

MEETING REPORT
WATER COMMITTEE
FRIDAY, NOVEMBER 13, 2009
1:00 P.M.

Directors: Ralph Retherford
Delbert Rotelli

Public: Ron Ringen
Scot Moody
Betsy Harden

Staff: Pete Kampa
Kelly Klyn

John Barnhart
Casey Prunchak

Review Request to Defer Payment of Capacity Charges for the Habitat for Humanity Project

Kelly Klyn reported that in June 2006, the developers of a 36-unit townhouse project on Parrotts Ferry Road entered into an agreement with the District to construct and transfer water and sewer facilities. Mr. Klyn explained that the agreement required their payment of capacity charges to mitigate impacts to the District's water and sewer facilities, however, the project was never completed, the performance deadline specified in the agreement has passed, and the property went into foreclosure. The Habitat for Humanity purchased the property and is requesting that they be allowed to pay the water and wastewater capacity charges at the time each dwelling is ready for service. Both the District's regulations and the agreement with the original developer require payment of the capacity charges prior to the District accepting the water and sewer facilities or providing service from the facilities. The amount of the water capacity charges for the 36 units at the time of the agreement was \$108,317 but increased to \$144,086 after the agreement expired. The wastewater capacity charge currently remains at \$71,136. Mr. Klyn noted that both water and sewer capacity charges are proposed to increase. The above fees do not include standard connection fees, or service to three commercial lots that were part of the original agreement.

Betsy Harden, Executive Director of the Habitat for Humanity responded to questions from the Committee and District staff.

Committee recommendation: Approve of request to defer payment of capacity charges for the Habitat for Humanity Project and place on the consent calendar for Board review and consideration at the December 8, 2009 Board meeting.

Review Request for Water Service by Twain Harte Community Services District to a Parcel Located Outside their Boundary

Kelly Klyn reported that the owner of a parcel located outside the boundary of Twain Harte Community Services District (T.H.C.S.D) is requesting water service from that District. Mr. Klyn explained that the nearest water main operated by T.U.D. is approximately 1,650 feet from the parcel, while a main operated by T.H.C.S.D. is approx. 185 feet away. Mr. Klyn noted that in previous similar requests, T.U.D. entered into an agreement regarding provision of service without annexing the parcel into their service area.

Scot Moody, General Manager of Twain Harte Community Services District responded to questions from the Committee and District staff.

Committee recommendation: Approve request from water service by Twain Harte Community Services District to a parcel located outside their boundary and place on the consent calendar for Board review and consideration at the December 8, 2009 Board meeting.

Discussion of Water Billing Policies and Practices Related to Multi-Residential Accounts

Kelly Klyn reported that the District provides water service to a number of multi-residential accounts, explaining that the District's regulations state that such customers are required to pay the monthly base rate and any surcharges times the number of dwelling units being served. Recently, District staff did a survey of the properties within the District's water service area using the county tax roll, which shows the number of dwelling units on the parcels. The tax rolls indicate that there are approximately 350 parcels with multiple dwelling units being served by the District. Currently, only 48 customers are being billed as multi-residential. The remaining accounts are being billed based upon the size of the meters, and many of these are 5/8" meters. Staff is currently proposing revisions to the water regulations.

Kelly Klyn distributed and reviewed a listing of multi-family meters, residential subdivision and financial impact to customers billed by number of units. Mr. Klyn noted that for the survey, the number of units on the parcels was based on county tax roll information.

Discussion ensued on various options for a possible discount on the base water rate and water usage to correct the method in which TUD charges multi-residential accounts.

District staff indicated that they would contact Dan Gallery to ensure that TUD meets all the Proposition 218 regulations in correcting the multi-residential accounts.