

## **Meridian City Council Work Session**

**November 12, 2025.**

A Meeting of the Meridian City Council was called to order at 4:30 p.m., Wednesday, November 12, 2025, by Vice-President Liz Strader.

Members Present: Robert Simison, Liz Strader, John Overton, Doug Taylor, Anne Little Roberts and Brian Whitlock.

Members Absent: Luke Cavener.

Other Present: Chris Johnson, Bill Nary, Laurelei McVey, Berle Stokes and Dean Willis.

### **ROLL-CALL ATTENDANCE**

<input checked="" type="checkbox"/> Liz Strader	<input checked="" type="checkbox"/> Brian Whitlock
<input checked="" type="checkbox"/> Anne Little Roberts	<input checked="" type="checkbox"/> John Overton
<input checked="" type="checkbox"/> Doug Taylor	<input type="checkbox"/> Luke Cavener
<input checked="" type="checkbox"/> Mayor Robert E. Simison	

Strader: Good evening. Welcome to the Meridian City Council work session. Today is Wednesday, November 12th, and it is 4:30 p.m. We will begin with roll call attendance.

### **ADOPTION OF AGENDA**

Strader: Great. Thank you. With that first up we have adoption of the agenda.

Overton: Madam Vice-President?

Strader: Yes, Councilman Overton.

Overton: I move that we adopt the agenda as published.

Strader: Okay. Do we have a second?

Little Roberts: Second.

Strader: Okay. We have a motion and a second to adopt the agenda as published. All in favor, please, signify by saying aye. Opposed? The ayes have it and the agenda is adopted.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

### **CONSENT AGENDA [Action Item]**

- 1. Approve Minutes of the October 28, 2025 City Council Work Session**

- 2. Pura Vida Ridge Ranch Subdivision No.1 Sanitary Sewer and Water Main Easement No. 3 (ESMT-2025-0136)**
- 3. Pura Vida Ridge Ranch Sub. No. 1 Sanitary Sewer and Water Main Easement No. 4 (ESMT-2025-0137)**
- 4. Jump Creek Subdivision No. 7 Water Main Easement No. 1 (ESMT-2025-0145)**
- 5. Final Plat for Pollard North No. 2 (FP-2025-0027), by Brighton Development, generally located 1/4 mile north of W. Chinden Blvd. and 1/2 mile west of N. Black Cat Rd.**
- 6. Agreement and Waiver of Liability for transfer of equipment from the City of Meridian to the City of Middleton and City of Wilder**
- 7. Resolution 25-2548: A Resolution of the City Council of the City of Meridian, Idaho, Declaring Certain Police Equipment to be Surplus Property and Authorizing the Chief of the Meridian Police Department to Transfer Ownership of Surplus Equipment to the Wilder Police Department**
- 8. Agreement and Waiver of Liability for transfer of equipment from the City of Meridian to the City of Middleton**
- 9. Resolution 25-2549: A Resolution of the City Council of the City of Meridian, Idaho, Declaring Certain Police Equipment to be Surplus Property and Authorizing the Chief of the Meridian Police Department to Transfer Ownership of Surplus Equipment to the Middleton Police Department**

Strader: Next up we have the Consent Agenda.

Overton: Madam Vice-President.

Strader: Councilman Overton.

Overton: Move we approve the Consent Agenda, for Madam Vice-President to sign and the Clerk to attest.

Little Roberts: Second.

Strader: Okay. We have a motion and a second to approve the Consent Agenda. All those in favor, please, signify by saying aye. Opposed? The ayes have it and the Consent Agenda is adopted.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

### **ITEMS MOVED FROM THE CONSENT AGENDA [Action Item]**

Strader: Next up we have items moved from the Consent Agenda. There are no such items.

### **DEPARTMENT REPORTS [Action Item]**

#### **10. Community Planning Association (COMPASS) Presentation**

Strader: We will move on to Department Reports. First up we have the Executive Director Craig Raborn to provide a presentation from the Community Planning Association. Okay. We will turn it over to you, Director Raborn.

Raborn: Thank you, Madam Vice-Chair. Let me back up one here. So, my name is Craig Raborn. I have been the executive director at COMPASS now for coming up on nine months, so still relatively new and one of the things that we have been doing -- we do every year we go around and we meet with staff and folks from each of our member agencies, so that we get an opportunity to hear what the needs are around the region and, then, encourage early -- do an early encouragement to participate in funding activity that we undertake every year to help support smaller projects around the region and so we have been doing that, but because I'm new we are moving up something that we do every few years as well, which is go out and try to meet with all the governing bodies and actually introduce -- you know, introduce COMPASS to elected officials around the region and in this case, because I'm new, it's an opportunity for you all to get to -- to know me and because I live in Meridian when I'm walking down the street, which I do a fair amount, you will be able to like honk and recognize me hopefully and, you know, acknowledge me and I will just assume anyone who honks at me for my crazy pedestrian behavior is doing it because you saw me at this meeting, so -- with that I just want to give you guys just a brief introduction of, you know, about where I come from so you get a sense of kind of, you know, like why I'm here and what I do. So, I have been doing transportation planning and policy related-work for about 25 years now. I have primarily worked for the past 10 to 12 years in metropolitan planning organizations, such as COMPASS, in the west and in the south and primarily in rapidly growing areas, so places that have the kinds of challenges that we encounter in this region and so I have dealt with pretty much every kind of transportation issue, just in different contexts in different settings over the years and I'm really familiar with sort of the whole toolbox of -- of solutions and programs and policies and funding sources that are out there to try to address -- try to address those issues. So, I will just briefly just remind you or introduce you to, you know, who COMPASS is. So, we are an association of cities and counties and the highway districts and other agencies around the region that plan for the future, that are trying to look beyond just the right now, but look, you know, 20 or more years out and start identifying what the needs are going to be over that long-term period for the region as a whole. But the main thing is that COMPASS is our members. So, everything that I do is directed by our board of directors and so I will just note, you

know, Council Member Overton is on our -- is on our council. Mayor Simmons is on our council. And, then, Meridian -- or our board of directors rather and, then, Meridian is also represented by Charlie Rountree, who I think you all are familiar with as well. He is very active and has been really helpful for me as I have been getting settled in as well, so I really appreciate that. We also have RTAC members. Caleb Hood. RTAC, sorry, is our region -- I used to have to pay a dollar to my boss every time I threw out an acronym without saying what the words are and so I'm pretty good at stopping myself after the fact at least. I will leave a dollar when I exit, but -- the regional transportation advisory committee is made up of staff members from around the region of all of our member agencies and they advise our board of directors -- so pretty much everything that our board of directors does has gone through staff activity and, then, it's been reviewed and recommended by our regional technical advisory committee as well and so Meridian has two current members and, then, there is a vacant position as well, but Caleb Hood and Brian McClure are both members of our Regional Transportation Advisory Committee as well. So, with our -- with that kind of role that -- looking at that long-term role, the basic mission of COMPASS, then, is to conduct regional planning, facilitate coordination and cooperation among our member agencies. We serve as a source of a broad variety of information and expertise on issues affecting southwest Idaho and, then, we assist member agencies in accessing our funding -- or accessing funding, so, you know, you and other agencies and the region as a whole can accomplish the goals that you develop relating to transportation. So, to do that we conduct transportation planning. We distribute federal transportation dollars. We provide technical expertise and, then, we facilitate that cooperative, collaborative process that -- that I was just talking about. So, I want to talk for just a second about like what the challenges are that -- that the region is facing and, then, I will talk about like how COMPASS and our agencies and our members are addressing that. So, what this image on here shows are developments that have been approved and completed in the past five years and it's a heat map, so it's not precise to a particular parcel, but we are trying to sort of show the overall picture there. So, our region right now is at 800 -- basically 850,000 people. We will be up over a million by 2050 and by 2055 1.3 million. So, it's a rapidly growing region. We are averaging about 15 new households a day and about 16 new jobs a day. So, it's growing pretty rapidly and what that leads to then -- and so this map is showing the -- in brown it's showing the population density we have right now and the blue that is showing the higher density job area. So, we are not showing with this one the low density like retail jobs and shopping areas and things like that, but this is like the higher concentrations of -- the ones that really generate the commute, you know, the work day commute. So, this is what we look at for 2025 and this is 2055 and I will probably flip back and forth a couple times just so you can get a sense for how significantly that changes. But specific to Meridian, you know, the boundary or the separation between Kuna and Meridian is basically gone. The separation between Nampa and Meridian is basically gone and separation between Star and Meridian is basically gone and you already -- Eagle is already right there, but -- so, those impacts are going to be pretty significant. But what this map shows is that area of brown is where the traffic comes from and it's driving into the areas of blue around the region and that's why we have the traffic flow and challenges that we have as a region. One of the other interesting things that's happening as a region, but it's really relevant to

Meridian, is the center. It's sort of the geographic center of jobs and people are shifting. They are currently in Meridian and they are continuing to shift in Meridian. So, they are -- right now what -- what this map shows in the red is the -- is employment or jobs and, then, purple are the -- is the populations -- it's sort of, like I said, the geographic center of that and you can sort of see over time that's continuing to shift westward. So, the interesting thing about this is that gap in distance between the jobs and the population, if you just looked at that just purely mathematically that adds up -- it's about -- you know, roughly call it a three mile difference and about 300,000, 350,000 jobs, so that's a million miles of travel a day and keep in mind that's an average, but that's a million miles of additional vehicle miles traveled every day on our roads because of that -- because of that difference and so, occasionally, you will hear me or folks from our team will talk about, you know, the jobs housing balance. I'm sure you are all familiar with that and the importance of that to a healthy community. But that's -- that's another one of those reasons is it -- it really does affect transportation and so that gap really explains the traffic and congestion. The growth trend that I was showing in the previous slide demonstrates the -- you know, the reason why we have those increasing volumes on the roads as well and, then, that gets applied on top of the transportation -- or on top of the congestion that we are already encountering and so that -- I will show an image that kind of visually demonstrates what that looks like over time, too. And, then, the movement over time talks about -- really demonstrates why there is changing patterns, like new roads sort of start to become problematic over time is partly because that shift is happening of like where people live over time. So, to help address these things and to sort of pull everyone together and accomplish our mission, COMPASS provides a seat at the table where the decisions about the region's transport -- the region's overall transportation future are being made. We are also your voice outside of the region, so we participate very actively in national organizations that engage on transportation-related issues and, then, specific to regions level type -- types of issues as well and so I'm active on the council -- the executive directors council for the National Association of Regional Councils and a number of our staff members are active on committees or boards of the Association of Metropolitan Planning Organization. So, we are really active at the -- at the national level as well. Frankly, this region punches above its weight and that's kind of what attracted me to the region is it's really impressive to work in a place where we really do play that -- that role at the national level. We provide that financial assistance I talked about for transportation projects all over the region. But, you know, if local agencies have needs we are here to try to help meet those needs and so we also do technical assistance, provide any type of planning support. We do a number of planning activities. Smaller ones we kind of do on demand. Mid-size ones we request information in advance, so that we can sort of budget for them. And, then, larger ones we -- you know, we work through a budget development process. So, we work those into our budget and figure out the best way and -- and the time to be able to get those bigger -- bigger types of planning activities undertaken. We conduct, like I have noted and presented some, a fair amount of demographics and analysis for the region and, then, we do long -- long range planning and really problem solving is really the reason why we do that -- why we do that planning and so that plan -- those planning activities take a large -- or a wide variety of forms. So, we -- we just recently adopted a regional Safety Action Plan just earlier -- earlier this calendar year, I think that was in

February. We are -- we are undertaking and soon to complete the high capacity transit. It's called the Plan and Environmental Linkage Study, so it's a -- sort of a more in-depth than just a basic plan -- planning activity, but it's intended to take the first steps, so that we can potentially -- we can line up and start potentially seeking funding sources to move towards implementation of some kind of high capacity transit future for the region. We undertake a bunch of different connectivity studies really looking at mobility needs, both now and the short and mid and long-term time frames. We are undertaking right now a resilience plan that's really looking at responses and ways to mitigate impacts from, you know, any kind of resilience issue, but, you know, weather -- weather type issue, any kind of natural disaster impact which can sometimes be temporary and operational in nature, but they can also sometimes be, you know, permanent, create actual damage that needs -- you know, that needs repair and, therefore, needs like different traffic patterns and stuff while -- while the region is responding to those. Those are all roll up into the overall regional transportation plan that we have. It's called Communities In Motion and we update that. It used to be every four years, but because we have improved our air quality as a region it's now every five years and so we are in the process of updating that right now and we will be -- we will be adopting that -- assuming everything stays on track we will be adopting that in 2027. By the time we move to adopt that we will already be working on the next one, because they take a long time to develop properly. So, our current plan, the Communities In Motion 2050 plan, really identifies four different regional goals. So, improving safety, enhancing economic vitality, maintaining our quality of life and improving the convenience or maintaining at least the convenience of travel throughout the region. So, to accomplish those we undertake a number of different types of activities. One of these that we -- that we conduct for all of our member agencies is we look at larger scale developments and for the smaller communities admittedly we will look at pretty much anything that they bring in and they ask us to, but we look at larger community -- or larger developments to evaluate how those align with the region's transportation plan. There is no binding element to it. It's informational. But we have done about 140 of these -- 120 of these for Meridian since 2018. So, we do quite a few -- well, Meridian is growing pretty rapidly and so it's not a surprise that there are a lot of these that are coming through and so we -- you know, we offer this as something to help -- to help the city with its planning activities. Also, of course, the plan is really -- really has a big focus on identifying the infrastructure improvements or the types of transportation projects that we need over the next 20 years or so and those include maintenance and safety and all the things that you see listed here that we -- that we try to go through and, then, of course, roadway expansion is one of the ones that people always think about. But we also do want to make sure that when a need comes up we are looking at all the potential solutions and trying to find the best one that's possible for the region and we work very closely with the facility owner whenever we do these kinds of activities and try to select projects. So, with all of these funded improvements let's talk just for a second about what that means for the transportation system of the region. So, this is what we currently have right now. So, basically, the wider or darker the line the worst condition, the worst congestion that segment of roadway has during its worst period of time during the day and I -- there is a lot of worse and worse and caveats and stuff, but, basically, that's just an indication of like how bad the traffic is on that -- on that stretch of road that

people are encountering. So, this is what we have right now, 2025, without the investments that we are putting into the transportation system for the region that are identified in our plan this is what we would be seeing in 2055. So, obviously, pretty significant and so to address that we have got a total of 11 billion dollars of transportation projects that we can reasonably anticipate having funded over the next roughly 30 -- 25 to 30 years and so those are identified in the plan and, therefore, we can model what they look like when we do them and it gets a little bit better, but it doesn't get conditions back to where we are right now and because of that we have got -- and I can flip through these if folks would like, but I will just do it one more time just to demonstrate pretty decent now -- there are still areas of concern and you can kind of see where those concentrations are, particularly like noting that, you know, the places where we have got a pretty decent gridded structure, but, then, we have fewer crossings of the river north and south. Those are places, obviously, where traffic concentrates and so the volume goes up on those traffics -- or on those pieces of those roads and, then, this is what we are currently able to say. This is probably what it's going to look like in 2055 as things stand right now, unless we are able to bring in more resources for the region and also that -- what that sort of translates to are more -- more issues. So, right now the travel time that we model -- or close to now, 2023 when we -- when we last adopted this -- or last completed the plan. The time to travel during the peak hour from Caldwell to downtown Boise, which is sort of the standard number that we are able to use and that most people can understand is -- was about 30 minutes. In 20 -- in 20 years it will be about 44 minutes. Without those improvements it would be -- sorry. That's 49 percent increase -- almost a 50 percent increase with the improvements that we are making right now and so there is still -- there is still a lot of -- a lot of need and, then, you also show -- this also shows the -- what we call event days, which are the days when the traffic is particularly bad and that number has been getting higher as well. So, we have identified -- to try to address these -- a whole slew of unfunded needs. So, maintenance projects and new road projects and expansions, regional pathways, improving the transit system and that possibility of a high capacity transit and what those all add up to, including the projects that we have funded and unfunded, is 16 and a half billion dollars' worth of projects. Like I said, we have got about 11 billion that we can anticipate. So, there is about five and a half billion of unfunded project needs -- transportation needs around the region just to -- just to try to get us where we currently are just to keep -- keep us where we currently are and that works out to an average of 193 million a year of shortfall. So, to address that COMPASS is actively going to be engaging and continue -- we have done it in the past and we are doing it again -- but we are going to be actively engaging with the legislature. Our board just a couple weeks ago adopted its 2026 state level legislative priorities and those really focus on increasing revenue, obviously, to be able to address that shortfall that we are talking about. Addressing the growth impacts, so trying to find ways for growth to pay for the growth related impacts and I know that's something that pretty much every city that I have talked with in the region has been -- has been encountering challenges around that and, then, one of the new ones that we added this year is this idea of linking housing to transportation infrastructure, so that, you know, we can encourage the legislature if it's possible as part of their housing activities to try to -- to try to find ways to encourage housing to go where the transportation system can

already accommodate the additional density and population and people that would be using that -- that infrastructure. This session we are probably not going to be looking at any kind of sweeping major changes, but starting the incremental process of trying to move us towards where our board wants to go and, then, I will also just note -- partly because of the -- our engagement with our national organizations, but also my own background I have worked on -- in Congress on The Hill on planning and transportation related issues and so that's -- we are also going to be engaging with transportation policy at the federal level and that's really important, actually, this year, because the federal law is due to be updated this coming year. The current one expires in November of 2026 and so the new one -- we are trying -- actually September of 2026. The last one was November of '21 when it went into effect. But it expires in September '26. So, we are trying to get everything done this year and I will be participating very actively in conversations in DC about those as well. So, with all these activities we like to say that COMPASS makes things happen. So, our plan -- basically the process for us starts when projects go into our long-range transportation plan where we are identifying the needs and, then, we work with project sponsors, the local agencies who are impacted by this and our -- and our board and our technical advisory groups to identify the best projects that address those needs. Then we -- then we go out and we seek funding and we try to find the funding for those projects. The partner agencies build them. COMPASS doesn't build any projects. We don't own any infrastructure ourselves. But the partner agencies build those and, then, at the end of the process hopefully the region and the residents who use that infrastructure, then, are able to sort of reap the benefits from those. The first step in that whole process is -- is typically going through what we call the resource development program and so this slide shows that we -- you know, this application process that I mentioned at the start of my presentation where we meet with all the local agencies to develop and encourage applications for potential needs, maybe something that you don't have -- it's not ripe yet, but you still want to start talking about it and so we try to get it into our queue, so that we are preparing for it and trying to -- trying to develop the resources for it. But some of those we are able to fund. We have two primary funding sources for these and they are -- and they are admittedly small, so they don't pay for big pieces of infrastructure. But, you know, if you need ten, 15, 20 thousand dollars for some kind of a sidewalk interchange or improvement or something like that, we have got a project selection process to go through for that and we are able to fund a few of those every year and, then, we also use this to identify the studies that we need to start doing the work on now before they -- before they go live and before the projects are actually ready to seek the funding, we start that all with, you know, making sure that the need is there, the need will be there in the future and identifying the path forward to try -- to try to move those projects into development implementation. Those that don't get funded, then, go into this resource development plan that we maintain, which is essentially this long list of all the potential planning activities that the region has over the future and it's a pretty long list right now, but, you know, we are standing by to try to get those moving and every year we try to take a few more off of that list and keep -- keep the process moving forward. Once a project is on our unfunded list, then, we are able to start providing it with all kinds of support services, like seeking a specific grant to help implement a specific need for -- you know, for a small project or even sometimes there are bigger



projects that aren't yet planned, but they are ready to start down that path and so we -- we can go through and do all sorts of support activities to try to help local agencies move those forward and I will just remind, again, to anyone who is listening or in the room that the application phase that we are in right now closes next Wednesday. But we do encourage folks -- and if you don't get one in this cycle or if you have more than one and you are submitting a bunch, we also have another cycle -- another window -- application window that will have open in the spring -- in the April -- April time frame. So, some of the projects that, you know, this leads to, they -- they have started through our resource development program, but they lead to really big projects sometimes, like State Highway 16 first showed up on COMPASS' regional long range plan back in 2006 and has gone through you know, process of consistent movement, a few hesitations while we were seeking funding sources and some things like that, but it's been moving and that's -- basically a project that size takes that long. It's really difficult to be able to move much faster than that, especially when there is competition for the funding resources. If funds have been available maybe it would be four or five years ahead of where it is right now, but it's moving and, theoretically, still by the time it's done it will be able to immediately start making improvements on the transportation system. We also look at smaller projects and are able to move those forward, too. So, one example from Meridian is the Rail To Trail pathway just -- I think near the building here that started in 2016 and, then, was completed in 2025 -- or is obligated I guess in 2025 and underway right now. Smaller project, you know, the State Highway 16 is, you know, almost 200 million dollars I think. Those are big round numbers, so don't quote me on that one and it's sort of a moving target as the state adds pieces and so on, but that project's a really big project. Some of these can be quite a bit smaller, but still, you know, hopefully have an impact and really match what the local agencies are seeking us to be able to provide. So, as I mentioned earlier, this is part of a process that we go through every year where we are meeting with the local agencies. So, we met with your team back in September to talk about your needs and challenges and what we heard were difficulties with grant applications. It's a complex process. That's why we have someone on staff who is basically a full-time grant assistant person -- is grant -- I think it's called grant supervisor and he helps any local agencies with collecting the data and the materials that they need to complete grants themselves, if that's the path they want to go. We occasionally write grants. There are some that want to do it on their own and, then, we just sort of coordinate support letters for them and as we are increasing now our federal engagement through our government affairs activities we will be able to work the sort of -- work the refs in DC a little bit to try to help that and I will just say from experience having worked in places where we do have a pretty solid DC presence we can be much more successful in those grant processes when -- when that's in place and so hopefully we will be able to help with that as well. We also heard about a need for safety improvements throughout the -- throughout the city. More interest and collaboration on these regional pathway and safety interest -- you know, these interchange -- or intersections of safety and pathway issues and, then, more consistent communication between the agencies, which has been a really strong theme for us and so I'm exploring different ways that -- that COMPASS will be able to sort of play that convening role, try to reach out and engage more with our local agencies. So, we can assist, you know, like I said, with those grant applications. We can always search for funds. We are

always looking for funding sources for projects that we know are ready to go around the region and we are -- we are going to include in our safe pedestrian interchange prioritization our enhanced road safety study, which is a very long convoluted name. We have identified -- we have abbreviated it -- this happened before I was here, but we have abbreviated it as SPIRSS, which isn't really an acronym for that, so I'm not sure how that came about, but -- but that's what we are calling it and we are looking at some of the -- some of the Meridian specific issues as part of that plan and, then, like I said, that -- facilitating that interagency communication whenever we can. So, starting to wrap up. You know, overall we think we are here to help. That's why -- that's why we exist is to really help all the member agencies and -- and try to sort of be the steward for the region -- the region's transportation system. So, we are planning for the future transportation system. We have a pretty strong focus on safety issues I mentioned a few times. We facilitate these -- these regional discussions, but it sounds like from what we are hearing we could probably continue to do better in that and then -- and, then, these activities try to fund projects around the region. We also collect, analyze, develop and use and help people understand all the different data relating to transportation and growth around the region. We connect local and regional planning, so we look at what the local agencies are doing and we try to fit that into the regional context and so we can really have a good picture of that. We provide a bunch of different free educational resources. So, one of the things that we are undertaking right now is called the good moves safety campaign and so we have stickers and signage and promotional materials for that to try to encourage people to practice safe travel behavior, driving, walking, biking. And, then, every year we recognize achievements and sort of the excellence around the region relating to transportation. So, the projects that have been -- that are sort of model projects are really exemplars of really good transportation projects around the region, as well as the individuals around the region who have been really effective leaders in addressing transportation needs and priorities around the region. So, this has been the short version of the COMPASS presentation. We have got the really detailed one that's coming up in late January. We do a couple of them to try to work around folks schedules, but it's really intended for elected officials. Obviously, all of our board members and we will have a few new board members in -- starting the new year and so we will definitely work with them. One of the things that's kind of exciting about this is we are talking about adding some new elements, like maybe some simulation and activities, instead of just standing there and -- or are sitting there while we stand there and have us walk through the long-detailed versions that explain like step-by-step of how we review X, but -- but having some things that are more like scenarios and -- and how COMPASS and our board would evaluate those if they were in that role of a board member and so we are -- we are playing around with some new ideas for how we can maybe make that a really interesting process. So, with that just want to thank you all for your time. I really appreciate the opportunity for me to come out and I do encourage any of you -- my contact information is on the next slide and I think in your materials as well. But if any of you have any questions related to transportation or what COMPASS is or what we do or what we might be able to help with or provide information about, please, feel free to reach out directly to me or if you have contacts with any of the staff members at the agency, please, feel free to reach out to them, too. So, with that thank you and I'm happy to have any discussion. The last thing I will do

just is encourage you to press your team to get applications in by Wednesday of next week on this resource development program that we operate, because we really do like to make sure we have a real sense of the pulse of the region and what -- you know, what agencies think they need.

Strader: Okay. Thank you, Director Raborn. Very sobering preview into our future traffic patterns. Turning to my colleagues. Does anyone have a question or a comment?

Overton: Madam Vice-President?

Strader: Councilman Overton.

Overton: Comments. Craig, thank you and a huge thank you to your staff. It's a long standing relationship we have had with COMPASS and you put up a slide -- you know, we do a lot of work here from the dais talking with ACHD and we get to see things at a county level, but when you put up the slides where everybody gets to see that regional level of what we are looking at, it has always been overwhelming to me at some point when we see the City of Meridian surrounded by every other city and that geographical area, we are the center of that dartboard and I always make the comment that all traffic goes through Meridian. It doesn't matter what city you are coming from, it seems like 80 90 percent of them in some point in some way are coming through our city and I can't help but believe as we look at that map and the growing between communities, that our transportation needs are going to grow at a much higher rate than even our population increase. So, while we see the city grow, our transportation needs are going to grow almost exponentially as we try to keep up with -- not our growth, but the growth of the surrounding communities that also come through our city at the same time and I'm so glad to have a resource that comes up with regional solutions, because we can no longer operate as a city just thinking about ourselves and what Meridian needs to do. The only way we are going to be able to do this in the future is with that regional approach and there is no better example than using Highway 16, because that's benefiting multiple communities, not just Meridian. We are all going to benefit from it. It's going to be that type of innovation on how we solve transportation problems in the future that's going to keep us from being in total gridlock and when you look at those 2050 and 2055 look forwards there -- it can be a little scary, but it's always good to know that we have got such a group of people dedicated that are working towards that, along with us, that takes a little of that heavy lifting off our shoulders and I appreciate everything you do at COMPASS. Your staff's been fantastic.

Raborn: Thank you very much.

Strader: Okay. Any other questions or comments? Councilman Taylor.

Taylor: Director Raborn, thank you. I was really interested in the presentation. I have a question, sort of the -- in the long range planning realm when it comes to the rail corridor. In order for that to come to fruition we, obviously, have a long way to go. It's

going to require significant resources from the federal, state, local level. Do you have any sense what kind of financial commitment a city like Meridian, for example, would need to make or be expected to make or even ballpark figure in order to have a project like that come to fruition. What are we talking about? Do you have any sense for that yet?

Raborn: Madam Vice-President, if I --

Strader: Please.

Raborn: Yep. So, I don't know if we can say what any individual agency would have as far as a need for that. There is a long time frame as you note to make that happen and I think in order for that to be successful there are going to have to be new funding sources that are put in place, so that the individual agencies end up focusing more on the stationary type improvements that will be happening in their -- in their jurisdictions, rather than the individual agencies contributing to the -- like the capital cost of developing the project. I think that will probably require a significant amount of external funding and new funding sources. But at this point it's -- it's really too soon. There is no financial plan around that yet. Not trying to dodge it or anything, it's just -- it's really early in the -- really early in the thinking about -- about what that is. I will tell you that we -- when I was in Las Vegas we worked on light rail planning and bus rapid transit planning and the cost model for that didn't -- wasn't going to take anything -- wasn't going to require any contribution from the actual local governments, it was all going to be -- the local need was all going to be met by a new local funding source.

Strader: Okay. Further questions, comments? Okay. Thank you so much.

Raborn: Thank you very much.

## **11. Enterprise Fund Update and Rate Structure Discussion**

Strader: All right. Next up we have the Enterprise Fund update and rate structure discussion and I will recognize Director Laurelei McVey.

McVey: All right. Thanks, Council. So, I have a kind of long presentation for you tonight. We will try to make it light -- as much as light -- as rates and graphs and public works can be, but we will try. So, I thought it was important before we talk about what our rates need to be is to give you a picture of the health of the Enterprise Fund. So, we are going to do kind of a health check on the Enterprise Fund, show you where we are at, show you how we have done. I did want to talk a little bit -- remind you about our cost of service study that we completed and, then, I would like to talk about base versus use and how we structure our rates. Not necessarily looking for an official vote or action today, but am looking for your feedback on do you buy into this new way to structure our rates and, if not, that's okay, too, but I kind of need that feedback to know which type of rate increase to bring forward to you. So, like I mentioned we will do a quick health check and I think that there is several components that make up the health of the

Enterprise Fund. So, looking at our current rates and how they compare, looking at our fund balance and how that's allocated and, then, also looking at our rate model, which looks at our ten year financial plan and models both of our -- both our expenses and our revenues coming in. So, the great news when we look at our rates is I think we can be really proud of the fact that we are the lowest rates in the Treasure Valley by a lot. We are 35 dollars less per month than the Treasure Valley average and well over a hundred dollars less than -- than the highest rate. So, I think we can be really proud of that. That's in large part due to us doing the save before you spend, not having any debt and being really conscientious about our financial planning. To be fair we also were asked -- you know, because a lot of those cities are small cities -- is how do we compare against the ten most populous cities in Idaho and, again, we are very near the lowest and this is across the whole state of Idaho -- 14 dollars per month below the -- the rates across the top ten cities in Idaho. The next thing is our fund balance. So, this is our -- kind of our money in the bank, where are we standing, and you might say that is a lot of money to have in the bank. However, if you look at how that's broken down we have a large percent that is in -- committed to existing projects. So, what carry forward is is projects that are already underway, but the funding just hasn't been spent all the way yet. You will see a chunk there that's for new capital. Those were new projects that were approved for FY-26 and, then, you will see our reserves. Those are fully funded. That's another spot that we are fortunate to be in. Not all cities have their reserves fully funded. So, you will see the actual amount in the Enterprise Fund bank that's not committed to something is much lower than when you -- when you first look at it and say, you know, we have close to a hundred million. So, the last thing to look at I think is our rate model. So, like I mentioned this is a financial model that we put all of our revenues, our expenses, we put both capital expenses and operational expenses into here. We apply some assumptions, like account growth, inflation and potential future rate increases to show you what our fund is going to do over time. One thing that you will see different this year is there is two lines. So, we were successful working with the finance department in FY-25 to separate our funds. They still all reside in the Enterprise Fund, but we now have a separate wastewater fund and a separate water fund and the intent is that both of those funds collect the revenue they need to support themselves and that we are not mixing funds within the Enterprise Fund. So, it's kind of a best practice. So, we were successful in doing that. This chart doesn't show our reserves, so that's -- that's money that's not shown on here, because we don't want to plan for spending those reserves in our operational and capital plans. This run that you see specifically here also doesn't include any future rate increases. So, this is what things would look like if we never raised rates again and so a couple of things that we do while you will see this as a ten year model, we usually just focus on maintaining solvency for the first five years, because we have some time to recover. There is a lot of assumptions that go into the tail end of that model that may or may not happen and so it can feel a little scary to see them dip like that. Really we focus on can we get those lines above that zero line within the five years, which is where that line intersects there. So, from this the good news is the wastewater fund is pretty stable for the next five years. The water fund needs some adjustments, but we will talk about how to do that. So, overall we feel like the Enterprise Fund is in a really great spot. We have the lowest rates in the valley. We have no debt. Our current projects are funded, our reserves are

funded, but we do know that we are going to have to do some kind of rate increase going forward. The good news is they are not large significant rate increases. So, a couple of things to remind you of. We did a cost-of-service study in 2024. This is the first one of these that the city undertook on the Enterprise Fund and what this did is it brought in an external financial consultant who helped us -- we had a couple of key objectives we wanted to get through this study is we wanted to make sure that we had a plan for revenue sufficiency and stability over our planning window. We wanted to make sure that the way we collect rates is legally defensible and we wanted to make sure that we were working towards a methodology that covers the true cost of providing service. So, the results from that found the Enterprise Fund is healthy, just like we -- we noted, but we will likely need rate increases. They did find that our methods for establishing and setting rates are legally defensible and financially sound and they also noted that the city's rate model is an accurate and predictive tool. So, those were all good outcomes out of that. They did give us some recommendations. So, in that there were a few that we have completed already. So, evaluating our assessment fees every three years, evaluating our rates every year, considering the fund split, which we accomplished this last year with Finance. The next one is the one that we will talk about today is considering changes to the base versus use and, then, we have an additional goal that we will look at is considering developing different customer classes in our billing structure today. We just have one. So, when talking about setting utility rates it's -- there is some philosophy that goes into it. So, I feel like we are all very aligned on the first three items here. We want to remain debt free. We strive for small incremental rate increases rather than large significant jumps and we want to make sure the rates are fair, defensible and stable. So, I feel like we are all in very good alignment there. The two that I want to talk about is the two new ones on the bottom. So, do we all agree that we want a rate structure that's designed to truly capture the cost of providing service and do we want to make sure that customer types -- so, low, medium or high users are not subsidizing other customer types. So, we don't have to answer that right this second, but think about those two things as we go through the next few slides. So, when we talk about base versus use, you might be wondering why -- why we are having this -- this conversation. So, it allows us to truly capture, if you have the costs in the right buckets, truly capture the true cost of providing service. We will talk about how it shows -- provides better equity for the customers and provides us more stable and predictable revenue. One of the concerns that we hear about the most when we talk about base versus use is that in theory the customer could have less control over their bill, that more of it is set on the base, so it's -- it's set, it's flat and I'm going to show you a little bit what that does, too. So, we -- we already do base versus use. So, this isn't a new thing. I'm just talking about the ratio at which we do them. So, what you will see on this graph is various cities throughout the valley, those same ones that were on the -- the rate comparison and you will see the blue bars are the percent of their rate that they allocate towards a base cost. Those are their fixed costs and the percent of their costs that are allocated on the use and so you will see that Meridian is the lowest percentage of rates on their base and I will show you how that's impacting us. So, when we did the cost of service study we went through each of our -- all of our costs and we classified them as should this be a base cost or should this be a use cost and you will see on the water side that today we place 29 percent of our costs on the base, when our true base

costs are closer to 73 percent. On the wastewater side it's a little more balanced. You see we place 23 percent of our costs on the base, where our true cost to provide true cost of service is at 27 percent. So, when you talk about base costs you might be wondering what are those. So, those are the base fees for providing the services that we provide. They -- they tend not to fluctuate based on the amount or volume that customers are using. It's the cost of maintaining the system that we already have in place. So, you will see some examples of those, of what base costs are and under a true cost of service with equity you would say those costs should be equally spread amongst all users. Those are -- it's the cost of doing business. It's not related to how much a customer uses. Use costs on the other hand are charges that we do see increase based upon how much utilization. So, things like electricity, chemicals. So, if a customer uses a lot of water our costs could increase in those areas. So, in -- in theory those costs should be more directly borne by that user. So, a couple of other things that we have seen change is the -- our customer base is using less water per capita. Now, that doesn't mean that we are making less water, in fact, we are making more, because we have grown, but our cost per household is decreasing and this -- this graph here -- we know that this line does not bottom out. There will be -- or that it will bottom -- there will be a point where that's our base level of use. The main reason you are seeing this decline is primarily due to new efficient water features or water fixtures and plumbing appliances that they are much more efficient than old ones and so just by the fact that we are putting those things in new houses, we are seeing our per use go down over time. But that doesn't mean that our costs to maintain the existing system are going down. Those -- those remain consistent. The other concept I wanted to talk a little bit about is equity. So, it's a little bit hard to show this, but -- so we kind of made up this -- this fake example of something like reading meters is a base cost, so it -- let's say it takes us a dollar to read everybody's meter and it doesn't matter if you use a ton of water or a little bit of water it costs us a dollar to go out and read that meter. So, in theory, if it was allocated correctly to the base, every user would pay a dollar. But the way our rate structure is now with much more of the percent on the use, small users are paying less and large users are paying more. So, in our setup today our larger users are subsidizing our smaller users and so there is a couple of ways that we can start addressing this without making drastic changes, because that's important to us. So, you will be familiar with -- generally I come up here and I say, hey, we just need a three percent rate increase and what I'm actually saying is we need a three percent increase. We are applying that to the base and the use just uniformly across water and wastewater. So, historically, our last few rate increases have just been a three percent rate increase and that's how we apply it. I'm going to talk about -- and you will hear me call it the nine four plan throughout this presentation and I know up front when I say nine percent it sounds like a lot, but what you will see with this is that it actually results in a lower cost to the average customer by doing this -- this rate increase and it essentially very slowly starts shifting more of the costs onto the base to give us that -- where we feel like we need to go with the cost of service study and the true cost of providing service. So, I wanted to show you some model runs of what these rate increases do and I'm going to show you some ten year rate increase scenarios. I fully know that we can only approve the rate increase for this current now, but when talking about these I think it's important to have a vision for here is what this is going to do long term over

time. So, knowing that all this we will be back in front of you every year. So, this first one you will see is what if we did a three percent across the board just one time in FY-26 and so you will see the lighter line is where we are at currently and the darker line is where we would go to. So, what you will see on this is that it moves the lines a little bit, right, we are in -- we are having a slight impact, but it -- because you need a bigger increase on water you are not seeing it actually impacts the wastewater side greater, which is not where we need the -- as big of an impact and it barely moves our water line and we are still insolvent over the five year period. So, what if we did the nine four three one plan? And you will say, well, it barely moved the line again. You will see, though, it moved the wastewater line less and it moved the water line a little bit more and, again, this equates to about a 2.6 percent increase to the average customer. Where this matters, though, is if you apply this philosophy over the ten years. So, this is what it would look like if you did a three percent rate increase every year for ten years and what this shows you is that you are going to massively over collect on the wastewater side which is not what we want to do and you still haven't solved your water problem. But let me show you what it does if you do the nine four three one over ten years is it collects just about the right amount in both funds over that time. I did want to show you, though, what that does to a couple of things. I want to show you what it does to our fund and, then, I want to show you what it does to the customer. So, this is -- if you did the nine four three one plan over ten years. So, on the water side remember we are putting 29 percent of our cost on the base. Our cost of service study said we should put 73 percent. If you do the nine four over ten years it will move you to 37 percent, so we are still not even putting all of our base costs on, but our goal is to be incremental, to be gradual and to collect as much as we need without dramatic shifts to the customer. So, it moves us there. But the reason I show this slide is that there still is more we could move, but as you will note on the last graph we don't necessarily need to. So, on the wastewater side you will see it moves us from 23 percent to 26 percent, which is just about in alignment with what the cost of service study recommended over the ten year period and so you might ask what does this do to the customer? So, if we just did this in FY-26 where you talked about it's about a 2.6 percent increase, it is an increase of about \$1.66 for most of our customers. It still puts us at the lowest rates in the valley. So, that's a good place to be. I did want to show you, though, what if we do the nine four three one plan for ten years, where does that put you? And this is -- so, caveat with this graph. This shows no other rate increases -- or this is if all of these other cities did not a single other rate increase for ten years, which we know is not a real assumption. But what this shows you is that after ten years of the nine four three one plan, the average customer's bill would be right about at 85 dollars a month, which is still below the average of today and what that means is that your rates in ten years are still affordable, even compared to today. So, really good position to be in. Over that time it -- the -- no annual impact is greater than 3.4 percent. So, we are looking at rate increases of below three and a half percent across that ten years. I should say cumulative rate increase. We did have some questions about what does it do to our -- our customers; right? We talk a lot about the average customer and the reason is that in Meridian that's the -- that's the majority of households is -- is in that average. So, we thought let's take a look at what it does to a low user. So, this is maybe a single person living in a smaller home. Our average user, what we are calling a high user. So, this is



maybe a family that also waters with city irrigation and, then, we have a few what we call large users, so maybe like a car wash and you will see what their current rates are. So, that's what they pay each month and you will see what the impact would be just with the flat three percent. So, our standard where it's three percent to the base, to the use, to water, to sewer and, then, you will see what the nine four three one plan does and, you know, there is a larger impact to your smaller user, but I think what's important to understand is that the difference between those is I think 16 cents per month. So, we are doing very gradual small movements to try to correct that -- that imbalance on the rates. The -- I wanted to talk a little bit about the customer's ability to control the bill. So, today our average user, if they were to reduce their water usage by 20 percent in their household -- which is actually pretty significant. That's, essentially, not using water in your house for more than one full day every week. So, when you talk about a 20 percent decrease that's -- that's very large and so if a customer was able to reduce their water usage by 20 percent, today they could reduce their bill by about 12.7 percent. If we did the nine four three one it shifts to about 12.6 percent. And, again, that's reducing water usage by -- by a pretty significant amount. But the reason the customer still has a large control over their bill is that a lot of our -- our use -- or a lot of our rate is still put on the use under this -- this structure. So, again, as we talk about, you know, are we in alignment, we all agree zero debt, strive for low sustainable rates, small incremental increases and the real question today is do we want to start moving towards the objective of trying to capture true cost of service by putting more of the rate on the base and do we want to try to move towards reducing some of the user subsidy and if we do want to do that it looks like something like the nine four three one plan where we are increasing the base more than we are increasing the use. So, we have a couple of options right that, obviously, we would recommend the nine four three one plan. It does get you solvency in wastewater. We will need to do some more increases to get us solvent in water. We could also just do a straight three percent across the board if that's what we are comfortable with. Again, we wouldn't recommend doing that for the -- all ten years, because it doesn't get you where you need to be, but we could certainly do that this year and, then, the third option is if you wanted to do one rate increase today and not have to do any rate increases for the next several years, it would look like a nine percent to both the base and use in water and a one percent to wastewater, which would get you five year solvency on both of those funds. That one obviously has the biggest impact to the customer today. If you are good with whatever proposal we want to move forward with is we would do our typical process of publishing it on the utility bills and would look to do a public hearing in mid-December and would be looking to make this rate increase effective on January 1st. So, with that any questions? We can go back to slides. Happy to discuss.

Strader: Thank you so much, Director McVey. That was very fascinating. I saw some people furiously writing notes. So, I'm sure we will have lots of questions. Maybe one to start with is do you have the projection model modeled for the nine percent -- nine percent scenario? Because I would just be curious to sort of compare that for the last one on there that one --

McVey: Yeah. So, I did throw -- that is that one and that's a one-time nine percent one percent gets you there.

Strader: Thank you. That's helpful. And -- yeah, I would just keep all your slides handy. I think -- I think we are definitely going to have questions. It might take people a bit to digest this. This is a lot of meaty information. Folks, anyone? Does anyone have a question, either here or online?

Overton: Madam Vice-President?

Strader: Councilman Overton.

Overton: Not a -- not as much as a question as a -- kind of an obvious statement. I think it's kind of our duty to look at what the best long range solution is. I don't want to pass a solution that's only going to be good for a couple of years or we are back here having the same conversation again. It obviously looks like you have done your homework on the nine four three one. That gives us the highest degree of solvency and answers a lot of questions on are we getting the increase where we need it to remain solvent for the longest period of time. It didn't take very long for me. It's a math issue and I look at the math and that makes total sense to me. I support the move to the nine four three one.

Strader: Okay. Thank you, Councilman Overton. That was good feedback.

Taylor: Madam Vice-President?

Strader: Councilman Taylor and, then, we will go to Mayor Simison.

Taylor: Thank you. Laurelei, I appreciate it. In your typical Laurelei fashion you walked us through very methodically and it made a lot of sense as we kind of moved from one thing to the next. Obviously, I have had a chance to look at these slides before, so I peppered Laurelei with lots of questions previously, so I don't have too many questions, but thought it would be helpful to point out a couple of things. One, the ability -- where we currently have a lot on the use, I think you kind of made the point, but maybe you could speak to it a little bit more, regardless of how much a customer may try to control what their usage is, so they can kind of control what their bill is, we are really talking an insignificant amount of potential ability to control what that is. Could you maybe speak to that a little bit in terms of like, you know, the concept of can you actually control how much we are going to be paying by how much you use and what the reality of that is?

McVey: Yeah. So, great question. So, because our rates are so low our use component per thousand gallons on the water side is just a little over two dollars. So, you know, every thought -- if an average user home uses 6,000 gallons a month, the ability to change that bill, at least on the water side, is, you know, within that two dollar range based on your use and when we make this move to the nine four three one, those numbers don't change significantly. So, you are still in that -- I think it goes back to this

slide under the nine four three one, you know, your base fee today is about \$15.30. You are your base fee under the new plan is \$16.11. So, you are really making really small changes in -- in -- so, the customer still has the ability to change and if you do the -- the nine four three one over the ten years you still see that the customer on the water side still has 63 percent of their bill is within the use category or within their control. Wastewater side 74 percent isn't under their control. So, really, it's -- a huge percentage is still under the use and still able for them to control their -- their costs.

Taylor: It's -- follow up, Madam Vice-President?

Strader: Yes. Uh-huh.

Taylor: Can you go back to that slide where it talks about -- where you have the multiple -- one more. Yeah. Right --

McVey: That one?

Taylor: Yeah. This is kind of an interesting one to me, because it shows a variety of different users. What stands out to me is if I'm paying my bill I probably don't even notice a difference; right? If we make these changes to the nine four three one, I may -- I might have been told about the changes, but when I go to pay my bill in six months I probably don't even notice it. So, while what we are looking at when we are thinking of our -- the citizens of Meridian, we are making some -- we are evolving towards something that's a little bit more fair, a little bit more predictable, gives us long-term solvency, but they don't really notice a significant difference in terms of what that impact is going to be; right? With more of an internal function of how we are -- we are billing that. So, I like that. To me that was really important when we were looking at this is, you know, our customers -- are citizens of the city going to feel this impact, feel this change? The answer is not really, unless they are comparing bill to bill and say, oh, you charged me 26 cents more or less, we are not going to notice that while making some changes. So, I think it's -- I like the direction that this is headed.

Strader: Thank you. Mayor Simison.

Simison: Yeah. Thank you. Laurelei and I have talked about this as well and, unfortunately, I have a little PTSD from this conversation as someone who invested heavily in solar on their home and, then, this conversation is almost identical to what Idaho Power did with their PUC conversation and so on one hand I appreciate the dialog. On the other hand, I'm always -- I'm weary of the true outcome, especially for residents who -- who may have made an investment in their home under certain types of use opportunities to keep their rates lower. I could never handicap what those would be. How many, if any, took those steps. Yeah, I think that most people that maybe have taken steps has been to so they don't use city water for their landscaping as an example through this process. But if they have made a significant investment to reduce one and feel like they are not being rewarded for those efforts, I know we were talking about averages through this process, but I just want to be cognizant that in this dialog we

need to be aware of what people have decided to do based upon the approach that we have had through this and I know the large commercial users have also been impacted even by the -- you know, the decision not to do reclaimed water recently. So, are we compounding the conversation for people who are making investments as we go through change? Maybe. Maybe not. I can only tell you that I was told basically everything Idaho Power does is now in their base rates and that's where all your money is. I don't -- I'm not saying that's what is being presented by the city in this case, but as a user it just -- I -- I fear what it will be, but maybe the data proves it won't be anything. But PTSD for this guy.

Strader: Thank you, Mayor. Yeah. As a solar user myself I'm very familiar. I had kind of a question and it was more around in our modeling -- or in kind of just predicting incentives and human behavior, do we think that this kind of change, if it's replicated over time, ends up resulting in higher water use, because people just feel like, well, I'm paying it all in my base fees for basically the fixed cost of the City of Meridian. I just think that that's another kind of impact we need to be cognizant of. I don't know how we could predict that, but thought it was worth asking.

McVey: No. That's a good question. And, you know, I think that would take us -- if -- if we are concerned with usage and consumption, I think it takes us towards like a tiered rate structure that's based on, you know, as you increase in volume maybe there is additional rates that are different. I think they found that that's -- that's more effective in changing. I think because the amounts are so small that we are talking about they don't impact large shifts. Anything to the -- to the Mayor's question on, you know, what investments have people put in that -- that would -- you know, I think the biggest one that he pointed out is if you were able to get onto surface water instead of city water, but I think you would still see -- see those savings, because you are drastically dropping your -- your usage and that your base is -- is still remaining relatively on this slide, you know, going from 15.30 to 16.11. So, your base is not increasing significantly.

Strader: And, Laurelei, just to jump in, so -- and if I understand kind of what's happening is that the average usage of residents is decreasing and effectively it's being diluted by new construction practices and more efficient appliances and so I guess my question to you would be -- I'm kind of with Councilman Overton in the sense that -- and also Councilman Taylor's comments so far. I mean it feels like a gradual change. It feels like it's manageable for people. It feels like if we replicated this over the long run this would be the right way to do something like this. Could we -- if we did this could we measure like average use per household and see like is this creating a change in behavior? Is this changing the incentives for people? And kind of was just curious what kind of follow up, if we implemented, for example, the nine four three one plan, like what kind of follow up would we expect as we kind of measure the impact of moving to this other model?

McVey: So, we measure the -- where this -- that graph came from is actually our water master plan. So, every five years when we do our water master plan we continue the

lines on this chart and it's certainly something that we keep track of over time to see if this -- this would make a significant change.

Strader: Yeah. That's really helpful. And I guess would it -- do you have the data in a granular enough way that you can kind of show it for different segments, like this is kind of what your average retail user is, your medium user, your small user, your high capacity user?

McVey: So, we do break down water use today into -- I think -- so, I think three customer classes. So, it's our general -- we do a irrigation only and we do commercial. So, we do have those three customer classes and so we break our meter reads into those. So, I think we could get it to that level of detail.

Strader: Okay. Thank you. Other questions, compliments, comments, feedback?

Whitlock: Madam Vice-President?

Strader: Councilman Whitlock, please, continue.

Whitlock: I will start with a compliment. Thank you. This was very understandable and straightforward, so I appreciate you bringing it to my level. I'm still trying to sort things and connect dots. About a year ago weren't we standing here talking about a rate reduction because of an EPA --

McVey: Yep.

Whitlock: -- fee that was basically a pass through, so --

McVey: I did make an extra -- you guys are good. You are asking the extra question slides, which you didn't even know where there. So, we did do -- we asked for a three percent rate increase, but we also had the sun setting of the EPA fee and so that did actually result in a net decrease to the customer's bill last year. But we did -- it was -- it was kind of twofold, because it was a rate increase, but that -- that flat fee fell off and it was good that flat fee did really important things for the fund and is part of that -- the stability that the wastewater fund still has. But, again, that was a -- that was a flat fee.

Whitlock: Vice-President, follow up.

Strader: Please. Go ahead.

Whitlock: So, really, no net difference if -- if it was a three percent increase and, then, a flat fee falling off, the customer really didn't see much on their bill.

McVey: They did actually see a -- it was a decrease of -- oh, I --

Whitlock: Madam Vice-President, I'm just trying to get to kind of a percentage to Councilman Taylor's point. You know, if a three percent increase or a two percent decrease is pennies on the bill, are they -- are they noticing that. My e-mail box did not overflow with appreciation for a rate decrease or a two percent savings on their -- their water bill.

McVey: And, you know, I think it goes -- it goes back to our -- where are our rates compared to others in the valley, you know, and I think that's maybe something we could do a better job at is -- is kind of celebrating that, right, that we have significantly lower rates than other agencies in the valley and, you know, a neighboring larger city just did a 34 percent rate increase to their water and sewer rates this year, like we -- I feel really fortunate that we are in the situation that we are in, that we have done the planning and that we were able to make these small decisions, rather than these really large impacts. So, it's I think testament to the planning that -- that we have done -- that the people before us did.

Strader: Absolutely.

Little Roberts: Madam Vice-Chair?

Strader: Council Woman Little Roberts.

Little Roberts: Laurelei, thank you so much. You always do such a fabulous job and put your high tech knowledge down to what we can understand and I think -- just thinking about our citizens as our customers, sustainability, especially when it's so little impact that they are not filling our inboxes with either yeas or nays, I think is just huge to maintain and -- and I like that we are the lowest, but I'm not sure that I care that we are really the lowest as long as we are creating that sustainability, which you and your team and the team before you have been so great with. I think that is just so critical, because it's so hard to fix when you get to the point that you are not there and to just maintain it with such minimal cost to the citizens I think is the most important thing we could do. So, I would definitely support the nine four three one.

Strader: Okay.

Taylor: Madam Vice-President?

Strader: Councilman Taylor.

Taylor: Kind of a comment. Thinking a little bit about what the Mayor mentioned, what you mentioned about almost -- are we creating a perverse incentive to -- if people think why -- you know, Meridian is great, you can use as much water as you want and it doesn't matter. I think if you changed everything overnight maybe you would see that, but -- can you go to the slide with the pie charts with the changes? I think this was kind of helpful to me.

McVey: That one?

Taylor: Yeah. So, even after ten years of this plan we still have -- the majority of that is on the use; right? So, it's so incremental it's very different. So, I'm not too -- I don't think we run the risk of, you know, creating a perverse incentive where we are incentivizing accidentally increased use and there is nothing we can do about Idaho Power and they are misleading the Mayor and others on the solar stuff, so -- sorry about that. But I think given that we still have a -- lot is on the use and how we are billing that, I think these changes are -- are pretty responsible and reasonable. I think that's the way government should work is just slowly over time in a way that's continued to drive for efficiency and, like Councilman Whitlock said, I think if we never get the thanks anyway, so even if it was a ten percent you probably wouldn't get overflowing your e-mail inbox, but I like the direction where we are going here.

Strader: Okay. Thank you, everyone. I feel like this has been good feedback. Maybe just, Laurelei, do -- would you like a show of hands if this is heading in the right direction and we would like to see more about the --

McVey: I feel like I -- I have a good path forward and so we will likely bring that -- you will see the next communication would be on the utility bill and we messaged it in a way that, essentially, demonstrated what the average increase would be, because it's a little bit hard to say that it's -- is it a nine percent increase? Is it one percent increase? And in aggregate it's a 2.6 percent. So, I think that's an important thing as we communicate about it over the next little bit. But we will bring that forward through the public hearing and let you know if we hear anything and have another opportunity to discuss.

Strader: Perfect. And we still have opportunities for -- there is one -- our Council President is not here, but he has the ability I think to also, you know, ask -- and we all do, to ask additional questions and provide feedback. So, thank you so much.

McVey: Thank you.

Strader: Okay. With that I will entertain a motion to adjourn the meeting. Councilman Overton.

Overton: Motion that we adjourn.

Little Roberts: Second.

Strader: Okay. Have a motion and a second to adjourn the meeting. All those in favor signify by saying aye. And we are adjourned. Have a great night. Good night, Mayor.

Simison: Good night.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

MEETING ADJOURNED AT 5:48 P.M.

(AUDIO RECORDING ON FILE OF THESE PROCEEDINGS)

_____	____/____/____
MAYOR ROBERT SIMISON	DATE APPROVED

ATTEST:

\_\_\_\_\_  
CHRIS JOHNSON - CITY CLERK