Board Members Present: Diane Pearson, George Porter, Scott Willis, Dick Behrends, Leon Vance

Staff Present: Joe Buck (Public Works Director), Liam Carnahan (Water Utility Superintendent), Laurel White (Admin. Assistant II/Water Utility)

CALL TO ORDER:

The meeting was called to order at 5:36 p.m. by Dick Behrends, Chairperson.

APPROVAL OF UAB MINUTES:

The December 18, 2008 minutes were approved as presented.

PUBLIC PARTICIPATION:

None.

ACTION ITEMS:

None.

INFORMATION ITEMS:

A. Utilities Administrative Update
Joe Buck spoke to the attached memorandum, dated February 17, 2009.
1. Proposed 2009/2010 Utility Rate Increases
This did not occur, as the City Manager and Assembly directed the use of $1.4 million (the same amount as would have been raised from a utility rate increase) from sales tax revenues rather than an increase in utility rates. These revenues were collected for CIP projects to cover the costs of utility improvements and repairs. Mr. Buck briefly outlined projects to be funded by this tax revenue: JDTP aeration basin repairs and improvements, MWTP major mechanical repairs, Twin Lakes pump station improvements, bio-solids minimization/handling / disposal, major incinerator repairs and replacement, Berners Avenue sewer system improvements and Last Chance Basin well field improvements. Joe noted that the only new CIP project is the bio-solids assessment; sludge output needs to be reduced and the best way of disposal needs to be determined. This must be done as soon as possible, as a parallel project, the JD incinerator replacement, is taking place.
Mr. Willis asked whether the proposed rate increase was a one-time request or whether there will be a request for a rate increase of 3 percent the following year. Mr. Buck responded that a future rate increase will be necessary. Some relief may be experienced, as Water Utility is in the process of recovering fees by finding customers who are not paying for services or who may be under-billed. A recovery of 5% - 8% is anticipated in these cases.

2. Proposed FY2010 Capital Improvement Program
Mr. Buck briefly reviewed next year’s CIP requests per the attached worksheet.

3. 2009 ADEC Utility Loan Questionnaires
Mr. Buck reported that he has been preparing applications for various projects, as funds will be made available to the State of Alaska through ADEC. There is a possibility that some of these loans may be made available as grants. The projects Mr. Buck presented were: West Mendenhall Valley sewer extension (phase 3), sludge incinerator replacement project, Salmon Creek secondary disinfection improvements, Last Chance Basin well field reservoir, Last Chance Basil mill tunnel reservoir improvements, MSW coverage facility (a coverage facility for recycling which would include a compaction system with specialized trailers.)

Mr. Behrends asked about possible fee increases for recycling. Joe responded that various scenarios are being explored. One possibility is a franchise with Arrow Disposal (transfer license for garbage collection to CBJ for a 10 year contract for their services). Another prospect is Waste Management giving CBJ the land for this facility if they were guaranteed so many years of operation. Perhaps a private developer will provide another possibility. This is all conceptual right now.

Ms. Pearson asked whether the bid already went out for recycling. Joe replied that it has not, only the bid for Household Hazardous Waste, which he wishes to remain separate, as well as junk vehicles.

Mr. Buck reported that a new Utility Engineer and a Waste Waster Utility Superintendent have been successfully selected. Both are due to begin their positions in March.

Ms. Pearson addressed the PR campaign regarding public education of the water utility’s function. She urged staff to keep it simple and present in a way that doesn’t include spending a lot of money. Address FAQs and direct people to additional information on the CBJ webpage. Mr. Buck responded that keeping a continually updated web page on the CBJ website would be an ideal resource to direct the public to. Mr. Behrends responded with the idea of placing a pop-up advertisement with the on-line Juneau Empire that would refer people to the site. Mr. Carnahan added that the new CBJ-wide PRISM/Govern utility billing system will have the capability of including a
larger message with each person's utility bill. Mr. Carnahan also suggested quarterly or bi-annual inserts with utility bills, which is being looked into by the Purchasing Department.

B. Wastewater Utility Updates

Mr. Buck addressed the fuel oil leak at the MWWTP. The fuel is located North of the treatment plant and is migrating to the banks of the Mendenhall River. He confirmed that this oil is most likely from the MMWTP. Numerous tools for oil recovery have been implemented. DEC will probably want to place bacteria in this area to further mitigate the spill. Joe concluded that he would ultimately like to have above-ground oil tanks.

Mr. Carnahan reported that two Senior Operator positions are still vacant and they have been vacant for several years and are in active recruitment. Transferring licenses to Alaska is a specific problem.

Mr. Carnahan reported on the JD incinerator. A new incinerator will take approximately 2-3 years to build and the current incinerator has approximately 3-5 years of use left. The Wastewater division is taking a two-pronged approach: repairs to extend the lifetime of the incinerator and sludge minimization. A specialist will assess the options and recommend a way that is best for CBJ to handle sewage solids.

C. Water Utility Updates

A rehabilitation contractor will arrive in March to perform work on the Last Chance Basin Well Rehabilitation project and will estimate needed funding for well rehabilitation. Perhaps other options will be explored, such as well #6 and Salmon Creek supply. Mr. Behrends asked about water rights to Salmon Creek. Liam responded that AEL&P has senior rights and Water Utility has junior rights. DIPAC has applied for junior rights as well.

Mr. Carnahan reported on an ongoing customer service audit. The Water Utility, Community Development and Assessor databases are being compared to find inconsistencies. When an error occurs, Water Utility staff visit the location to obtain correct information. Errors are abundant. Particularly frustrating is discovering accounts that are billed to the 1,000 gallons rather than 10,000 gallons. These customers are backbilled for one year of water consumption and they are unhappy. This is frustrating to deal with. Customers do have an option to spread out payments over a 12-month cycle.

Ms. Pearson asked whether a variance report is a possibility and Liam responded that we produce exception reports which catch some errors. Ms. Pearson further queried whether a bi-annual sampling is a possibility. Liam responded that he would like to visit each and every meter and then implement a sampling program.
Mr. Carnahan informed the Committee that the ongoing update of trailer park water consumption is on track.

Liam reported that loan applications have been submitted for rehabilitation of the Mill Tunnel water line and Salmon Creek secondary disinfection.

Discussion ensued regarding procedure when the Fire Department is called to a fire. The Fire Department is supposed to contact water utility so they can assist with water issues. This has not always happened. Perhaps procedure can be established with dispatch.

NON-AGENDA ITEMS:
None.

ADJOURNMENT:
The meeting was adjourned at 6:45 p.m.

Respectfully submitted,

Laurel White, Administrative Assistant II
Public Works, Water Utility