

Rates & Finance Sub Committee Meeting Notes
5/1/2014

Rate Proposal – There were no additional changes to the letter to the King County Council as there had been no substantive changes to the rate proposal since General MWPAAC approved the letter in late April. It should be noted that at this time, the Committee had not received a response from the Executive regarding the letter submitted in April on the rate proposal.

Executive's Sewer Rate Proposal Recap – Tim Aratani of WTD gave a presentation on the Executive's rate proposal. This same presentation had been given at the MWPAAC General meeting the previous week, but was cut short due to time constraints. The highlights include:

- 2015 Sewer rate of \$42.03/month
- 2015 Capacity Charge of \$57/month
- Operating expenses are increasing 6.5% in 2015 and 4.7% in 2016 due to implementation of the "Our Waters" program, planned increases in central charges chemical and electricity prices, 4 new FTE, and the Resiliency & Recovery Program review.
 - The "Our Waters" program is expected to have expenditures of \$2M in 2015 and \$2.1M in 2016, based on the 1.5% operating budget cap. A workgroup consisting of MWPAAC members and WTD staff has been convened to develop criteria for the program.
- Rate stabilization fund balance is utilized by the end of 2016
- The Resiliency & Recovery program will be implemented with two projects in 2015 – Interbay pump station forcemain repair and West Point primary sedimentation area roof structure evaluation.
 - The 2015 capital spending program increased compared with the 2014 adopted plan as a result of these two projects.
- Rate projections from 2015 – 2020 anticipate annual average increases of under 3% per year.

Questions? Jack Broyles, R&F Subcommittee Chair
Woodinville Water District