



UTILITY BOARD REGULAR MEETING MINUTES SEPTEMBER 9, 2014

CALL TO ORDER:

Chairman Ben Levie called the regular meeting of the Utility Board to order at 7:01 p.m. in the Council Chambers at City Hall, 9611 SE 36th Street, Mercer Island, WA.

ROLL CALL:

Chairman Ben Levie, Vice Chair, Kwan Wong, Steve Milton, Susan Kaltenbach, Tim O'Connell, Wendy Weiker and Council Liaison Debbie Bertlin were present. Tom DeBoer was absent.

City Staff: Glenn Boettcher, Maintenance Director, Chip Corder, Finance Director, Francie Lake, Deputy Finance Director, Anne Tonella-Howe, Assistant City Engineer and Asea Sandine, Recording Secretary were also present.

MINUTES:

MOTION: Moved by O'Connell, seconded by Milton, to approve the minutes of July 8, 2014 meeting as modified. The Commission unanimously approved the minutes as modified by O'Connell.

REGULAR BUSINESS:

2014 WORK PLAN

The Board reviewed the 2014 Work Plan.

SEWER BUDGET AND RATES

Lake presented a PowerPoint outlining three different rate scenarios A, B and C. Staff recommendation is rate scenario C) smoothed rate increase of 8.3% for 2015-2017, and then a smoothed rate increase of 4.5% for 2018-2020, with the goal of not dipping into fiscal reserves in 2015-2020. Among the highlights of the operation budget is an increase of \$40,000 for contractual services. This service is designated for special catch basin cleaning and video inspection services. Staff advised that the increase in contractual services is needed to help reduce issues with the lake line. Special catch basins have had higher scrutiny as staff continues to observe high levels of debris in the catch basins. Furthermore, the next phase of the video inspection program involves time intensive labor due to access issues. Also highlighted in the operation budget, is the need for two new Sewer Team members. The additional two member team would proactively address items that pose the greatest risk when left unattended (7-year cleaning cycles, backyard sewers, and buried manholes). The Maintenance Department has requested these positions start in 2015. However; the Finance Director recommends the positions start in 2016, in order to keep rates below 8.5% and to align this change with a year when there is not a cost increase for King County sewage treatment. All other items of the operating budget are status quo. The Board discussed the above highlights and requested more analysis of services that possibly could be contracted out. The Board also requested analysis to show how the sewer team is currently doing business in contrast to what could be done with an increased two person crew.

MOTION: Moved by O'Connell, seconded by Milton, to tentatively recommend rate scenario C with the understanding that staff will present requested analysis in the near future. The motion carried unanimously.

STORMWATER BUDGET AND RATES

Due to lengthy discussions regarding the Sewer rates and in the interest of saving time Lake briefly presented the two Storm Water rate scenarios A and B. Staff recommendation is rate scenario B. Scenario B is a smoothed rate increase of 2.7% for 2015-2020 with the addition of street sweeping costs to the Storm Water Fund starting in 2015.

MOTION: Moved by O'Connell, seconded by Wong, to recommend Storm Water rate scenario B. The motion carried unanimously.

NEXT MEETING: The next scheduled meeting is October 14, 2014.

ADJOURNMENT: 8:50 p.m.

Asea Sandine
Recording Secretary