



Meeting Minutes - Draft

Utility Advisory Committee

City Hall
601 4th Avenue E
Olympia, WA 98501

Contact: Andy Haub
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Thursday, June 4, 2015

5:40 PM

City Hall, Room 207

1.A Roll Call

Note: Vice-Chair Drennan was present at the meeting via phone.

Present: 5 - Chair Thad Curtz, Vice Chair Margaret Drennan, Committee member Michelle Barnett, Committee member Chris Ward, and Committee member Roger Wilson

Absent: 3 - Committee member David Dunn, Committee member Steve Fossum, and Committee member Dever Kuni

2. Approval of Agenda

The agenda was approved.

3. Approval of Minutes

[15-0546](#) Approval of May 7, 2015 UAC Meeting Minutes

The minutes were approved as amended.

4. Public Comment - None

5. Announcements from UAC and Staff

New UAC member Roger Wilson introduced himself.

Chair Curtz announced that environmental economist and author, Youram Bowman, will speak in Olympia on June 17 at the Unitarian Church to talk about the carbon tax swap initiative.

Wastewater Project Engineer II Diane Utter gave an update on the proposal to change the City's residential wastewater rates to volume-based. The proposed rate would take effect January 1, 2016.

Wastewater staff presented options for both two- and three-tiered residential wastewater rates to incentivize water conservation and provide rate discounts for producers of very low volumes of wastewater. Drinking water is used as an approximation of wastewater produced because wastewater is not metered. Most drinking water is converted into wastewater through household use.

Since the last time staff came to the UAC (in October 2014), a change is being proposed. Staff would like to propose to Council a "standard" wastewater rate that is consistent across rate classes, rather than having a "standard" rate class for single-family residential customers that is higher than commercial and multi-family customers. Customers that meet the lower volume consumption would receive a maximum monthly discount of \$7.25 on their utility bill.

Staff will present this information to the Council's Finance Committee on July 8 and the full Council on July 21. The UAC had no feedback and was supportive of staff moving this item forward in the rate setting process.

Water Resources Director Andy Haub provided the following updates: The City hired a consultant to conduct an energy efficiency evaluation of the drinking water and wastewater pumps. The consultants concluded that the City's system "is sequenced to operate efficiently and cost effectively and the City does not need to change its system operation". Chair Curtz asked if staff has considered a request to the Utilities and Transportation Commission (UTC) for a lower electric rate. The City could then operate the pumps at off-peak hours when the electric demand is lower. Mr. Haub said he would discuss this more with Chair Curtz and would look into this suggestion.

The City normally holds an annual community meeting on climate change and sea level rise. The City did not conduct a meeting this year for a number of reasons (i.e. understaffed with Eric Christensen on leave). Mr. Haub reported the City is involved in other initiatives related to climate change and sea level rise. Staff will share information with the community as time permits and there is more information to share.

Mr. Haub will work with Committee member David Dunn to see if they can get "Strong Towns" to present information to the community. Strong Towns will be in the area in October 2015. They are a non-profit with the mission to "support a model for growth that allows America's towns to become financially strong and resilient".

6. Business of the Evening

[15-0547](#) Water System Plan Update (2015-2020)

Water Resources Senior Planner Laura Keehan spoke about the update to the City's water system plan. She attended the March 2015 UAC meeting and gave a briefing on the changes to the Plan. The Plan sets the strategic direction of the Drinking Water utility for 2015-2020. Staff requests a letter of recommendation from the UAC on the City's draft Water System Plan.

Staff submitted the draft Plan to the Washington State Department of Health (DOH) in the spring and is still waiting for comments from Office of Drinking Water. Ms. Keehan spoke with DOH staff and verbally received feedback that they do not have substantive changes to the City plan.

Ms. Keehan explained the timeline for the process to adopt the draft Water System Plan. Staff will bring the item to the Council's Land Use and Environment Committee (LUEC) in late August and to Council in the fall. She hoped to have the UAC's letter of recommendation to include in the packet to LUEC and Council.

Chair Curtz noted that new Committee member Wilson has not reviewed the draft Water System Plan. Committee member Wilson stated he read the executive summary. Committee member Barnett had minor grammatical/clarification corrections to the Reclaimed Water Chapter of the Plan. Ms. Barnett will give those comments to Ms. Keehan directly to pass onto the Department of Health.

A motion was made to write a letter of support of the City's update to the Water System Plan based on the UAC's review of the March 2015 draft of the Plan, and with the understanding that DOH only has minor corrections to the Plan. The motion was seconded and passed unanimously.

The recommendation was approved.

[15-0549](#) Water Resources Capital Facilities Plan (CFP) for 2016-2021

Mr. Haub presented the draft Capital Facilities Plan for the Water, Wastewater, and Storm and Surface Water utilities as a part of the UAC's annual review of the CFP. The deliverable was to provide a recommendation to the Olympia Planning Commission (OPC) and the City Council.

Mr. Haub gave an overview of the CFP planning process and how utility master plans tie into the CFP process. He explained the process for evaluating and choosing capital projects.

Staff and the UAC had an overarching discussion on utility asset management and the condition of the infrastructure. It was noted by staff that the condition of wastewater and stormwater pipes is well known, but drinking water pipes are more difficult to evaluate because they are pressurized. Staff is evaluating different technologies for assessing the condition of water pipes.

The UAC is supportive of the 2016-2021 CFP. A motion was made to write a letter to the OPC in support of the draft CFP. The motion was seconded and passed unanimously.

The recommendation was approved.

9. Adjournment

Chair Curtz adjourned the June 4th UAC meeting.