



CITY OF
BAINBRIDGE ISLAND

UTILITY ADVISORY COMMITTEE
REGULAR MEETING
WEDNESDAY, JUNE 28, 2017
4:00 PM – 6:00 PM
CITY HALL
COUNCIL CONFERENCE ROOM
280 MADISON AVENUE NORTH
BAINBRIDGE ISLAND, WA 98110

AGENDA

1. CALL TO ORDER / ROLL CALL / ACCEPT OR MODIFY AGENDA /
CONFLICT OF INTEREST DISCLOSURE
4:00 PM

CHAIR: ANDY MARON

VICE CHAIR: JEFF KANTER

MEMBERS: STEVE JOHNSON EMILY SATO
 TED JONES JIM THRASH
 NANCY NOLAN

2. ACCEPTANCE OF MEETING NOTES – MAY 31 AND JUNE 14, 2017
3. PUBLIC COMMENT – 5 MIN.
4. 2017 WORK PLAN ITEMS – 110 MIN.
 - A) WATER/SEWER RATE STRUCTURE STUDY
 - B) SSWM OPERATING EXPENSE STUDY
 - C) SMALL WATER SYSTEMS
 - D) FIRE CODE IMPACT ON WATER SYSTEMS
5. COMMENTS FOR THE GOOD OF THE ORDER – 5 MIN.
6. ADJOURNMENT
6:00 PM

Minutes

Present:

Members: Chair Andy Maron, Vice Chair Jeff Kanter, Steve Johnson, Ted Jones, Nancy Nolan, Emily Sato, Jim Thrash

Also Present: Public Works Director Barry Loveless, Roger Townsend, Bainbridge Island City Councilmember liaison (by phone)

1. Meeting was called to order at 4:00 pm
2. **ACCEPTANCE OF MEETING NOTES** - Meeting notes of May 10, 2017, were approved unanimously.
3. **PUBLIC COMMENT** – None
4. **MEETING WITH KITSAP PUBLIC UTILITY DISTRICT** – Jason Nutsford, Assistant General Manager
Mr. Nutsford discussed KPUD's ownership and satellite management of small water systems throughout Kitsap County, mostly in the northern part of the county. He explained that KPUD owns and operates 52 small water systems in the county, 29 of which are Class A systems (generally 15 connections or greater), and 23 of which are Class B systems (3-14 connections). He said that five of the Class A's are on Bainbridge Island (North Bainbridge, South Bainbridge, Island Water, Ferncliff, and Harbor Crest). Consolidation of Group B systems is not feasible in most cases, since greater than 15 connections require the formation of a Group A system with additional management requirements as well as the need to obtain a water right.

Mr. Nutsford said that, in addition, KPUD provides contract management service to approximately 127 small water systems in the county that are owned by others, such as homeowner associations or non-profit corporations. He said the KPUD provides "full management" to 27 of these systems, including three on Bainbridge Island, and "sample only" management to another approximately 100 small systems. He said that two private companies, Washington Water and Northwest Water, provide similar satellite management services. KPUD does not actively solicit small systems to determine if they can provide assistance. They generally reply to requests from the public and will direct the inquiries to other providers should that make sense. They also would not consider COBI deciding to provide more assistance to small systems as a competitor, but rather as an additional resource for public assistance.



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Mr. Nutsford said the KPUD's policy has been to not seek out ownership or management of smaller water systems, but to be available if systems request their assistance. He said that all KPUD customers pay the same water rates. He said the general policy for systems to be acquired by the KPUD is to work with the system to upgrade the infrastructure to KPUD standards, and that the system's customers would likely pay for the improvements with a surcharge added to their water rates. He said there are state and federal grants and loans available to offset consolidation costs of Class A systems.

5. COMMENTS FOR THE GOOD OF THE ORDER – None

6. ADJOURNMENT at 5:40 PM.

DRAFT

MINUTES

1. CALL TO ORDER / ROLL CALL / ACCEPT OR MODIFY AGENDA / CONFLICT OF INTEREST DISCLOSURE

5:00 PM

Chair: Andy Maron

Vice Chair: Jeff Kanter

Members: Steve Johnson Emily Sato

Other: Barry Loveless (COBI, Public Works); Ellen Schroer (COBI, Finance Director); Roger Townsend (COBI City Council); Amy Tousley (PSE)

2. ACCEPTANCE OF MEETING NOTES – None.

3. PUBLIC COMMENT – None.

4. 2017 WORK PLAN ITEMS.

Ms. Schroer and Mr. Loveless demonstrated the OpenGov portal reviewing operational expenses for particular line items, including SSWM. Cost allocation of FTEs was discussed as was the value of coordinating any modification with the next budget cycle and the recent organizational changes.

The committee discussed obtaining input from a consultant to define what value a SSWM study might add. The committee discussed advising council whether the value of the study would be worth the cost.

The committee discussed the prior meeting with PUD and the potential to invite the larger private water utilities.

The committee discussed the water/ sewer rate structure study and reviewing an RFP for such a study.

5. COMMENTS FOR THE GOOD OF THE ORDER – none.

6. ADJOURNMENT

6:08 PM
