



## OJAI VALLEY SANITARY DISTRICT

A Public Agency

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### **MINUTES OF EXECUTIVE COMMITTEE**

The Executive Committee held a meeting at the District Office at 1072 Tico Road on August 6, 2014, beginning at 8:30 a.m.

**COMMITTEE MEMBERS PRESENT:** William M. Stone  
William D. O'Brien (arrived at 9:10 a.m.)  
William C. Murphy, Chairman

**STAFF PRESENT:** Jeff Palmer, General Manager  
Brenda Krout, Administrative Officer  
Ron Sheets, Operations Superintendent

**OTHERS PRESENT:** None

1. **Public Comment - (Items not on the agenda - 3 minute limit)**

None

2. **Review Parameters for Sewer Service Rate Study**

Mr. Palmer stated that the District's last sewer service rate study was conducted in 2010, and noted that a 5 year span is an appropriate timeframe to perform another study.

Mr. Palmer explained that there are several types of firms, i.e. engineering, accounting, etc., who perform rate studies; however, the Raftelis firm appears to be the firm most often used by agencies all over the State for these types of studies. Raftelis' sole business is performing such studies.

Mr. Palmer stated he recommends the District retain Raftelis, based on their experience and the positive recommendations from other local agencies, as a sole source for a rate study.

Mr. Palmer presented an overview of the issues (both current & upcoming) which could have an effect on the District's future sewer service rates. A spreadsheet on the Capital Improvement Plan for both the Collection System and the Treatment plant were reviewed and discussed.

The need to complete major upgrades in the Collection System and the Treatment Plant over the next few years (due to TMDL limits, I&I issues, air quality issues, etc.) was discussed. It was noted that each of these issues will have an impact on the District's rates. Mr. Palmer explained that the rate study will consider fixed costs versus variable costs.

Mr. Palmer explained that the rate study will also provide a place to document how and why the District's rates are structured based on single dwelling units versus number of bedrooms or flow, etc.

The goal is to have a rate study completed in time for the next budget cycle in spring 2015.

Director O'Brien arrived at this point in the meeting, 9:10 a.m.

The Committee discussed the components which should be included in the rate study. Mr. Palmer responded to the Committee's questions.

The Committee unanimously supported staff soliciting a proposal from Raftelis as a sole source, due to their reputation and experience in performing rate studies and the fact that rate studies is their primary business, and presenting the proposal to the Board in September.

3. **Discussion**

- a. Audience  
None
- b. Committee Members  
None
- c. General Manager  
None

The Executive Committee Meeting adjourned at 9:26 a.m.

Minutes submitted by Brenda Krout, Clerk of the Board.