



## **CITY OF ROLLINGWOOD UTILITY COMMISSION MINUTES**

**Tuesday, June 09, 2020**

On June 9, 2020 at 2:00 p.m., the Utility Commission of the City of Rollingwood, Texas held a regular meeting, open to the public, via video conference and telephone in accordance with an order of the Office of the Governor issued March 16, 2020. The public was able to watch this meeting live and had the opportunity to comment via audio devices at the following link:

<https://meetings.ipvideotalk.com/152530310>

The public was also able to participate in this meeting by dialing one of the following numbers: 1(617) 315-8088 or toll free at 1(888) 330-2489 and entering the Meeting ID: 152530310

The public was permitted to offer public comments via their audio devices when logged in to the meeting or telephonically by calling in as provided by the agenda and as permitted by the presiding officer during the meeting. The following items were discussed at this meeting:

### **CALL UTILITY COMMISSION MEETING TO ORDER**

#### 1. Roll Call

Acting Chair Jonathan Miller called the meeting to order at 2:00 p.m.

**Present Members:** Ronald Hasso, Jonathan Miller, Christopher Meakin and Phillip Dixon.

Chair William Teten joined the meeting at 2:05 p.m.

**Also Present:** Council Member Sara Hutson, City Administrator Amber Lewis and City Secretary Ashley Wayman.

### **PUBLIC COMMENTS**

There were no public comments.

### **CONSENT AGENDA**

#### 2. Discussion and possible action on the minutes from the March 10, 2020 Utility Commission meeting.

**Christopher Meakin motioned to approve the consent agenda. Jonathan Miller seconded the motion.**

**Acting Chair Jonathan Miller called for a roll call vote.**

- **Jonathan Miller – Yes**
- **Ronald Hasso – Yes**
- **Christopher Meakin – Yes**
- **Phillip Dixon – Yes**

**The motion passed 4-0.**

Chair William Teten joined the meeting after this item.

### **REGULAR AGENDA**

3. Presentation, discussion and possible action on the first phase of the wastewater rate study performed by Nelisa Heddin.

Nelisa Heddin discussed the work that has been done on this study so far and that there are some big policy issues that need to be decided during this wastewater rate study. She discussed the best practice of funding debt service that is allocated to the wastewater system through the wastewater utility, as well as making this transition over multiple years. She also discussed reserve funds in the wastewater utility, a capital replacement reserve, a vehicle replacement reserve and the rate design of the current wastewater rates.

Council Member Sara Hutson gave some background on the sewer installation, purchase from LCRA and billing. She explained that the burden of paying for the system was shifted to property taxes because they could be written off. She explained that Rollingwood does not charge people based on how much they drive on our roads or how much garbage they use and that this is no different. She also discussed that with the large amount of houses under construction she believes that more costs of the system should be shifted to taxes as opposed to being put into the rates. She also explained the current sewer averaging process.

Nelisa Heddin responded to Council Member Sara Hutson's Concerns about homes that are under construction or being demolished, discussing other potential customer classes. She also discussed some inequities and policy decisions that could arise from different ways of funding the wastewater system.

Jonathan Miller questioned if homes were charged for water while under construction.

Sara Hutson responded to his question, explaining how this process works.

Jonathan Miller discussed how the same principle should be applied to wastewater billing. He asked how long the city will be paying on the outstanding bonds.

City Administrator Amber Lewis explained that the Series 2019 refinanced bonds are out for 30 years.

Christopher Meakin discussed that the policy and rate design is skewed so that heavy water users end up paying a lot more in water and wastewater. He also stated that there is a fixed

cost of having a sewer system and that everyone should pay their portion to support that system, even for houses under construction because that system is still there.

Jonathan Miller stated that he is in favor of a standby fee for projects that are under construction in hopes that it speeds up construction.

Phil Dixon discussed that there is a large discrepancy in property taxes in the neighborhood and if you are able to successfully protest and lower your property tax bill then you are able to pay less in this case.

Christopher Meakin agreed with his statement and further discussed the effect of property tax caps as well as the upfront cost that came with the installation of the sewer system.

Jonathan Miller questioned what the next steps are, and what the monetary impacts would be to make the change to some or all of these best practices.

Nelisa Heddin discussed some of the options and that she would like the Utility Commission to take time to think about all of these options and that she would bring back the costs associated with these potential changes.

Phil Dixon asked a question about potentially metering wastewater and Nelisa Heddin discussed the costs associated with metering wastewater.

Christopher Meakin stated that he believes that City Council and/or the voters should make these decisions and that the Utility Commission would just make a recommendation.

Ronald Hasso stated that he does not like the idea of a reconnection fee, but that there should be some base fee for water and sewer going forward. He also stated that he would like to see the new information that comes forward regarding the options the city has.

Council Member Sara Hutson stated that there are not a lot of people that have individual grinder pumps. She also discussed the reason behind sewer averaging in the winter months.

Ronald Hasso asked what a typical base fee is for other communities.

Nelisa Heddin discussed the range of base fees depending on the costs that they are trying to recover in those base fees. She stated that she would recommend a \$10-15 base fee, and that she would provide data on what surrounding communities were charging.

The commission discussed the different potential allocations of wastewater costs.

4. Discussion and possible action on a utility bill appeal for 3220 Park Hills Drive.

City Administrator Amber Lewis discussed the Utility Bill Appeal Process and the roles that staff and the commission play. She also discussed the details of this appeal, including the timeline of events and the meter testing that took place.

Jonathan Miller clarified that when the meters lose accuracy they turn slower and do not capture all of the water that goes through, which is in the customer's favor. He also asked whether there was any history for this property/customer.

Steve Marcie went over the details of his appeal.

City Administrator Amber Lewis asked Steve Marcie if he locked the hose bibs as she suggested and he stated that he had and since the new meter was put in and he locked it up, there has not been any usage.

The commission discussed the details of this appeal and past issues in this area.

Jonathan Miller discussed that though there is not history at this residence, there is a clear history at Steve Marcie's other and current residence.

Christopher Meakin motioned to look at the history of the previous residents, the Zachary family, to some extent to see what that yields and then that the water usage be adjusted to the traditional usage plus the delta at cost plus ten percent.

The motion died for lack of a second.

Steve Marcie objected to the use of the previous residents' history because he did not know what their water usage habits were like.

Jonathan Miller discussed looking at the usage of Mr. Marcie's primary home, though he understands that it would not be a perfect comparison.

Christopher Meakin stated that he is in favor taking Mr. Marcie's word that nobody has been living at the house and charging the whole amount at cost plus ten percent.

Phil Dixon stated his agreement with Christopher Meakin.

Ronald Hasso also stated his agreement with Christopher Meakin.

**Christopher Meakin motioned that the entire month of April be charged at wholesale plus ten percent. Phil Dixon seconded the motion. The motion passed 4-0.**

Jonathan Miller explained how the process will work from this point.

5. Update on the 2020 Default Winter Average Rate.

Council Member Sara Hutson discussed her research on this year's winter average rate. She discussed the discrepancies and potential issues she found and that she has sent it to staff to share with AWR so that corrections can be made.

City Administrator Amber Lewis stated that that AWR calculated the winter average at 6.

Jonathan Miller stated that this information would be taken alongside the information that comes from the rate study.

**ADJOURNMENT OF MEETING**

The meeting was adjourned at 3:43 p.m.


**Minutes Adopted on the 4<sup>th</sup> day of August, 2020.**

  
[William Teten \(Aug 5, 2020 22:50 MDT\)](#)

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**William Teten, Chair**

**ATTEST:**

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**Ashley Wayman, City Secretary**






# 06-09-2020 Utility Commission Minutes

Final Audit Report

2020-08-06

Created:	2020-08-05
By:	Ashley Wayman (awayman@rollingwoodtx.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAaOvE7GvZl1asAl3QDNdXn1y5zfBUQ5VX

## "06-09-2020 Utility Commission Minutes" History

-  Document created by Ashley Wayman (awayman@rollingwoodtx.gov)  
2020-08-05 - 9:58:53 PM GMT- IP address: 23.168.160.66
-  Document emailed to William Teten (wteten@gmail.com) for signature  
2020-08-05 - 9:59:40 PM GMT
-  Email viewed by William Teten (wteten@gmail.com)  
2020-08-06 - 4:49:56 AM GMT- IP address: 73.34.194.193
-  Document e-signed by William Teten (wteten@gmail.com)  
Signature Date: 2020-08-06 - 4:50:30 AM GMT - Time Source: server- IP address: 73.34.194.193
-  Signed document emailed to William Teten (wteten@gmail.com) and Ashley Wayman (awayman@rollingwoodtx.gov)  
2020-08-06 - 4:50:30 AM GMT