

PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

Study Session

Thursday May 27, 2021 at 3:00 p.m.

PSWID Administrative Office

6306 W Hardscrabble Rd.

Pine, AZ 85544

1. CALL TO ORDER

Alan Kleinman called the meeting to order at 3:00 p.m.

2. PLEDGE OF ALLEGIANCE Led by Alan Kleinman

3. PRAYER Offered by Larry Bagshaw

4. ROLL CALL OF BOARD MEMBERS

Conducted by Alan Kleinman: Board members present: Sharon Hillman, Larry Bagshaw, George Gorkowski, Raymond Headings, Tammy Albright, and Alan Kleinman. A quorum was present. Paul Hendricks, EUSI, was also present as was Karl Pennock from RCAC.

5. CALL TO THE PUBLIC None

6. RCAC RATE STUDY INFORMATION Karl Pennock from RCAC went over what they were doing to conduct the district's rate study. He covered the methodology that was used. It is based on setting the district's rates based on water meter sizes and the usage and base rates. It should be fair, justifiable, and easy to implement covering a 5 to 6 year horizon with an annual review. The rates should provide adequate revenue to meet current and projected needs, including funding for key reserves, and also including consideration of the \$23 million in proposed USDA funding. There is currently an imbalance in the current fixed rate based on meter size. Fixed costs comprise about 90% of the system's overall expenses. An opportunity exists to adjust rates based on capacity demand. The timeline for the completion of the study will be extended so that the new general manager can offer some input. Board members were interested in the gpm demand for the various meter sizes compared to our current gpm delivery.

7. MOTION TO ADJOURN. Larry Bagshaw moved the meeting be adjourned. Sharon Hillman seconded the motion. The motion carried unanimously.