BELLEVUE ENVIRONMENTAL SERVICES COMMISSION
REGULAR MEETING
MINUTES

June 16, 2022
4:30 p.m.

Bellevue City Hall
Room 1E-113

COMMISSIONERS PRESENT:	Chairperson Knezevic, Vice Chair Hines, Commissioners Dupertuis, Howe, Strom, Wan
COMMISSIONERS ABSENT:	Commissioner Khanloo
STAFF PRESENT:	Lucy Liu, Leslie Kodish, Nav Otal, Andy Baker, Linda De Boldt, Todd Dahlberg, Department of Utilities; Brian Wendt, City Attorney's Office
OTHERS PRESENT:	None
RECORDING SECRETARY:	Gerry Lindsay

I. CALL TO ORDER

The meeting was called to order at 6:32 p.m. by Chair Knezevic who presided. All Commissioners were present with the exception of Commissioners Howe and Khanloo. Commissioner Wan participated remotely.

2. APPROVAL OF AGENDA

Motion to approve the agenda was made by Commissioner Wan. The motion was seconded was by Commissioner Strom and the motion carried unanimously.

3. ORAL COMMUNICATIONS – None

4. COMMUNICATIONS FROM CITY COUNCIL, COMMUNITY COUNCIL, BOARDS AND COMMISSIONS

5. STAFF REPORTS

6. UNFINISHED BUSINESS – None

7. NEW BUSINESS

A. 2023-2028 Rates Forecast Update

Department of Utilities Director Nav Otal noted the Commission had previously been presented with the proposed 2023-2024 operating budget and rates. At that meeting the Commission also directed staff to look at scenarios that would either temporarily pause or pull back on the rate increases that would support transfers to renewal and replacement (R&R). The Commission will be asked at the July 7 meeting to provide a recommendation to the City Manager.

When compared to neighboring cities, Bellevue's current rates are in the middle of the pack. Utility rates are not compared nationally because where utilities are concerned conditions are always local. Comparisons with neighboring jurisdictions take into account that their conditions are similar.

The overall rate increase of 6.4 in 2023 and 5.9 percent in 2024 percent was previewed for the Commission at its previous meeting. It was noted that for the monthly bill under the 2022 adopted budget for the three utilities was $197.44. The various percent rate increases are added on to that amount. The single largest component of the rate increase is wholesale at 2.3 percent, an addition of $4.49 to the typical monthly bill in 2023. On the local side, investment in infrastructure drives 1.2 percent of the rate increase and totals $2.27 to the monthly bill. R&R is a contribution made to the city's long-range capital funding and for 2023 is about 1.4 percent or $2.82 to the typical bill. The other element of the budget is taxes and support costs for services purchased on the general fund side and that will add 0.7 percent to the rate increase, or $1.46. Operations, which takes into account all activities performed within the city for all infrastructure in Bellevue accounts for 0.8 percent increase or $1.59. Taken as a whole, the proposed budget will add $12.63 to the typical monthly bill in 2023, and $12.37 cents in 2024.

Chair Knezevic asked why it appears the rates have bumped Bellevue up by one place. Nav Otal answered that the work of every jurisdiction to develop their budgets translates into rate increases. The figures shown were for the last published budget for all jurisdictions and Bellevue's relative ranking could change up or down depending on what other jurisdictions do.

Commissioner Wan recalled that Bellevue has always tried to avoid spike increases to the R&R yet as shown it falls from 1.4 to 0.8 from 2023 to 2024. Nav Otal explained that the calculations are based on the current Capital Investment Program and the long-range R&R as a unit. In any particular year there can be changes like the one highlighted, but the bottom line on the local component is a 4.1 percent in the first year and 2.7 percent in the second year. One factor is that inflation is higher in the first year than in the second. Every attempt is made to level rates across six years.

Nav Otal explained that all operating and capital expenses must be funded through rates. There are some non-rate revenues such as interest earnings, development fees and grant revenues which offset the costs. For 2023, a rate increase of 6.4 percent is needed to fund the remaining costs; in 2024 the needed rate increase is 5.9 percent. With the two-year budget rates in hand, the future rates are forecasted based on several assumptions including inflation, future reserve requirements for both operating and capital, and future expenditures for both operating and capital. The importance of taking the long-term view is important given that in any single year the CIP can be quite high or quite low. There are also policies that direct taking the long-term view in order to smooth out the rates.

The strength of Bellevue's utilities lies in the adopted policies related to rates and capital investments. By policy, rates are to be set sufficient to recover both current and future projected costs. Also, rate increases are to be gradual and uniform. Cost increases or decreases for wholesale services are to be passed through to Bellevue customers. Wholesale cost increases are tied to water purchasing and testing and wastewater treatment costs from King County. The policy essentially states that local programs will not subsidize regional entities. For 2022, Bellevue's local operations budget was $9.3 million. If the regional rate increases were not passed on to Bellevue ratepayers, local programs would need to be reduced by $2.2 million in 2023 and by $4.5 million in 2024. Decreases of that magnitude would mean Bellevue utilities would cease to be a viable entity.

Also very important and forward-thinking are the policies related to capital investment. Nationally, infrastructure is generally falling apart largely because most entities have not invested in it. By adopted policy, Bellevue does invest in its long-term capital needs. Utilities are capital intensive. Most of Bellevue's infrastructure has passed its mid-life thus the city is actively engaged in replacing water, sewer and storm infrastructure. That is why the city has a 75-year rate plan and the R&R is what makes it possible to look at rates beyond the seven-year CIP. Revenue from rates funds current construction and engineering and contributes to R&R.

Commissioner Dupertuis noted that in thinking about replacing equipment there is the concept of run to failure and the concept of predictive maintenance. It would be interesting to know how Bellevue draws that balance. Running to failure faces the consequence of the failure and pushes spending into the future. There are benefits to that approach, but at the same time predictive maintenance is also a valuable approach. Nav Otal said the engineering and the operations and maintenance divisions deal in that arena. Bellevue focuses on optimal costs in considering the replacement of infrastructure.

Commissioner Dupertuis commented that implicit in the term "optimal" is the notion of optimizing for something. Understanding the principles being optimized for would help the Commission articulate the rates to the community. Nav Otal clarified that the city does not advance spending, rather it advances funding. Spending is based on asset management and the risk and probability of failure and the consequences of that failure. The goal is to replace infrastructure just before it fails. Once failures occur, they are often very costly to address.

Commissioner Dupertuis asked how far in advance Bellevue buys water from Cascade. Nav Otal said no advance purchases are made; all water purchase are based on consumption. Cascade has a contract with Seattle for a block of 33 MGDs regardless of what is actually used. On top of that there are costs specific to Cascade. There are eight members in the Cascade alliance, of which Bellevue is the largest, and collection from the members is based on percentage use of the total over the previous three years.

Commissioner Dupertuis referred to the reference to the implementation of the replacement of obsolete assets at $1.25 million, and under capital project delivery support the line item for asset management modeling systems and portfolio and project management systems totaling $500,000. The question asked was whether the two should be summed together. Nav Otal addressed the replacement of obsolete assets by noting there are several software systems involved, including the billing system based on usage, the maintenance management system used by the operations and engineering staff use, the GIS system and some financial systems. The line item is primarily for replacing the billing system, which was implemented in 2004. Funds to replace the system after 15 years began to be put aside at the same time, thus the money is already in the bank. The current system is inadequate to meet the city's needs and is facing the risk of failure. The asset management and system modeling line item is solely for staffing. The $500,000 for a portfolio management system is a new cost in addition to the billing system. The city does not currently have good project management software and that is creating a lot of inefficiencies. The utility and transportation departments will partner to invest in a robust software system.

Answering a question asked by Commissioner Dupertuis, Nav Otal said in line with the IT department, the city does not itself build its own software systems. The city's investments in technology are either off the shelf or via software services. The general migration is toward the latter for many reasons.

Commissioner Dupertuis commented that there if volatility and unpredictability in the future. The question was asked if there could be a factor simply to cover volatility. Nav Otal said that has not been added as a line item, partly because to the degree the entities have a forecast, it should be relied on. There is sufficient confidence in the forecasts that they do not need to be buffered beyond projecting out more than a six-year window. Adding in a buffer would push rates higher. Commissioner Dupertuis added that by its very nature a forecast includes uncertainty. How to allow for that uncertainty is the question. Higher rates can address uncertainty, while lower rates can risk having to be unexpectedly increased.

Commissioner Howe asked what information engineering would be bringing back to the Commission. Nav Otal said they will share the methodology used for developing the CIP and information the asset management program. Commissioner Howe asked if anything has changed in the methodology and Nav Otal said there have been refinements that have improved the system.

There was agreement that a presentation to the full Commission from engineering would not be needed.

Commissioner Dupertuis referred to Section 140.71 which refers to Attachment B, specifically W-115 and S-115 and expressed a desire to understand how all of those elements come together. Nav Otal said there is no connection. Section 140.71 is for project and portfolio management software. The others refer to supervisory control and data acquisition software. There are several costs associated with modernizing the systems, including project management and the billing system.

Fiscal Manager Andy Baker noted that the outlook for gas prices was released in early April. Since then staff have continued to work on refining and updating the elements of the budget that at that time still had uncertainty. Some significant pieces have changed, with the biggest being higher King County costs for wholesale sewer treatment. The rates in the proposed rate forecast increase by 5.75 percent per year rather than the four percent per year in the early outlook forecast. After 2027 the King County wholesale rates increase at nine percent per year for the next five years.

Commissioner Howe asked if the County has given any reason for their wholesale rate increases. Nav Otal stated that there are a number of factors, including aging infrastructure in need of replacement. While that is understandable, there are other things they are doing that are perhaps outside their purview, including getting into lines of business they should not be engaged in. It is not known if they are engaged in cost containment. Whenever something is outsourced, a certain level of control is lost. Both water supply and wastewater treatment have been outsourced.

Commissioner Strom asked if Bellevue or King County applied for funding under the Biden infrastructure bill. Andy Baker said the understanding is that they are applying for funding through the WIFIA program. WIFIA funds are loans rather than grants.

Andy Baker noted that in addition to the King County costs, there are changes related to the charges in the budget and rate forecasting for the General Fund for support services. Additionally, any time the rate forecasts are updated there is a change to the taxes anticipated to be paid on the utility business, and there are updated salaries and benefits expenses, which includes a higher long-term benefits inflation estimate from the city budget office. There are an additional two significant factors that are likely to change before the final preliminary rate forecast is released in September. First, Cascade has signaled that their wholesale costs will likely be higher than what is incorporated into the current modeling. Second, there is a high likelihood that the inflation index used to develop the operating and personnel budgets will continue to outpace the early forecasts, meaning the costs will need to be adjusted.

A chart was shared with the Commission showing the early outlook rate forecast for each year along with the current proposed forecast. The chart separated out the local program costs and the wholesale costs. The changes in regard to the General Fund and personnel costs create only a one-tenth of one percent increase, but by 2028 the impact of the higher benefit costs assumption adds up to a total of a 0.3 percent increase in local operations.

The Commission previously directed staff to develop a scenario in which rate increases are mitigated by holding off on increases for R&R for the upcoming biennium. In the water fund, the scenario eliminates any transfer to R&R in 2023 and 2024, allowing for reducing the rates needed by 0.9 percent in 2023 and 0.5 percent in 2024. R&R needs are planned over a long-term horizon and transfers for 2023 and 2024 can be eliminated, but unless there is a recovery to the full contribution level, the entire long-range funding plan will be compromised. The takeaway is that while the rates can be mitigated somewhat in the short term, the resulting impact would take a while to recover from. While both scenarios end with the same cumulative rates, there is a continued cost and by 2029 the R&R reserve will have $3.3 million less, which will need to be made up by future rate payers, including the future interest.

Nav Otal allowed that the scenario is doable but is really a pay me now or pay me later arrangement. The $3.3 million plus the interest will never be made up over the long term. The fact is that in reality R&R funds are being used in year three. Andy Baker concurred, noting that in 2025 under both scenarios there is a planned transfer of $4.6 million to meet the full capital needs. The rate-smoothing capacity provided by the R&R fund is needed.

In terms of policies and objectives, both scenarios are viable in that represent a different weighting of priorities. Another chart was shared with the Commission showing where outcomes are maximized, where they are simply achieved, and where a policy is violated. Both scenarios include rate paths set to cover current and future expenses. Under the deferred scenario, even though rates starts slow they do build back up. A high priority is put on smoothing rates and the proposed scenario does a better job of maximizing that outcome as opposed to the deferred R&R scenario. Under both scenarios, wholesale increases are passed on. Inflation is an important lens for evaluating rates. Careful consideration is given to rate increases that are over inflation and the same is true for when rate increases are below inflation. In the deferred alternative, the below inflation increase comes from pushing off future known needs. The reserve requirements do not have room for compromise. The deferred scenario does a better job of mitigating near-term rate increases by giving different weighting to priorities.

Turning to the sewer rate forecast, Andy Baker allowed that the change is much bigger than for water as driven by King County's wholesale costs. While the individual line items were refined, the bottom line contained no overall change in the percent increase needed for local programs until 2026. That is driven by the same benefits inflation assumption used for water. The biggest change on the chart was in 2028 where the increase needed to pay Bellevue's share of the King County wastewater costs goes from 3.5 percent to 5.4 percent and marks the start of a continued trend of higher increases by King County.

Nav Otal allowed that there is a fair amount of volatility in the regional costs. Bellevue could do a rate increase in the short term in order to account for that, but that would be contrary to policy in terms of not wanting either to pre-pay regional costs or postpone regional costs. A rate increase in 2023 in order to address future regional rate increases would be a difficult story to sell to the ratepayers.

Andy Dupertuis voiced appreciation for the work of staff in putting together the scenarios. The 5.4 percent future cost increase highlighted is very specific and is very specific. The data behind it is more in terms of a range. Making strategic rate changes in anticipation of a future period of greater volatility may not be easy to sell but may be understandable for financial reasons. There are consequences involved with digging into the reserves. The city has the responsibility of making sure rates are not too low, and an equal responsibility to make sure the rates are not too high.

Andy Baker shared a chart laying out the two scenarios for sewer. In the deferred scenario, rate increases for R&R were reduced in 2023 and 2024 by 1.5 percent and 0.5 percent respectively. Given the need to catch back up to the same level of R&R contributions in order to ensure viability of the scenario for the long term, it would necessary to add 0.4 percent per year in 2025-2026 and 2027 and 0.5 percent in 2028 and 2029, putting rates above nine percent in the last two years. In terms of dollars per the typical residential bill, the deferred scenario represents roughly $2.00 per month in 2024 and rises back up to the same cumulative level. The cost of the savings in the near term come in the form of steeper increases in the out years and a shortfall of $5.6 million in the reserves.

Both scenarios are viable but they represent a different weighting. The proposed rate path puts a higher priority on smoothing rates while the deferred scenario mitigates near-term rate increases.

With regard to storm water rates, the rate changes are all driven by the small updates made to the General Fund costs, salaries and benefits. Because the storm water budget is smaller overall, the changes show up throughout in the rates. In 2023 through 2026, the increase is 0.2 percent higher than before, and in 2027 and 2028 the cumulative impact of benefit escalation has the level of increase at 0.4 percent higher.

Nav Otal allowed that the city control all elements of the storm water rates which translates into predictable and gradual rate increases and far less volatility.

Andy Baker noted that the storm fund is the one with the most progress needed in terms of building up the R&R contribution. The alternative scenario scales down from the proposed path but does not take it all the way down to zero, which would create a significant rate spike. The reduction is 1.2 percent in 2023 and 2024 and has increases of 0.4 percent for 2025 through 2027, and 0.5 percent for 2028, and 0.7 percent for 2029. Because the storm water fund is smaller and the total bill is smaller, the bottom line difference in terms of dollars on the typical monthly bill is much smaller between the scenarios, with the largest difference being in 2024 at seventy-five cents. The total impact on the R&R reserves owing to the savings in the near term is $2.9 million less, plus the interest.

Turning to the priorities matrix, Andy Baker noted that the proposed scenario maximizes gradual and uniform rate changes. The deferred R&R scenario is below inflation for the rate path accomplished by buying down against known future needs, but it mitigates better near-term rate increases.

Comparing the proposed budget with the deferred R&R scenario, Nav Otal said the typical monthly bill in 2022 is $197.44. The only change for 2023 is to the R&R which under the proposed budget adds $2.80 and under the deferred budget adds only forty cents. The deferred approach will result in a shortfall of several million dollars to the R&R fund. The same is true for 2024, with the only change being to the R&R transfer which would be an increase of $1.68 under the proposed budget and $1.40 less under the deferred scenario.

Summarizing the impact, Nav Otal said under the proposed scenario the typical monthly bill would rise by $12.62, and under the deferred scenario the increase would be $10.21, a decrease of only $2.42 for the average monthly bill in 2024. The impact of choosing the deferred scenario is that there would be just under $12 million less in the R&R reserves for the three funds, plus the loss of interest on those funds, in future years. The deferred scenario is contrary to the city's long-range financial policies that call for not deferring current liabilities to future generations, and compromises the city's long-range funding plan.

Other jurisdictions are also in the process of developing their rate schedules. Bellevue's position could shift depending on the changes they make but will still be in the middle of the pack. The bottom line is that Bellevue's rates continue to be competitive and will continue to be in the future in light of the fact that the other entities do not have R&R plans.

Commissioner Strom asked how the proposed rate increases could affect those on the rate relief programs, and if more usage of the program can be expected. Nav Otal answered that Bellevue has not seen much of an uptick in usage for the program despite doing a lot of outreach, even during Covid. Bellevue is not unique in that regard. With any rate increase, the size of the rebate for those customers would be higher given that the program covers 70 percent of the billed amount.

Andy Baker briefly reviewed the Commission's schedule going forward and the list of agenda topics.

B. Monthly Billing

Business Services Manager Todd Dahlberg said the policy issue at hand is whether utilities should transition to monthly billing. Currently billing is conducted bi-monthly in line with Bellevue's historical practice. There has, however, been a national trend in the utilities industry towards monthly billing as the standard practice. Input from Bellevue customers has been received asking for monthly billing cycles. While the notion has been considered internally in the past by staff, it has not been raised as a policy issue previously because the existing customer billing software cannot support it. With the completion of the advanced metering infrastructure (AMI) implementation and the planned upgrade to the new customer information and billing system in 2023, utilities will have the option to move to monthly billing.

The primary reasons why national utilities have moved to monthly billing include enhanced customer service; more manageable household budgeting; the promotion of water conservation; a reduction in the risk of delinquency charges; and improving revenue stability for the utility. The reasons given by utilities that use bi-monthly or even quarterly billing cycles include meter reading costs; reduced costs associated with producing and mailing out bills; billing system limitations; administrative burdens; and the fact that changes in management can be difficult for utilities to manage.

Todd Dahlberg said Bellevue's transition to the advanced metering infrastructure means a monthly billing cycle will not trigger additional costs for meter reading. Additionally, the new billing system will make it simpler to launch monthly billing. There are increased costs related to bill production and payment processing associated with monthly billing.

There are various components of the budget that are impacted by monthly billing, including bill printing, postage, check payment processing services and merchant fees related to payment processing of debit and credit cards. Under the current bi-monthly billing frequency, the budget for those items is approximately $2 million for the two year budget. The expected additional cost of moving to monthly billing. Merchant fees represent the bulk of the monthly billing cost increases; the other increased fees are estimated to about $180,000 annually. At some future point, the Commission will be asked to consider the possibility of charging customers for credit and debit card use.

Commissioner Strom asked if customers are given the option of going paperless. Todd Dahlberg said customers are given the option. Vendors generally are working hard toward reducing the paper burden by going paperless. In doing so, however, there are related costs that get passed on to the customer.

Todd Dahlberg offered the Commission two policy options to consider, with the first maintaining the status quo and the current bi-monthly billing cycle, and the second establishing a policy to transition to a monthly billing cycle. The recommendation of the staff was the second option. A recommendation from the Commission will be sought at the July Commission meeting. Council direction will be sought in October and if approved the customer communications will be focused on the second quarter of 2023 ahead of an expected rollout of monthly billing in the third quarter of that year.

Lucy Liu noted that the annual cost with a bi-monthly billing approach is projected to be nearly one million dollars in 2023. Moving to monthly billing would add a projected $240,000.

Todd Dahlberg allowed that there are opportunities for savings. Customers could opt to use auto pay via check and that costs much less in terms of merchant fees. The city has the ability to influence the behavior of customers could would result in savings, but the city should avoid making the mistake of thinking such efforts will be successful.

Answering a question asked by Commissioner Dupertuis about section 140.33 on pages 38 and 39 of Appendix A, Andy Baker said is where the proposal for the switch to monthly billing is housed. However, the total dollar costs shown on page 39 are for the proposal in total, which includes the existing staff to support the customer service and billing function. The line item is not exclusively the change associated with monthly billing, rather it represents in total what it takes to deliver the utilities customer service and billing function.

Commissioner Dupertuis (inaudible) delta of the billing change versus the total cost (inaudible). Andy Baker said the increment from 2023 to 2024 of $240,304 is embedded in the 2023 number on the chart on page 39.

Todd Dahlberg allowed that monthly billing is not the only change to the proposal. The assumption is made that there will be a higher adoption rate with credit card use, so merchant fees will go up whether or not the shift to monthly billing is made.

Todd Dahlberg reiterated that staff would be seeking a recommendation from the Commission on July 7.

C. ESC Bylaws Update Review

Assistant City Attorney Brian Wendt informed the Commission that Ordinance 6662 adopted by the City Council amends provisions related to Chapter 3.55 of the city code, the chapter that establishes the Environmental Services Commission and applies to its governance. The ordinance specifically amends the provisions that relate to remote participation in public meetings and it necessitates some amendments to the Commission's current bylaws. Action by the Commission is slated for July 7.

Prior to the pandemic, the operative chapter for remote participation was codified in the city code at 3.55.030, the chapter that concerns Environmental Services Commission meetings generally. The provision in 3.55.030.E allows for remote participation but with limits. Any remote participation had to be approved in advance at either an previous meeting or before joining a current meeting. Additionally, Commissioners could participate remotely no more than four times per year except in the case of absences for medical reasons, and only two members could participate remotely at any one meeting. In response to the pandemic and the emergency mitigation measures ordered by the Governor, the Council adopted an ordinance that removed all limitations on remote participation, stressing that the relief measure would be temporary. In accord with the Council's action, the Commission suspended the provisions of its bylaws but without changing the bylaws provisions that had to do with remote participation in Article V Section G.

On May 16, 2022, the City Council adopted Ordinance 6662 allowing in-person meetings to occur. The ordinance does provide for some flexibility to accommodate remote participation within certain parameters for all advisory boards and commissions. Section E of 3.55.030 specifically references remote participation and encourages all members to attend in-person meetings whenever practicable. It requires advance approval for remote participation, and requires the presiding officer to be physically present for any meeting. In the event the presiding officer cannot be present in person, the gavel must be passed to another member who can be present in person. The ordinance imposes a limit on the number of members who can attend remotely, but increases to three the number of members who can attend any given meeting. Removed is the limit on the number of times any member can participate remotely in a given year.

In order to comply with the ordinance, the Commission must amend the bylaw provisions of Article III, paragraph A pertaining to the duties of the presiding officer, and Article V paragraph G which pertains to remote participation.

Brian Wendt said the Council has signaled its intent to revisit the requirements next year to determine if changes are needed. The Commissioners are encouraged to communicate any suggestions to the City Council with respect to the changes.

The additional proposed changes to the bylaws are discretionary in that they are not motivated by Ordinance 6662. Rather, they are proposed for purposes of ensuring clarity, removing erroneous citations, ensuring greater consistency with other city boards and commissions, and better facilitating public comment at meetings. Brian Wendt strongly recommended adoption of the proposed change to Article VII relating to public comment in recognition of meetings that involve both in-person and remote participation.

The change proposed to Article VIII replaces the word "shall" with "should." The intent is to avoid invalidating actions taken by the Commission simply because a motion did not receive a second. Changing "shall" to "should" provides for greater flexibility.

Chair Knezevic asked how to deal with the issue of having more than three Commissioners requesting to participate remotely for a given meeting. Brian Wendt allowed that nothing in the ordinance addresses how to evaluate who to approve and who to not approve for remote participation. Such decisions will need to be made by the body as a whole and they should be made using an equity lens. Given that any one Commissioner can choose to participate remotely as often as they want, that will eat into the cap.

Commissioner Strom commented that the rules do not allow for much flexibility. One cannot know in advance when they will become ill. The requirement to have advance permission granted will not always work. Brian Wendt said that concern has been raised by other boards and commissions and will be passed on to the Council. The 2015 law allowed for authorization to occur at the start of a meeting. The city's boards and commissions that are subject to the Open Public Meetings Act must identify in advance the subject areas to be covered in a meeting. While the regular meeting format can be modified at the start of a meeting, such modifications cannot be made for special meetings. It is the opinion of the City

Attorney's Office is that all requests for remote participation should be made at the prior meeting.

Brian Wendt reiterated that approval of the proposed bylaw amendments will be on the agenda for the Commission's July 7 meeting. It was also stressed that amendments to the bylaws must pass with a two-thirds majority.

D. Remote Participation Approval for July 7, 2022

A motion allow Commissioner Wan to participate remotely on July 7 was made by Commissioner Strom. The motion was seconded by Commissioner Howe and the motion carried unanimously.

E. Election of Chair and Vice Chair

Commissioner Strom nominated Chair Knezevic to serve as Chair.

There were no additional nominations.

Chair Knezevic was unanimously elected to serve as Chair.

Chair Knezevic nominated Commissioner Hines to serve as Vice Chair.

There were no additional nominations.

Commissioner Hines was unanimously elected to serve as Vice Chair.

8. ORAL AND WRITTEN COMMUNICATION – None

9. REVIEW OF COMMISSION CALENDAR

Lucy Liu briefly reviewed the Commission's calendar of upcoming meeting dates and agenda items, as well as the Council calendar. It was clarified that the start time for the August tour had not yet been determined.

10. ADJOURNMENT

A motion to adjourn was made by Chair Knezevic. The motion was seconded by Commissioner Strom.

Without objection, Chair Knezevic adjourned the meeting at 8:47 p.m.