

**Minutes
Seattle Water Supply System Operating Board
February 3, 2011
2:30– 4:30 p.m.**

**Mercer Island Council Chambers
9611 SE 36th Street
Mercer Island, WA 98040**

<u>Board Members</u>	<u>Board Alternates</u>	<u>Wholesale Utility Representatives</u>	<u>SPU Attendees</u>	<u>Other Attendees</u>
Matt Everett Steve Moye Walt Canter Ray Hoffman Dave Hilmoe Nancy Ahern Ron Little	Terry Smith John Thompson Ron Speer	Roger Eberhart Kathleen Keene Margaret Wiggins Stu Turner Charlotte Haines Ron Ricker Dick Swaab Mark Parsons Ron Sheadel Jim Rick Gary Cline Fanny Yee Gary Cline	Dan Swenson Terri Gregg Bruce Flory Judi Gladstone Regina Carpenter	Mike Harris Tom Hoffman Byron Murgatroyd

1. **Welcome and Introductions**

2. **Minutes/Agenda**

The January 6, 2011 minutes were approved by consent of the Operating Board.
The agenda for the February 3, 2011 meeting was approved.

3. **New Business**

▪ **2010 Annual Survey of Wholesale Customers**

Bruce Flory, SPU Senior Economist, reviewed several of the tables from the Draft 2010 Annual Survey of Wholesale Customers. Bruce noted the new tables in the report. Several members noted the value of the report to their utility.

Agenda Materials

- **Handout – Draft 2010 Annual Survey of Wholesale Customers – Summary of Results**

- **Water Rate Study**

Regina Carpenter, SPU Senior Economist, updated the Operating Board on the status of the rate study and the rate consultant selection. Regina asked for input on two consultants under consideration: Kennedy/Jenks and CDM. Operating Board members commented on a preference to use the same firm as last time since they are familiar with the rate study and will be better able to evaluate it.

Agenda Materials

- Handout – 2012 – 2014 Wholesale Rate Study Status Report

- **1982 Contract Negotiations**

Judi Gladstone provided a status report on the negotiations with the remaining 1982 contract holders. Since they will be signing new contracts around the end of March, she indicated that they would be fit into current groupings for representation on the Operating Board. All but Lake Forest Park Water District (LFPWD) and the City of Edmonds will be joining the Operating Board. LFPWD and Edmonds will not be signing a Full or Partial Requirements contract; they will have emergency intertie agreements with SPU instead. City of Renton will be a member of the Operating Board since they are signing a partial requirements contract. They will also be paying for conservation services to be provided throughout their city limits.

4. **Executive Summaries and Other Business**

- **Water Supply Status – Flood Management** – SPU has been in flood management and reservoir recovery mode.
- **Algae – Information Sharing Workshop (Feb 9th – 10:30 am at SPU WQ Lab**
- **SPU Operating Board Support Transition** - Terri Gregg will be assuming the duties of wholesale contracts manager with the departure of Dan Swenson on March 1.
- **Legislature** – Ecology Water Resources Program funding and policy legislation primary bill of interest.

- **Future Meetings**

March 3rd
April 7th

5. **For the Good of the Order**

No comments provided.

6. Public Comment Period

No comments provided.

7. Meeting Adjourned

Approved by:

Chair, Nancy Ahern

Seattle Water Supply System Operating Board

Date