INTRODUCTION

Richard Moses, Vice Chair of the Customer Advisory Committee (CAC), called the meeting to order at 6:32 p.m. After welcoming the members of the CAC, he turned the meeting over to Laura Mason-Smith, the CAC meeting facilitator, who reviewed with the CAC the Meeting Agenda:

1. Introductions
2. Public Comment
3. Approve minutes of February 26, 2019 CAC Meeting #5
4. Identify the top two Spending/Funding Alternative recommendations for market research
   • Background information and general considerations
   • Working group assessment and identification of their initial top two Spending/Funding Alternatives
   • Whole group discussion and final identification of the top two Spending/Funding Alternatives for market research
5. Research Primer
6. Public Comment
7. Next Steps
8. Close

Laura reiterated that meeting materials are provided electronically to the CAC members in advance of and following their meetings and are posted on the CHWD website, Customer Advisory Committee Section. In addition, meeting summaries that provide an overview of each of the CAC meetings as well as a video of the meetings are posted to the website to be available to the CAC members and the general public.
ATTENDEES

CAC Members:
- Kimberly Berg  Commercial Representative
- Julie Beyers  Residential Representative
- Ray Bohlke  Residential Representative
- Deborah Cartwright  Residential Representative
- Patti Catalano  Residential Representative
- Katherine Cooley  Institutional Representative
- Suzanne Guthrie  Residential Representative
- Andrew Johnson  Residential Alternate
- Doug MacTaggart  Residential Representative
- James Monteton  Residential Representative
- Richard Moore  Residential Representative
- Richard Moses  Residential Representative and CAC Vice Chair
- Mike Nishimura  Commercial Representative
- Aimee Pfaff  Residential Representative
- Chris Ralston  Institutional Representative
- Ray Riehle  CHWD Director

Unable to attend were:
- Wes Ervin  Commercial Representative
- Michael Goble  Residential Representative
- Bren Martinez  Residential Representative
- Dave Mitchell  Institutional Representative
- Jenna Moser  Residential Representative and CAC Chair
- David Paige  Residential Representative
- Peg Pinard  Residential Representative
- Cyndi Price  Institutional Representative
- Javed Siddiqui  Residential Representative
- Noe Villa  Institutional Representative

CHWD Staff:
- Chris Castruita  Management Services Supervisor/Chief Board Clerk
- Tamar Dawson  Assistant Engineer
- Paul Dietrich  Project Manager
- David Gordon  Operations Manager
- Madeline Henry  Management Services Specialist/Deputy Board Clerk
- Rex Meurer  Water Efficiency Supervisor
- Jeff Ott  Principal IT Analyst
- Missy Pieri  Engineering Manager/District Engineer
- Alberto Preciado  Accounting Supervisor/Assessor/Controller
- Susan Sohal  Administrative Services Manager
- Hilary Straus  General Manager

Consultants:
- Andrew MacDonald  Harris & Associates
- Steve Winchester  Harris & Associates
- Roger Kohn  Harris & Associates
- Habib Isaac  Raftelis Financial Consultants, Inc.
- Charles Hester  Godbe Research
- Laura Mason-Smith  Mason-Smith Success Strategies
PUBLIC COMMENT

There was no public comment.

APPROVAL OF FEBRUARY 26, 2019, CAC MEETING #5 MINUTES

The minutes of the February 26, 2019, CAC Meeting #5 were unanimously approved without comments or changes.

SPENDING AND FUNDING ALTERNATIVES ASSESSMENT

Background Information

Project 2030 Manager Missy Pieri reviewed the 2019 CAC Meeting Schedule, progress to date, and the topics for the upcoming CAC meetings (please see the CHWD Website section on Project 2030 CAC Meeting #6 for the slide presentation detail).

Top 5 Spending/Funding Alternatives and Additional Considerations

Andrew MacDonald and Habib Isaac reviewed the Top 5 Alternatives selected by the CAC at the February 26, 2019 Meeting #5 and provided additional information related to the Alternatives for CAC consideration:

- System replacement levels by decade
- Spending/Funding overview
- Prefunding overview and components
- Proposition 218 requirements
- Historical data and projections

Assessment of the 5 Spending/Funding Alternatives

CAC members moved into four table groups to utilize both hard-copy and computer based information and analyses to assess each of the remaining 5 Spending/Funding Alternatives. After extensive discussion, CAC members identified their initial individual Top 2 Alternatives, and table spokespeople then reported out on the results of their table-group discussions and assessments.

Each CAC voting member then cast their votes for their final Top 2 Spending/Funding Alternatives which will move forward for market research. At CAC Meeting #7, the market researchers will report on the research results.

Spending/Funding Alternatives Moving Forward For Market Research
Alt # | Funding Description | Project Cost--2018 Millions | Annual Spending 2018 Millions | % of System Replaced by 2080 (50 years starting in 2030) | Total Votes
--- | --- | --- | --- | --- | ---
5.4 | Prefunding, with Debt | 390 | 7.8 | 72% | 11
6.4 | Prefunding, with Debt | 480 | 9.6 | 89% | 8

**RESEARCH PRIMER**

Charles Hester, with Godbe Research, provided an informative overview of the market research process related to the two potential Spending/Funding Alternatives. A question and answer period also occurred after the overview to answer any CAC questions.

**CAC PROCESS AND LOGISTICS OVERVIEW**

The CAC reviewed the updated schedule of 2019 CAC meetings (see the CAC Document Library on the website for the schedule graphic). These after-dinner meetings and the high-level topics anticipated for each of the meetings are shown below.

**Workshop #7: June 11, 2019, 6:30-9:15 pm, Citrus Heights Community Center**

- Review Market Research Results
- Develop Final Recommendation to the Board
- Review Implementation Plan Process

**Workshop #8: September 10, 2019, 6:30-9:15 pm, Citrus Heights Community Center**

- Review Implementation Plan
- Review Final Board Recommendation

**CAC MEMBER CLOSING COMMENTS**
The CAC members indicated what they were taking away from the Meeting as:
1. It’s been really interesting to see the collaboration and how everyone has participated.
2. At our next meeting, it will be really interesting to see the research results.
3. This process has been so empowering for the CAC members.
4. I really appreciate this well-thought-out process.
5. It’s been great to have such effective resources for our team’s work.
6. I’ve really appreciated hearing other teams’ thoughts too.
7. Looking back at the numbers, I’m comfortable with where the process is going.
8. It will be interesting to see the survey results.
9. I’ve been so happy to be armed with good information to be able to combat any resistance to this process in the community; now I will have good information to share.
10. I am so happy to be part of this process and learn from others.
11. It’s so interesting to see and hear each other’s reasoning.
12. I’m really looking forward to our next meeting.
13. Our CAC member votes seemed to align.
14. Any time there is a rate increase, people may not understand, but there are so many of us involved that I think there is a better chance for productive results.
15. I have LOVED this process, and I’ve learned a lot.
16. I came in not liking debt, but I learned that responsible debt gives the District flexibility, and I’m very comfortable with responsible debt now.
17. I’ve learned so much, and it’s been an exciting and interesting process.
18. It’s interesting to learn what goes into doing effective market research.
19. Through this process, we are being educated for life!
20. I am thankful for the thoughtfulness of this process and anxious for the survey results.
21. I appreciate everyone’s participation and thank the staff for their preparation/assistance.
22. I’ve learned a lot from everyone, and I think we’ve done a very good job.

PUBLIC COMMENTS
None

CLOSE
CAC Vice Chair Richard Moses thanked the CAC members, District staff, and consultants for their participation and adjourned the meeting at 8:59 pm.