

AGENDA

UTILITY ADVISORY COMMITTEE

July 20, 2023

Hybrid Meeting In-person and via Zoom



**CITY OF ELLENSBURG
UTILITY ADVISORY COMMITTEE AGENDA
Council Chambers
501 North Anderson Street
Ellensburg, WA 98926
And remotely via Zoom
Thursday, July 20, 2023
3:30 PM - Regular Meeting**

- 1. Call to Order and Roll Call of Members**
 - 1.A Welcome New Members
- 2. Approval of Agenda** (No Public Comment)
- 3. Approval of Minutes**
 - 3.A June 15, 2023 regular meeting minutes
- 4. 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.
- 5. 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.
- 6. Telecommunications Utility Discussion Items**
- 7. Electric, Natural Gas, Water, Wastewater, Stormwater Utility Discussion Items**
 - 7.A **Natural Gas rate adjustment to comply with WA State's Carbon Reduction and Greenhouse Gas Emissions, Cap and Invest program**
- 8. Staff Informational Items**
 - 8.A Public Works & Utilities Updates
- 9. Commission Representative Update**
- 10. Adjournment**



For more information on the Ellensburg Utility Advisory Committee, contact Operations Analyst, Kim Bowie, at 509-962-7124.

The Contents of this agenda have been photocopied on recycled paper.



CITY OF ELLENSBURG

Utility Advisory Committee

Date of Meeting

June 15, 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

Jeff Bousson, CWU, term expires May 31, 2025

Bryan Clark, KITTCOM, term expires May 31, 2026

VACANT, Telecommunications Utility customer, term expires May 31, 2026

VACANT, City Utility Customer, term expires May 31, 2026

VACANT, City Utility Customer, term expires May 31, 2026

1. CALL TO ORDER

Chairperson Goodloe called the meeting to order at 3:30 pm.

2. ROLL CALL

Members present: Nancy Goodloe, Chair; Nancy Lillquist, City Council; Jeff Bousson, CWU.

Committee member Lillquist moved to excuse Bryan Clark. **Motion approved. 3-0**

Also present: Buddy Stanavich, Power & Gas Manager; Kim Bowie, Operations Analyst; Darin Yusi, Gas Engineer (Zoom); Michael Jenkins, Finance Officer; Paul Meyer, Senior Electrical Engineer.

Two members of the public present remotely via Zoom.

3. APPROVAL OF AGENDA

Committee member Lillquist moved to approve the agenda as presented.

Motion approved. 3-0

4. APPROVAL OF MINUTES

4.A. Approve minutes - May 18, 2023 regular meeting minutes

Committee member Lillquist moved to approve the regular meeting minutes. **Motion approved. 3-0**

5. APPROVAL OF CONSENT AGENDA

No consent items.

6. CORRESPONDENCE AND CITIZEN COMMENTS ON NON-AGENDA ITEMS

Chair Goodloe shared that correspondence was received from Meghan Anderson via email and was distributed to the Committee.

7. TELECOMMUNICATIONS UTILITY DISCUSSION ITEMS

None

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

8.A. Appointment of Applicants

Committee member Lillquist moved to forward a favorable recommendation to City Council to appoint applicants Audrey Huerta & Grant Craig. **Motion approved. 3-0**

9. INFORMATIONAL ITEMS

9.A. Climate Commitment Act May 31, 2023 Cap-and-Invest Auction Update

Buddy Stanavich shared that the City participated in the May 31st auction and was successful in acquiring current 2023 allowances & advance 2026 allowances.

9.B. Sustainability & Energy Plan Project Update

The steering committee met May 31st. Currently survey questions are being drafted for the Committee to review and approve via email before the public survey.

9.C. Committee Member Updates

Chair Lillquist congratulated the gas department on receiving the APGA Excellence in Environmental Stewardship award.

9.D. Public Works & Utilities Issues and Updates

Public Works & Utilities updates were shared.

10. NEXT MEETING

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

11. ADJOURNMENT

With no further discussion, the meeting adjourned at 4:05 pm.

Kim Bowie

Recording Secretary

Drafted: 6/16/23

Approved:



Meeting Date: July 20, 2023

City of Ellensburg

Utility Advisory Committee Agenda Report

Agenda Subject: Natural Gas rate adjustment to comply with WA State's Carbon Reduction and Greenhouse Gas Emissions, Cap and Invest program

Submitted by:

Department: Public Works & Utilities

Suggested Motion/Action:

Background/Summary:

To ensure the City of Ellensburg maintains compliance with a new state law and new rules adopted by the State Department of Ecology, FCS Group was retained to complete an analysis and update the Natural Gas Rate model to determine necessary adjustment to natural gas rates in order to recover the costs from the implementation of the Washington State Greenhouse Gas Emissions Cap and Invest Program (Cap and Invest Program) otherwise known as the Climate Commitment Act (CCA) as prescribed in Chapter 70A.65 Revised Code of Washington (RCW) and administered by the State Department of Ecology.

Previous Council Action:

Council passed Ordinance # 4913 - Cap & Invest Carbon Purchase Authority to comply with the laws, rules, and regulations pertaining to chapters 173-446 WAC and 70A.65 RCW.

Analysis:

In 2021, the Washington Legislature passed the Climate Commitment Act which establishes a comprehensive, market-based program to reduce carbon pollution and achieve the greenhouse gas limits set in state law. The CCA went into effect January 2023, and Ecology has so far held two auctions this year in which the gas utility is required to purchase greenhouse gas/carbon allowances. The City has been successful in acquiring current (2023) allowances and advance (2026) allowances.

Financial Impact:

Forecasted 2023 expenses are estimated to be between \$1,600,000 and \$2,000,000. Rate impacts and a 2023 phase-in strategy will be presented by FCS Group at the meeting. This rate study continues to work to enhance financial outlooks extending out several years as a tool to better manage the financial needs of the Natural Gas utility.

Budget Adjustment: No

Attachments:

None

Public Works & Utilities Monthly Report

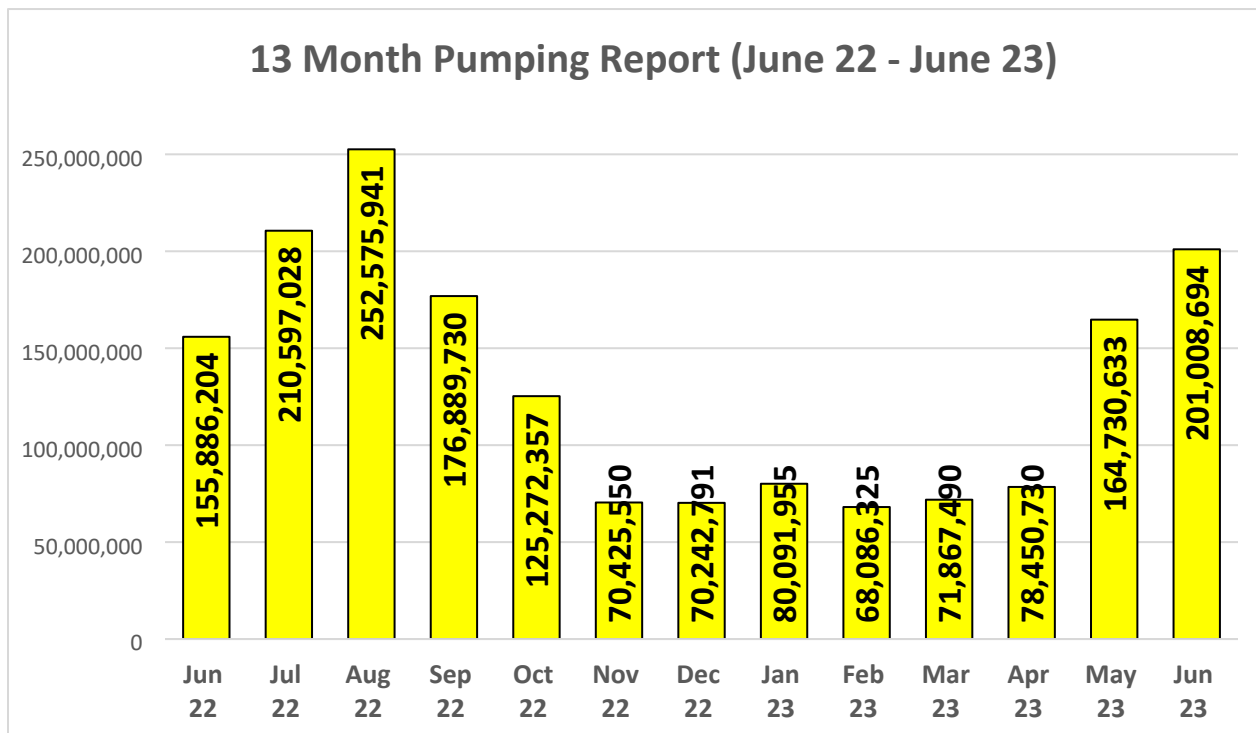
Date: 07/14/2023

Sewer:

- Staff are preparing for the boiler control upgrade project which will be happening in July. The boiler will be offline for a few days during the project.
- New brushes were ordered for the fine screens. Staff removed one fine screen basket for observation so that quotes could be requested for repairs. Western Metals will be repairing both the fine screens. Collection Crews have been working on sewer and storm jetting, GIS data collection, and have been providing vacuum excavation services to other utilities.
- The commercial dishwasher in the lab is beginning to exhibit signs of failure so a new one has been ordered for replacement. The commercial washer is required in a certified lab to sterilize testing equipment.

Water:

Water pumped during the month of June in 2023 was 201,008,694 gallons. The amount of water pumped in June of 2022 was 155,886,204 gallons.



- Annual maintenance was performed on the HVAC units at the Hayward and Route 10 wellhouses. During inspection a motor was noted to be near end of life. A replacement has been ordered and will be installed when it arrives.
- Crews have been working on repairing leaks that were discovered and correlated during phase one of the annual leak survey.
- Staff completed and submitted the 2022 Water Use Efficiency Report to the Department of Health in June.

- The 2023 Consumer Confidence Report (CCR) has been completed and is being distributed to City of Ellensburg water consumers as required. A copy of the CCR is also available on the City website.
- Supply chain issues continue to be a challenge for the water distribution industry. Staff are trying to stay ahead of the demand for inventory, but it is becoming more and more challenging with extremely long lead times attached to materials that are used on a daily basis. Copper setters, brass bushings, meters, and Encoder Receiver Transmitters (ERTs) are still several months out upon order and in some cases, lead times are getting worse instead of better.

Stormwater and Street Trees:

- Gateway 1 is coming along nicely, and substantial completion is slated for October 2023.
- Gateway 2 is at 30% design. 60% design should be completed by October 2023.
- Dolarway/Reecer flood project is 2/3 complete. The levee still needs to be extended up to the railroad. The plans and permitting are complete, but we've run into a funding issue. During the time of re-designing the project (2 years) to meet the new FEMA standards for certification, inflation became an issue. What used to be an \$800K bridge, fast forward two years later, the price of the bridge jumped to 1.2 million. This left a shortfall of approximately \$300K to complete the levee up to the railroad. The City has asked the Flood District to help with funding the shortfall. At this point, it appears the Interlocal agreement with the flood district and City will be amended to reflect this.
- The Utility was awarded the FCAAP flood assistance grant from the Department of Ecology. Details of getting into agreement with Ecology and subsequently hiring a consultant to perform the work has not been activated.
- Capacity Grant funds that went to Council for authorization was used to haul street sweepings and vac solids to the landfill in Wenatchee by a private vendor.
- The RFP for Street Tree Inventory Services closed July 6th. We received five consultant proposals for this project. Tentatively, DCG Watershed has been selected, subject to the successful contract negotiations.
- Staff has been selected for the DNRs steering committee for the new Evergreen Communities Recognition Program. The statewide program will build off Tree City USA criteria with two graduated steps: a public tree inventory and implemented urban forestry management plan. The start-up meeting will be held later this month.

Electric:

- The City is currently advertising for the Light Operations Supervisor position. The first review was scheduled for June 1st and held interviews on June 28th. To date no job offers have been made and the position remains open.
- The light department is happy to announce that Luis Perez has been promoted from the Light - Engineering Tech position to Light – Engineering Specialist II. Luis is an important part of the Light Department, and we thank him for his hard work and dedication.
- City staff advertised bid calls 2023-07 15kV 1/0 Medium Voltage Underground Distribution Cable the bids were opened 6-22-23. The City received two bids one from General Pacific and one from Anixter. The bid will be awarded to the lowest responsive bidder General Pacific in the amount of \$139,023.00 which is approximately 16% under the engineers estimate.
- City staff advertised bid call 2023-08 Distribution Transformers, and the bids were opened 6-22-23. The City received 3 bids. Due to incomplete bid submittals all bids will be deemed non-responsive at the July 17th City Council Meeting. Staff will proceed with obtaining quotes for transformer purchase.
- City Crews participated in the annual Touch-a-Truck event
- City Staff met with representatives from the Bonneville Power Association to review the City's current energy consumption and the forecast for future usage.
- The City's pole testing and treatment contractor has begun testing the city's 2000 wood electrical poles.

- 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 completed annual leak survey and have started on annual regulator station maintenance. Crews will move onto annual valve maintenance in July. Our temporary student laborers are painting residential and commercial gas meters.
- 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 have previously 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 and crew will be participating in a UTC Pipeline Safety Audit. The audit will take place July 24-27th.
- Darin Yusi will be attending the APGA Annual Conference July 17-19th.
- Gas staff and crew participated in the annual Touch-a-Truck event in June.