

MINUTES OF THE EXECUTIVE WATER FINANCE BOARD

Monday, September 25, 2017

State of Utah Senate Building, Kletting Room, 350 N. State Street

Members Present:

Phil Dean, Chairman

David Damschen

Eric Millis

Jon Bronson

Laura Briefer

Evan Curtis

Juliette Tennert

Staff Present:

Miranda Jones, Finance Specialist

1. Call to Order

Chair Phil Dean called the meeting to order at 9:00 am.

2. Approval of Minutes:

Chair Phil Dean asks committee to review the minutes for approval later in the meeting.

3. Discussion with Jordan Valley Water Conservancy District (JWCD)

Bart Forsyth from JWCD presented and discussed the following:

- a) 80 percent of its water comes from the Provo Water system.
- b) JWCD uses the STATA system, which gives real-time water data.
- c) Some agencies input data monthly while some agencies input data annually.
- d) Not all secondary water is metered in the valley.
- e) The desire to ultimately meter all secondary water

Todd Adams from the Division of Water Resources asked why meters have not been used on secondary end users. Bart stated that the secondary meter technology was not developed at the time canals were constructed.

Bart Forsyth indicated that about 16 to 17 percent of water usage in the JWCD is secondary water.

Todd Adams stated that roughly 33 percent of water usage in the state of Utah is secondary water. He also stated that the cost to install one meter is about \$1,100.

4. Review of Water Data Discussion

Bart Forsyth mentioned that the JWCD reports data to the Central Utah Water Conservancy District (CUWVD) and that the state engineer receives the end-year data each year. Discussion about the quality of end-use data took place.

Phil Dean asked how much water usage has fluctuated over the past 10 years.

Bart Forsyth responded by saying, the largest change in water use is dependent upon the hotness and dryness of summer each year, and that landscaping can be problematic.

Laura Briefer asked about member agencies' water efficiency, pricing programs (SB 28) tiered rate structure, and how she was concerned about the differences between JWWCD water meters and the end user information.

Bart Forsyth stated that it appears our climate is warming, which is impacting water usage.

The committee discussed augmenting culinary water with reuse/waste water. The representatives from JWWCD stated that JWWCD will most likely have a potable reuse plant one day. Discussion about downstream implications of wastewater reuse also took place.

Phil Dean suggested that the state might want to explore what role the state has in wastewater reuse and study the issue further.

Bart Forsyth discussed the Bureau of Reclamation Colorado River Study.

5. Advanced Metered Infrastructure (AMI) Discussion

Bart Forsyth stated the benefits to the user and water purveyor are endless. The various benefits of AMI were discussed. Bart walked the committee through the complete consumer experience of AMI consumers.

6. Base Charge Comparison Discussion

Bart Forsyth indicated data suggests that volumetric rate should be the significant portion of the charge and that 80 percent of the charge should not be fixed. He said the agencies using the low, fixed charge combined with seasonal tiered rates are achieving better conservancy results than the other agencies.

7. Utah Board of Water Resources Discussion

Joel Williams of the Division of Water Resources discussed the project funding process for the state conservation and development revolving loan fund, i.e. the guidelines, prioritization, and applicant requirements.

Phil Dean suggested that the committee make meaningful recommendations as to what the water rate structure should be.

8. Price Elasticity Discussion

Phil Dean discussed the price elasticity of demand as it relates to water usage in the state. He stated two concerns: as water rates change, how does that affect the quantity demanded; and how do changes impact revenues.

Phil Dean stated if water demand were inelastic, revenues would go up with a price increase; however, if water demand is elastic, revenues will go down with a price increase.

Treasurer David Damschen asked what kind of expenditures (i.e. slow the flow campaign, public media campaigns, etc.) the state has made over time. He asked if the state ran such campaigns only in times of drought and not in other times. He suggested the state should evaluate the role it plays in conservation and supporting such efforts and if the legislature is providing adequate resources to do so.

Bart Forsyth suggested the best way to conserve water is to give more information to consumers to more efficiently manage their water use.

Phil Dean suggested that the committee look into ways to make public entities more efficiently manage their water use.

9. Approval of Minutes

Laura Briefer moved to approve the minutes. The motion passed with a vote of 6-0-0.

10. Adjourn

Motion: Eric Millis moved to adjourn the meeting. The motion passed with a vote of 6-0-0.