

COMMISSION WORKSHOP MINUTES
AUGUST 24TH, 2022
6:00 P.M.

PRESENT:

Mayor:	Mark Anderson
Mayor Pro Tempore:	John Vogel II
Commissioners:	Alison Cagle Maximilian D'Water Sarah Schrader
City Clerk:	Marissa Morales
Assistant to City Clerk:	Julia Fresne
Water Clerk:	Will Plazewski

MINUTES PREPARED BY: Julia Fresne

1. The discussed recommendations from the FRWA report would include a base rate of \$7.94 with tiered billing including incremental ~5 percent increase per tiers. The current \$2.00 surcharge added to every bill to pay off the USDA loan, would be incorporated into the base rate.
2. City Attorney Buhr recommended the approval of tiered billing as an incentive for water conservation. He advised that other comparable cities were already using this method.
3. Water Clerk Plazewski presented data comparing San Antonio water rates to similar-sized cities including Cross City, Waldo, and Mayo. Cross City and Waldo already used a tiered billing system, and Mayo was expected to switch to a tiered system by October 2022. Rates across all three cities were higher than San Antonio's.
4. The FRWA report recommended using 5-10 percent of rates revenue for capital improvement and the commission agreed this could help prevent taking out loans in the future.
5. Commissioner Vogel questioned how much of an increase was needed to sustain the water fund in the long run. City Attorney Buhr advised that the commission could choose to increase annually using Consumer Price Index through an ordinance. City Clerk Morales informed that Dade City and Zephyrhills rates were set to increase annually for comparison. Water Clerk Plazewski advised materials required to sustain the water system had increased significantly in the past year.
6. Josh Madden, 13109 Antonio Way, a resident who works for Southwest Florida Water Management District, recommended a tiered rate structure based on his expertise. He advised that the most effective rate structure for water conservation would be higher rates for the highest tiers. City Attorney Buhr did not recommend doing that when first introducing tiered billing to avoid undue penalty for higher users in addition to the general rate increase. David Hanna informed that the recommended tiers in the FRWA report were introductory and could be changed later.
7. Mark Richter asked what was considered a heavy user and whether watering the lawn would constitute a heavy user. Josh Madden advised to the commission that the average family indoor usage was 3,000-4000 gallons. This would go up to 8,000-9,000 gallons with outdoor irrigation. It would be considered over usage when a user reaches 12,000 gallons or more.
8. The Commission was in favor of a water rate increase including implementation of tiered billing structure. Commissioners Cagle and Vogel were in favor of users of 10,000 gallons or more paying a higher rate of the tiered billing. The Commission would revisit the idea of an annual increase at a following meeting. The Commission requested an updated report using the 2021 data for the next meeting from Mr. Hanna, as the discussed FRWA report used data from 2020

due to its release prior to the completion of the September 2021 Annual Audit. The Commission also requested to update the proposed tiers to higher rates for 13,000 or more gallons along the report.

2. **ADJOURNMENT:** Workshop adjourned 7:02 PM.

Respectfully submitted,

Julia Fresne, Assistant to the City Clerk