

CENTRAL IOWA REGIONAL WATER WORKSHOP

Tuesday, October 10, 2017

4:30 p.m.

Des Moines Water Works

2201 George Flagg Parkway, Des Moines, IA 50321

Present:

City of Altoona – City Councilmember Vern Willey; Jim Utter, staff

City of Ankeny – Mayor Gary Lorenz

City of Des Moines – Mayor Frank Cownie; City Manager Scott Sanders

City of Johnston – Mayor Paula Dierenfeld

City of Norwalk – Luke Nelson

City of Urbandale – Mayor Bob Andeweg; City Manager AJ Johnson

City of Waukee –

City of West Des Moines – Mayor Steve Gaer

Des Moines Water Works – Sue Huppert, Board Chair and Marc Wallace, Board Member; Bill

Stowe, Peggy Freese Amy Kahler and Craig Robinson, staff

Urbandale Water Works – John McCune, Board Chair; Dale Acheson, staff

Warren Water District – Andy Fish and Stan Ripperger, staff

West Des Moines Water Works – Karen Novak, Board Chair and Jody Smith, Board Member;
Diana Wilson, staff

Also in attendance: Jason Mumm and David Gordon, FCS Group; and members of the public: Don Peterson, Iowa Farm Bureau and Julie Stauch, West Des Moines resident.

1. Welcome – At 4:30 p.m., Ms. Huppert welcomed everyone to the first workshop of this process, and asked Mr. Mumm to speak on the format. Mr. Mumm asked everyone to stay on topic and be candid in discussions. There will be areas of agreement and disagreement. Some issues will be re-addressed in future workshops. Issues and topics can also be placed in a “parking lot.” Consultants and participants may have action items. Mr. Mumm will provide position/issue papers prior to each workshop. The position papers provide a starting point to begin discussion and issues to consider.
2. Obligation to Serve – Mr. Mumm’s position paper stated: *The **obligation to serve** describes what the regional entity will provide, how it will be provided, to whom, and when. The definition of the obligation to serve will impact other important regional issues. The obligation to serve works together with the right to serve (i.e. exclusivity within a given area) and regulated price of service (i.e. rate making) to form what is often called a “regulatory compact”. That “compact” is a fundamental condition that allows municipal and public utilities to operate in the public interest. Think of the obligation to serve as the mission of the regional entity. A promise to the members that they can rely on.*

Consensus was achieved in the following areas for **Obligation of Serve**:

- The regional entity will meet member demands on request.

- For the purposes of providing members’ drinking water demands, will provide the following services:
 1. Source water withdraws, and storage
 2. Treatment
 3. Transmission, pumping and storage of treated water

- Water will be provided at the following levels of services:
 1. At maximum-day demand
 2. Agreed upon pressures
 3. Without denial of service to members
 4. Proportional curtailments if/when necessary
 5. At adequate and reasonable costs

Obligation of Serve follow-up items:

- Meeting state and federal regulatory requirements – need more clarity on the authority of the regional board and relationship with the current permit holders

Please see [Workshop 1 workflow notes](#) for more detail.

3. Right to Serve (Exclusivity) – Mr. Mumm’s position paper stated: *The **right to serve** will provide the regional entity with protection from competition for the services it provides and within the geography defined by its obligation of service. The right to serve is a fundamental condition that, with the obligation to serve, and regulated price of service (i.e. rate making), forms what is often called a “regulatory compact.” That “compact” is a fundamental condition that allows municipal and public utilities to operate in the public interest. Think of the right to serve as the promise that the members are making to the regional entity in exchange for the entity’s promise to guarantee service to its members (i.e., obligation to serve) at board-regulated prices/rates.*

Consensus was achieved in the following areas for ***Obligation of Serve***:

- Within the current and future boundaries of its members
- Existing members with production facilities can continue to operate them within their own distribution systems
 1. May rehabilitate facilities to maintain existing capacity levels
 2. May not expand facilities to create additional capacity
- Members will not: contract for our acquire water production from any other entity

Right to Serve follow-up items:

- Other “members will not” provision
- Demand management/conservation goals regionally and locally
- How to accommodate new members

Please see [Workshop 1 workflow notes](#) for more detail.

Meeting adjourned at 6:05 p.m.