

METROPOLITAN WATER POLLUTION ABATEMENT ADVISORY COMMITTEE

Meeting Summary

**Tukwila Community Center
Banquet Rooms A&B
Tukwila, WA**

Wednesday, December 11, 2019

**Start 10 a.m.
Adjourned 12 p.m.**

1. MWWPAAC Chair's Report – Pam Carter

- Welcome and Introductions
- Determine Quorum
- Approval of October 23 Meeting Summary (action item)
- November Regional Water Quality Committee (RWQC) Summary
- Announcement of Elections and Nominating Committee
- Meeting Locations for 2020

Everyone introduced themselves.

A quorum was in attendance and the October meeting summary was approved as written.

Pam Carter shared highlights from the November 6 RWQC meeting which included the following items:

- MWWPAAC Report
- Workshop on the Clean Water Plan
- WaterWorks Grant Report
- WTD Director's Report

Pam also reported on the following items:

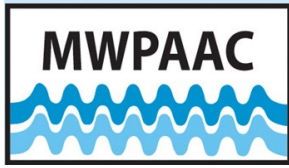
- January is the time of year that reorganization of the Council occurs. Therefore, there is no meeting in January – first meeting of 2020 will be in February.
- Elections for MWWPAAC chair and the Rates & Finance chair will occur in January. Maria Coe, City of Seattle, and Gary Schimek, City of Redmond, will comprise of the Nominating Committee. Members interested in the positions should contact Maria or Gary.
- 2020 MWWPAAC meetings have been scheduled – subcommittee meetings will be held at King Street Center and general meetings will be held at the Tukwila Community Center.

A motion was made to move item agenda item #7 (Regional Contract Negotiations) prior to item #4 (Clean Water Plan Update). The motion carried.

2. Wastewater Treatment Division Director's Report – Mark Isaacson, Division Director, Wastewater Treatment Division (WTD)

Mark Isaacson, WTD Division Director, started his report by recognizing City of Auburn Councilmember Bill Peloza, whose last meeting is today. He thanked Councilmember Peloza for his contributions to MWWPAAC. Mark continued his report by sharing the sad news of Dave Christensen's passing and a moment of silence was observed. Mark recognized the contributions of Dave to MWWPAAC and the region as a whole, shared a few words about Dave, and opened the floor to members.

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Mark then continued his Director's report, noting that West Point experienced a power bump on November 15 which caused a short bypass of secondary – operators were able to get pumps back on line in four minutes.

In January, Mark will share the top 10 WTD Accomplishments for 2019.

Mark shared that we are at a stage with regional contract negotiations where we need to decide how to proceed. Mark supports working on both priorities - the Clean Water Plan and a new regional contract. The question is whether we run them in parallel or do we put one on hold. And, we can't put the Clean Water Plan on hold so it would have to be contract negotiations.

3. Subcommittee Reports

December 5, 2019, Rates & Finance:

- Rate Setting 101
- RCEs and New Connections

December 5, 2019, Engineering & Planning:

- I/I Program 101

4. Regional Contract Negotiations – Next Steps, Regional Negotiations Team Members

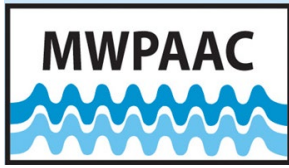
Susan Saffery and Maria Coe, City of Seattle, reported on regional negotiations. Susan thanked Mark Isaacson for setting the stage for the decision MWWPAAC members need to make about regional negotiations. She shared that Regional Negotiations Team members have been sitting at the table for about five years now. The biggest problem is that a lot of members have trickled away. There are a number of questions to discuss today.

1. Diminishment of table – who will sit at the regional table? Do we want to continue regional negotiations and is the regional table the right way to do this?
2. Do we focus on the Clean Water Plan only – we need more engagement? Do we want to continue contract negotiations in parallel to the Clean Water Plan?
3. Timeline question – the County and those at the table would really like to determine how much more time it will take.

Susan commented that maybe MWWPAAC members need to check in with their staff and come back for another conversation. Contract negotiations are currently in hiatus. Susan opened the floor for comments and questions:

- Was the contract for 30 years? Was the contract extended to 50 years to cover bonding? When does it end? Current contract through July 2036 – a handful through July 2056.

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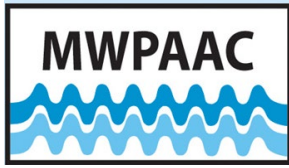


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- What would be the alternative to not continuing regional negotiations? Just put in hiatus since we have until 2036? We could rejuvenate the table. Or we could put on hold and put efforts into the Clean Water Plan. Outstanding issues in contract (significant) – look at overarching policy board – set up subcommittees around those issues to work around those significant big pieces.
- Does the Clean Water Plan have any connection with the federal Clean Water Act? The Clean Water Plan will say how we comply with the federal Clean Water Act.
- What is the venue that negotiations are occurring in? Each agency has an individual relationship with WTD, contract is not through MWWPAAC. The contract holders are really not directly linked through MWWPAAC for contract negotiations. Is it better to have a direct relationship with contract holders? Regional negotiations table is not a MWWPAAC table. Members represent contract holders. If we want to set up structure in a different way – that conversation can be had. MWWPAAC was briefed regularly on negotiations. We could look at another method to work on contract negotiations. If the group wants contract negotiations to go on or work on the Clean Water Plan, not everyone can be at the table, but a representative sample of contract agencies can.
- There is value in having (Clean Water) plan input.
- Timing of the two – it would be valuable to have the (Clean Water) plan in place so members have something to look at with respect to a long term plan and then consider all other aspects of the contract. Participation in the Clean Water Plan and the formulation of that plan – is there a way to amend contract that would give a stake and voting power in the plan?
- The contract is too important to stop now.
- Agency reps have been working with the County on the contract. MWWPAAC is simply a communications venue. More progress in last five years than in previous 15 years. Do not delay the contract.
- Clean Water Plan is needed to take a holistic look at it all. Doesn't feel that negotiations can be delayed – the two are inter-related. Everyone's best interest is in negotiating the contract as soon as the Clean Water Plan goes into effect. Those at the table represented contract agencies. We don't have time to keep putting this off. Costs are going to go nowhere but up. Need to look at solutions for rising costs.
- Two issues – process how this group works together and the actual programs themselves – Clean Water Plan. Nail down how this body works – operating board. A lot of work done on components, but a lot of work still needs to be done.
- We need to model a transparent process. How will individual agencies keep their electeds informed? Establish process. Keep both going –more transparent documentation regarding

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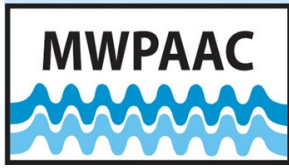
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how the negotiations team works. Needs to be very clear and transparent. Individual agencies are responsible for dealing with their electeds. Should document what we are planning to do and get a timeline, treat it like a project and this will help us out.

- Concerns regarding scale of spending King County is headed into. Getting acceptance by customers and public will require a major effort of MWWPAAC and the County. Doesn't think we should wait on negotiations of contract. If we cannot reach agreement on the contracts, what hope do we have for building support for the Clean Water Plan? Need to make progress through contract process – more people need to be around the table, new people, people need to be told not another five year process. There needs to be determination on both sides of the table.
- Negotiations are a give and take – a lot of progress has been made with an understanding that there still are going to be differences. There may be slight variations to some contracts. Once the basic contract is agreed upon and then individual negotiations will occur with individual agencies to identify specific items to be included in their contract. I believe we need more people. Working on both would be the best way to move forward.
- A lot of work has been done to date on contracts. Plan and contract are intertwined. Thanks for the service of those who have been working on this for so long. It was supposed to be one year. Lots of progress has been made. Do not start from scratch again.
- Very interested in moving contract negotiations forward. Don't want to lose sight of the Clean Water Plan. Really worth setting up a structure in setting up good technical and meaningful input into the plan. We need to have others at the table. There is a lack of energy. There is a lack of meaningful engagement in the Clean Water Plan. It is important to set up structure in the plan.
- Appreciate the members that have participated in negotiations, they come from experience and knowledge. Are there ways to pull out the bigger issues, such as Recycled Water, and address that later? Governance is another issue to look at – participate in meetings to provide input. Stronger together than we are individually. Supports moving forward with parallel path for contracts and Clean Water Plan.
- Cascade has been valuable in Recycled Water negotiations.
- Timing – things are always about timing and politics. Executive Constantine and the Council are willing to share the responsibility and control in the contract – timing is such that we should keep moving on regional negotiations.
- Will WTD come back in January with a proposal on comments received today?

Sharman Herrin, Government Relations, shared that comments will be shared with Mark Isaacson, the Department of Natural Resources and Parks Director's Office, and the King County Executive's Office. WTD will add an agenda item to the January meeting to follow-up.

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5. **Clean Water Plan Update**, Steve Tolzman, Clean Water Plan Project Manager, WTD

Steve Tolzman, Clean Water Plan Project Manager, provided an update on the Clean Water Plan which included:

- Planning Process Overview
- Clean Water Plan Core Question and Preliminary Decision Areas
- Example Actions – Conveyance
- Example Actions – Pollutant Source Control/Product Stewardship
- 2019 Regional Engagement Activities- conducted a lot of outreach especially to those who may not have participated in past discussions around wastewater.
- County and Community Priorities –expectation of the region

6. **Capacity Charge Rate Structure Preferred Option**, David Clark, Program Manager, Wastewater Treatment Division (WTD)

David Clark, Program Manager, provided an update on the Capacity Charge preferred option which included:

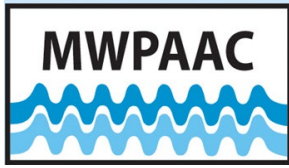
- Stakeholder Outreach
- WTD's Capacity Charge Proposal
- Administration
- Next Steps

David responded to questions related to remodels and change in use construction (newly created units) that create new demand, but are not accurately reported, and how those costs are born by those that already pay (versus new construction paying additionally). David shared only a very small percentage of remodels (that include additions) may not be reported accurately. WTD does not want to police that. The cost of enforcing would not be insignificant and the costs are offsetting.

David also addressed a question related to how the capacity charge is charged versus the sewer treatment rate. It was clarified that the Capacity Charge is about capital reimbursement and the rate is operations based. Also, the monthly sewer rate at 1RCE is specified in the contract. The Capacity Charge is not delineated in the contract. Contractually we are not able to (include it) – it would require an amendment.

Sharman addressed a question as to why the Capacity Charge recommendation was not going to the Regional Water Quality Committee (RWQC) first. Sharman shared that two separate legislative packages are being transmitted - the proposed RCE legislative package will go to Council and the policy change package will likely go to RWQC. However, it is the Council that makes the decisions regarding to which committee the packages are sent.

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7. MWWPAAC Letter on Capacity Charge, Gregg Cato, Rates and Finance Subcommittee Vice Chair, Alderwood Water and Wastewater District (Action Item)

Gregg Cato, Alderwood Water and Sewer District, provided a summary of the draft MWWPAAC Capacity Charge Rate Structure recommendation letter that was shared with MWWPAAC the previous week. Greg shared that the letter states that MWWPAAC has been working with WTD since 2018, but in fact we've been working together on the issue since 2017. Gregg spoke about the drafting process for the recommendation and opened the floor up for questions.

A member asked about including affordability as a consideration earlier in the letter. Gregg looked at the charter for the MWWPAAC Capacity Charge Work Group, which does not call out affordability. He shared that there was a parallel study on affordability. Affordability is included near the end of the letter and Pam Carter shared that from a design standpoint, she felt the reference was well placed in the letter.

Lloyd Warren, Sammamish Plateau Water, submitted a letter to MWWPAAC members requesting a change to the recommendation letter. Pam Carter clarified a motion would need to be made specifically requesting the change(s), including the language and where to insert it in the letter.

A motion was made to amend the MWWPAAC recommendation letter, first bullet, page two to include language referenced in Sammamish Plateau's letter under Recommendation #5 beginning with "the use..." The motion carried.

A roll-call vote was taken and the revised MWWPAAC Capacity Charge Rate Structure Recommendation letter was approved.

8. General Announcements

There are no January subcommittee meetings. The next general meeting will be in Tukwila on January 22, 2020.

The meeting was adjourned at 12 p.m.

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