
	<p>New customers as they buy in, they will be charged the 'equivalent' meter size. Our equity buy in fee is \$1500. For example for a 2" meter the equivalent size is 8 meter equivalents. The equity buy in fee will be <math>\\$1500 \times 8 = \\$12000.00</math>. The most common by far is a meter equivalent of 1, so most of our customers will pay an equity buy in fee of <math>\\$1500 \times 1 = \\$1500.00</math></p>
	<p>The "water sold work sheet": currently we are charging \$12/thousand across the board regardless of amount used. The tiers break this up a little bit. This is also a progressive system. The more used, the more charged / thousand. First 2000 gal charged at \$8.50/thou. Next 4000 gal charged at \$9.50/thou, and so on. These rates will cover the variable costs due to pumping which is \$505k</p>
	<p>The fixed costs will be covered by the minimum monthly meter equivalent of \$49/meter/month. This is just enough to cover current fixed costs as detailed on the "Revenue Requirement Rate Spreadsheet". There will be some meters that drop out. We will have to review and adjust this minimum rate and balance against our costs annually.</p>
	<p>If we had been charging adequately, we would not have to do this.</p>
	<p>The tarriff will be updated with this rate structure and submitted at the next board meeting for approval and it will then be adopted and sent to PUC</p>

