

**WATER & SEWER COMMISSION  
MINUTES OF MEETING HELD AUGUST 4, 2014  
PUBLIC WORKS SERVICES CONFERENCE ROOM  
155 WEST 14<sup>TH</sup> STEET  
YUMA, AZ 85364**

**Chairman Mohindra** called the meeting to order at 5:00 p.m.

**MEMBERS PRESENT:** Vinod Mohindra  
Luis Acle  
Lorna Brooks  
Kathleen Carroll  
Brian Ewing  
Alan Pruitt  
Michael Wicks

**GUESTS PRESENT:** Dan Jackson, Economist.com

**STAFF PRESENT:** Jay Simonton, Utilities Director  
Jeremy McCall, Utilities Division Manager  
Beatrice Dorries, Utilities Division Manager  
Donna Lennon, Administrative Assistant

**APPROVAL OF MINUTES**

**Brian Ewing** made a motion to approve the July 7, 2014 minutes, seconded by **Kathleen Carroll**. Motion carried unanimously.

**Winterhaven Water District Sewer Forcemain Problems Update**

**Jay Simonton** stated the problem with the Winterhaven force main has been corrected by replacing approximately 1/3 of the pipe. They are up and running.

**Aqua Viva Taste and Odor Complaints Update**

**Jeremy McCall** explained about the musty smell issues generated at the Agua Viva Plant. The problem was found to be a source water problem with the water coming in from the canal. It was caused from elevated levels of Geosmin, an algae issue. It is believed to have been caused from the cycles in the Colorado River due to the flooding that disturbed the sediment in the river, which happened earlier this year. There is no musty smell at present. Staff is looking into how to best prevent this problem in the future.

## **Preliminary Rate Study Presentation (Economist.com)**

**Jay Simonton** handed out a “Rates and Fees Timetable” showing the timeline for the rates study from presentation to adoption by City Council, with implementation on January 1<sup>st</sup>, 2015.

**Jay** introduced **Dan Jackson** of Economist.com. The last rate study was done by Economist in 2006. **Dan** gave a very informative presentation on the preliminary water/wastewater rate study. He presented the rate plan objectives, current rates and rate comparisons, discussed customers and volumes, critical forecast assumptions, forecast cost of service, and listed rate scenarios.

Average utilities have been increasing their rates 5-6% per year and many utilities have rates in place that do not cover their costs. The City has not increased their rates since 2008. The study presented a gradual rate increase over the next 5 years with an approximately two to three dollar increase over the next two years and a 2% increase in each of the last 3 years of the 5 year increase. It is never easy to ask rate payers to pay more, but a gradual increase over 5 years (long-term plan) should help to minimize the impact on the rate payers. The rate study is based on a projection of approximately 300 new accounts each year. Fixed rates versus variable rates were also presented. After much discussion over the rates, it was agreed by the Commissioners to set the rate study per a projection of approximately 200 new accounts each year with the ability to scale back.

There was also a discussion to include in the next presentation a scenario showing a variable residential sewer charge based on water usage.

**Dan Jackson** will update the charts on the rate study and re-present them to the Commissioners at the next meeting.

## **Director’s Report**

It was agreed by the Commissioners to have the next meeting on September 3, 2014 as the regularly scheduled meeting on September 1, 2014 is a holiday.

## **FUTURE AGENDA ITEMS**

Preliminary Rate Study Presentation Update – Economist.com

## **ADJOURNMENT**

The meeting was adjourned at 6:50 p.m.