

**CITY OF ELLENSBURG
AGENDA
Council Chambers
Thursday, June 15, 2023
3:30 PM - Utility Advisory Committee**

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AGENDA

4. APPROVAL OF MINUTES

- 4.A Approve minutes - May 18, 2023 regular meeting minutes
[UAC Minutes 5-18-23.docx](#)

5. APPROVAL OF CONSENT AGENDA Consent items have been distributed to committee members in advance for study and will be enacted by one motion. If separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on the Regular Agenda at the request of a committee member or at the request of a member of the public with concurrence of a committee member.

6. CORRESPONDENCE AND CITIZEN COMMENTS ON NON-AGENDA ITEMS Time is set aside each meeting to allow citizens to address the Utility Advisory Committee on city utility issues that are not on the agenda. Please limit remarks to three minutes. The Committee will not take action when the issue is first raised, but may place the issue on a future agenda. Citizen comment on items on the agenda is also welcome. Please let the chair know you wish to speak and then wait to be recognized.

7. TELECOMMUNICATIONS UTILITY DISCUSSION ITEMS

8. ELECTRIC, NATURAL GAS, WATER, WASTEWATER, STORMWATER UTILITY DISCUSSION ITEMS

- 8.A [Appointment of Applicants](#)

9. INFORMATIONAL ITEMS

- 9.A [Climate Commitment Act May 31, 2023 Cap-and-Invest Auction Update
Washington Cap-and-Invest Program Auction #2 May 2023 Summary Report.pdf](#)

- 9.B
Sustainability & Energy Plan Project Update
[June_UAC_Update_Memo.docx](#)

- 9.C Committee Member Updates

- 9.D Public Works & Utilities Issues and Updates

10. NEXT MEETING

10.A July 20th, 2023 at 3:30 pm

11. ADJOURNMENT



CITY OF ELLENSBURG

Utility Advisory Committee

Date of Meeting

May 18, 2023

Time of Meeting

3:30 PM

Place of Meeting

Council Chambers and remotely via Zoom

Nancy Goodloe, Chairperson, term expires May 31, 2024

Nancy Lillquist, City Council, Vice Chairperson, term expires May 31, 2025

Scott Carlson, CWU, term expires May 31, 2025

Bryan Clark, KITTCOM, term expires May 31, 2023

Kittitas County, Telecommunications Utility customer, term expires May 31, 2023

VACANT, City Utility Customer, term expires May 31, 2023

Ed Barry, City Utility Customer, term expires May 31, 2023

1. CALL TO ORDER

Chairperson Goodloe called the meeting to order at 3:31 pm.

2. ROLL CALL

Members present: Nancy Goodloe, Chair; Nancy Lillquist, City Council; Ed Barry, City Utility Customer; Bryan Clark, KITTCOM (Zoom)

Also present: Buddy Stanavich, Power & Gas Manager; Kim Bowie, Operations Analyst; Darin Yusi, Gas Engineer (Zoom); Mike Helgeson, Assistant PW&U Director; Jon Morrow, Stormwater Manager; Michael Jenkins, Finance Officer; Ben Faubion, IT.

Three members of the public present remotely via Zoom.

3. APPROVAL OF AGENDA

Committee member Barry moved to approve the agenda as presented. **Motion approved. 4-0**

4. APPROVAL OF MINUTES

4.A. Approve minutes - April 20, 2023 regular meeting minutes

Committee member Barry moved to approve the regular meeting minutes. **Motion approved.**

4-0

5. APPROVAL OF CONSENT AGENDA

No consent items.

6. CORRESPONDENCE AND CITIZEN COMMENTS ON NON-AGENDA ITEMS

Becky Pearson introduced herself to the Committee and expressed her interest in becoming a committee member.

7. TELECOMMUNICATIONS UTILITY DISCUSSION ITEMS

7.A. Telecommunications Verbal Update

Ben Faubion gave an update on the telecom utility.

Telecommunication members are allowed to vote on telecommunication items only per ECC 1.50.040

8. ELECTRIC, NATURAL GAS, WATER, WASTEWATER, STORMWATER UTILITY DISCUSSION ITEMS

No items.

9. INFORMATIONAL ITEMS

9.A. Sustainability & Energy Plan Project Update

The first Sustainability & Energy Plan steering committee was held April 27th. Going forward, staff will include meeting notes on UAC agendas as a way to keep the committee informed. The next Sustainability & Energy plan meeting will be on May 31st.

9.B. Natural Gas Safety Survey

Darin Yusi explained the natural gas survey will take place in-house this year to hopefully increase community input. The phone survey has been replaced with an online survey and prizes. The winners will be announced on 8/11.

9.C. City Gas Division is a recipient of the System Operational Achievement Recognition (SOAR) award

The City's Natural Gas Division has been recently selected as one of twenty-five (SOAR) recipients recognized in 2023 by the APGA. Out of approximately 750 APGA members, the City of Ellensburg Gas Division was selected for SOAR level Silver by its peers on the APGA Operations and Safety Committee.

9.D. Committee Member Updates

Committee member Goodloe thanked Ed Barry for his 24 years of service to the City. He has previously served on City council and was a founding member of the Utility Advisory Committee.

9.E. Public Works & Utilities Issues and Updates

Public Works & Utilities updates were shared.

10. NEXT MEETING

10.A. June 15th, 2023 at 3:30 pm

11. ADJOURNMENT

With no further discussion, the meeting adjourned at 4:07 pm.

Kim Bowie
Recording Secretary

Drafted: 5/22/23

Approved:



AGENDA REPORT

Meeting Date: June 15, 2023

Agenda Subject: Appointment of Applicants

Submitted by: Kim Caulkins Public Works & Utilities

Recommended Action or Motion: Provide a favorable recommendation to City Council to appoint the two UAC applicants, Audrey Huerta & Grant Craig.

Background/Summary: The Utility Advisory Committee currently has two vacancies – both vacancies are for city utility customers of one or more utility systems. Based on the interviews June 5th, 2023, both Audrey and Grant are appropriately qualified to serve on the UAC.

Previous Council Action: N/A

Analysis: N/A

Financial Impact: N/A



AGENDA REPORT

Meeting Date: June 15, 2023

Agenda Subject: Climate Commitment Act May 31, 2023 Cap-and-Invest Auction Update

Submitted by: Buddy Stanavich Public Works & Utilities

Recommended Action or Motion: Report for Information only

Background/Summary:

The City of Ellensburg participated in the May 31, 2023 Cap-and-Invest Auction held by Washington State Department of Ecology. Current Auction Vintage 2023 allowances were offered as well as Advance Auction Vintage 2026 allowances.

The City was successful in acquiring current (2023) allowances and advance (2026) allowances.

For reference, the Auction Floor Price was \$22.20 and the Auction Ceiling Price was \$81.47. Auction #1, held on February 28, 2023, resulted in a settlement price of \$48.50.

Ecology announced that because the auction settlement price was above \$51.90, the trigger price for 2023, an auction of allowances from the Allowance Price Containment Reserve (APCR) will be held on August 9. More information will be provided as the Department of Ecology has recently filed an emergency rulemaking for the APCR and announced a permanent rulemaking process for this on June 8, 2023.

Previous Council Action: Ordinance 4913 authorizing auction participation and purchase of carbon compliance instruments.

Analysis:

Type of Allowances	Settlement Price
Current (2023)	\$56.01
Advance (2026)	\$31.12

Financial Impact: N/A

Attachments:

[Washington Cap-and-Invest Program Auction #2 May 2023 Summary Report.pdf](#)



**STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY**

PO Box 47600, Olympia, WA 98504-7600 • 360-407-6000

**Washington Cap-and-Invest Program
Auction #2 May 2023
Summary Report**

Issued on June 7, 2023

Background

Ecology held an auction of allowances on May 31, 2023. The auction included the sale of year 2023 current vintage and year 2026 future vintage allowances. No allowances were consigned for sale.

Prior to today's certification of Auction #2, Ecology staff and the independent market monitor evaluated bids and determined that the auction process and procedures complied with the requirements of the Washington Regulation. The Market Monitor made the following determination:

The Market Monitor found that the auction was cleared consistent with the auction clearing rules in the regulation and appropriate economic logic. The Market Monitor confirmed the clearing price and clearing quantities by qualified bidder. The auction algorithm correctly applied requirements of the regulation covering the bid guarantee. The Market Monitor did not observe any breaches of communication protocols.

The Market Monitor recommends Ecology approve the May 2023 Auction results.

The Financial Services Administrator will distribute auction proceeds to the State of Washington after all qualified bidder payments are received. Ecology will release information on June 28, 2023, in the Auction Public Proceeds Report, providing the final amount of proceeds generated from Auction #2.

Auction Results

All allowances offered for sale by Ecology were sold. The settlement price for current vintage allowances was \$56.01 per allowance. The settlement price for future vintage allowances was \$31.12 per allowance.

Table 1: Qualified Bid Statistics for Auction #2 May 2023

Auction Statistics	Current Auction	Advance Auction
Auction Floor Price	\$22.20	\$22.20
Settlement Price	\$56.01	\$31.12

Table 2: Allowances offered for sale in Auction #2 May 2023

Description of Allowances	Current Auction Vintage 2023 total	Advance Auction Vintage 2026 total
Allowances offered by Washington entity consignment	None	N/A
Allowances offered by Ecology	8,585,000	2,450,000
Total allowances offered for sale	8,585,000	2,450,000

Table 3: Allowances sold in Auction #2 May 2023

Description of Allowances	Current Auction Vintage 2023 Total	Advance Auction Vintage 2026 total
Allowances sold for Washington entity consignment	None	None
Allowances sold by Ecology	8,585,000	2,450,000
Total allowances sold at auction	8,585,000	2,450,000

Table 4: Auction Data for Auction #2 May 2023

Auction Data	Current Auction	Advance Auction
Total qualified bids divided by total allowances available for sale	1.95	1.44
Proportion of allowances purchased by compliance entities	89.88%	73.55%
Herfindahl-Hirschman Index*	631	756

*Herfindahl-Hirschman Index (HHI) is a measure of market concentration and competitiveness, the values of which range from 0 to 10,000. A lower HHI value indicates a higher level of competition. A higher HHI value indicates greater market concentration among fewer entities.

List of qualified bidders for Auction #2 May 2023

A qualified bidder is an entity that completed an auction application, submitted a bid guarantee that was accepted by the Financial Services Administrator, and was approved by Ecology to participate in the auction. Qualified bidders may or may not have participated in the auction.

This list includes 54 qualified bidders.

CITSS Entity ID	Entity Legal Name
WA3591	Avista Corp.-Electric
WA3452	Bellus Ventures III LP
WA3446	BP PRODUCTS NORTH AMERICA INC.
WA3556	Braeswood Climate Partners, LP
WA3542	Brookdale Receivables LLC
WA3530	Cascade Natural Gas Corporation
WA3549	CenTrio Energy Seattle, LLC
WA3562	Charter Oak Carbon Fund II LP
WA3545	CHEVRON U.S.A. INC.
WA3621	CHS Inc.
WA3551	City of Ellensburg
WA3636	CityServiceValcon, LLC
WA3544	Coleman Oil Company, LLC
WA3557	Constellation Energy Generation, LLC
WA3468	CP Energy Marketing (US) Inc
WA3528	East Coast Environmental, LLC
WA3659	Emerald Kalama Chemical, LLC
WA3610	Exxon Mobil Corporation
WA3479	GAS TRANSMISSION NORTHWEST LLC
WA3460	Gelber & Associates Corp
WA3547	Gen IV Investment Opportunities, LLC
WA3457	Grays Harbor Energy LLC
WA3519	HF Sinclair Puget Sound Refining LLC
WA3488	Idemitsu Apollo Corporation
WA3563	Kcarbon Holdings LLC
WA3447	Klima Holdings W LLC
WA3579	Macquarie Energy LLC
WA3435	MARATHON PETROLEUM COMPANY LP
WA3510	Mercuria Energy America LLC
WA3590	Midstream Energy Partners (USA), LLC
WA3536	Morgan Stanley Capital Group Inc.
WA3472	Musket Corporation
WA3442	MV Global Carbon Fund LP
WA3565	NGL Supply Co. Ltd.
WA3496	NORTHWEST PIPELINE LLC
WA3502	NW Natural Gas Co.

CITSS Entity ID	Entity Legal Name
WA3470	Oregon Carbon Holdings, LLC
WA3487	PacifiCorp
WA3600	Petrogas, Inc.
WA3424	Phillips 66 Company
WA3475	Powerex Corp.
WA3438	Puget Sound Energy, Inc.
WA3662	SeaPort Sound Terminal, LLC
WA3474	Shell Energy North America (US), L.P.
WA3491	Space Age Fuel, Inc
WA3679	THE ANDERSONS, INC.
WA3416	Trafigura Trading LLC
WA3482	Trailstone Energy Marketing, LLC
WA3570	TRANSALTA ENERGY MARKETING (U.S.) INC.
WA3668	TransCanada Energy Sales Ltd.
WA3481	U.S. OIL & REFINING CO.
WA3509	Vitol Inc.
WA3527	Washington State University
WA3454	Wilson Oil Inc

How does Ecology decide what information to share?

Ecology shares information about the outcome of each quarterly auction as required by the Washington regulation and to support the successful implementation of the program. Ecology does not share information that could potentially enable market manipulation or other unfair practices by market participants.

Contact Information

If you have questions about the information in this auction summary, please contact:

Website: cca.wa.gov/auctions-and-trading

Email: RegistrarCCA@ecy.wa.gov

Ecology CCA Help Desk: 360-407-6296

ADA Accessibility

The Department of Ecology is committed to providing people with disabilities access to information and services by meeting or exceeding the requirements of the Americans with Disabilities Act (ADA), Section 504 and 508 of the Rehabilitation Act, and Washington State Policy #188. To request an ADA accommodation, contact Ecology by phone at 360-407-6800 or email Melanie Forster at melanie.forster@ecy.wa.gov, or visit <https://ecology.wa.gov/accessibility>. For Relay Service or TTY call 711 or 877- 833 - 6341.

June 15, 2023

Ellensburg Utility Advisory Committee

Sustainability & Energy Plan Project Update

Completed Tasks

- Initial draft of strategies and actions for each Category (Transportation, Green Buildings, Energy, Water and Land Use) were reviewed with city representatives during a series of workshops.
- The resulting draft strategies and actions were then distributed and reviewed by the Steering Committee on May 31 against the backdrop of the city's baseline GHG emissions inventory.
- Community engagement is scoped to include an on-line chat survey.
 - o The original intention was to send a link to that survey to all utility customers via e-mail, as well as to have it accessible on the city's website, making it available almost instantly to all utility customers. In this scenario the survey would be "live" for about two weeks and the entire process could be completed in six weeks.
 - o The revised plan is to print the link (and QR Code) on a flyer to be included in the monthly billing to all utility customers and posted across the City's various online platforms. Because the utility bills are mailed throughout the month, this will extend the time needed to complete the task by at least 6-8 weeks.
 - o Based on feedback from the Steering Committee, the team is writing draft survey questions to be sent back to the Steering Committee for comment via e-mail.
- The previous schedule aimed to have the final plan available for the 9/21 UAC Meeting; the new schedule is being developed to determine whether this will push out to the October or November meeting.

Next Steps

- Write draft on-line chat survey questions based on Steering Committee feedback and send them to the committee via e-mail.
- Once approved by the committee, initiate the survey, and provide the link to the utility.
- Schedule third Steering Committee meeting to review survey results and draft plan.

Ellensburg Utility Advisory Committee

Public Works & Utilities Issues and Updates

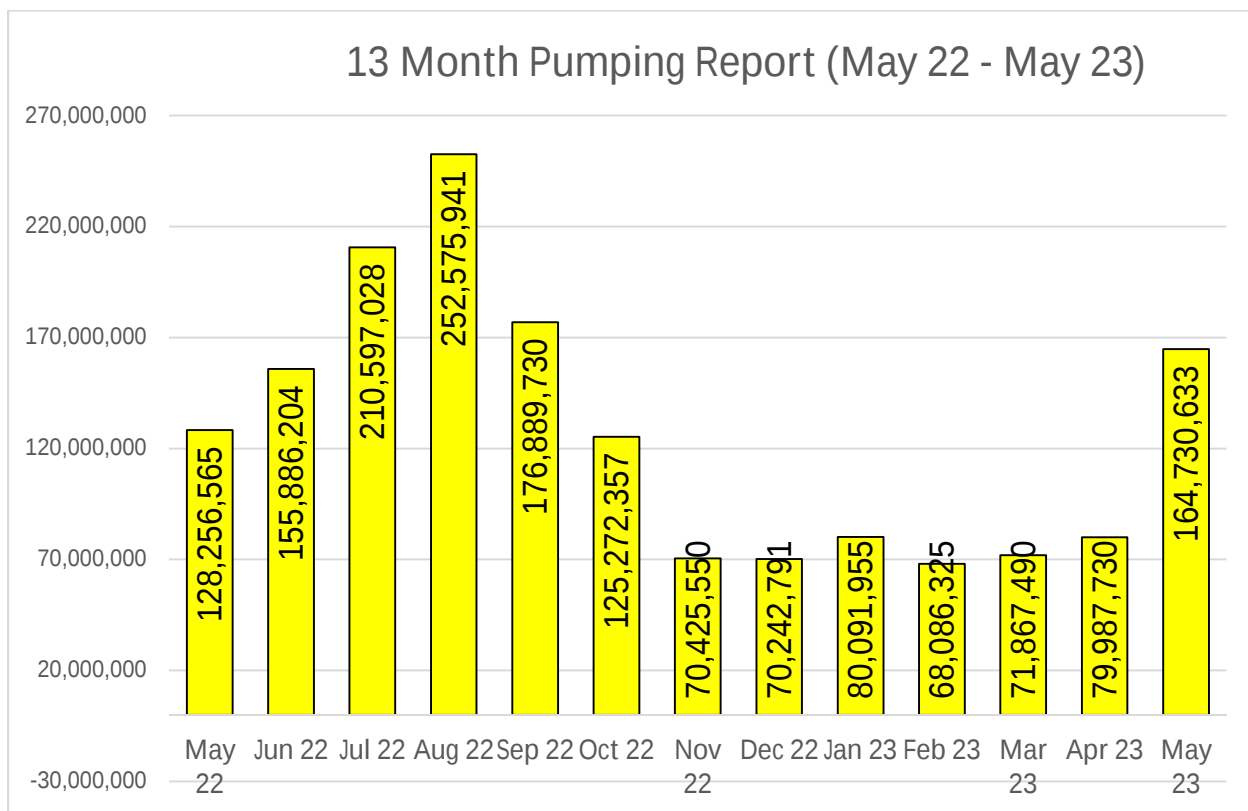
June 15, 2023

Sewer:

- Staff continue to work with Kennedy Jenks on the General Sewer Plan Update including gathering more data for the hydraulic modeling and providing more information about process and controls within the treatment facility.
- Crews responded to two reports of plugged sewer mains. Both instances were caused by debris in the line caused by construction activities in the area. Collections crews worked with the contractor in both locations to clear the debris and get the lines flowing properly.
- Staff attended Asbestos Cement Pipe and Asbestos Supervisor recertification training.

Water:

Water pumped for the month of May in 2023 was 164,730,633 gallons. The amount of water pumped in May of 2022 was 128,256,565 gallons.



- Integrated Underwater Services LLC was contracted to do interior and exterior inspections of the Craig's Hill and Airport reservoirs. Internal cleaning was not necessary at either reservoir. Staff will be viewing the video inspection data and reports provided by the contractor.
- Crews continue to install new water meters regularly in new developments.
- Staff attended Asbestos Cement Pipe recertification training.

Stormwater and Street Trees:

- Staff was awarded a \$400,000 grant from the Department of Ecology's FCAAP flood assistance program. The grant will hire a consultant to model the city's storm system. Modeling the system could show areas of town where the storm system can pick up and move 6 to 8 inches of surface water possibly eliminating flooding. Currently some of these neighborhoods are mapped as being in the flood plain. 2D HEC RAS modeling does not pick up the first 6-8 inches of water with LIDAR.
- Gateway 1 is on schedule and moving along nicely. The pedestrian bicycle paths on both sides are being constructed out of pavers. The grant dollars for this project specifically called out for those walkways to infiltrate stormwater. Porous concrete was considered, but it's lifespan/cost and product specific availability was problematic. Cyclist, joggers, walkers and runners will find the surface to be smooth. Skate boarders and strollers may notice the surface is a lot like other brick sidewalks around town.
- Gateway 2 design is moving along nicely. The same paver pathways will be installed on Gateway 2.
- Phase 2, extending the levee up to the railroad is undergoing cultural review. Funding for the project has changed due to inflation. The City is working with the County Flood District to help secure funding.
- Staff was audited by Ecology, which occurs annually. Ecology deemed the City in compliance with the NPDES permit.
- Staff was awarded a \$40,000 grant from the Department of Natural Resources' 2023 Washington Community Forestry Assistance Program. The grant will be used to hire a consultant to complete a re-inventory of the City's Street Trees and complete an Urban Tree Canopy (UTC) assessment. The project will begin this July and completed by March 2024.

Electric:

- John Kriebel, Journey Lineperson, was hired and started on June 1st. John has over 20 years of experience as a Journey Lineperson and has worked for both public and private electric utilities.
- Josh Mathews, Light Operations Coordinator, last day with the City was Monday May 22nd. We wish Josh success in his future endeavors and thank him for his 20 years of dedicated service to the City.
- The City is currently advertising for the Light Operations Supervisor position. The first review was scheduled for June 1st with interviews tentatively scheduled for June 28th.
- Many of the duties of the Light Operation Supervisor and Light Operations Coordinator have been reassigned to engineering staff until the Operations Supervisor position is filled.
- The Light Division is dealing with material shortage issues and long lead times. We are currently rationing materials for primary extensions to new developments while maintaining a minimum inventory for maintenance and emergency repairs. Staff have also postponed maintenance projects due to lack of materials. It is likely, that in the near future, the light department will be unable to provide service to new developments due to lack of materials.
- Engineering staff continue with duct and vault inspections for several large developments and construction projects. Projects include: Foster Plat and Ellensburg Flats.
- The University Gateway high voltage subcontractor has completed the installation of the underground distribution system and the removal of the overhead system. The completion of the street lighting system and small punch list items is underway.
- Potelco, under bid for the City, has completed the installation of high voltage cable, transformers and secondary systems at the Mallard Meadows development.
- City staff advertised bid calls 2023-07 15kV 1/0 Medium Voltage Underground Distribution Cable and 2023-08 Distribution Transformers. Bids are scheduled to be opened 6-22-23.
- Potelco is on property, as needed, and continues helping the City while the light crew is short staffed.
- City crews continue to focus on day-to-day operations such as new services, street-light maintenance, traffic signal maintenance, as well as other customer driven and required maintenance and service work.
- Window replacement rebates will be offered to help customers upgrade to more energy efficient options.

Gas:

- Crews performed scheduled monthly maintenance tasks and installed new customer requested main and service lines. Crews are performing annual leak survey. Crews are finished annual steel pipe welding re-qualifications.
- Staff and crews have been working on OQ hands-on training sessions and updating OQ records.
- Staff continues to review material inventory and projected needs in anticipation of supply chain issues. Timely material acquisition continues to be an issue.
- Staff coordinated station shut-ins with Williams Pipeline while they performed mechanical pig runs by the Kittitas Tap Station during the week of May 15th. William's work is complete. There were no negative impacts to our system.
- Staff have recently started a digital advertising campaign for our Public Awareness Program. 811 Call Before You Dig as well as Gas Safety advertisements will be running from March through July.
- Our annual natural gas safety survey started May 1st. This year we will be performing an in-house survey versus the phone survey we have done in past years. This survey will continue until August 11, 2023.
- Staff attended the 2023 Annual Energy Conference.
- Joel Arndt has been hired as the GIS internship. He will begin on June 20th.
- Temporary Student Laborers will start with the gas crew on June 16th.