

**Utility Advisory Committee
City Council Chambers
Port Angeles, WA 98362
August 13, 2019
3:00 p.m.**

AGENDA

- I. Call To Order**
- II. Roll Call**
- III. Approval Of Minutes for July 9, 2019**
- IV. Late Items**
- V. Public Comment** – *The Utility Advisory Committee desires to allow the opportunity for Public Comment. However, the business of the City must proceed in an orderly, timely manner. At its most restrictive, Public Comment shall be limited to a total of 15 minutes. Individuals may speak for three (3) minutes or less, depending on the number of people wishing to speak. If more than 20 people are signed up to speak, each speaker may be allocated two (2) minutes. (Taken from Council Rules of Procedure Section 12).*
- VI. Discussion Items:**
 - A. Electric Cost of Service Analysis (COSA) Methodology
- VII. Information Only Items:**
- VIII. Next Meeting Date:** September 10, 2019
- IX. Adjournment**

UTILITY ADVISORY COMMITTEE MEETING

City Council Chambers
Port Angeles, WA 98362

July 09, 2019

3:00p.m

I. Call To Order

Councilmember and Chair Cherie Kidd called the meeting to order at 3:00 pm.

II. Roll Call

UAC Assigned

Councilmembers Present: Deputy Mayor Kate Dexter, Councilmember and Chair Cherie Kidd, Councilmember Lindsey Schromen-Wawrin

UAC Members Present: Vice Chair William Atkinson, Paul Collins

UAC Members Absent: Laura Dodd, Mattias Järvegren

Staff Present: Gregg King, Thomas Hunter, Jonathan Boehme, Lucio Baack, MarySue French, Jason Hart, David Freed, William Bloor, Marian Bodart, Diana Bagwell, and Yvette Nichols

Others Present: 1 Citizen

III. Change in UAC Membership

Rob Feller resigned from his role on the Utility Advisory Committee. Replacement nominations will be forthcoming.

IV. Approval Of Minutes

Councilmember Lindsey Schromen-Wawrin moved to approve the June 11, 2019 minutes at the next Utility Advisory Committee, amended to reflect the Port's concerns during Public Comment. Vice Chair William Atkinson seconded the motion. Motion carried 5-0.

V. Late Items: None

VI. Public Comment: None

VII. Discussion Items:

A. Elwha Water Treatment Plant – Engineering Services (PSA-2019-21)

The City formally accepted transfer of the Elwha Water Facility from the National Parks Service (NPS) on August 1, 2018. In order for the City to effectively maintain and operate the

facility on a long-term basis, the City requires professional engineering expertise. Jacobs Engineering Group has been selected as the most qualified firm to provide these services.

Deputy Mayor Kate Dexter moved to forward a favorable recommendation to the City Council to authorize the City Manager to sign the Elwha Water Facility – Engineering Services Professional Services Agreement with Jacobs Engineering Group in the amount not to exceed \$150,000, and to make minor modifications to the agreement as necessary. Seconded by Paul Collins. Motion carried 5-0.

B. Follow-up to Wastewater Port Angeles Municipal Code

Deputy Director of Water & Wastewater Jason Hart proposed updating several sections of the City's municipal code related to the chromium limit in the City Wastewater Utility Municipal Code. Updates to all other local limits will be delayed while the City gathers information and analyzes the results.

Councilmember Lindsey Schromen-Wawrin moved to forward a favorable recommendation to City Council to adopt the following updated municipal code: 13.06.045, subsections A (chromium only), B, & D. Seconded by Vice Chair William Atkinson. Motion carried 5-0.

VIII. Informational Only Items:

A. Morse Creek FERC License Surrender Update

On August 18, 2015 the City Council declared the Morse Creek Hydroelectric Project surplus to the City's needs. Since then, the City has been working through the lengthy process of removing the project from contracts and surrendering licenses from federal agencies.

IX. Next Meeting Date:

August 13, 2019

X. Adjournment: 3:42pm

Chair Cherie Kidd

Diana Bagwell, Administrative Specialist II



Date: August 13, 2019
To: Utility Advisory Committee
From: MarySue French, *Cost & Capital Accountant*
Subject: Electric Cost of Service Analysis (COSA) methodology

Summary: The Electric Utility COSA is being presented for a final review of the methodology that will be used to calculate future electric rates. This methodology option, including any UAC recommendations, will be presented to City Council August 27, 2019.

Funding: N/A

Recommendation: Forward a favorable recommendation to City Council for the adoption of the Electric Utility COSA methodology.

Background / Analysis:

In spring 2019 the UAC and City Council reviewed the methodologies used to calculate rates for the City's utilities. At that time the Electric COSA was presented with the understanding that City Staff was still substantiating the methodology. It was determined this COSA would be returned to UAC and Council at a later date. At this time City Staff has performed all reviews and calculations necessary for this COSA and believes the methodology is sound. Staff has not made any changes to the Electric COSA since the previous presentation.

A review and discussion of the Electric Utility COSA model and its methodology for rate setting will be presented with the intention that the recommended rate setting model will be forwarded to the City Council for approval.

Funding Overview: N/A