

METROPOLITAN WATER POLLUTION ABATEMENT ADVISORY COMMITTEE

Meeting Summary

Microsoft Teams Meeting

Wednesday, December 13, 2023

Start 10 a.m.
Adjourned 11:48 a.m.

1. MWWPAAC Chair's Report – John McClellan

- Welcome and Introductions
- Determine Quorum
- Approval of September Meeting Summary (action item)
- Regional Water Quality Committee (RWQC) Update
- Call for Nominating Committee and Announcement of January 24, 2024, Elections: MWWPAAC Chair and Chair of the Rates and Finance Subcommittee
- Vacancy for Chair of the Comprehensive Engineering and Planning Subcommittee

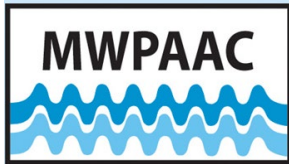
John McClellan, MWWPAAC Chair welcomed MWWPAAC members to the meeting.

Olivia Robinson, WTD Government Relations, took attendance by roll call. A quorum was in attendance. The September meeting summary was approved as written by voice vote.

Chair McClellan provided an update at the Dec. 6 RWQC meeting. He provided a report on MWWPAAC's view of cash funding and related issues prepared by Andy Baker, Chair of the Rates & Finance Subcommittee. Kamuron Gurol reported out on how the recent wet weather impacted WTD's facilities. There was discussion among RWQC members regarding a letter they plan to send to the Executive to request that he prioritize the development of the update to the Regional Wastewater Services Plan (RWSP). There was also a brief discussion of the work plan.

Chair McClellan shared a Nominating Committee is needed for the upcoming January elections for MWWPAAC Chair and Chair of the Rates & Finance Subcommittee positions. Chair McClellan would be happy to continue in the role, but anyone else interested can put their name forward. MWWPAAC Vice Chair Maria Coe, City of Seattle volunteered to lead the Nominating Committee. Marla Erickson, WTD Executive Assistant will send out an email that members can respond to if they are interested in serving on the Nominating Committee or running for either position. There is also a vacancy for the Chair of the Comprehensive Engineering & Planning Subcommittee. Steve Hitch has moved on from public service to consulting. That position will be appointed by the Chair in the interim, as it is up for election in 2025. WTD will put out a call for interested parties in the email noted earlier. Interested members will be asked to submit a letter of interest. Members may also reach out to Chair McClellan directly.

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2. Wastewater Treatment Division Director's Report – Kamuron Gurol, Division Director, Wastewater Treatment Division (WTD)

Kamuron Gurol, WTD Director reported on WTD's wet weather response. Last Tuesday and Wednesday, WTD had staff working through the night to address heavy flows. WTD continues to monitor and make adjustments to protect public health and the environment. The following events occurred:

- Dec. 5, the Carkeek CSO in NW Seattle had a malfunction of the disinfection system.
- Dec. 6, the South Treatment Plant had a temporary bypass of secondary flow and returned to normal following the storm event.

Both the WA State Department of Ecology (Ecology) and Public Health – Seattle & King County were notified of the incidences. Kamuron recognized WTD staff for their work during the storm – it was a complex situation and a challenge.

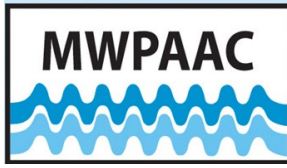
Kamuron reported that WTD is getting ready to restart the Clean Water Plan process and is changing the name to reflect that this will be an update to the Regional Wastewater Services Plan (RWSP). WTD is recruiting a new staff person to lead the effort. WTD will also be working with RWQC staff and seeking informal comment on the approach.

Kamuron reported on penalties imposed by Ecology and the U.S. Environment Protection Agency (EPA) for violating conditions of the Consent Decree over an 18-month period. The penalties total \$141,000. The most significant event was over 20,000 gallons. The penalties did not involve the three regional wastewater plants. Some of the penalties were for Elliott West, which is one of the facilities WTD is upgrading.

Kamuron presented on his screen and provided an update on the following projects:

- The South Park Flooding Investments (demonstration of grinder pump). WTD is working with Seattle Public Utilities (SPU) to address flooding and King Tides in the area.
- The North Mercer-Enatai Sewer Upgrade Project – shared scenes from project including the diver work involved with replacing the underwater pipe which is a complex upgrade. WTD received some good media attention that demonstrated the type of complex work WTD undertakes with some upgrades. WTD's goal is to leave the area in better condition than when the work started. WTD has been working to keep the community informed.
- West Point Power Quality Improvement Project (PQIP) – batteries are arriving at West Point and are being placed in the building. A lot of progress has been made in 2023.

Mary Shustov, Sammamish Plateau Water asked about the discharge location for South Plant. Kamuron reported that the discharge line is several miles out and roughly 600ft underwater. It was very strategically placed.



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Chair McClellan asked about the West Point PQIP - with substantial completion in July 2024, will it benefit WTD throughout the year? Kamuron agreed it would as it may be called into action due to windstorms, power outages, and other events, as well as the wet weather season.

3. Subcommittee Reports

December 7 Joint Subcommittee Report

- Asset Management Work Group Report
- Presentation on Long-term Capital Needs Methodology Recommendation
- Discussion of Next Steps for the Long-term Capital Needs Methodology Recommendation

Jaclyn Knoth, City of Bellevue, provided a brief update on the work of the Asset Management Work Group.

4. Presentation on Long-term Capital Needs Methodology Recommendation, Drew Henson, Technical Practice Leader, Planning and Modeling, Consor; Joe Crea, Vice President, Raftelis

Drew Henson, Technical Practice Leader, Planning and Modeling; Joe Crea, Vice President, Raftelis; and Brandon Vatter, Senior Manager, Raftelis, provided an update on the Long-term Rate and Capital Planning Study. The full presentation can be found [here](#). The presentation provided an update on the following items:

- Review of RWQC Motion 2023-0257.1
- Long-Term Capital Needs Methodologies – Task 1 and Task 2
- Key Findings
- Long-Term Capital Needs Methodologies Recommendations
- Next Steps

Q&A/Comments & Responses:

Q: Did peer agencies look at capital needs to fit available staffing or plan staffing to fit needs? What about a mix of internal staff and consultant delivery?

A: In the short term, we can evaluate what we can spend given staffing constraints and funding, and what can we do to improve. It's not always about staff, but sometimes it is the time it takes to procure services. We need to look at short term and long-term planning and what is realistic.

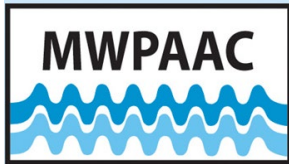
Q: Does having a longer lens help demonstrate the need for additional FTEs versus consulting things out. Is there a benefit?

A: Having the longer look at those needs is certainly of value.

Q: When the peer agencies do their analysis, do they start with the dollar amount and how that impacts what needs to be done, or do they look at needs and impacts first?

A: It depends on the agency. There is no hard and fast rule. Milwaukee looks at needs and sets a target.

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Q: The direction looks backward. Does looking at it this way obscure factors of what is needed?

A: There is no hard and fast rule – utilities do it both ways. You can look at regulatory or the state of things.

Kamuron Gurol: WTD needs to be cognizant that budgets aren't unlimited and we can't do everything – we also need to look at regulatory requirements and the priorities of the King County Council.

Q: Are you finding peer agencies are starting with a dollar amount and then looking at how that dollar amount impacts what can be done. Or is it the reverse, where you start with the need and fit it into the rate and resource capacity? Do they start with budget or base need?

A: Other peer agencies do look at a funding approach.

Q: Why not look at projects, gaps in funding, and take that approach versus what \$ do we have and what projects can we do?

A: This is not a hard and fast rule process. For example, you can look at what is most important and when does it need to be completed. Then determine what investment is needed to complete the projects. It's also good to involve the community so they understand why investments are needed.

Comment: I am more biased about projects, schedule, and what financial need does that require versus this is the funding we have, what do we do.

Devin ViBarnes: As a reminder, this is about looking out beyond 20-years.

Comment: Thanks, that is a helpful reminder.

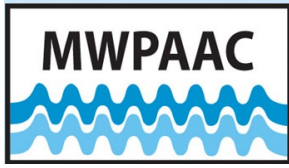
Kamuron Gurol: appreciated Chair McClellan's question and comment. We need to ask ourselves "what problem are we trying to solve?" We have different criteria at play. We are finding some of our peer jurisdictions make promises to ratepayers. We've done rate forecasts with projections but have not made a commitment. We are trying to find an optimum path that does right by current and future ratepayers. We take on what we need to know and we also recognize that these are long-term assets and we can't do it all. It's a little different from RWQC, they look at output. They have the constituent issue at play. So, trying to make a case for optimized system and peer information.

Comment: This is a very subjective approach. Is this going to be part of the schema? It should be bookmarked with what needs to be get done. If we have regulatory obligation, those are not discretionary. We need a reality check on what needs to be done and then bookmark with the other conversations. We need to bookend against the reality. Otherwise, we won't accomplish what we need to get done.

Comment: It's important to look at things in different ways and there's value in looking at things in a different way. It's important when we communicate with constituents. Information is helpful with constituents.

Comment: Agrees there is value in having the conversation.

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Devin ViBarnes: As an additional frame on the conversation, we are really trying to solve the long-term (versus near-term) forecasting – capital capacity between year 20-75 years.

Comment: I would like to see how high the mountain is (analogy). What is the reality?

Kamuron Gurol: We have programs that have grown organically in different places. We do have a level of completion that gives us a level of priority. We have what we want to achieve and then what we can achieve.

Q: Does WTD have a problem to develop levels of service?

Bruce Kessler, WTD Deputy Division Director: The Strategic Asset Management Plan identified seven levels of service goals and we tailor the program to make sure we are meeting those goals.

Q: Need more context on slide 12 – 1% of R/R rate. Is that an actual expenditure, reserve, debt service? What are we doing with the 1%? What level of reserve exists for capital renewal? If we haven't begun a reserve, is that 1% still a good target or should it be a 1% plus something. Slide 13 more for Bruce or Kamuron - is there any equipment that is discretionary renewal? What do you do with the recommendation?

A: The 1% is the target for overall investment rate. Defining the right amount of capital reserves is need and risk tolerance. You can generally base it as a percentage of your budget or you can identify specific assets and target those items. Agree renewal is not discretionary. The challenge is wrestling between the two assets.

Kamuron Gurol: Asset Management is a big part of portfolio, but it's not the only one. Regulatory is the biggest and is growing. It has unknowns. And then it's capacity. Everything else is comparably small. Those three have our attention. It's one of three things that affect the rate.

Comment: We want to make sure in the near term that the regulatory projects are going to be a driver, but we want to know where the rabbit and snake are going to. So, we can see what's going to be 20 years out.

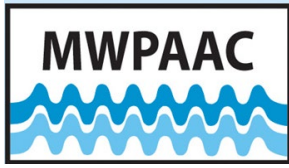
Q: Is adding capacity built into regulatory requirements?

A: Depends on growth and capacity needs are growing. Needs to be considered in Consent Decree projects.

Comment: A lot of ideas are amazing and very informative as we move forward through this process. The appropriate level of detail for initial analysis and the amount of detail that can be applied to conceptual process. There's a ladder there with level of detail.

Q: How much of the application of these concepts will be included in the RWSP update?

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Kamuron Gurol: We are creating some tools that will be helpful in the RWSP update along with a level of understanding with key agencies (20-50 is of strong interest and least well known). With regulatory items we'll be making a guestimation with those things.

Q: Did the methodologies being recommended provide for a 75-year horizon.

A: Yes, all the methods could be applied to that timeframe.

Comment: As a participant on the Asset Management Group, she was pleased with the refinements in the presentation and the addition of some of the information provided for more clarity. She thanked the consultant team.

5. Discussion of Next Steps for the Long-term Capital Needs Methodology Recommendation, John McClellan, MWPAAC Chair

Chair McClellan shared that MWPAAC's intent was to write a letter of recommendation to RWQC regarding the Long-term Capital Needs Methodology Recommendation. However, as we are all seeing there is a lot of work to do. The Executive Board doesn't think they are close enough to understanding the recommendation to be able to write the letter. Chair McClellan will craft a message to RWQC noting MWPAAC is not far enough along to make a recommendation. Also, in reviewing the January schedule, the January 4 subcommittee date will be changing and a potential special meeting may be added.

6. New Business/Future Topics, John McClellan, MWPAAC Chair

Chair McClellan asked for any proposals for new business and future topics. No suggestions were made.

7. General Announcements

Olivia Robinson, WTD Government Relations, informed members that an email will be sent by WTD regarding serving on the Nominating Committee and upcoming elections. Interested members will need to respond to that email.

The meeting was adjourned at 11:48 a.m.