

# Fair Oaks Ranch Water, Wastewater and Reuse Rate Study

## Advisory Panel Charter

### Introduction and Background

The City of Fair Oaks Ranch hired Raftelis in early 2021 to conduct a rate study for the City's water, wastewater, and reuse rates. It's the first time the City has hired a consultant to complete this work. Rate studies are conducted as a best practice to ensure that the City's water utilities' financial health is maintained, and that the City is well prepared to meet its future financial needs.

### Rate Study Objectives

The objectives of the rate study include the completion of a water, wastewater and reuse cost of service and rate study (study). The study will include a communication plan, a financial planning policy review, development of a financial planning model, a retail cost of service analysis and the design of customized rate structures that meet the City's unique needs.

### Rate Study Panel – Charge and Charter

The City believes strongly in listening to the community when making decisions that affect them. Therefore, as part of the rate study process, the City has assembled a volunteer advisory panel made up of a diverse group of community members that represent different interests. The panel will meet approximately five times during the rate study process to provide their input and community perspective.

### Advisory Panel Purpose and Relationship to Fair Oaks Ranch City Council

The mission of the panel is to ***provide diverse perspectives that represent our community; to be consulted and to share input on the City's future rate structure(s) and rates for water, wastewater, and reuse.*** The panel has two overarching purposes:

- a. Provide views that represent the many types of customers affected by new rates
- b. Provide input on rate structure options and associated customer impacts

The panel is a consultative group, meaning that its purpose is to serve as a focus group that examines and gives feedback as the rate structures are developed.

The Fair Oaks Ranch City Council is the policy and decision-maker, meaning that it will be made aware of the panel's input and how it was used in developing recommendations, but ultimately the City Council will decide what to implement.

## Fair Oaks Ranch Water, Wastewater and Reuse Rate Study Advisory Panel Charter

### **Composition, Size, and Recruitment of the Panel**

The panel will be made up of no more than 15 members from the community, with the members selected by Council after receiving and reviewing applicants. This will allow for enough diversity of thought to have engaging discussions and ensure that there are members that represent different interests or perspectives within the population the City serves. It's important that no current or immediate past elected officials or candidates be members of the Panel to assure the conversations are not political.

### **Meeting Frequency and Duration**

There will be five scheduled meetings from July to November, 2021. A schedule of meetings will be set once the panel is appointed and every effort will be made to set the meetings on dates and times that work for the group.

The tentative meeting schedule is shown below. Meetings will last no more than two hours.

| Meeting | Tentative Date  | Tentative Agenda   |
|---------|-----------------|--|
| 1       | July, 2021      | Introductions (City)<br>Charter/Mission (Consultant)<br>Water/wastewater/reuse system overview (City)<br>Overview of current rates and rate history (Consultant) |
| 2       | August, 2021    | Ratemaking 101 (Consultant)<br>Group dialogue on Council's pricing objectives (consultant)   |
| 3       | September, 2021 | Cost of service review/future capital needs (Consultant)<br>Preliminary revenue adjustments and rate structure options for wet weather events (Consultant)       |
| 4       | October, 2021   | Review and evaluate and rate structure and select preferred alternatives (consultant)<br>Review Panel report to Council (Consultant)                             |
| 5       | November, 2021  | Obtain input on communications about rate structure to larger community (Consultant)   |

### **Role of the Facilitator**

While the Panel will not be making any decisions for the City, their input will inform recommendations made for City Council adoption.

A consultant from Raftelis will serve as facilitator of the Panel throughout its time together. As an impartial player in the process, the facilitator will set the agenda, establish clear context for all discussion, create an environment where all parties are comfortable, listen actively, evoke the creativity of the group, and ask appropriate questions. The facilitator will work to ensure that panel participants' time is maximized and that all panel participants have an opportunity to participate fully and express their point of view.

## **Fair Oaks Ranch Water, Wastewater and Reuse Rate Study Advisory Panel Charter**

The facilitator will be responsible for record keeping and documentation of the meetings. After each meeting, the facilitator will prepare a meeting summary that captures the discussion, the outcomes, and next steps. The panel will be asked to review each summary for inclusion in the final report.

### **Roles and Responsibilities of Panel Members:**

Panel members will be expected to:

- Attend all meetings, as reasonably possible
- Review agenda and informational material between meetings
- Be respectful of others' views and input
- Understand the time constraints of the fee setting process and respect the meeting times
- Provide thoughtful input on fee proposals, including perspective from other groups or people they represent
- Share information they learn with groups or people they represent within the boundaries set by the facilitator
- Remain accessible to the study team for follow-up as needed

Panel participants can not send substitutes or proxies to meetings.

### **Responsibilities of City Staff and Consultant**

Presentations, project reports and feedback opportunities will be provided by the City and the consultant at each meeting. Meeting agendas will be provided to panel participants at least four days in advance of a meeting.

The City and consultant will ensure no relevant topics are excluded from consideration within the rate study objectives provided in this charter. If questions arise during a panel meeting, City staff will do their best to answer those questions with available data at the next meeting.

Sarah Buckelew will be the point of contact for the panel participants. The Consultant will summarize the salient information gained during the Panel meetings and City staff will include it in City Council updates as appropriate.

The Consultant will develop a written draft report and include how Panel input was incorporated into the recommendations when presenting to City Council.

### **Advisory Panel Relationship and Duty to the Broader Public**

Panel meetings can be open to the public so that the public can observe the Panel's work, however, no public comment or questions will be permitted during the meetings.

Opportunities for additional public input into the rate study process will be provided.

**Fair Oaks Ranch Water/Wastewater/Reuse  
Rate Study Advisory Panel  
Application**

**What is the Fair Oaks Ranch Water, Wastewater, and Reuse Rate Study?**

The City is conducting a rate study with assistance from Raftelis, a nationally recognized rate consultant. The objectives of the rate study include ensuring that the rates we charge for water, wastewater, and reuse, are adequate to recover costs associated with operating these systems. In addition to cost recovery, other goals of the study are to ensure that customers pay based on how they use the system and that our rate structure fairly and equitably recovers revenue from the many users of those services.

**What is the role of the Advisory Panel?**

The City is appointing an Advisory Panel who represent different interests or perspectives within the population the City serves.

The mission of the panel is to ***provide diverse perspectives that represent our community; to be consulted and to share input on the City's future rate structure(s) and rates for water, wastewater, and reuse.*** The panel has two overarching purposes:

- a. Provide views that represent the many types of customers affected by new rates
- b. Provide input on rate structure options and associated customer impacts

The panel is a consultative group, meaning that its purpose is to serve as a focus group that examines and gives feedback as the rate structures are developed. While the Panel will not be making any decisions for the City, their input will inform recommendations made for City Council adoption.

**What are the expectations of members of the Advisory Panel?**

The members of the Advisory Panel are expected to attend five monthly meetings between July and November. It is expected that these meetings will be no longer than two hours and that they are set at a time and day of the week that works for most. Panel members are expected to review meeting materials in advance of each meeting; attend each meeting; and provide thoughtful input.

**What is the schedule of meetings?**

A schedule of meetings will be set once the Panel is appointed and every effort will be made to set the meetings on dates and times that work for the group.

**If I cannot or do not want to be a part of the Advisory Panel, can I still provide my comments? How?**

Opportunities for additional public input into the rate study process will be provided.

## APPLICATION

Full Name \_\_\_\_\_

Street \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

The following information is requested to ensure we select an advisory group that is diverse and represents a variety of water users. Check the boxes that apply to you:

### Basic Information About You

- Male
- Female
- Age 21 – 35
- Age 36-50
- Age 51 – 65
- Age 66 or older
- FORU Water and FORU Sewer Customer
- FORU Water Customer with Septic
- FORU Sewer Customer with Well
- FORU Sewer Customer using another Water Utility
- Lived in City 0-10 years
- Lived in City 11-25 years
- Lived in City 26 years or more

### Type of Water/Wastewater User

- Home owner without irrigation system
- Home owner with irrigation system
- Renter
- Small business owner (Restaurant)
- Small business owner (Retail or Office)
- Large business owner (Large water user)

Please email this form to [CitySec@fair Oaks Ranch TX.org](mailto:CitySec@fair Oaks Ranch TX.org) no later than 5 pm, June 25, 2021.