

**UTILITY ADVISORY BOARD
MEETING MINUTES**

September 20, 2012

Public Works Department – Water Utility Conference Room

Board Members Present: Geoff Larson, Vice-Chair; George Porter; Scott Willis; Leon Vance; Janet Hall-Schempf

Board Members Absent: Dick Behrends, Chair, and 1 vacancy

Staff Present: Kirk Duncan, Jim Heumann, Tom Trego, Dave Crabtree, Patti Rumfelt

I. CALL TO ORDER

The meeting was called to order at 5:30 p.m. by Mr. Larson, Vice-Chair.

II. APPROVAL OF AGENDA

Mr. Duncan requested that we insert an item on the Agenda from now on, called “Approval of Agenda”. This will give members a chance to add agenda items, if necessary, at the start of each meeting.

On that note, Mr. Duncan requested to add items to the Agenda, under Information Items, as follows: New Board Member; Funeral Home Septic Tank. Mr. Larson also added the following item: Water & Wastewater Utility Updates. Members unanimously approved the amended Agenda.

III. APPROVAL OF MINUTES

The minutes from the June 21, 2012 meeting were unanimously approved with the following changes:

- Under section “V. Information Items”, subsection “A. Members Reappointed”, the date referenced should state May 31, 2015 (not May 31, 2005).
- Mr. Larson’s name is misspelled numerous times; the correct spelling is “Larson” (not “Larsen”).
- Under section “V. Information Items”, subsection “C. Water & Wastewater Utility Updates”, the first paragraph incorrectly references “pump”; the correct reference should be “plant”; all three references were changed. Additionally, the words “Auke Bay” were inserted in the first sentence, to correctly reference the wastewater plant being discussed. The amended first sentence reads as follows: “Mr. Larson inquired about the Auke Bay Wastewater Plant rehabilitation project noted in Mr. Trego’s report to the board.”

IV. PUBLIC PARTICIPATION

None.

V. ACTION ITEMS

A. Next Meeting Date

The third Thursday in October falls on October 18th, which is a CBJ-observed holiday (Alaska Day); therefore the following Thursday was proposed for the next meeting date. Ms. Rumpfelt will send an email to members regarding their availability on October 25, 2012.

V. INFORMATION ITEMS

A. ISO Ratings – recent change in measuring distance

Mr. Crabtree reported on recent changes by the ISO, the agency responsible for setting standards for insurance companies nationwide. This year, ISO changed how it calculates the distance from a residence to the closest fire station. Previously, a 5-mile radius was measured around each fire station, and homes falling within that radius were given a rating of 4. The current practice is to calculate the actual road miles from a residence to the nearest fire station which has resulted in many homes, specifically in the North Douglas and Thane Road areas, to now fall outside of the rating 4 area, causing an increase in insurance rates for these affected homeowners. CBJ has issued a PSA about this change, advising citizens to contact the Fire Dept for possible assistance in dealing with their insurance companies. Mr. Crabtree advised that, although the impact on CBJ is unknown at this time, it is possible that new fire stations may need to be added in the North Douglas Highway and Thane Road areas sometime in the future and additional fire hydrants may need to be installed.

B. Rate Model

Mr. Duncan advised that staff is working on a Request for Proposal (RFP) for a rate study to be performed for the Utilities, and he expects to have a draft RFP available for review at the next UAB meeting. Staff is using the RFP advertisement from the previous 2003 study as a template for the new document. Mr. Duncan stated that he would like to have public input on drafting the RFP, as well as public involvement throughout the entire study process. He would be interested to know what factors and aspects the public believes should be considered and studied. Discussion was heard about having the cruise ship industry's input, too, as we frequently have to cut off water supply to ships during the summer. Mr. Duncan added that the study will include benchmarking our Utilities with other communities of similar size and populations. The goal is for the study to identify what the current rates should be, so that the Utilities can sustain themselves, both in daily operations and in

planning for projects and infrastructure replacement. Members discussed having an interim study performed initially, followed by a full rate study. An interim study could include goals and schedules for the full study.

C. Metering Individual Mobile Homes

Mr. Duncan reported that Wayne Coogan had submitted an email to Mr. Behrends, requesting that each mobile home be metered and billed individually. Mr. Duncan advised that he would respond to Mr. Coogan and let him know that this issue will be addressed in the upcoming rate study.

D. New Board Member

Mr. Duncan stated that he will check with the City Clerk's office about issuing a PSA regarding the vacant open seat on the Board.

E. Funeral Home Septic Tank

Mr. Duncan reported that a local septic hauler recently notified DEC about a concern they had with a load they had hauled from the funeral home to the CBJ septic receiving location at the West Juneau Lift Station. The hauler reported that the load seemed to contain a lot of formaldehyde, as well as other unknown substances, and DEC is investigating the incident.

F. Water & Wastewater Utility Updates

WASTEWATER:

Mr. Willis inquired about the first bullet item under "Operation & Maintenance – Plants", specifically wondering if we have been contaminating our own system.

Mr. Trego replied that in essence the answer is yes, because the polymers the utility uses in the biosolids dewatering process contain petroleum products. This was not an issue when the utility previously incinerated biosolids but came to light in recent months.

Discussion was heard about the second bullet item, and Mr. Duncan noted that there has been at least one occasion when a biosolids shipping container leaked material onto an AML barge and AML has threatened to cease hauling biosolids if this occurs again.

WATER:

None

VI. NON-AGENDA ITEMS

Mr. Larson inquired from Mr. Trego and Mr. Crabtree as to what issues “keep you up at night”.

Mr. Trego replied that he is concerned about biosolids, FOGs, and staff issues involving changing directions. He noted that a demonstration scale biosolids drying unit is currently in town. The unit produces dried Class A biosolids having a dirt-like consistency. Mr. Heumann added that the dryer technology is one of several options the utility is investigating with the intention of reducing the overall volume of biosolids it produces.

Mr. Crabtree responded that he is concerned about the morale issues at the Water Utility (discovered through the CBJ-wide cultural survey) and revenue and rate issues.

Mr. Duncan added that he and Mr. Crabtree are additionally concerned about the water production capacity at the Last Chance Basin.

VII. ADJOURNMENT

The meeting was adjourned at 6:39 p.m.

Respectfully Submitted,

Patti Rumfelt

Patti Rumfelt, Administrative Assistant II
CBJ Public Works Water Utility