

**Rates & Finance Subcommittee Presentation
to MWPAAC General Meeting on March 26, 2014**

WTD Presentation to the Subcommittee regarding rates, significant budget changes for the biennium and discussion of new program.

Rates – The County presented the subcommittee with its proposed rate change. The increase of \$2.14/month per RCE represents an increase of 5.4% and is a two-year rate (2015 & 2016). The increase is less than originally projected, prioritizes disaster resilience and recovery, and acknowledges WTD’s requirements to comply with the CSO consent decree.

Changes – WTD is expecting increases in the cost of fuel and other energy over the biennium, along with higher debt-service requirements. These increases are partially off-set by larger than expected growth in new connections (capacity charges) and also a higher number of RCEs than expected.

In addition, WTD is proposing the addition of 15 FTEs. 11 FTEs will be funded through the capital program and will be focused on complying with the consent decree related to CSO. Four of the positions will be operations related. The additional headcount in operations give acknowledgement to the fact that WTD is facing a succession issue in the near future related to large scale retirements of long-term employees.

WTD is proposing the establishment of the “Our Waters” program. This program appears to be a replacement of the “Culver” program which was suspended pending outcome of legal challenges to it. Because the County did prevail on this issue, it is WTD’s desire to begin a replacement for Culver. The R&F subcommittee recognizes that this program is very likely to exist and is strongly advocating for a “seat at the table” in order to provide recommendations on the program and its expenditures.

Role of E&P Subcommittee – The R&F subcommittee has drafted a response letter addressed to County Executive Constantine which is being presented to the general membership of March 26, 2014. We are seeking input and direction on the final product.

**SOLICITATION FOR VICE-CHAIR OF
RATES & FINANCE SUBCOMMITTEE**

The R&F Subcommittee is asking for anyone who is interested in serving as Vice-Chair of the Subcommittee to contact Robert Tovar (Robert.Tovar@kingcounty.gov). The Vice-Chair would represent the Subcommittee at the Executive Board Meetings, the Subcommittee Meetings, and the General Meetings if the Subcommittee Chair is unable to attend. It is a great way to be more involved in MWPAAC and become better informed with minimal duties!

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