



Update on the Rate Refinement Process and Timeline

Finance and Insurance Committee
Item 6a
December 7, 2020

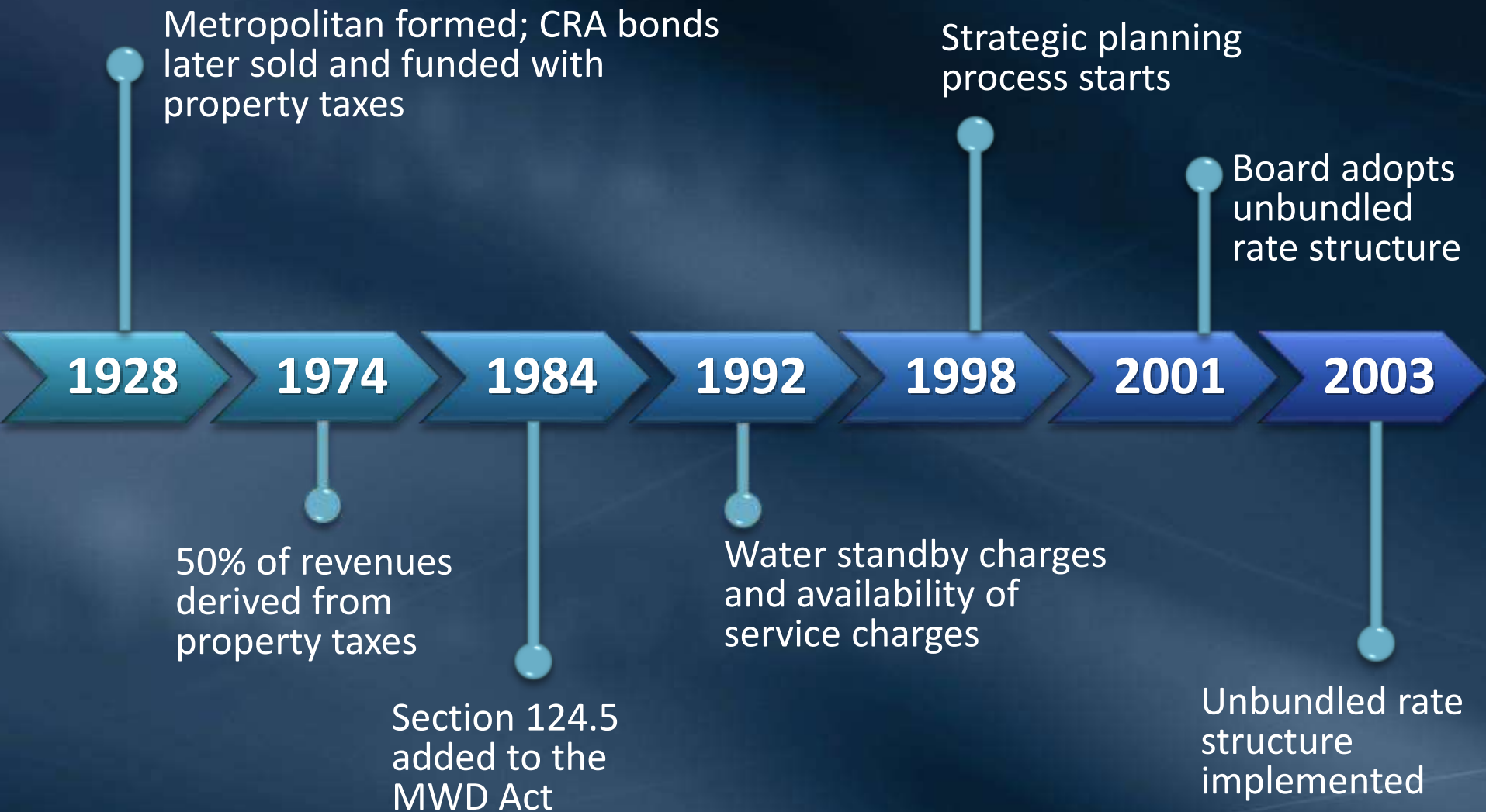
RFP for Rate Refinement Facilitator

- Posted on September 8, 2020
- Received three proposals
- Zoom interviews
- Based on strength of proposal and facilitator A&N Technical Services was selected

Facilitator

- Dr. Tom Chesnutt is President of A & N Technical Services, Inc.
- Has 30+ years experience in water rate studies, systems planning and statistical analysis
 - Broad experience with wholesale and retail cost of service water rate studies across Southern California
- Dr. Chesnutt holds a Ph.D. and M.Phil. in Policy Analysis from the RAND Graduate School, an M.S. in Technology and Science Policy from the Georgia Institute of Technology and a B.A. in Economics from Kenyon College.

Revenue Structure Timeline



Key Issues to be addressed

- Must adopt a method to recover Demand Management costs
- Other Issues that could be addressed:
 - Review rate re-bundling
 - Review refinements to RTS and CC
 - Revisiting surplus year storage incentives
 - Review Purchase Orders commitments
 - Review availability of service charge
 - Others

Next Steps

- Reach out to member agency managers to request at least one staff member participate in rate refinement workgroup
- Propose timeline and process at first workgroup meeting
- Provide monthly updates of workgroup outcomes to member agency managers and F&I Committee
- Incorporate feedback from Board and member agency managers

Rate Refinement Working Group

Draft Timeline (subject to change)

		DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL & Beyond
Workgroup Meetings	MWD Staff & Facilitator								
Meeting #1	1/6/2021		●						
Meeting #2	2/10/2021			●					
Meeting #3	3/10/2021				●				
Meeting #4	4/7/2021					●			
Meeting #5	5/5/2021						●		
Meeting #6	6/2/2021							●	
Further Meetings as needed									→
Member Agency Manager Meetings	MWD Staff & Facilitator								
Meeting #1	1/12/2021		●						
Meeting #2	2/12/2021			●					
Meeting #3	3/12/2021				●				
Meeting #4	4/16/2021					●			
Meeting #5	5/14/2021						●		
Meeting #6	6/11/2021							●	
Further Meetings as needed									→
Finance & Insurance Committee	MWD Staff								
Meeting #1	12/7/2020	●							
Meeting #2	2/8/2021			●					
Meeting #3	3/8/2021				●				
Meeting #4	4/12/2021					●			
Meeting #5	5/10/2021						●		
Meeting #6	6/7/2021							●	
Further Meetings as needed									→

