



Public Utility District No. 1 of Klickitat County

80 Years of Service * 1938-2018

GENERAL MANAGER'S REPORT TO THE BOARD For the April 27, 2021 Meeting

AGENDA ITEMS:

- A. **Glenwood Water discussion** - I would like to discuss our current status on Glenwood water connection moratorium and water usage, as well as make a recommendation on moving forward. Please see the cover letter for a details and recommendations.
- B. **Water-Wastewater Rates discussion** - After a high level review, I believe that if we do not adjust WWW rates for 2021 / 2022 for a majority of the systems, the systems will be okay. They are on a path of financial improvement and no rate action would impact that path, but that would not fundamentally hurt the systems. WE have a discussion to have regarding appropriate rates and the potential COVID impacts on some of our customers.

However, there are three systems where we were forecasting 5% rate increases for several years. These systems have either cash flow issues or need cash reserves built up. My concern with these is that there may be cases there that will require making up any rate increases we do not implement now.

I had said we would be bringing back recommendations to you today and we are not ready to do so, but I did want to have a discussion before we wrap up the rate review process.

- C. **Low Income Elderly discount** - Brandy Myers will be seeking direction on whether to continue the program through May and increase funding to \$70,000 or suspend the program and rescind Resolution 1791 as of April 2021.