

# METROPOLITAN WATER POLLUTION ABATEMENT ADVISORY COMMITTEE

## Meeting Summary

Skype Meeting

Wednesday, March 25, 2020

10 a.m. to  
11:50 a.m.

### 1. MWWPAAC Chair's Report – Pam Carter

- Welcome and Introductions
- Determine Quorum
- Approval of February Meeting Summary (Action Item)
- Regional Water Quality Committee (RWQC)
- Rates and Finance Subcommittee Report

Pam Carter, Chair, welcomed everyone to the meeting, reviewed the Skype meeting information and procedures for the meeting.

Olivia Robinson, WTD Government Relations, took an agency roll call.

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

Pam Carter, Chair, reported on the following items:

- The Regional Water Quality Committee (RWQC) currently is not meeting - there are no updates. The capacity charge discussion will not happen until they reconvene and the related policy change to the capacity charge may not happen this year.
- Not certain when MWWPAAC can meet in person. There will be remote meetings for both the general meeting and the subcommittees until further notice. Due to the challenges of virtual meetings, we will try to keep meetings short and focused on necessary issues.

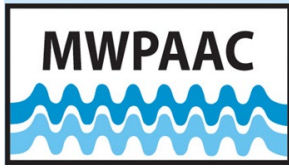
Gregg Cato, Rates & Finance Vice Chair, reviewed the March 5 Rates & Finance Subcommittee Report. He noted the meeting was well attended. There was no March Comprehensive Engineering & Planning Subcommittee meeting.

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

Mark Isaacson, WTD Division Director, began his report by recognizing the different approach WTD is taking with meetings due to COVID-19. Also, he noted that he has never been more proud to work with WTD – WTD is an essential organization and this is the time to shine and do our best work.

Mark shared that the majority of his report would cover how WTD is responding to COVID-19. In many ways, it is business as usual. Mark reported that nearly a 100 percent of King Street Center staff are working from home and Plant Operations continue at normal levels. County administration and infrastructure has been amazingly flexible and responsive. WTD is taking direction from Seattle-King County Public Health. Mark shared he is working from home, spending about 75 percent of his time keeping the utility functioning. WTD has updated the Continuity of Operations Plan (COOP) and has regular COVID-19 briefings, as communication is key.

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Mark reported on the six major indicators that currently are reported on daily:

1. Staffing Absences
2. Zero Discharges of Permit Violations
3. Tons of Biosolids Stored without Drivers to Deliver
4. High Priority Status Maintenance Activity Not being Accomplished (1-5 scale)
5. Missed Delivery of Hypochlorite
6. Capital Project Delivery Schedule Milestones Missed due to staff shortages

Mark reported that Georgetown and Sunset-Heathfield construction projects are proceeding. WTD also started an emergency repair of a 250-ft gravity trunk line in Auburn.

It is challenging for the Industrial Waste Program to keep monitoring going while maintaining physical distancing. Mark will be meeting to discuss with staff this afternoon.

On the Operations side, Mark shared his tremendous pride in WTD's workforce and the work they do. They are "first responders" in protecting public health and safety and are truly on the front lines. Operations & Maintenance staff feel good about themselves and Their workplaces are sensitive right now as only the plant operations staff are working onsite at treatment plants. Shift changes have changed with staff no longer meeting as a large group to transition from one shift to another. Right now, just the shift leads meet to share information. All of the plant administrative staff are working from home. WTD staff are cleaning the truck cabs in between use and deep cleaning the control centers. In addition, we have done some scenario planning to look at what is the absolute minimum staffing level we could have to do our work and still protect staff safety. No additional training is required specific to COVID-19, as all operations staff have training on blood borne pathogens and this is no different in many respects. WTD has ensured we have enough of PPE.

Mark addressed the rate proposal. He appreciated the unvarnished truth in the MWPAAC Rate Recommendation letter. In response, WTD immediately discussed the rate in the context of what we have experienced in the last two weeks, including what other rate levels might mean. Today, MWPAAC will hear about Asset Management work addressed in the rate. If we have time, Steve Tolzman, Clean Water Plan Project Manager, will give an update on the Clean Water Plan.

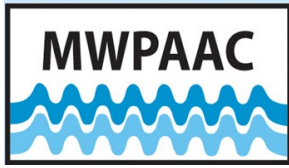
Mark addressed questions related to plant operations reporting that there has been no increase of ragging up at plants and he hasn't seen anything about hand sanitizer affecting plants or water.

### **3. 2020 WTD Sewer Rate, Hiedi Popochock, Financial Services Manager, Wastewater Treatment Division (WTD)**

Hiedi Popochock, Financial Services Manager, reviewed WTD's Sewer Rate Proposal to include:

- Critical assumptions – focus on the asset management program and deferred inventory. What is not included is updated cost for combined sewer overflows (CSOs). As we work through consent decree negotiations and the Clean Water Plan, those costs will be updated. Also not

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included are the potential impacts of new regulatory requirements from Ecology's nutrient removal as those costs are not known at this time.

- Table 1: Proposed Rate Plan - provides a 10-year look. In 2020, WTD is proposing a 9.5 percent sewer rate increase. WTD would maintain the practice of no increase in the second year of the biennium. Also includes the plan to contribute to rate stabilization reserves for the unknowns mentioned above. This proposal maintains 46 million in reserve in order to smooth future rate and unknown costs.
- Table 2: Rate Plan Alternatives Summary – details other rate plans considered, financing alternatives, etc.
- Table 3: CIP Annual Average 2021-2026 Prioritized AM Inventory Catch-up - reviewed table and increases in costs, includes supplementals adopted by Council. Reviewed costs for each program
- Table 4: Asset Management Strategy 2021-2030 – Stan Hummel, WTD Capital Projects Managing Supervisor, will cover in his presentation.
- Table 5: Debt Accumulation Scenario Difference – 2017 Implementation of Council-directed cash funding, MWWPAAC Debt Committee priority to reduce debt balance and impact of lower rate over long-term.
- Table 6: History of Rate Increases – details sewer rate increase by year from 1990 to 2020 with an annual average of 4.7 percent, biennial average of 9.4 percent increase.
- Operational Highlights – increased reliability, investing in resources to address the backlog, reducing the environmental footprint, investing in resources for system upgrades and licensing of existing technology, reducing organizational risks, and increased staffing to meet operational needs.

Hiedi took questions and asked to provide written responses later. Mark Isaacson, WTD Division Director, addressed questions related to the backlog of items and current items.

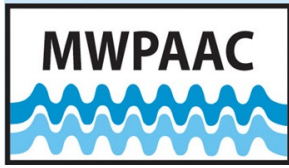
#### **4. Asset Management Needs Overview, Stan Hummel, WTD Capital Projects Managing Supervisor**

Stan Hummel, Capital Projects Managing Supervisor, is responsible for delivering projects from the Capital Program and Asset Management. Stan talked about Mainsaver and the logging of critical systems. In today's presentation, he will provide an overview of priority asset management needs, and the implemented portfolio management system that has enhanced WTD's ability to manage and document projects we know about, many of which are currently unfunded. As a result, there is a greater ability to forecast future needs.

Stan reported on the following items:

- Changes in Asset Management Inventory since 2017
- Asset Management Inventory Assumptions
- Asset Management Share of Proposed Sewer Rate

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- Next Steps on Asset Management – Near Term and Long Term

Stan responded to a number of questions asked by MWWPAAC members:

Q: Are the items in the future category (Green) high, medium or low priority?

A: Future category – the bulk are medium priority with some lower. As we progress in time and they age, they may be elevated to medium or high.

Q: 'Rate constraints' and 'lack of ability to document' have been mentioned several times as a barrier to funding asset management in prior years. Can someone please explain what this means?

A: There are a number of things going on including flows and loads, growth, aging infrastructure, enhancement of business structure and asset needs, and the ability to more accurately predict the cost. Portfolio Management and Asset Management are helping WTD better predict the future needs.

Q: You noted that you've folded in conveyance pipeline cost into the asset mgmt. list-- is it correct to say that the Conveyance System Improvement projected costs--those are 70-90 million projects--are included in these asset mgmt. costs?

A: Those projects are not part of the Asset Management Program, although asset replacements in the conveyance system are included. CSI is conveyance improvement of Capital Portfolio.

Q: I see the schedule for MWWPAAC going forward. Can you please add communicating with RWQC? I realize they are not meeting, but Councilmembers who represent Seattle at RWQC are also concerned they had not seen information leading into the rate proposal and would like information going forward

A: Sharman Herrin will work with the Council and outreach to members so that folks are aware of proposal. WTD will engage Council and RWQC members.

Q: Following up on the 'rate constraint' question. Are you saying the constraint was from not having proper forecasting abilities in prior years so it 'constrained' the ability to fund or include these projects in prior years?

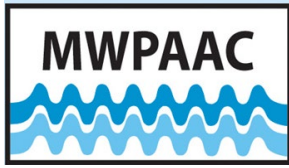
A: WTD has improved business practices, flows & loads, and aging facilities.

Comment: You may be planning to do this already, but please break the project list for the April 2 meeting into ongoing priorities and unfunded priorities.

Pam Carter, Chair, encouraged members to participate in the April 2 subcommittee meetings if they want to know more about this subject.

Mark Isaacson, WTD Division Director, emphasized that everyone on the call has every right to know what is driving the asset costs.

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### 5. Discussion of MWWPAAC Rates Letter, Jack Broyles and Gregg Cato, Rates and Finance Chair and Vice Chair (Action Item)

Gregg Cato, Rates & Finance Vice Chair, reviewed the proposed MWWPAAC letter sharing that he did not hear anything positive about WTD's rate proposal from member agencies. Gregg recognized that the letter did express some frustration – the tone is direct because MWWPAAC wanted it to be noticed and that the letter provides an opportunity for MWWPAAC and WTD to better define their partnership.

Pam Carter, Chair, asked for questions and concerns on the rate recommendation letter. A question was asked with respect to how the letter would be transmitted to the Executive and King County Council. Pam clarified there will be two separate letters – one to the Executive and one to the Council. The letter being reviewed today will be transmitted to the Executive.

A motion was made proposing a change to the last sentence (bolded), first to last paragraph to read "Please consider either a zero percent increase or adopting the original projection of a 4.5 percent increase." The motion carried.

Pam Carter, Chair, called for a vote to approve the revised MWWPAAC Rate Recommendation Letter to the Executive. Olivia Robinson, WTD Government Relations, took a roll call vote. The recommendation letter was approved as revised.

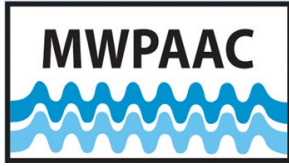
### 6. Clean Water Plan Update, Steve Tolzman, Clean Water Plan Project Manager, WTD

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

- Planning Process Overview
  - Current team work:
    - Existing Conditions Report
    - Develop actions
    - Definition of process, including evaluation
- Overview of Planned 2020 Clean Water Plan Tasks
- Key Decision Areas
- State Environmental Policy Act (SEPA) Scoping
  - Clean Water Plan anticipated to be a non-project, or programmatic, Environmental Impact Statement (EIS) on the Plan.
- MWWPAAC Technical Taskforce
  - Working with the MWWPAAC Taskforce to drill down on items that MWWPAAC would like more detail – first meeting likely in late April.

### 7. General Announcements

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## **Meeting Summary**

MWPAAC members recognized Chair Pam Carter for a very well run Skype meeting. The meeting was well attended with 45 participating and the first done via Skype.

The meeting was adjourned at 11:50 a.m.

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