

UTILITY ADVISORY BOARD MINUTES

Thursday, June 9, 2016 – 5:00 p.m.
Lemon Creek Facility
5433 Shaune Drive

Board Members Present: Leon Vance – Chairman, Geoff Larson – Vice-Chairman; Grant Ritter; David Hanna; Bryan Farrell; Janet Hall Schempf; Andrew Campbell

Board Members Absent: None

Staff Present: Samantha Stoughtenger; Roger Healy; Autumn Sapp; Brian Doyle; Holly Kveum

I. CALL TO ORDER

The meeting was called to order at 5:00p.m. by Chairman Vance.

II. INTRODUCTIONS

- A. CBJ Eng & PW Director - Roger Healy
- B. New UAB Board Member - Andrew Campbell

III. APPROVAL OF AGENDA

Agenda approved without amendment. Mr. Hannah made a note to the board that he as submitted an application to sit on the Affordable Housing Commission; should his application be approved, he will step down from the UAB.

IV. APPROVAL OF MINUTES

May 12, 2016 Draft UAB Meeting Minutes- Under the Water Production and Cruise Industry Water Use section, Mr. Larson requested the clarification of the board questioning the meter accuracy not the true consumption rates.

V. PUBLIC PARTICIPATION

None

VI. ACTION ITEMS

None

VII. INFORMATION ITEMS

- A. *Chamber of Commerce Presentation-* The Utilities Superintendent presented at the May Chamber of Commerce luncheon. The presentation focus was to provide awareness to operating performance, current projects, and the financial perspective of the combined Utilities. The board asked how much service the current reserve funds could potentially provide, staff answered that three months service could be provided to the community if all funding ceased. Mr. Larson asked if the DEC loans were bona fide, staff responded that they would be shortly and the CBJ has recently applied for another \$10 million. Staff also clarified that these loans are the last source of funding to be used to avoid accruing unnecessary interest. Mr. Hannah asked how much potential sales tax revenue would be available in coming years; Mr. Healy responded between \$40 and \$45 million.
- B. *DRAFT Tri-Party Agreement-* Staff provided a brief overview of the Tri-Party Agreement between the CBJ, DIPAC, and AEL&P and explained that it is essentially an update of the existing water use shared among the three parties. The intention of the agreement is to maximize water usage and agree to discuss future improvement (as needed). The agreement reasserts the CBJ's existing water rights. The agreement has been reviewed by PW&FC with approval to forward onto the full Assembly; the public hearing has been set for June 13, 2016. Mr. Ritter asked how much the Utilities electricity bill will increase due to the renewal and how it will affect operational costs; staff was unsure of the amount but said the agreement was essential and the main goal was to maintain the City's water rights.
- C. *CBJ Comments to ADEC Proposed Fee Changes-* Staff explained the structure of the state discharge fees and that they're updating current fee regulation: larger scale facilities, such as the CBJ, are increasing exponentially, upwards of 400%. The CBJ was able to submit comment to voice concern of such high rate increases and to ask what additional services are expected to be derived from them. This fee is currently not passed along to end-users and is absorbed by Utilities operating funds.
- D. *FY16 Utilities Operational Annual Report Outline-* Staff provided a draft of the FY16 Utilities Operational Annual Report that provided an overview of finances, completed projects, summary

of operation data, operational details, etc. Staff asked the board if they approved of the outline or if more information should be provided. Ms. Hall Schempf requested for future reports to include previous fiscal year data for comparison. Staff reminded the board that there will be a cover report as well that will provide specific goals and objectives of the board to the assembly.

E. *Utilities Operational Update*- Staff gave an overview of the April Operational Update. The board requested that a table be added that summarizes cruise ship water consumption and wastewater discharge in the Utility Business Unit section.

VIII. NON-AGENDA ITEMS

The board discussed member availability in July and August: Mr. Larson and Ms. Hall Schempf will be unavailable in July, and Mr. Campbell, Ms. Hall Schempf and some staff will be unavailable in August.

IX. ADJOURNMENT – Meeting adjourned at 6:02p.m.