

**CITY OF BOULDER, COLORADO  
BOARDS AND COMMISSIONS MEETING MINUTES**

<b>Name of Board / Commission:</b> Water Resources Advisory Board	
<b>Date of Meeting:</b> 22 June 2015	
<b>Contact Information of Person Preparing Minutes:</b> Laurel Olsen-Horen 303-441-3203	
<b>Board Members Present:</b> Vicki Scharnhorst, Lesley Smith, Ed Clancy <b>Board Members Absent:</b> Mark Squillace, Dan Johnson	
<b>Staff Present:</b> Jeff Arthur, Director of Public Works for Utilities Joe Taddeucci, Water Resources Manager Bret Linenfelser, Water Quality & Environmental Services Manager Ken Baird, Utilities Financial Manager Russ Sands, Watershed Sustainability & Outreach Supervisor Joanna Bloom, Source Water Administrator Annie Noble, Acting Principal Engineer for Flood and Greenways Eric M. Ameigh, Public Works Projects Coordinator Douglas Sullivan, Acting Principal Engineer for Water, Wastewater and Stormwater Laurel Olsen-Horen, Board Secretary	
<b>Meeting Type:</b> Regular	
<b>Agenda Item 1 – Call to Order</b>	<b>[7:00 p.m.]</b>
<b>Agenda Item 2 – Approval of the 27 April &amp; 18 May 2015 Meeting Minutes</b>	<b>[7:01 p.m.]</b>
A motion to approve the minutes from the 27 April & 18 May meetings was tabled as the present board members do not make a quorum for approval.	
<b>Agenda Item 3 – Public Participation and Comment</b>	<b>[7:02 p.m.]</b>
<b>Public Comment:</b> None	
<b>Agenda Item 4 –</b>	<b>[7:02 p.m.]</b>
<b>Public Hearing and Consideration of a Recommendation to City Council Regarding 2016 Utilities (Water, Wastewater, and Stormwater/Flood Management) 6-year Capital Improvement Program (CIP)</b>	
Ken Baird and Utilities staff presented the item to the board.	
<b>Executive Summary from the Packet Materials:</b>	
As part of the city’s annual budget process, Utilities staff develops a six-year planning budget, this year for the time period of 2016 through 2021. The Water Resources Advisory Board (WRAB) role in this process is defined in the Boulder Revised Code: “. . . to review all environmental assessments and capital improvements conducted or proposed by the utilities division.” Utilities staff has formulated revenue and expenditure projections for each of the three utility funds through the year 2021. Within the budget process council approves and appropriates funds only for the first year, 2016.	
At the April 27 and May 18, 2015 WRAB meetings, staff presented the preliminary 2016 Utilities budget including the six-year capital improvement program. Since the May 18 meeting, the following change within the Water Utility CIP has been incorporated into the Capital budget: \$150,000 was added in 2016 for the Boulder Reservoir Water Treatment Facility for replacement of failing filter valve actuators.	
Staff requests a recommendation from the WRAB concerning the 2016 Utilities Budget including the 6 year Capital Improvement Program (CIP) and associated Monthly Utility Rates. Staff will submit the CIP to the Planning Board which will meet to discuss the citywide CIP and make a recommendation to City Council on August 6. City Council study sessions are scheduled for August 11, 2015 concerning the proposed city-wide 2016-2021 CIP and on September 8 and September 22 on the preliminary 2016 city wide budget. City Council is scheduled to hold first and second readings on adoption of the budget on October 6 and October 20 respectively.	
<b>STAFF RECOMMENDATION:</b>	
Staff recommends that WRAB make the following motion related to the 2016-2021 CIP:	

The Water Resources Advisory Board recommends approval of the 2016-2021 CIP for the Water, Wastewater, and Flood/Stormwater Utilities including proposed rate adjustments to support 2016 revenue increases of 8% in the water utility, 5% in the wastewater utility, and 4% in the stormwater and flood control utility.

**WRAB Discussion Included:**

- Clarifying questions on how line items provided in the memo are planned to be funded with the proposed rate adjustments.

**Public Comment:**

None

**Motion by:** Clancy; **Seconded by:** Smith

**Vote:** 3:0 (Board members Squillace and Johnson absent)

**Motion Passes as presented**

**Agenda Item 5 -  
p.m.]**

**[7:22**

**Public Hearing and Consideration of a Motion Regarding the Utility Rates Study Guiding Principles, Issues, and Key Questions**

Eric Ameigh, Joanna Bloom and Utilities staff presented the item to the board.

**Executive Summary from the Packet Materials:**

**PURPOSE**

The purpose of this item is to secure a recommendation from the Water Resources Advisory Board (WRAB) on the issues, key questions, guiding principles, and work plan for the utility rates study.

**QUESTIONS FOR THE BOARD**

1. What questions does WRAB have about the public engagement process?
2. What feedback does WRAB have on the recommended guiding principles?
3. What feedback does WRAB have on the potential areas of study?

**BACKGROUND**

In late 2014, Utilities staff met with customers to better understand the impacts of utility rate increases approved by council in the fall of 2014. Many customers indicated they did not understand utility rate structures and/or had questions and concerns about the calculation of the charges on their utility bills. It is also best practice to periodically review rate setting methodology to assure the rates are meeting community goals and are aligned with fee-based principles. These findings led staff to propose evaluation of the rate structure and associated calculations for water, wastewater, and stormwater/flood management utilities as part of the 2015 work plan. As a first step, a public engagement process was implemented to solicit broader feedback across all customer classes.

**WRAB Discussion Included:**

- What are the next steps to get more public engagement? Staff recognizes the need to garner more public input; but are not clear at this time what that will look like.
- Focus Groups have proven to be affective.
- Clarification of what “onsite management” for stormwater means. Perhaps rephrase using low impact development language.
- Importance of being proactive rather than reactive in our guiding principles.
- Necessity to meet regulations efficiently, affordably, and timely, and not pursue unnecessary research and development. R & D should not have a place in the guiding principles – it can be extremely costly to rate payers. (There is a cost to meeting regulations and there is a cost to exceeding regulations.)
- Balance the above statement with taking pride in some of the studies the city has already done and received invaluable information from. Boulder is advantageously positioned to gather information as a first water recipient.

- Has the city done a study where we look at a utility customer's water budget and see how they are using it? The city's information is anecdotal. One question on the table for the board is; should the city pursue gathering more detailed information?
- Are there any best practices from peer communities Boulder could look into?
- The city should implement a two-meter system; a water budget and a landscaping budget.
- Investigate whether water budgets should be reduced to take into account the installation of more water efficient appliances within the community since water budgets were implemented.
- Would flood insurance holding status play a role into the city's study?
- "Resilience" and "Sustainability" need to be included in the guiding principles.

**Public Comment:**

**Chuck Howe:** There seems to be more opportunities available to CII water customer class than to single-families. Fraiser Meadows has seven different meters and have found the water budget classes very useful to help track how water is being used. A water bill is comprised mostly of fixed charges rather than volumetric charges which seems odd. Conservation is therefore not incentivized. There is no charge for the city's raw water on a utility bill and there is a missed opportunity cost with this system and therefore the city is under-charging for water.

**Motion by:** Smith; **Seconded by:** Clancy

**Vote:** 3:0 (Board members Squillace and Johnson absent)

**Motion: The Water Resources Advisory Board recommends that the Guiding Principles and Areas of Study, as discussed and organized with the appropriate edits to the documents titled "Guiding Principles Summary Table" and "Areas of Study," be utilized for the 2015-2016 Utility Rates Study**

**STAFF RECOMMENDATION**

Staff recommends that WRAB discuss and vote on one or more motions that support:

1. A recommended set of utility rate structure guiding principles; and
2. A recommended draft plan of work for studying key questions and issues.

**Agenda Item 6 – Matters from Board:** [9:12 p.m.]

- Timeline for filing WRAB vacancy
- How is the Greenways program with June being Bike Month?
- What is the flood potential with warm weather in the forecast?

**Matters from Staff:** [9:15 p.m.]

- None

**Agenda Item 7 – Future Schedule** [9:15 p.m.]

Upcoming meetings will consist of information items such as the following:

- Pre and Post Fire Watershed Planning
- Stormwater Collection System Permit and Regulation Changes
- Wastewater Treatment Update
- Update on Wastewater and Stormwater Collection System Master Plans

**Adjournment** [9:20 p.m.]

There being no further business to come before the Board at this time, by motion regularly adopted, the meeting was adjourned at 9:20 p.m.

**Motion to adjourn by:** Smith; **Seconded by:** Clancy

**Motion Passes 3:0**

**Date, Time, and Location of Next Meeting:**

The next WRAB meeting will be **Monday, 20 July 2015 at 7:00 p.m.**, at the **City's Municipal Services Center, 5050 Pearl St., Boulder, CO 80301**

APPROVED BY:

\_\_\_\_\_  
Board Chair

\_\_\_\_\_  
Date

ATTESTED BY:

\_\_\_\_\_  
Board Secretary

\_\_\_\_\_  
Date

*An audio recording of the full meeting for which these minutes are a summary, is available on the Water Resources Advisory Board web page.*

<https://bouldercolorado.gov/boards-commissions/water-resources-advisory-board-next-meeting-agenda-and-packet>

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