



ENGINEERING & PUBLIC WORKS
DEPARTMENT

Utilities Division

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UTILITIES ADVISORY BOARD MINUTES

*Thursday, February 9th | 17:15pm
2520 Barrett Ave. & Teleconference – Zoom*

I. CALL TO ORDER

- a. *The meeting was called to order at 5:20pm by Board Chair Andrew Campbell*
- b. Members Present: Andrew Campbell, Stuart Cohen (teleconference), Geoff Larson, Grant Ritter, Janet Schempf (teleconference)
- c. Staff Present: Chad Gubala (teleconference), Brian McGuire, Denise Koch Joshua Midgett, Ty Yamaoka, Jeff Rogers (teleconference), Adrien Speegle (teleconference)

II. APPROVAL OF AGENDA

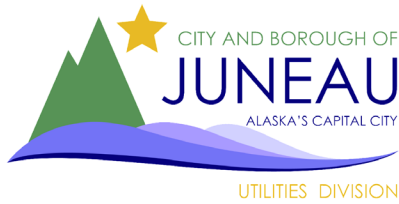
- a. *The Tagish Update was moved ahead of the Legislative Priorities Update due to attendee timing*
- b. *Agenda was approved unanimously by Board vote.*

III. APPROVAL OF MINUTES

- a. *January 12, 2023 minutes were unanimously approved by the Board*

IV. INFORMATION ITEMS

- a. MV Tagish Update
 - i. Chad reported on the recent sinking of the MV Tagish, and the realization that a significant force main was in the proximity of the wreckage. This force main is the only connection between the Outer Drive lift station and the Juneau Douglas Treatment Plant. Any disruption to the pipe caused by any salvage actions would be problematic as it carries 500k – 1m gallons of untreated wastewater per day and there is ~2 hrs of active storage within the line.
 1. USCG exercised federal authority to lead vessel recovery efforts. No damage to the line was initially reported by USCG contractor. USCG selected John Melino as the contractor to commence salvage operations as early as January 20th. They then provided a rudimentary salvage plan and sub-contracted to Hamilton Construction for the heavy lift capacity needed for the recovery.
 2. Following a regulatory review, the Utility was advised that CBJ will be responsible for any damage/malfunction which may lead to discharges to the Channel.
 3. Lacking “critical components and contingencies necessary to minimize the probability of upset to the force main”, CBJ requested salvage to be postponed while contingency planning was executed as quickly as possible.
 4. CBJ Utility procured Global Diving and Salvage to provide an underwater ROV video-graphic survey (done 31-Jan) of the CBJ HDPE force main sewer pipeline between entry to the bay at the Outer Loop Pump Station and the AML facility.
 5. Chad spoke to the additional contingency planning executed by the Utility including an expedited procurement of possible pipe replacement/repair elements. Global



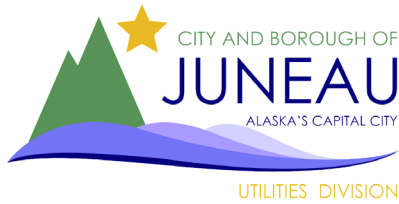
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- Diving has been secured as a possible contractor to assist in this repair if necessary.
6. Chad then spoke to the initial removal attempts of the MV Tagish today, noting initial unsuccessful and potentially unsafe attempts that confirm the Utility's concern with the hasty recovery plans. After multiple attempts and broken mechanical elements, the Tagish now sits *further* underwater and – fortunately – slightly further away from the force main. Currently, Utility telemetry is suggesting there is no significant impact to operations. The USCG will be reviewing options and proceeding as is appropriate in conjunction with their contractors. The Collections team will continue to monitor their systems and Chad and/or Brian will monitor the dive/recovery site.
 - ii. Geoff asked about specific information regarding the PSI and diving needs surrounding this project to which Brian and Chad offered satisfactory response.
 - iii. Janet inquired about Section 10 permitting for the pipe, which staff did not believe exists. It was acknowledged that paperwork has been submitted to ADEC in regards to the possible need for emergency discharges.
 1. A big concern is regulatory and legal liability associated with a potential discharge. If the force main was damaged, CBJ would be discharging up to 1m gallons of untreated wastewater directly into the channel per day until repairs could be made.
 2. Janet clarified that the pipe itself is Section 10 and what comes out of the pipe is EPA and DEC. Chad answered that is not what was described to him, the conveyance to the treatment plant was part in parcel to our APDS and NPDS permitting and paperwork had been submitted accordingly.
 3. Chad will pass along the records submitted and secure Army Corps permitting as needed. Janet noted that the USCG would have the most up to date files in Juneau. He shared appreciation for the UAB's interest and attention to this matter.
 4. Denise offered that CBJ notified local USCG about possible issues, not vice versa; CBJ has been the one ringing bells to ensure visibility and relieve liability.
 - iv. Andrew noted that upon installation of the current force main in question, the original pipe was left in place to serve as a bypass for an event such as this.
 1. Brian noted that the Collections team is aware of the existence of these pipes and inspected them; discovering that they are in poor shape. Chad acknowledged that they are pursuing ways to ensure there is redundancy for emergencies such as this.
 2. Andrew and Grant encouraged staff to further investigate the usability of this pipe and to pursue feasibility of using this pipe as a backup.
 - v. Andrew acknowledged that his company has the capacity to secure additional back up pipe should it become necessary. He shared that contacting Marion Hobbes could prove advantageous as they were a part of the initial pipe installation. He will share their contact information with staff in the event there is a possibility of connecting.
- b. Legislative Priorities Update
- i. Denise shared the final rankings on the Assembly funding priorities. It has now moved to the State and Federal delegations. She noted the difficulty in projecting the odds of these being funded, acknowledging that even without funding, being included in this process provides awareness to the Assembly, Public, and State delegations about Utility needs.
 - ii. Andrew noted that in speaking to members of the Assembly, they were grateful to be made



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aware of these needs and it was a valuable exercise to speak with them.

- iii. Geoff noted no changes from their preliminary list, offering that it could be more helpful to speak to individual members earlier in the process. Stuart noted that in his conversation with Michelle Bonnet Hale, that there is little political will to adjust rankings once they are made.
- iv. Stuart shared that in his conversation with Michelle Bonnet Hale, she offered that despite the rankings, funding can often be earmarked for specific projects that may be out of order.
- v. Grant requested clarity on the inclusion of multiple rankings on the shared document and Denise clarified that it showed the ranking from the previous year so that Assembly members could see how priorities may have shifted.

c. Rate Discussion

- i. Brian went through a quick overview of the Wastewater financial dashboard, clarifying each column, or financial variables, and the contributing factors of each. He spoke to the assumptions made during the previous Rate Increase request and highlighted how financial circumstances have shifted since.
 - 1. Brian explained the first variable WW Utility Revenues. Rates for community services, septic disposal at lift stations, and cruise ship services. Joshua clarified that the Water Utility has a separate budget and dashboard to be shared later.
 - a. Stuart asked which column cruise ships payments are included in and how much would that be. Brian answered that the WW Utility Revenues includes this fluctuating figure, with the biggest year being 2019 at \$900K and with 2022 at about \$450K-\$500K. Andrew noted that the cruise ship waste is metered and tested
 - 2. Other income variables included DEC Loans & Bonds, which have levels of forgiveness and lower interest rates than commercial loans; Sales Tax which had a 1% allocation at the time of the last rate submission; and Marine Passenger Fees something the Utility has not historically received.
 - 3. Brian then discussed expense variables such as Debt Service, explaining that is the Utility's loan payments,
 - 4. Next up was Operating Costs, going over a few of the major Operating Cost; Fuel Oil, Personnel, Biosolids shipping.
 - 5. The goal is to give the UAB a tool to be able to edit different areas of the dashboard to see how they would change the financial outcomes. The end of the presentation highlighted the areas of the dashboard that the UAB would be able to adjust.
 - 6. Due to time constraints, it was agreed that the adjustable Water and Wastewater dashboard tools would be shared and discussed at the next meeting.

V. PUBLIC PARTICIPATION & NON AGENDA ITEMS

- a. *None*

VI. ADJOURNMENT

The meeting adjourned at 6:20pm

Next meeting:

March 9th, 2023 | 17:15pm | In Person & Teleconference