



UTILITY BOARD MINUTES SPECIAL VIDEO MEETING SEPTEMBER 23, 2020

CALL TO ORDER & ROLL CALL

Chair O'Connell called the meeting to order at 5:00 pm from a remote location.

Vice Chair DeBoer and Board Members Stephen Majewski, George Marshall, Stephen Milton, William Pokorny, and Brian Thomas participated remotely using a video teleconferencing platform by Zoom.

Council Liaison Lisa Anderl was absent.

Public Works Director Jason Kintner, City Clerk Deborah Estrada, and several staff members participated remotely.

Chair O'Connell asked that new Board Members George Marshall and Stephen Majewski introduce themselves.

PUBLIC WORKS DIRECTOR MEMO

There was no board discussion regarding the Public Works Director memo.

REGULAR BUSINESS

King County Sewer Interpreter Project Update

City staff, in coordination with King County's project team, provided an update on the King County North Mercer Island Interceptor and Enatai Interceptor Upgrade project. They provided a project overview and discussed the proposed work zone along North Mercer Way, which utilizes two lanes for construction and reserves sidewalk for pedestrians until work is near the intersection of Island Crest Way and SE 26th Street. Staff also reviewed existing site constraints. Project timing included:

- City and King County Interlocal Agreement – Q4 2020/Q1 2021
- Notice to proceed – September 2021
- Construction – Q3 2021-2025

Other City Related Improvements were outlined as follows:

- Sewer Repair/Replacement
 - Line 400 feet of 10" sewer force main
 - Replace 280 feet of 8" sewer main
 - County will replace and take ownership of ~500 feet of 16" sewer main under I-90 near City Hall
- Water Replacement
 - Replace 250 feet of 6" water main
- Stormwater Drainage Improvements
 - Convert shallow roadside ditch on 90th Place SE to a piped drainage system
- Roadways and Trails Pavement
- City Fiber Option
 - Link Critical Facilities (City Hall, MICEC, Station 91, Reservoir, Public Works Building
 - Redundant Fiber ring (Communications SCADA and Control & Data Center SCADA)

The Utility Board expressed its appreciation to King County for the recognition and modification made to the North Mercer Island Interceptor and Enatai Interceptor Upgrade project.

Chair & Vice-Chair Elections

It was moved by Thomas; seconded by Majewski to:

Elect Tim O'Connell to serve as Chair through May 31, 2021

A roll call vote was conducted, and the results were as follows:

Passed 7-0

FOR: 7 (DeBoer, Majewski, Marshall, Milton, O'Connell, Pokorny, and Thomas)

It was moved by Milton; seconded by Marshall to:

Elect Tom DeBoer to serve as Vice Chair through May 31, 2021

A roll call vote was conducted, and the results were as follows:

Passed 7-0

FOR: 7 (DeBoer, Majewski, Marshall, Milton, O'Connell, Pokorny, and Thomas)

Review and consider approving the November 12, 2019 Minutes

The minutes were revised to reflect that the Board made a motion to ask King County to revisit the proposed timeline and reduce its impact.

It was moved by DeBoer; seconded by Pokorny to:

Approve the minutes as amended.

A roll call vote was conducted, and the results were as follows:

Passed 7-0

FOR: 7 (DeBoer, Majewski, Marshall, Milton, O'Connell, Pokorny, and Thomas)

City Update

Public Works Director Jason Kintner explained that the City of Mercer Island is an organization in transition. He provided an update to the 2021-2022 proposed Preliminary budget and organizational structure as it pertains to Public Works and introduced new staff to the Utility Board.

Introduction to 2021-2022 proposed Stormwater and EMS Rates

Director Kintner introduced Angie Sanchez, Vice President, and Chase Bozett, Senior Analyst, of FCS Group, noting that the last external rate study was completed in 2010 and FCS Group was retained to prepare the rate recommendations for the 2021-2022 Preliminary Budget as it related to water, sewer, and stormwater.

Sanchez outlined the following items in her presentation:

- Rate Update Overview – evaluate sufficiency of current rates, develop rate plan to balance financial needs, and identify a multi-year rate plan
- Key Data Inputs/Assumptions:
 - Study period 2021-2026
 - 2021-2022 biennial budget used as a baseline for expenses, noting that the City tax increase to 8% for 2021 and 2022 would return 5.3% in 2023
- Financial Policies
- 2021-2026 Capital Plan
- Revenue Requirement Summary

Next Steps were identified as follows:

- Utility Board input and feedback will be incorporated to finalize stormwater recommendations
- Preliminary results of water and sewer rates will be presented at the October Utility Board Meeting
- Utility Rates are scheduled for City Council adoption November 17
- Rates will take effect January 1, 2021

Director Kintner explained that stormwater utility rates support the costs of providing the utility service, including the operations and maintenance budget and the six-year plan for the Stormwater Capital Program.

EMS utility revenues are directly tied to the average, budgeted salary and benefit costs, excluding overtime, of four firefighters, who were hired in 1996 to provide capacity to handle simultaneous EMS calls.

It was moved by Pokorny; seconded by Milton to:

Recommend approval of the 1.78% increase in the EMS Rates

A roll call vote was conducted, and the results were as follows:

Passed 7-0

FOR: 7 (DeBoer, Majewski, Marshall, Milton, O'Connell, Pokorny, and Thomas)

CIP Preview

Public Works Director Jason Kintner and Utility Operations Manager Allen Hunter reviewed the 2021-2020 CIP Preview and Project Update, explaining that due to staff turnover and impacts from the COVID-19 pandemic, some significant capital projects were delayed. The project update summarized the followings and identified which projects need improvement, which projects partially meet current needs, and which projects meet current needs:

- SCADA System
- Meter Replacement Project
- Booster C12 Station
- Risk & Resiliency & ERP Update

Review Workplan

Director Kintner reported that due to the Council schedule and upcoming 2021-2022 Preliminary Budget discussions, the regular Utility Board for October was canceled, and a special meeting was scheduled in its place on October 14.

NEXT MEETING

There was Board consensus to schedule a special video meeting on Wednesday, October 14 at 5 pm.

ADJOURNMENT

There being no additional business, the Special Video Meeting adjourned at 7:06 pm.

Attest:

Tim O'Connell, Chair

Deborah A. Estrada, City Clerk