

DISCUSSION CALENDAR

8 ELECTRIC AND WATER UTILITY 5-YEAR RATE PROPOSAL FY 2018-2022 AND PROPOSAL FOR ANNUAL CONSUMER PRICE INDEX ESCALATORS FOR FY 2023-2027

General Manager Balachandran gave a presentation of the Electric and Water Utility 5-Year Rate Proposal and he, Deputy General Manager Milligan, and Assistant General Managers Chavez-Nomura, Jorgenson, and Hanson answered questions from the Board members.

Following discussion, the Board of Public Utilities recommended that the City Council:

1. Review the Electric and Water Utility 5-year Rate Proposal (Utility Rate Proposal) for FY 2018-2022 developed to repair and replace aging and critical utility infrastructure, maintain public health and safety, maintain utility financial health, and improve customer service as per the City Council’s direction on October 6, 2015 to develop a financial plan for the 10-year Utility 2.0 Strategic Plan Option 3;
2. Review proposal for annual consumer price index escalators for FY 2023-2027;
3. Direct staff to conduct a citywide community outreach initiative of the Utility Rate Proposal in October and November 2017; and
4. Direct staff to return with a public hearing to the Board and final rate recommendation to the City Council, in January and February 2018, respectively, with new rates effective April 2018.

Motion – Russo-Pereyra. Second – Ocegueda.

Ayes: Austin, O’Farrell, Crohn, Foust, Ocegueda, Russo-Pereyra, Sanchez-Monville, and Walcker.

Absent: None.