

FINAL Minutes
Seattle Water Supply System Operating Board
July 7, 2022
1-3PM

WebEx

<u>Board Members</u>	<u>Utility Representatives</u>	<u>SPU Attendees</u>	<u>Other Attendees</u>
Alex Chen, Chair	Boyd Benson	Hilary Allison	Jamie Crookston
Patrick Sorenson, V. Chair	Kelly Boswell	Kari Burchard-Juarez	Charlotte Haines
Diane Pottinger	Jeremy Delmar	Regina Carpenter	Patty Hale
Shane Young	Pete Eberle	Frank Coulter	Lauren Imhoff
Ron Little, 7 th Member	Michael Martin	Julie Crittenden	Pam Maloney
Paula Laschober	Al Nelson	Kathy Curry	Darcey Peterson
	Terry Olson	Eugene Mantchev	Robert Russell
	Jorgan Peadon	Kelly O'Rourke	Ron Straka
	Jane Vandenberg		Sandra Tachibana
			Laurie Tish
			Logan Wallace

1. Welcome, Introductions & Announcements:

Kathy Curry, Seattle Public Utilities (SPU) Wholesale Water Contracts Manager, completed a roll call of Board Members and confirmed there was a quorum to begin the meeting.

Kathy and Alex Chen, OB Chair and Deputy Director of SPU's Water Line of Business and Shared Services Branch, welcomed new Operating Board participants: Jeremy Delmar, the new General Manager for Highline Water District; Jane Vandenberg, the new General Manager at Soos Creek Water and Sewer District; and Jorgan Peadon, the new General Manager at King County Water District No. 49.

Alex introduced new SPU staff member, Hilary Allison and also announced Andrew Lee's confirmation as SPU's General Manager and Chief Executive Officer.

2. Agenda/Minutes

a) The **June 2, 2022**, minutes were **approved 5-0**.

b) The **July 7, 2022**, agenda was **approved 5-0**.

3. New Business

a) Operating Board Bylaws and Future Meeting Venue

Kathy Curry went over proposed Operating Board Bylaw changes, the reasons for these proposed changes, and discussed plans to have some of the 2023 Operating Board meetings at the Mercer Island Community and Event Center (MICEC). Kathy noted that the MICEC has added hybrid meeting equipment that has been used with success by the Conservation Technical Forum. Kathy mentioned that the Operating Board would discuss which meetings to hold at the MICEC in 2023 as part of the Operating Board work planning that we will do later this year. There was discussion and then Alex Chen called for a Board vote on proposed Operating Board Bylaw changes.

Board Action: SPU Board Members refrained from voting. Large Category Utility Board Member, Patrick Sorenson, voted yes; Medium Category Utility Board Member, Diane Pottinger, voted yes; and Small Category Utility Board Member, Shane Young, voted yes. Proposed Operating Board Bylaw Changes **approved 3-0**.

b) 2021 Annual True-Up Results & Rate Study Update

Regina Carpenter, Seattle Public Utilities (SPU) Principal Economist, provided an overview of the True Up process and timeline. Laurie Tish, from Moss Adams, went over their role in the process and highlighted portions of their report.

As part of the presentation, information was shared that reflected the reasons for the increased True-up balances as compared to Rate Study projections. Regina reminded the Board of the implications of the large balances and discussed the recommendation to postpone the rate study another year to best avoid rate swings in the near-term.

While several attendees mentioned support for Seattle’s proposal to postpone the wholesale rate study, Alex Chen asked Utility Representatives to discuss, with their Utility Categories, over the coming days whether they are in support of it. He requested that Utility Category Board Members let Kathy know in the coming week whether they heard any concerns.

There was discussion about how and where to reflect information about SPU’s assignment of costs as related to subregional cost pools, as well as confusion about what the information represents and therefore whether it belongs in the True Up report.

A motion was put forth for the Operating Board to vote on whether to approve the True-Up procedures as performed, with the understanding that SPU would further explore how and where to best relay SPU’s assignment of costs as related to subregional cost pools. The motion was **approved 5-0**.

c) SPU Project Management

Keri Burchard-Juarez, Deputy Director of SPU’s Project Delivery and Engineering Branch, provided an overview of the SPU’s project delivery process. As part of her presentation, Keri shared information about how SPU manages projects, uses project delivery tools, how success is defined, and how success is monitored. Following Keri’s presentation, the group discussed tracking of legal costs, change orders, project prioritization, and asset management.

d) Water Conservation Program Update

Co-chairs of the Conservation Technical Forum, Sandra Tachibana, with the Woodinville Water District, and Lauren Imhoff, with the City of Renton, co-presented a status update on the Water Conservation Program. As part of their presentation, background information on The Saving Water Partnership program was shared. 2020 and 2021 accomplishments were described and showed how the Partnership pivoted to address changing needs amidst the COVID pandemic. The presentation also included the emphasis on the great work that is underway in 2022.

e) Water Conservation Drivers

Due to the meeting being behind schedule, Kelly O’Rourke, SPU’s Conservation Manager, agreed to return to provide the planned “Water Conservation Drivers” presentation at a future Operating Board meeting.

4. Executive Summaries & Other Business

- **Water Consumption from Watersheds vs. Rate Studies** – Alex Chen went over the graphs on Attachment 5a.

- **Water Supply Update** – Alex Chen went over Attachment 5b and reminded the group that the current water supply synopsis can be found at:
<http://www.seattle.gov/util/MyServices/Water/WaterSupply/index.htm>
- **Cascade Water Alliance** – Due to the meeting running overtime, Alex Chen relayed that he would share information on this topic at a future meeting.

6. **Future Meetings**

Kathy Curry provided reminders for the following upcoming Operating Board meetings:

- August 4, 2022 – regular monthly Operating Board meeting – Webex remote meeting
- September 1, 2022 – half-day field trip to Landsburg Diversion Dam & Hatchery – from 9 am to noon
- October 6, 2022 – regular monthly Operating Board meeting – Webex remote meeting

7. **Good of the Order**

Board meeting was adjourned at 2:58 p.m.

Approved by:



Alex Chen (Aug 4, 2022 15:37 PDT)

Chair, Alex Chen
Seattle Water Supply System Operating Board

08/04/2022

Date