



PROJECT 2030 WATER MAIN REPLACEMENT



Customer Advisory Committee Meeting #6 Summary

Tuesday, March 19, 2019, 6:30-9:30 pm

INTRODUCTION

Richard Moses, Vice Chair of the Customer Advisory Committee (CAC), called the meeting to order at 6:32 p.m. After welcoming the members of the CAC, he turned the meeting over to Laura Mason-Smith, the CAC meeting facilitator, who reviewed with the CAC the **Meeting Agenda**:

1. Introductions
2. Public Comment
3. Approve minutes of February 26, 2019 CAC Meeting #5
4. Identify the top two Spending/Funding Alternative recommendations for market research
 - Background information and general considerations
 - Working group assessment and identification of their initial top two Spending/Funding Alternatives
 - Whole group discussion and final identification of the top two Spending/Funding Alternatives for market research
5. Research Primer
6. Public Comment
7. Next Steps
8. Close

Laura reiterated that meeting materials are provided electronically to the CAC members in advance of and following their meetings and are posted on the CHWD website, [Customer Advisory Committee Section](#). In addition, meeting summaries that provide an overview of each of the CAC meetings as well as a video of the meetings are posted to the website to be available to the CAC members and the general public.



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ATTENDEES

CAC Members:

Kimberly Berg	Commercial Representative
Julie Beyers	Residential Representative
Ray Bohlke	Residential Representative
Deborah Cartwright	Residential Representative
Patti Catalano	Residential Representative
Katherine Cooley	Institutional Representative
Suzanne Guthrie	Residential Representative
Andrew Johnson	Residential Alternate
Doug MacTaggart	Residential Representative
James Monteton	Residential Representative
Richard Moore	Residential Representative
Richard Moses	Residential Representative and CAC Vice Chair
Mike Nishimura	Commercial Representative
Aimee Pfaff	Residential Representative
Chris Ralston	Institutional Representative
Ray Riehle	CHWD Director

Unable to attend were:

Wes Ervin	Commercial Representative
Michael Goble	Residential Representative
Bren Martinez	Residential Representative
Dave Mitchell	Institutional Representative
Jenna Moser	Residential Representative and CAC Chair
David Paige	Residential Representative
Peg Pinard	Residential Representative
Cyndi Price	Institutional Representative
Javed Siddiqui	Residential Representative
Noe Villa	Institutional Representative

CHWD Staff:

Chris Castruita	Management Services Supervisor/Chief Board Clerk
Tamar Dawson	Assistant Engineer
Paul Dietrich	Project Manager
David Gordon	Operations Manager
Madeline Henry	Management Services Specialist/Deputy Board Clerk
Rex Meurer	Water Efficiency Supervisor
Jeff Ott	Principal IT Analyst
Missy Pieri	Engineering Manager/District Engineer
Alberto Preciado	Accounting Supervisor/Assessor/Controller
Susan Sohal	Administrative Services Manager
Hilary Straus	General Manager

Consultants:

Andrew MacDonald	Harris & Associates
Steve Winchester	Harris & Associates
Roger Kohne	Harris & Associates
Habib Isaac	Raftelis Financial Consultants, Inc.
Charles Hester	Godbe Research
Laura Mason-Smith	Mason-Smith Success Strategies



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PUBLIC COMMENT

There was no public comment.

APPROVAL OF FEBRUARY 26, 2019, CAC MEETING #5 MINUTES

The minutes of the February 26, 2019, CAC Meeting #5 were unanimously approved without comments or changes.

SPENDING AND FUNDING ALTERNATIVES ASSESSMENT

Background Information

Project 2030 Manager Missy Pieri reviewed the 2019 CAC Meeting Schedule, progress to date, and the topics for the upcoming CAC meetings ([please see the CHWD Website section on Project 2030 CAC Meeting #6 for the slide presentation detail](#)).

Top 5 Spending/Funding Alternatives and Additional Considerations

Andrew MacDonald and Habib Isaac reviewed the Top 5 Alternatives selected by the CAC at the February 26, 2019 Meeting #5 and provided additional information related to the Alternatives for CAC consideration:

- System replacement levels by decade
- Spending/Funding overview
- Prefunding overview and components
- Proposition 218 requirements
- Historical data and projections

Assessment of the 5 Spending/Funding Alternatives

CAC members moved into four table groups to utilize both hard-copy and computer based information and analyses to assess each of the remaining 5 Spending/Funding Alternatives. After extensive discussion, CAC members identified their initial individual Top 2 Alternatives, and table spokespeople then reported out on the results of their table-group discussions and assessments.

Each CAC voting member then cast their votes for their final Top 2 Spending/Funding Alternatives which will move forward for market research. At CAC Meeting #7, the market researchers will report on the research results.



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Spending/Funding Alternatives Moving Forward For Market Research

Alt #	Funding Description	Project Cost-- 2018 \$ Millions	Annual Spending 2018 \$ Millions	% of System Replaced by 2080 (50 years starting in 2030)	Total Votes
5.4	Prefunding, with Debt	390	7.8	72%	11
6.4	Prefunding, with Debt	480	9.6	89%	8

RESEARCH PRIMER

Charles Hester, with Godbe Research, provided an informative overview of the market research process related to the two potential Spending/Funding Alternatives. A question and answer period also occurred after the overview to answer any CAC questions.

CAC PROCESS AND LOGISTICS OVERVIEW

The CAC reviewed the updated schedule of 2019 CAC meetings ([see the CAC Document Library on the website for the schedule graphic](#)). These after-dinner meetings and the high-level topics anticipated for each of the meetings are shown below.

Workshop #7: June 11, 2019, 6:30-9:15 pm, Citrus Heights Community Center

- Review Market Research Results
- Develop Final Recommendation to the Board
- Review Implementation Plan Process

Workshop #8: September 10, 2019, 6:30-9:15 pm, Citrus Heights Community Center

- Review Implementation Plan
- Review Final Board Recommendation



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CAC MEMBER CLOSING COMMENTS

The CAC members indicated what they were taking away from the Meeting as:

1. It's been really interesting to see the collaboration and how everyone has participated.
2. At our next meeting, it will be really interesting to see the research results.
3. This process has been so empowering for the CAC members.
4. I really appreciate this well-thought-out process.
5. It's been great to have such effective resources for our team's work.
6. I've really appreciated hearing other teams' thoughts too.
7. Looking back at the numbers, I'm comfortable with where the process is going.
8. It will be interesting to see the survey results.
9. I've been so happy to be armed with good information to be able to combat any resistance to this process in the community; now I will have good information to share.
10. I am so happy to be part of this process and learn from others.
11. It's so interesting to see and hear each other's reasoning.
12. I'm really looking forward to our next meeting.
13. Our CAC member votes seemed to align.
14. Any time there is a rate increase, people may not understand, but there are so many of us involved that I think there is a better chance for productive results.
15. I have LOVED this process, and I've learned a lot.
16. I came in not liking debt, but I learned that responsible debt gives the District flexibility, and I'm very comfortable with responsible debt now.
17. I've learned so much, and it's been an exciting and interesting process.
18. It's interesting to learn what goes into doing effective market research.
19. Through this process, we are being educated for life!
20. I am thankful for the thoughtfulness of this process and anxious for the survey results.
21. I appreciate everyone's participation and thank the staff for their preparation/assistance.
22. I've learned a lot from everyone, and I think we've done a very good job.

PUBLIC COMMENTS

None

CLOSE

CAC Vice Chair Richard Moses thanked the CAC members, District staff, and consultants for their participation and adjourned the meeting at 8:59 pm.