



Rule 19.8 Ordinance 180 Listening Sessions

Item 15

January 23, 2019



“Listening Sessions”

- Dates
 - Division 1 – Monday, January 7 - Seaside City Council Chambers
 - Division 2 – Tuesday, January 8 – MPWMD conference room
 - Division 3 – Wednesday, January 9 – Monterey City Council Chambers
 - Division 4 – Thursday, January 10 – Pacific Grove Council Chambers
 - Division 5 – Tuesday, January 15 – Carpenter Hall, Sunset Center Carmel
- Ranking Sheets
- Public Comment
- Questions?



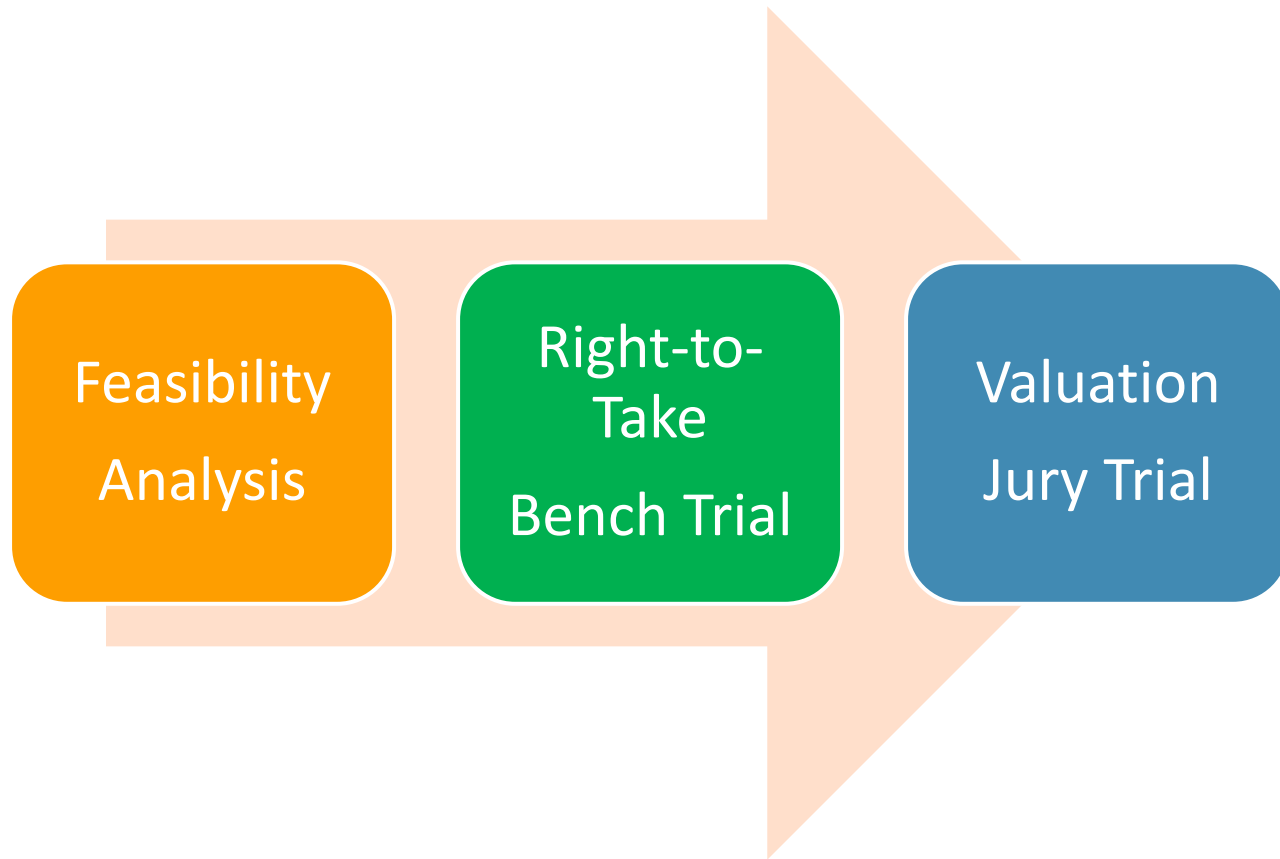
General Topics at Listening Sessions

- What does “feasible” mean to you?
- Which measure of “feasibility” is most important to you?
- What do you see are the benefits of a publicly owned water system?

Listening Sessions – By the Numbers

	Division 1	Division 2	Division 3	Division 4	Division 5	Total
Attendees	65	55	80	75	105	380
Speakers	18	15	18	17	33	101
Ranking Sheets Returned	34 32	22 20	35 34	33 32	66 71	190 189
Additional Ranking Sheet Comments	13 14	7 6	14 19	23 16	27 27	84 82
Directors	5	5	6	6	6	n/a

3-Phase Process



Determining Financial Feasibility – Experts Needed

Valuation

- Valuation Specialist
- Investor-Owned Utility Expert
- Eminent Domain Attorney



Convert To Debt

- Investment Banker
- Bond Counsel

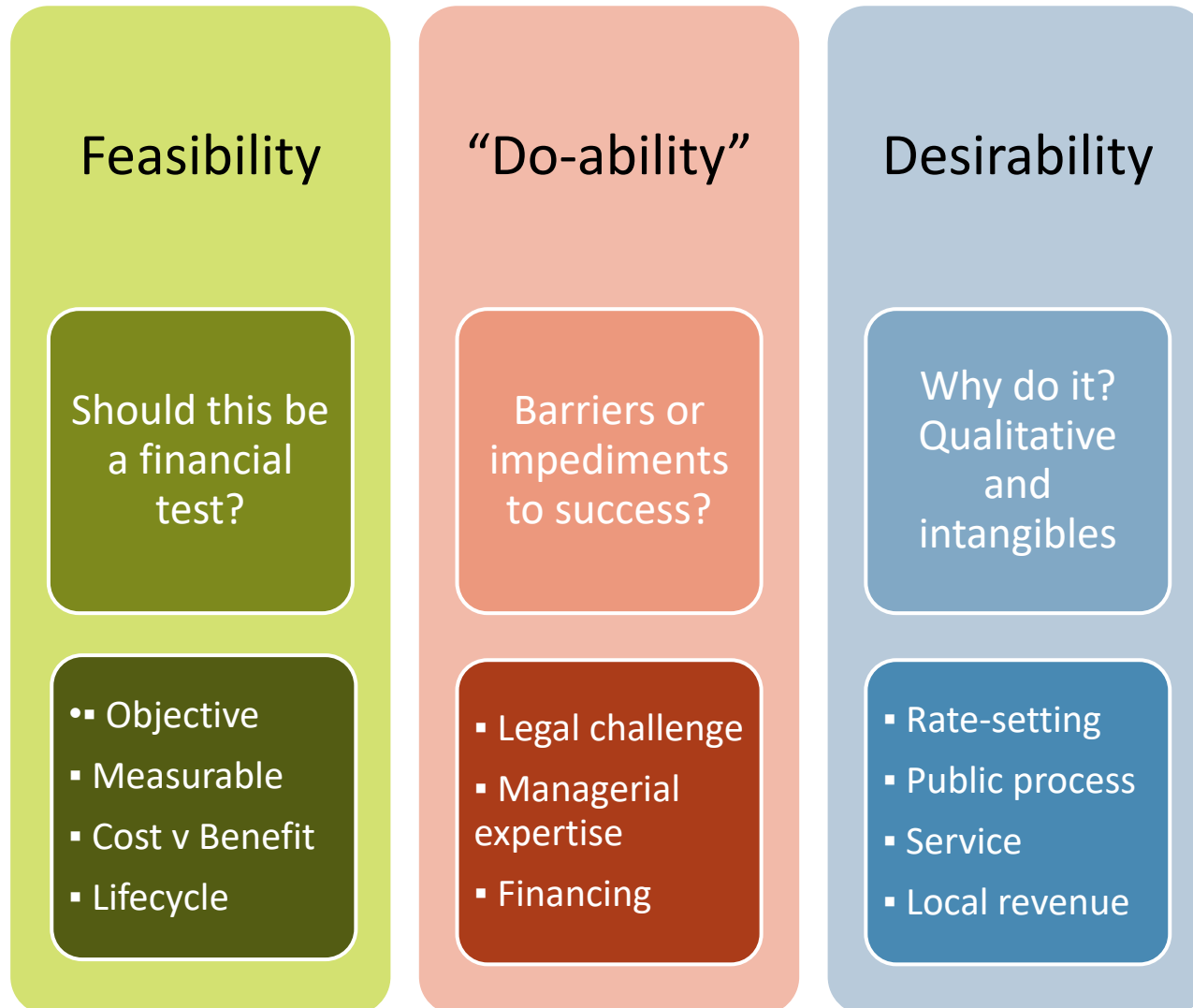


Cost of Service Model

- Cost of Service Modeler
- Investor-Owned Utility Expert
- Prop 218 Attorney



Feasibility vs. Other Concepts



Ranking Sheets

- In an interesting twist of the power of statistics, the average ranking of all 6 Measures of Feasibility was between 3.0 and 4.3
- The average ranking of all 7 Measures of Desirability was between 3.4 and 4.5
- In other words, almost as many people ranked a measure as their most important as ranked it as least important, and then ranked their intermediate criteria approximately the same.
- The community is split – we cancelled each other

Ranking Standards of Financial Feasibility

	Division 1	Division 2	Division 3	Division 4	Division 5
Most Important	Immediate Savings	Can handle a slight increase in cost if cheaper over time	Can handle a slight increase in cost if cheaper over time	I may not save in first year, but future increases will be lower	Can handle a slight increase in cost if cheaper over time
Second Most Important	Even if operating costs are the same, future capital projects will be cheaper	Don't care if there is savings until after debt paid off	Don't care if there is savings until after debt paid off	Immediate Savings	Immediate Savings
Least Important	Immediate Savings	(tie) Immediate Savings Don't care if there is savings until after debt paid off	Immediate Savings	Immediate Savings	Don't care if there is savings until after debt paid off

Ranking Standards of Desirability

	Division 1	Division 2	Division 3	Division 4	Division 5
Most Important	Lower Costs	Lower Costs	Lower Costs	Lower Costs	Lower Costs
Second Most Important	Economy	(tie) Economy Participation	Economy	Community Values	Leadership
Least Important	Community Values	Community Values	Community Values	(tie) Community Values Lower Costs	Lower Costs

Conclusions?

Based on the most and least important criteria, the community is split.