Utility Committee Members Rob Putaansuu, John Clauson and Cyndi Lucarelli met on March 14, 2014 at 7:30 a.m. at the Family Pancake House. Also present: Public Works Director Mark Dorsey and Councilperson Bek Ashby (meeting was properly noticed.)

**Energy Star Washer Rebate – Discussion:** PWD Dorsey reviewed with Committee members the email submitted by Mr. Jeff Smith to the City Mailbox on March 4, 2014 requesting the inclusion of high efficiency top-load ‘Energy Star’ washers to the City’s current Low-Flow Toilet Rebate Program. Upon review of the current low-flow toilet qualification standards and a discussions regarding fixed improvements vs. moveable appliances and local retailer alternatives, it was determined that the inclusion of high efficiency top-load ‘Energy Star’ washers to the City’s current Low-Flow Toilet Rebate Program would not be considered. *PWD Dorsey to respond to Mr. Smith via Clerks Office.*

**Sanitary Sewer Emergency Call-out PW Policy – Discussion:** PWD Dorsey summarized the recently prepared Sanitary Sewer Emergency Call-out Public Works Policy for Committee members. The Memo was prepared in response to PW Staff’s request to clarify emergency response procedures both in general and specific to the McCormick Woods area during the STEP conversion program. Committee members generally agreed to the Memo, but requested City Attorney review prior to the Memo being made public. *PWD Dorsey to provide Memo the City Attorney Jacoby for review.*

**2014 On-Call for Emergency Sewer/Septic Pumping Services – Discussion:** PWD Dorsey discussed with Committee members a recently emergent issue involving the historic but subjective procedure around the acquisition of emergency sewer/septic pumping services. In general, the burden of acquiring those types of 24/7 emergency services for City required work have been reactive, subjective and non-cost responsive. Therefore, Public Works recently issued a RFP to obtain annual On-Call Emergency Sewer/Septic Pumping Service to establish a Vendor with pre-defined terms, conditions and cost. The RFP will ensure that the annual services required will be contracted with the lowest responsible bidder. *PWD Dorsey to provide Contract with the lowest responsible Bidder at the March 25, 2014, Regular Meeting.*

**Regional Decant Facility Retrofit – Update:** PWD Dorsey provided Committee members with a brief update of the activities and/or tasks recently completed on the grant funded retrofit design of the City’s existing Decant Facility. In general, the retrofit design is moving along and a general facility configuration has been determined. *To be continued.*
2014 Storm Utility Gap Analysis - Update: PWD Dorsey updated Committee members on the current status of the grant funded Storm Drainage Program Gap Analysis. In general, the project is moving along and the results are anticipated to possibly be completed in time for Storm Drainage Utility Fund discussions this year and 2015 Budget preparation discussion. To be continued.

2014 Water/Sanitary Sewer Gap Analysis - Discussion: PWD Dorsey presented to Committee members, the Katy Isaksen & Associates, Inc. proposal for the 2014 Financial Gap Analysis for Water and Sanitary Sewer. The results for this current-year budgeted item will be discussed in 2015 as part of the 2016 Comprehensive Plan Update, whereby all City 'enterprise funds' must be financially constrained. PWD Dorsey to place item on the March 25, 2014, Regular Meeting agenda for approval.

2014 (McCormick) Pump-Out & STEP Conversion - Update: PWD Dorsey presented to Committee members the 2014 list of McCormick STEP Conversions and annual septic pump-outs. He also reported that the program is running smoothly and that the acquisition of the 60 STEP conversion authorizations desired annually is getting easier with each progressive year, primarily due to the successful nature of the activity. To be continued.

Radio Read Water Meter Conversation - Update: PWD Dorsey provided Committee members with a city-wide quote for 1) the 100% completion of the current manual touch-reads conversion program and 2) the conversion to radio read water meters. It was determined that this significant business item would need to be further discussed as a function of the 2015 Budget preparation process. To be continued.

Tremont Place Water Service Modification – Update. PWD Dorsey followed-up with Committee members on this 2013 Utility Committee topic. A schematic plan was presented, along with the justification as to why this water service modification is both needed and why the City should bear the cost of the Work. Committee members concurred with the project and directed PWD Dorsey to prepare a RFP for the work and to bring forth the results at a future Regular Council Meeting, making sure to explain fully the need of the project within the Staff Report. PWD Dorsey to finalize the design and issue a RFP for the project. It is anticipated that this item will be scheduled for the April 8, 2014 Regular Meeting.

Well #9 Project Closeout – Update: PWD Dorsey once again updated Committee members on the current status of the Well #9 Water Treatment Facility Improvement construction close-out process and indicated that he is still working diligently with PACE to resolve 1) system design issues/concerns, 2) construction related issues and 3) to initiate a peer review of the project. PWD Dorsey has discussed the project/issues with several firms and has now received a proposal from HDR to provide the necessary services to confirm the operational status of the facility. It has been recommended that the peer review work be contracted through McGavick Graves. The I&E Construction Performance/Payment Bond has still not been released. To be continued.
Well #10 DWSRF Loan – Update: PWD Dorsey announced to Committee members that the City has been awarded a $6 million loan (24-year at 1.5% interest) by the Department of Commerce (DOH DWSRF) for the Well #10 final design & construction. As there is a 60-day timeline associated with Contract acceptance, Staff will begin the contract readiness task immediately. Committee members have requested that this topic be discussed with the full Council at the April 18th Work Study Session. To be continued.

Housing Kitsap Storm Fee – Discussion: PWD Dorsey advised Committee members that the City recently received a letter from ‘Housing Kitsap’ requesting a $20,160.00 credit for their Orchard Bluff Mobile Home Park, from the Storm Drainage Utility fund. Upon review by staff, it was determined that the property had historically been over-charged (given previous County determined impervious surface estimates.) When the City annexed the property, the County assessed values were adopted into the City’s utility and not questioned by either party. Since Housing Kitsap now receives a bi-monthly billing statement (instead of a semi-annual assessment on their tax statement), the matter surfaced to their attention. They are now requesting a credit for over-charging, dating back to the date of annexation. Committee members concurred and directed staff to process the credit from the Storm Drainage Utility. City to provide credit.

2013 Water/Sewer Operating Statement – Discussion: PWD Dorsey provided Committee members with the final 2013 Water/Sewer Operating Statement. Both utilities ended the year in similar fashion to 2012. To Be continued.

Next Meeting(s): April 11, 2014 - 7:30 AM at FPH
Next SAC Meeting(s): TBD

Meeting adjourned at 9:05 a.m.

cc: Council, City Attorney, Mayor and Department Heads