

**CITY OF BELLEVUE
ENVIRONMENTAL SERVICES COMMISSION
MEETING MINUTES**

Thursday
August 6, 2020
6:30 p.m.

Zoom

1. CALL TO ORDER:

The meeting was called to order by Chair Knezevic at 6:30 p.m.

ROLL CALL

COMMISSIONERS PRESENT: Vanja Knezevic (Chair), Ling Zhuang (Vice Chair), Neal Hines, Diann Strom¹ Anne Howe, Negin Khanloo, Ken Wan

COUNCIL LIAISON: Conrad Lee

COMMISSIONERS ABSENT: None

OTHERS PRESENT: Brian Bartle, Deputy Director, Utilities; Nav Ota, Director, Utilities; Lucy Liu, Assistant Director, Utilities Resource Management and Customer Service; Linda De Boldt, Assistant Director, Utilities Engineering; Brian Landau, Planning Manager, Utilities; Jo Liu, Fiscal Manager, Utilities; Cherish Jackson, Interim Executive Assistant, Utilities; Joe Harbour, Assistant Director, Utilities Operations and Maintenance, and Laurie Hugdahl, Minutes Taker

Deputy Director Brian Bartle read an introductory statement regarding online meetings.

2. TEMPORARY SUSPENSION OF BYLAWS

Chair Knezevic explained that several items in the Commission's bylaws needed to be suspended temporarily in order to remotely hold meetings.

Motion made by Vice Chair Zhuang to suspend remote participation provisions and bylaws until such time as the Environmental Services Commission is no longer holding its meetings remotely. The motion passed unanimously (6-0).

¹ Commissioner Strom joined the meeting at approximately 8:00 p.m.

Motion by Vice Chair Zhuang to suspend oral public communications provisions and bylaws and allow public participation to be submitted in writing and read for the August 6, 2020 Environmental Services Commission meeting only. Upon a roll call vote, the motion passed unanimously (6-0).

Motion made by Vice Chair Zhuang to suspend order of business provisions and bylaws until such time as the Environmental Services Commissions is no longer holding its meetings remotely. Upon a roll call vote, the motion passed unanimously (6-0).

3. APPROVAL OF THE AGENDA

Motion made by Commissioner Khanloo, seconded by Vice Chair Zhuang, to approve the agenda. The agenda was approved unanimously (6-0).

4. WRITTEN COMMUNICATION

None.

5. COMMUNICATION FROM CITY COUNCIL, COMMUNITY COUNCIL, BOARDS AND COMMISSIONS

None.

6. STAFF REPORTS

None

7. APPROVAL OF MINUTES

A) 7/23/20 MINUTES

Motion made by Commissioner Howe, seconded by Commissioner Khanloo to approve the 7/23/20 minutes as presented. Upon a roll call vote, the motion passed unanimously (6-0).

8. UNFINISHED BUSINESS

None

9. NEW BUSINESS

a) Utilities Proposed 2021-2022 Operating and 2021-2027 Capital Investment Program (CIP) Budget Proposals

Nav Otal, Director, Utilities
Brian Bartle, Deputy Director
Linda De Boldt, Asst. Director, Engineering
Joe Harbour, Asst. Director, O&M
Lucy Liu, Asst. Director, RMCS
Jo Liu, Fiscal Manager, RMCS

Director Otal introduced the topic and reviewed how the budget is informed by Council strategic direction, the asset management program, Council adopted policies, and service levels.

Asst. Director De Boldt reviewed 2021-2027 CIP Budget highlights by fund:

- Water \$135.1 M
- Sewer \$58.0M
- Storm \$42.4M
- Total CIP Budget \$235.6M

Rate Revenues are the primary funding mechanism for the CIP.

Commissioner Wan referred to the Environmental Preservation category and asked if there is a tie in between those projects and the City's Environmental Stewardship Initiative. Asst. Director De Boldt explained how they are related. The Watershed Management Planning effort will be a driver for future projects that will be part of the Environmental Preservation category in the CIP. Commissioner Wan encouraged the City to be more aggressive about tying into environmental goals. Vice Chair Zhuang concurred with Councilmember Wan.

Asst. Director Lucy Liu reviewed the 2021-2022 Utilities Operating Budget requests by category and highlighted budget changes.

- Financial obligations including wholesale payments for water supply and wastewater treatment, regional capital facility charges; taxes & franchise fees; and payments to the general fund for support services (\$174.6M)
- Capital related investments including capital delivery, CIP/R&R transfers (\$104.1M)
- Local Operations including customer service/outreach, engineering, operations & maintenance, regulatory, support systems/assets, and department management (\$54.7M)
- Total Utilities Budget: \$333.4M

Asst. Director Liu reviewed the financial obligations proposals in detail; Asst. Director De Boldt gave an overview of capital related proposals; and Asst. Director Joe Harbour discussed local operations and maintenance proposals for Water, Sewer, and Storm.

Comments & Questions:

Commissioner Hines asked about the cause of water main breaks. Asst. Director Harbour explained that most of them are naturally occurring due to aging pipes. The asset management program documents what the drivers are for the breaks.

Commissioner Wan asked for more information about the cost increase for asphalt restoration and the cost decrease for meter replacement materials due to AMI. Asst. Director Harbour estimated that the asphalt restoration costs have been increasing gradually over time. In this budget it increased about \$100,000 per year. Meter replacement materials decreased about \$60,000 each year. He indicated he could provide more precise numbers later.

Vice Chair Zhuang asked for a comparison of the cost of replacing regular sewer versus lake line. She also asked if there are any alternatives being considered for handling this differently. Asst. Director Harbour estimated that the cost of lake line replacement is about ten times more expensive than regular sewer line. Asst. Director De Boldt commented that there is a Lake Washington Lake Line Strategic Study underway right now to look at conditions and alternatives. She suggested waiting until that study is completed for a more accurate and comprehensive answer.

Commissioner Hines asked for confirmation that all of the storm drainage goes directly into Lake Sammamish and Lake Washington. Asst. Director Harbour confirmed that most of it does, but some of it goes through Phantom Lake or Lake Bellevue first. He added that there is some formalized phosphorus treatment of runoff at Lakemont.

Vice Chair Zhuang brought up concerns about the lack of salmon in Kelsey Creek. She asked if the results from the survey have been incorporated into the Storm Operations & Maintenance proposals. Asst. Director De Boldt replied the Watershed Management Plan field work is currently in progress. The data will be incorporated into the Plan, but is not necessarily incorporated yet into operating activities. Asst. Director De Boldt noted that the answer to Vice Chair Zhuang's question could be incorporated into the briefing coming to the ESC later this year. Planning Manager Brian Landau agreed that it would be best to wait until staff gives an update on the Watershed Management Plan later this year. The condition assessment data on Kelsey Creek was only recently completed, and the data still needs to be analyzed. Vice Chair Zhuang expressed concern that if they wait until the next budget cycle the data could be outdated. She asked if there are any CIP projects in the current budget

related to this. Asst. Director De Boldt commented that there is some funding allocated in two programs in the Stormwater fund. One is a stormwater quality retrofit program, and one is for stream channel modification.

Asst. Director Harbour reviewed proposals related to drinking water quality and regulatory compliance. These are related to coliform monitoring, the annual Drinking Water Quality Report (Consumer Confidence Report), NPDES permit, the Clean Water Act, cross-connection/backflow issues, private drainage inspections, FOG (fats, oils, grease) and utility locates.

Asst. Director De Boldt gave an overview of the Development Services function for the Utilities Department which is responsible for working collaboratively with the City's development services, transportation, and fire department to support economic development and to ensure the quality of infrastructure projects built by the private sector. Four proposals totally \$4.3M include: inspection services; information delivery; policy, code & consulting service; and review services, as well as the staffing for these programs. She also reviewed the Engineering System Planning proposal which covers utility system planning for the city's \$3.5B utility infrastructure. The proposals include planning and system analysis and the asset management program as well as the related staff.

Asst. Director Lucy Liu reviewed Business Operations proposals related to customer service and outreach. The proposals relate to Utilities customer service and billing, water meter reading, Utilities Rate Relief Program, solid waste management and recycling management, storm and surface water pollution prevention, and water systems & conservation and the related staffing. In this proposal the area that is increasing is bank card transaction fees. Four meter reading staffing positions will be eliminated in the next two years as AMI is implemented. Asst. Director Liu also reviewed proposals related to support systems and assets. These include computer and systems support, fiscal management, telemetry and security systems, and asset replacement. A major change from the last budget for the telemetry & security systems proposal is for an upgrade of the security camera system for pump stations. Finally, Asst. Director Liu reviewed the Department Management budget proposal.

Commissioner Hines asked if bank card transaction fees are passed onto customers. Asst. Director Liu replied that they are not; it is considered an aspect of good customer service and helps with timely receipt of revenues. Some ways the fees can be eliminated are by using autopay from a checking account, bank bill pay, or checks.

Fiscal Manager Jo Liu recapped staffing changes that are being proposed for the 2021-2022 budget. There are currently 183 staff. 7 will be eliminated as AMI is implemented. One staff member will be added to implement the new Source Control program required by the NPDES permit for a total of 177 staff. Fiscal Manager Liu then reviewed how the proposed budget translates into the typical residential combined bill and discussed the ESC budget review calendar.

10. ELECTION OF CHAIR AND VICE CHAIR

Chair Knezevic reviewed the bylaws related to election of Chair and Vice Chair.

Commissioner Khanloo nominated Vanja Knezevic as Chair. There were no other nominations. Chair Knezevic accepted the nomination.

Upon a roll call vote, Commissioner Khanloo was elected Chair unanimously.

Commissioner Khanloo nominated Diann Strom as Vice Chair. There were no other nominations. Commissioner Strom accepted the nomination.

Upon a roll call vote, Commissioner Strom was elected Vice Chair unanimously.

Councilmember Lee congratulated the Chair and the new Vice Chair for being willing to serve a new term of leadership. He thanked Commissioner Zhuang for her service in the previous year. He thanked all commissioners for their service to the City. Director Otal also expressed appreciation to the ESC.

11. REVIEW OF COMMISSION & COUNCIL CALENDARS

Deputy Director Brian Bartle reviewed the tentative ESC calendar. There will be another meeting on August 20 to go over the budget and hear from the Environmental Stewardship Initiative. The September 3 meeting was cancelled. The ESC will meet again on October 1 to finish up on the budget and discuss some non-budget topics. There will be a special meeting on October 22 to make a budget and rate recommendation to Council. November 5 will be a regularly scheduled meeting. Deputy Director Bartle also reviewed the Council calendar.

11. ADJOURNMENT

Motion made by newly elected Vice Chair Strom, seconded by outgoing Vice Chair Zhuang, to adjourn the meeting. Upon a roll call vote, the motion passed unanimously (7-0).

The meeting was adjourned at 8:23 p.m.

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