

CUAB MEETING MINUTES
Thursday, January 2, 2014
Johnson Creek Facility Conference Room
6101 SE Johnson Creek Blvd.

Members Present

Vincent Alvarez, Vice Chair (selected as Chair in meeting)
Michael Osborne
Kevin Hasey (selected as Vice-Chair in meeting)
Greg Deane

Staff Present

Gary Parkin, Public Works Director
Doug Waugh, WES Financial Analyst
Greg Geist, WES Water Quality Manager

I. CALL TO ORDER

The meeting began at 6:05 p.m.

Public Comment: None.

II. CONSENT AGENDA

The meeting minutes of the December 4, 2013 meeting were approved.

III. REPORT

A. Review Capital Projects proposed for the Kellogg Treatment Plant.

Doug and Greg provided information related to the Projects that have been done and what's to come. The projects have focused on reducing the load for the Kellogg Plant by transferring it to the Tri-City Plant. Intertie #1 was completed in 2000 and diverted flow from an industrial area in the County. Intertie #2 was completed last year and is able to divert flows that pass through the Three Creeks area. A third project is planned for around 2016 to increase the capacity of intertie #2. These interties will keep the Kellogg Plant within its capacity. Biosolids are shipped to the Tri-City Plant where the equipment is in place to treat it.

Additional future projects at the Kellogg Plant include: improving the outfall/diffuser, rebuilding the secondary clarifier, rehabilitating the influent pump station, rehab/replacing the disinfection system, modernizing the electrical infrastructure and replacing the generator engine. The cost of these projects is estimated at \$2 million, the projects do not add capacity.

Doug discussed the population and demand projections and the fact that the initial projections were for a high growth that did not prove to be accurate. The slower growth has enabled WES to stage the capital projects at a more reasonable pace that is fiscally easier to manage.

He also provided a rate projection for CCSD#1 (wholesale rates, \$/EDU):

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$28.98	\$30.21	\$30.80	\$31.32	\$32.94	\$34.28	\$35.74	\$39.95	\$41.99	\$44.57	\$47.56

Main drivers for the rates are growth, debt service, regulations, operations and maintenance, and asset management.

III. DISCUSSION

A. Review City Council meeting.

The group wants to study the wastewater and water rate issues more in depth before inviting Councilor Gamba to a meeting. We will look at the TVWD water rate structure and the PowerPoint presentation on rate structures.

IV. MATTERS FROM THE BOARD

The group selected Vincent Alvarez as Chair and Kevin Hasey as Vice Chair (replacing Vincent).

V. INFORMATION SHARING

None.

VI. FUTURE MEETING DATE/AGENDA ITEMS

Next meeting: February 5, 2014. Main topic: CIP review.

VII. ADJOURN

The meeting ended at 8:30 p.m.



Vince Alvarez, Chair



Gary Parkin, Scribe