



CITY OF FULLERTON
WATER RATE STUDY AD-HOC COMMITTEE
MEETING MINUTES
August 29, 2018
Council Conference Room
303 W. Commonwealth Avenue
Fullerton, CA 92832

COMMITTEE MEMBERS PRESENT:

Gretchen Cox
Arnel Dino
Patrick McNelly
Jane Rands
Thad Sandford
Mark Shapiro

COMMITTEE MEMBERS ABSENT:

None

STAFF PRESENT:

Hye Jin Lee, Water Systems Manager / Assistant City Engineer

PRESENTERS:

Mark Hildebrand, Stantec/Hildebrand Consulting, LLC
Benjamin Stewart, Stantec/Hildebrand Consulting, LLC

CALL TO ORDER

The meeting was called to order at 8:00 a.m.

ACTION ITEMS

Mark Hildebrand and Benjamin Stewart from Stantec/Hildebrand Consulting, LLC presented the Water Rate Study Report, answered questions, and requested feedback from the Ad Hoc Committee on the future rate design and structure.

Staff Member Lee provided a brief presentation on Fullerton's Water System.

The Ad Hoc Committee Members discussed the presentations, provided comments, and asked questions of staff and the consultants.

The Ad Hoc Committee Members requested the following be provided at a later date:

- map of water main break locations,
- breakdown of proposed commodity and fixed costs,
- copies of the PowerPoint presentation and capital spending history,

- adjusted survey with figures more representative of the average user,
- chart showing water provider rate increases over the past several years, and
- comparison of Fullerton's water rates and Meter Equivalency Schedule with surrounding jurisdictions.

ADJOURNMENT

The meeting was adjourned at 9:34 a.m. The next meeting of the Water Rate Study Ad Hoc Committee is scheduled for Wednesday, September 19, 2018 at 8:00 a.m., location to be determined.



CITY OF FULLERTON
WATER RATE STUDY AD HOC COMMITTEE
MEETING MINUTES
September 19, 2018
Law Library
303 W. Commonwealth Avenue
Fullerton, CA 92832

COMMITTEE MEMBERS PRESENT:

Gretchen Cox
Arnel Dino
Patrick McNelly
Jane Rands
Thad Sandford
Mark Shapiro

COMMITTEE MEMBERS ABSENT:

None

STAFF PRESENT:

Hye Jin Lee, Water Systems Manager / Assistant City Engineer
Tiffany Foo, Associate Water Engineer

PRESENTERS:

Mark Hildebrand, Stantec/Hildebrand Consulting, LLC
Benjamin Stewart, Stantec/Hildebrand Consulting, LLC

CALL TO ORDER

The meeting was called to order at 8:08 a.m.

PUBLIC COMMENTS

Fullerton resident Tony Package commented on the need for understanding and clear communication between staff, consultants, City Council, and the residents of Fullerton.

CONSENT CALENDAR

MOTION made by Member Sandford, SECONDED by Member McNelly and CARRIED 6-0 that the Minutes of August 29, 2018 be POSTPONED to the next meeting of the Water Rate Study Ad Hoc Committee.

ACTION ITEMS

Mark Hildebrand and Benjamin Stewart from Stantec/Hildebrand Consulting, LLC

presented the Water Rate Study Report, answered questions, and requested feedback from the Ad Hoc Committee.

The Ad Hoc Committee Members discussed the presentation, provided comments, and asked questions of staff and the consultants.

Members agreed that a higher fixed cost is needed going forward; however, they wanted to look at the impact to rate payers and decided to discuss the issue in more detail at the next meeting with the consultants. Mr. Hildebrand agreed and suggested that they also discuss the rate scenarios and proposed tiers.

AGENDA FORECAST

The next meeting of the Ad Hoc Committee will be a study session, lead by staff, to discuss the current CIP prioritization schedule and proposed projects.

ADJOURNMENT

The meeting was adjourned at 10:18 a.m. The next meeting of the Water Rate Study Ad Hoc Committee is scheduled for Monday, October 1, 2018 at 8:00 a.m. in the Council Conference Room in City Hall.



CITY OF FULLERTON
WATER RATE STUDY AD HOC COMMITTEE
MEETING MINUTES

October 11, 2018

Law Library
303 W. Commonwealth Avenue
Fullerton, CA 92832

COMMITTEE MEMBERS PRESENT:

Gretchen Cox
Arnel Dino
Patrick McNelly
Jane Rands
Thad Sandford
Mark Shapiro

COMMITTEE MEMBERS ABSENT:

None

STAFF PRESENT:

Hye Jin Lee, Water Systems Manager / Assistant City Engineer
Michael O'Kelly, Director of Administrative Services
Tiffany Foo, Associate Water Engineer
Bob McVicker, Consultant

PRESENTERS:

Mark Hildebrand, Hildebrand Consulting, LLC/Stantec, Inc.
Benjamin Stewart, Stantec, Inc.

CALL TO ORDER

The meeting was called to order at 8:02 a.m.

PUBLIC COMMENTS

There were no public comments.

CONSENT CALENDAR

The Ad Hoc Committee Members agreed to postpone the August 29, 2018 and September 19, 2018 minutes to the next meeting of the Water Rate Study Ad Hoc Committee.

The Ad Hoc Committee Members agreed to approve advancing emergency generators on the Capital Improvement Program (CIP) water projects list from FY 2024-25 to FY 2020-21, per discussions from the CIP Project priority review meeting held on October 1, 2018.

REGULAR BUSINESS

1. ELECT CHAIR PERSON

MOTION by Member McNelly, SECONDED by Member Cox and CARRIED 5-0-1 (Dino absent) that Member Sandford be elected Chair of the Water Rate Study Ad Hoc Committee.

Member Dino arrived at 8:10 a.m.

2. FINANCIAL PLAN: RATE ADJUSTMENT SCENARIOS GIVEN DIFFERENT CAPITAL SPENDING LEVELS

Mr. Hildebrand and Mr. Stewart presented the various rate adjustment scenarios, answered questions, and requested feedback from the Ad Hoc Committee members. Member McNelly asked that the consultants include sample bills with each scenario to clearly demonstrate the financial impact on average users.

3. RATE DESIGN TOPICS

Mr. Hildebrand and Mr. Stewart provided a presentation and lead a discussion on the rate design, including a breakdown of costs, proposed changes to the Meter Equivalency Schedule, comparison of meter and fixed charges, and possible pass-through formula for Municipal Water District and Orange County Water District rate changes. Mr. Hildebrand and Mr. Stewart received feedback and answered questions from members of the public and the Ad Hoc Committee.

4. RATE STRUCTURE RECOMMENDATIONS

Mr. Hildebrand and Mr. Stewart received feedback from the Ad Hoc Committee Members on possible rate structures and noted that the discussion would continue at future meetings.

STAFF/COMMITTEE COMMUNICATION

Staff Member Lee announced her resignation and introduced Mr. McVickers.

In response to resident requests, Member Rands and Mr. Hildebrand suggested holding at least one Ad Hoc Committee meeting in the evening.

AGENDA FORECAST

1. CIP prioritization criteria
2. Selection of spending scenarios
3. Selection of rate strategies

ADJOURNMENT

The meeting was adjourned at 10:00 a.m. The next meeting of the Water Rate Study Ad Hoc

Committee is scheduled for Thursday, October 25, 2018 at 8:00 a.m. in the Council Conference Room in City Hall.



CITY OF FULLERTON
WATER RATE STUDY AD-HOC COMMITTEE
MEETING MINUTES
October 25, 2018
Council Conference Room
303 W. Commonwealth Avenue
Fullerton, CA 92832

COMMITTEE MEMBERS PRESENT:

Thad Sandford
Gretchen Cox
Arnel Dino
Patrick McNelly
Jane Rands
Mark Shapiro

COMMITTEE MEMBERS ABSENT:

None

STAFF PRESENT:

Yelena Voronel, Acting Director of Engineering
Tiffany Foo, Junior Engineer
Bob McVicker, Consultant
Kristi Nordell, Administrative Assistant

PRESENTER:

Benjamin Stewart, Stantec Inc.

CALL TO ORDER

The meeting was called to order at 8:05 a.m.

PUBLIC COMMENTS

Fullerton resident Tony Package noted that there have been many discussions on the state and federal level regarding California's water system, and the Ad Hoc Committee should be cognizant of the effect future changes may have on the City.

CONSENT CALENDAR

MOTION by Member Shapiro, SECONDED by Member McNelly and CARRIED 5-0-1 (Dino absent) that the Minutes of August 29, 2018 be approved as written.

REGULAR BUSINESS

1. CIP PRIORITIZATION CRITERIA

Staff Member Foo explained the CIP prioritization criteria and discussed the three options for capital spending (critical, select, and full).

2. SELECTION OF SPENDING SCENARIOS & RATE STRATEGIES

Items 2 and 3 from the agenda were presented at the same time.

Benjamin Stewart from Stantec Inc. presented the proposed spending scenarios and rate strategies, answered questions, and received suggestions from Ad Hoc Committee.

Ad Hoc Committee Members recommended various public outreach strategies and made suggestions regarding the presentation for the residents.

Mr. Stewart advised the Ad Hoc Committee of an alternative option to implement a new ordinance and rate increases for the next two years, with the intention of going through the Proposition 218 process again later, after the Water Master Plan has been updated. Staff discussed the timeline for a new Water Master Plan, and Mr. McVicker recommended that the Ad Hoc Committee not pursue the two-year, short term option.

The Ad Hoc Committee Members directed staff to research the feasibility of replacing nine miles of pipe per year and present the results at the next meeting.

STAFF/COMMITTEE COMMUNICATION

Staff Member Voronel, Acting Director of Engineering, introduced herself to the Ad Hoc Committee Members.

AGENDA FORECAST

The Ad Hoc Committee will review and select spending scenarios at the next meeting; Mr. Stewart will preview the presentation for the residents and receive feedback from Ad Hoc Committee Members.

ADJOURNMENT

The meeting was adjourned at 10:14 a.m. The next meeting of the Water Rate Study Ad Hoc Committee is tentatively scheduled for Thursday, November 8, 2018 at 8:00 a.m., location to be determined.



CITY OF FULLERTON
WATER RATE STUDY AD-HOC COMMITTEE
MEETING MINUTES
November 15, 2018
Council Conference Room
303 W. Commonwealth Avenue
Fullerton, CA 92832

COMMITTEE MEMBERS PRESENT:

Thad Sandford
Gretchen Cox
Arnel Dino
Patrick McNelly
Jane Rands
Mark Shapiro

COMMITTEE MEMBERS ABSENT:

None

STAFF PRESENT:

Tiffany Foo, Associate Water Engineer
Bob McVicker, Consultant

PRESENTER:

Mark Hildebrand, Hildebrand Consulting, LLC/Stantec, Inc.

CALL TO ORDER

The meeting was called to order at 8:03 a.m.

PUBLIC COMMENTS

There were no public comments.

CONSENT CALENDAR

MOTION by Member McNelly, SECONDED by Member Rands and CARRIED 5-0-1 (Dino absent) that the Minutes of September 19, 2018 be approved as written.

MOTION by Member Shapiro, SECONDED by Member Rands and CARRIED 5-0-1 (Dino absent) that the Minutes of October 25, 2018 be approved as written.

REGULAR BUSINESS

1. MOCK PRESENTATION OF THE CITY OF FULLERTON 2018 WATER RATE STUDY

Member Dino arrived at 8:17 a.m.

Mark Hildebrand presented the 2018 Water Rate Study, answered questions, and received feedback from the public and members of the Ad Hoc Committee.

The Ad Hoc Committee recommended a goal of nine miles of pipe replacement per year by 2023 and the option for a gradual increase in pipe replacement.

STAFF/COMMITTEE COMMUNICATION

There were no comments from staff.

AGENDA FORECAST

- Presentation of the City of Fullerton 2018 Water Rate Study

ADJOURNMENT

The meeting was adjourned at 10:20 a.m. The next meeting of the Water Rate Study Ad Hoc Committee is tentatively scheduled for Wednesday, December 5, 2018 at 7:00 p.m., location to be determined.



CITY OF FULLERTON
WATER RATE STUDY AD-HOC COMMITTEE
MEETING MINUTES

December 5, 2018
Community Room, Fullerton Public Library
353 W. Commonwealth Avenue
Fullerton, CA 92832

COMMITTEE MEMBERS PRESENT:

Thad Sandford
Gretchen Cox
Arnel Dino
Patrick McNelly
Jane Rands

COMMITTEE MEMBERS ABSENT:

Mark Shapiro

STAFF PRESENT:

Yelena Voronel, Acting Director of Engineering
Tiffany Foo, Associate Water Engineer
Bob McVicker, Consultant

PRESENTER:

Mark Hildebrand, Hildebrand Consulting, LLC/Stantec, Inc.

CALL TO ORDER

The meeting was called to order at 7:02 PM.

PUBLIC COMMENTS

Fullerton Resident Jose Trinidad Castaneda asked if the materials presented will be available on the City's website. Chair Sandford advised that the presentation may be adjusted based on feedback received at the meeting, and the final version will be posted on the website.

CONSENT CALENDAR

MOTION by Member Cox, SECONDED by Member McNelly and CARRIED 5-0-1 (Shapiro absent) that the Minutes of November 15, 2018 be approved as written.

REGULAR BUSINESS

1. PRESENTATION OF THE CITY OF FULLERTON 2018 WATER RATE STUDY

Mark Hildebrand presented the 2018 Water Rate Study, answered questions, and received feedback from the public and members of the Ad Hoc Committee.

STAFF/COMMITTEE COMMUNICATION

Ad Hoc Committee Members and staff discussed updates to the Water Rate Study webpage.

ADJOURNMENT

The meeting was adjourned at 8:36 PM.



CITY OF FULLERTON
WATER RATE STUDY AD-HOC COMMITTEE
MEETING MINUTES
February 25, 2019
Council Conference Room
303 W. Commonwealth Avenue
Fullerton, CA 92832

COMMITTEE MEMBERS PRESENT:

Thad Sandford
Gretchen Cox
Arnel Dino
Patrick McNelly
Jane Rands
Mark Shapiro

COMMITTEE MEMBERS ABSENT:

None

STAFF PRESENT:

Meg McWade, Public Works Director
Yelena Voronel, Principal Civil Engineer / Acting City Engineer
Tiffany Foo, Associate Water Engineer
Bob McVicker, Consultant

PRESENTER:

Mark Hildebrand, Hildebrand Consulting, LLC/Stantec, Inc.
Benjamin Stewart, Stantec, Inc.

CALL TO ORDER

The meeting was called to order at 8:08 a.m.

PUBLIC COMMENTS

There were no public comments.

CONSENT CALENDAR

MOTION by Member Cox, SECONDED by Member McNelly and CARRIED 6-0 that the Minutes of October 11, 2018 be approved as written.

MOTION by Member Dino, SECONDED by Member Shapiro and CARRIED 6-0 that the minutes of December 5, 2018 be approved as amended to correct the spelling of

“McNelly” in the Consent Calendar section and include the public comments in the Regular Business section.¹

REGULAR BUSINESS

1. UPDATES SINCE THE DECEMBER 5, 2018 MEETING

Mr. Hildebrand provided an update of the water rate presentation and changes that have been made since the Water Rate Study Ad Hoc Committee meeting on December 5, 2018.

MOTION by Member McNelly, SECONDED by Member Shapiro and CARRIED 6-0 to approve of the noted changes to the Water Rate Study.

Member Rands requested that city staff provide a yearly report to the Infrastructure and Natural Resources Advisory Committee (INRAC) and City Council comparing what was accomplished in the previous year to what was proposed in the Water Rate Study.

2. DISCUSSION ON THE STATE REVOLVING FUND (SRF) PROGRAM

Mr. Stewart provided a brief presentation on debt financing and the State Revolving Fund. He also addressed questions regarding lifeline rates and funding from the Orange County Water District.

The Ad Hoc Committee agreed to recommend City Council approve the proposed rate increases, direct staff to pursue as many State Revolving Funds as possible, and consider reducing the rates in the future if additional funds become available. In addition, the Ad Hoc Committee recommended that both the INRAC and City Council receive and review an annual report including revenue received, funds in reserves, and capital spending to determine if rate adjustments should be considered.

3. DISCUSSION ON THE WATER MASTER PLAN AND CAPITAL PROJECT PRIORITIZATION

City Staff Member Foo and Consultant McVickers lead a brief discussion on the Water Master Plan and project prioritization.

4. REVIEW OF PROPOSITION 218 NOTICE EXAMPLES

Mr. Hildebrand and Mr. Stewart provided copies of sample Proposition 218 notices and received feedback from the Ad Hoc Committee members.

STAFF/COMMITTEE COMMUNICATION

There were no items discussed during committee communication.

¹ Staff note: The December 5, 2018 minutes were brought back for approval at a subsequent meeting.

AGENDA FORECAST

- Review of Water Rate Study presentation
- Staff recommendations for public outreach

ADJOURNMENT

The meeting was adjourned at 10:22 a.m. The next meeting of the Water Rate Study Ad Hoc Committee has not yet been scheduled.



**CITY OF FULLERTON
WATER RATE STUDY AD-HOC COMMITTEE
MEETING MINUTES**

March 11, 2019

**Board Room – Community Center
340 W. Commonwealth Avenue
Fullerton, CA 92832**

COMMITTEE MEMBERS PRESENT:

Thad Sandford
Gretchen Cox
Arnel Dino
Patrick McNelly
Jane Rands
Mark Shapiro

COMMITTEE MEMBERS ABSENT:

None

STAFF PRESENT:

Meg McWade, Public Works Director
Yelena Voronel, Principal Civil Engineer / Acting City Engineer
Tiffany Foo, Associate Water Engineer
Bob McVicker, Consultant

PRESENTER:

Mark Hildebrand, Hildebrand Consulting, LLC/Stantec, Inc.

CALL TO ORDER

The meeting was called to order at 8:05 a.m.

PUBLIC COMMENTS

There were no public comments.

CONSENT CALENDAR

MOTION by Member Shapiro, SECONDED by Member Cox and CARRIED 6-0 that the Minutes of December 5, 2018 be approved as written.¹

MOTION by Member Shapiro, SECONDED by Member McNelly and CARRIED 6-0 that

¹ Staff note: The December 5, 2018 minutes were brought back for approval.

the minutes of February 25, 2019 be approved as written.

REGULAR BUSINESS

1. DISCUSSION ON THE WATER RATE STUDY PRESENTATION

Mr. Hildebrand provided the PowerPoint presentation expected to be given to City Council on April 2, 2019. He answered questions and made changes to the slides based on feedback from the Ad Hoc Committee Members.

2. DISCUSSION ON THE DRAFT WATER RATE STUDY REPORT

Mr. Hildebrand answered questions and received feedback regarding the draft water rate study report.

3. PROPOSITION 218 NOTICE AND PUBLIC OUTREACH TALKING POINTS SAMPLE

Mr. Hildebrand, City staff, and the Ad Hoc Committee Members discussed the Proposition 218 notice and possible outreach materials. Mr. Hildebrand suggested issuing the Proposition 218 notice with the talking points document that includes direction to the City website for more information.

STAFF/COMMITTEE COMMUNICATION

Ad Hoc Committee Members suggested including the public comments from the December 5, 2018 meeting on the City's webpage. Member Shapiro brought up a hard water complaint he received from a resident, and it was discussed with City staff.

AGENDA FORECAST

There are currently no items on the agenda forecast.

ADJOURNMENT

The meeting was adjourned at 10:48 a.m. The next meeting of the Water Rate Study Ad Hoc Committee has not been scheduled.