

**Administration:**

- Members Present: Laura Markley, Alice Lanczos, Tom Grant, Kris McArthur, Chris Thompson, Frank Metheny
- SPU Staff Present: Dave Hilmoe, Julie Burman, Al Dietemann, Sheryl Shapiro, Rich Gustav, Joan Kersnar, Sue Morrison
- Guests Present: Kelly McCaffrey

Meeting called to order at 4:00PM

June meeting notes reviewed and accepted as written.

**AGENDA TOPICS:****SPU Water Supply update and other news****Dave Hilmoe,  
SPU Water LOB**

There has been more precipitation this year than normal. The snowpack is gone and the reservoirs are full. The water demand is low, and we're waiting for the weather to get hot to generate revenue. Water quality is good. There is a particular algae that showed up about three years ago – a fresh water algae which is NOT a public health issue. This algae has a higher clogging capability to equipment at the filtration and tends to clog meter and pressure regulation screens. Our wholesale customers are seeing it. SPU's strategy is to bypass Lake Youngs when the algae are seen. We've been in bypass mode for about 8 weeks.

SPU's water rate proposal was submitted to Council last month. We are now receiving first set of questions from Council's SPU and Neighborhoods Committee. We should have a sense for their recommendation in late August or early September. Melina Thung, SPU's Finance and Administration Director noted that there is a general understanding of the needs driving the rate increase proposal. However, there may be modifications by Council. Dave said his opinion was that the Seattle Times article regarding the rate increase was fairly balanced.

The Volunteer Park reservoir and standpipe have been nominated as historic landmarks. They are the last visible equipment from the Cedar. If they become a landmark, covering will still be necessary, or reservoir would need to be decommissioned.

**SPU Regional Water Conservation****Julie Burman,  
SPU Water Planning**

Information was presented regarding the 2013 water system plan and the State requirement to set a 6-Year Water Use Efficiency (WUE) Goal. (2013-2019). Julie reviewed the reasons SPU has pursued conservation in the past, most notably in 1999 to delay the need for a new water supply. She discussed SPU's partnerships, foundation of research, past strategies and approaches to conservation. From 1999-2010, over nine million gallons per day of cumulative water savings have been achieved, which would be enough to serve the City of Bellingham. Customer behavior has changed. This is a less expensive conservation method than hardware upgrades. However, to maintain behavioral savings customers must be reminded every year while conservation hardware investments conserve over the life of the equipment. SPU has invested in conservation equipment such as toilets, spray water heads, and irrigation systems in order to delay investing in other sources of new water supply. New toilets have been one of the least cost methods of conserving. SPU's conservation investment from 1999-2010 was about 35 million dollars.

## **Why Conservation? – WSAC discussion of Drivers for Conservation**

**Chris Thompson,  
WSAC Vice-Chair**

This discussion will take place over the next couple of meetings. Discussion with wholesale customers is also being done.

It was suggested by one member that a cost benefit analysis be done. Some members felt that programs should be evaluated every two years. A study of the impact of higher cost water on the community, business, and industry should be performed. Concern over programs such as UW laundry filtration was expressed. Discussion and differing opinions took place between committee members. Some members expressed a philosophical view stating that we need to think about the water needs of the world and that Seattle water should be conserved whenever possible.

Chris asked that the information being provided to Council by Sherri Crawford be brought to the committee.

Julie said there are 17 wholesale customers who participate in the regional conservation program and will be involved in the decision on the future of the region's water conservation program. She has met with 9, individually and is having the same conversations with them as with WSAC.

Members asked for a close evaluation of whatever is proposed. It was noted that SPU has not paid the full cost of efficiency improvements, sharing the investment with customers. Al Dietemann explained that SPU has a difficult time convincing businesses that reducing their water consumption is a good investment if the payback is more than three years.

Chris Thompson thinks of SPU as a citizen's utility. He felt the committee should develop a list of values to provide to SPU which could then be used as guiding principles. Frank felt it was important not to rank the values. Julie will provide a briefing to Ray Hoffman on August 24<sup>th</sup> on the status of the WUE goal setting. If WSAC could provide her with its perspectives prior to then she can incorporate them into the briefing prior to the September 2 discussion with SPU's wholesale customers.

## **WSAC Business**

**Alice Lanczos,  
Chair**

Next meeting, August 17<sup>th</sup>

Meeting adjourned at 6:00PM