



UTILITY BOARD REGULAR MEETING MINUTES NOVEMBER 10, 2015

CALL TO ORDER:

Chairman Kwan Wong called the regular meeting of the Utility Board to order at 7:02 p.m. in the Council Chambers Room at City Hall, 9611 SE 36th Street, Mercer Island, WA.

ROLL CALL:

Chairman Kwan Wong, Vice Chair Tim O'Connell, Tom DeBoer, Susan Kaltenbach, Stephen Milton and Wendy Weiker were present. Will Pokorny was absent.

City Staff: Chip Corder, Finance Director, Francie Lake, Deputy Finance Director, Anne Tonella-Howe Assistant City Engineer, Jason Kintner, Maintenance Director, Brian McDaniel, Utilities Operation Manager and Asea Sandine, Recording Secretary were also present.

MINUTES:

O'Connell moved to approve the minutes from the June 9, 2015 meeting. Milton seconded the motion. O'Connell moved to approve the minutes from the October 6, 2015 meeting. DeBoer seconded the motion. The Board unanimously approved the minutes.

REGULAR BUSINESS:

WATER ADVISORY EVENT UPDATE

Jason introduced Melinda Freidman from Confluence Engineering who provided an update on the work, Confluence and the City completed the past year. Friedman shared that the action plan is updated quarterly and a lot of work had been completed. Currently, City crews are preparing to implement a trial unidirectional high velocity flushing program while staff continues to work on the inspection and retrofit of the stand-alone air vac vaults. The City has installed nine new sample stands with six of the stands being used for the transitional monitoring plan. Design is also underway for a permanent chlorine injection system. Council adopted ordinance 15C-09 amending chapter 15.4 MICC Unlawful Cross Connections. The amendment is a tool to ensure compliance with backflow testing and devices. The part-time Cross Control specialist is retiring in June 2016. Staff will seek approval from Council to fund a full time contracted Cross Connection Control Specialist through 2018. The position will work with the Utilities Manager to establish, implement, test and monitor plans to ensure compliance with federal, state, and other regulations.

2016 WATER RATE UPDATE

Lake shared that last year the Council adopted the 2015-16 budget which reflected water rates recommended by the Utility Board (12.8% for 2015 and 14.4% for 2016). She stated that the 2016 water rate had been revised from last year's study to show actual revenues and expenditures for 2014 and the budget carryover of two capital projects from 2014 to 2015. She highlighted that in 2015 the water fund started with a better cash position and revenue was up due to higher water use during the summer which created additional revenue. Staff presented three rate scenarios for the Board's consideration. Staff recommends scenario C.

Motion: – Moved by Kaltenbach to recommend Scenario C. Seconded by O'Connell. The motion failed.

Motion: Moved by Milton to recommend Scenario B. Seconded by O'Connell. The motion failed.

Motion: Moved by DeBoer to recommend Scenario A. Seconded by Weiker. The motion failed.

Motion: Moved by DeBoer to reconsider Scenario C. Seconded by Weiker. The motion carried 5/2 with Bertlin abstaining.

2016 EMS RATES

Lake shared a brief summary of changes to the 2016 proposed EMS Utility Rates. She advised that when the FCS Group applied the current (2015) EMS rate of \$8.53 to the updated number of ELU's for 2015, they forecasted that the 2015 revenue would be \$532,545. Actual revenue received through September would revise this forecast down to \$529,570. Because the current rate is forecasted to generate 0.26% more than 2016 revenue requirement of 528,382, staff recommends keeping the rate the same in 2016. The Board concurred with staff recommendation.

Work Plan

Kintner shared that staff will prepare a draft work plan and will seek input from the Board regarding topics for discussion. The draft Work Plan will be presented at the first meeting of 2016. The Board congratulated Weiker for her election to Council and thanked her for serving on the Utility Board.

NEXT MEETING: The next scheduled meeting is January 12, 2016.

ADJOURNMENT: 8:49 PM

Asea Sandine
Recording Secretary