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## THE FORUM

City of Everett  
City of Seattle  
City of Tacoma

Cascade Water Alliance

King County

Pierce County Regional Water Association

South King County Regional Water Association

East King County Regional Water Association



Everett Water Utility Committee

Snohomish River Regional Water Authority

## Benchmarking

A vital practice in many industries is “benchmarking.” This is the compilation of measurements applied to a business or service compared against others in that industry.

Local water experts say there is much merit in benchmarking and measuring key areas in the water industry, but warn that there is also risk of confusion from measurements made with conflicting data.

Seattle Public Utilities and Tacoma Water recently told Forum members that they both have participated in various benchmarking exercises. Tacoma has begun responding to the 2010 American Water Works Association Benchmarking Surveys. They have also done this through the Association of Metropolitan Water Agencies surveys.

Seattle has undertaken benchmarking efforts for years.

“These efforts provide information for two key questions,” said Chuck Clarke, CEO of Cascade and former SPU director. “Benchmarks indicate which areas and issues have the highest consequences, as well as the areas and issues that have the highest risk. Answers to these questions can provide focus on where future investments would be the most valuable. Information can also be a management tool.”

Seattle has applied benchmarking and parameters, such as asset maintenance, asset replacement, rehabilitation and service levels for reviewing drinking water. Seattle uses the information developed from its internal benchmarking program to monitor performance of utility operations.

Local utilities warn about the importance of understanding benchmarking questions because results may differ between utilities in broader-based efforts. For example, one utility may show higher costs compared to other systems, but in reality, one system bills monthly and the other quarterly, which can skew results.



Another benchmarking issue relates to definitions of terms. One system may identify a leak as a loss of at least x gpm, while another may identify a leak as any identified water loss, regardless of size. There can also be a difference relating to what is included in a utility's employee count – for example, are employees who work in accounting and/or billing departments considered “utility employees” or “city employees” assuming that there is a billed service to the utility?

Linda McCrea, Tacoma Water superintendent, says it is important to be aware that surveys may be industry specific or general, but feels participating does give a utility a snapshot of issues to review. Comparisons to selected parameters do show how a utility varies from year to year measured against it and other utilities, so

they do provide important data. But, she adds, it is important to look at the data behind the comparisons if something is glaringly different from others to determine what the measures really mean.

New measures included in the 2010 AWWA survey include employee turnover rates; emergency response readiness; internal employee promotions; service disruptions; service affordability; stakeholder outreach; cash reserves; energy consumption efficiency; triple bottom line index; current water demand and available future water supply.

She says results from the current AWWA Benchmarking Survey will not be available until the end of the year or beginning of 2012.

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## Joint Municipal Utility Services Act

Has your utility or agency ever considered collaborating with others to form a new entity for joint actions? Water utility systems or municipalities that want to create such an entity really had little recourse on how to do this until the 2011 Legislative Session.

Because entities like Cascade Water Alliance and LOTT Clean Water Agency had been operating as joint utility entities for many years, they knew first-hand the challenges regarding issues like purchasing, surplus, bonding, financing and the inevitable “but what are you” from other governments and businesses. This not only made it difficult to provide essential services to the public in a cost effective and environmentally efficient manner, it made it just plain harder to run a business.

Cascade and LOTT last summer asked other entities if they were as frustrated as the two of them felt – the answer was a resounding YES! More than 30 agencies from around the state gathered on a hot, sunny Friday afternoon in August in Olympia to discuss options. The overwhelming response was a call for legislation that spelled out how municipal entities providing water services could be created and operate. The group gave examples from around the state of operational

efficiencies and regional benefits that could result. A bill was drafted and circulated throughout the summer and fall months to everyone's satisfaction, and in January, HB 1332 was launched – and adopted by the legislature with overwhelming majorities. The governor has signed the bill into law.

For more information on the bill visit <http://apps.leg.wa.gov/billinfo/summary.aspx?bill=1332>

Agencies are now in the process of determining how they could implement this measure as their form of operating, and what measures they would need to take to make that happen. Local governments and Indian Tribes now have a clear process for intergovernmental cooperation in provision of utility services in the water supply, wastewater, reclaimed water, storm and flood water management arenas. Information regarding the state of how agencies are implementing this measure will be something all agencies will be watching – and sharing. If your agency or utility has a need, there is now the option of forming a new intergovernmental entity under the new legislation.



## Forum Member Spotlight

Jim Miller  
*Engineering Superintendent*

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*Ed. Note: Forum Member Spotlight is now a regular feature of the newly re-designed Waterlink member newsletter. Recommendations on members who should be profiled are encouraged. Email The Forum at [don@watersupplyforum.org](mailto:don@watersupplyforum.org) with suggestions.*

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Jim Miller is passionate about two ever-changing valuable and dynamic resources in the Northwest – water and his beloved Seattle University basketball team. The first he manages in Everett; the second he manages from the stands.

Miller is the current Engineering Superintendent of the City of Everett's water supply system that serves more than 560,000 customers in Snohomish County. He brings engineering experience to the region as well, and is well versed in large and small water systems. And as he looks back on his more than 40 years in the water business, he says it's a challenge and an honor to manage this precious resource, but also an exciting effort to constantly better serve customers while planning and assessing the future for the next generations.

The Seattle University athlete and civil engineer began his career with the City of Seattle thinking he'd like to be a structural engineer. But once there, he was assigned to Seattle's water design section and found they didn't have many structures, so he designed water systems instead.

"My work over the last almost half a century has been modeling to predict the future – the Cedar and the Tolt systems, dams, hydroelectric plants, reservoirs, and even fish runs," he recalls. He even saw the largest sockeye run in the continental US come back on the Cedar River while he was managing the river flows.

"I worked on the city's first comprehensive water plan which included an inaugural conservation effort. We wrangled with setting a goal of four or five percent but thought we could do more – and reached for an eight percent target – and not even California did that! We exceeded all expectations. The conservation ethic is clearly understood in this region – the value, the use of

water and the efforts not to waste any. It's that kind of support that makes this job so rewarding."

Miller returned to school at the University of Washington getting his masters studying the relationship between water production and fish production. As a water manager, he saw that the Cedar River provided a perfect study subject – water supply, flood control, recreation, locks and fish production – all of which impacted fish runs. The dam on the upper Cedar River cut flood peaks which in turn protected spawned eggs and the sockeye salmon survived in record numbers.



"Also in the water industry, everything that goes around comes around. For example one of my tasks in Seattle was to study reservoir covers. I wrote the city's first Environmental Impact Statement on the subject which is now an approved practice. The cost then? About \$80 million. I found there would be a beneficial impact, but the reservoir covers got delayed over 30 years. And today, this is now a practice that is underway on the city's reservoirs."

Miller left Seattle for a new, challenging role – to serve as the first general manager of the Federal Way Water and Sewer District (now Lakehaven Utility District) and oversaw the building of a new sewage treatment plant at Lakota, as well as overseeing 20 wells and three aquifers. He also initiated the OASIS project of artificial recharge in the Federal Way aquifers.

In addition to experiencing a large utility and a smaller one, Jim spent two years as a water resource program

manager at Parametrix before coming to the City of Everett.

“When I first came to Everett there were about 400,000 people being served with Everett water. I’ve seen lots of growth,” said Miller. “I’ve also seen our regional efforts grow. I am proud to have been one of the founders of the Washington Water Utility Council (WWUC) and also of the Water Supply Forum with our “13 Coins Group.” This group that met at the airport to plan the Forum included John Kirner, Lloyd Warren, Walt Canter, Bob Wubbena and Paul Reiter. “Working with so many others on the Municipal Law bill, getting it passed and successfully defended was another accomplishment of which I am very proud.”

And where does the region’s water industry go next? Miller is working on climate change impact studies, having an article just published in the AWWA Journal (June 2011) and is embarking on a risk assessment study for Everett – which has only one source unlike other systems in the region. He thinks the industry is in good stewardship hands with the people of the Pacific Northwest, as they have what he calls the “conservation ethic” and understands that our precious environment is infrastructure and must be supported and maintained as systems age. And, he adds, this is a region of water providers who work together well.

“There are still lots of issues facing the water industry in the Northwest, and still lots to do,” he says. “For example, our demand is flat. We continue conserving water because conservation makes sense. We use less water. The challenge is that as we use less our expenses continue to go up, so water rates go up. It’s a paradox – use less and pay more. But we are still behind lots of other countries in saving water.”

Jim says the water industry is never boring – always moving and changing. Retirement is not in his plans, and with six children and 16 grandchildren in the area, he keeps busy at work and at home. Although he is not a Seattle U athlete anymore, he follows its teams and keeps busy playing senior slow pitch softball and basketball. He is a former American Water Works Association (AWWA) trustee for the water resource division and is on its climate change committee.

“Someone told me early in my career that water, unlike a structure, is dynamic. Water moves, unlike a structure. If it moves, you are in trouble! Working at the City of Everett is delightful because of the people I work with especially the elected officials. Now as far as Seattle U and its basketball team, that is also very dynamic and delightful.”

## Water Supply Forum’s Rate Workshop

In these difficult economic times, setting rates is challenging, financially as well as having to explain the issues to the public.

To help figure out the best ways to set rates for water utilities, and to give utilities an overview of state of the art planning techniques, the Forum is sponsoring a fall workshop on rates.

The event will be a full-day workshop on November 18, 2011 from 8:30 a.m. to 5 p.m. at Bellevue City Hall. Topics may include:

- Demand forecasts and their system and financial planning applications
- Demand forecasts and their financial planning applications within the framework of uncertainty modeling
- How to promote regional optimization of infrastructure
- Price flexibility
- Economic incentives
- Asset management and its incorporation into financial planning
- Rate structure issue, with a regional focus

Watch for details on this workshop in the coming weeks.

## Current Water Supply Conditions and Outlook

Regional water supply for the major surface water sources of Seattle Public Utilities, Tacoma Public Utilities, and the City of Everett remain strong. Cooler than normal temperatures through July resulted in reduced water use throughout the region. Warmer August weather has increased water use, but plenty of supply remains available to meet the region's needs.

The latest information about the current water supply conditions from Seattle Public Utilities is available from its website: the [Current Water Supply Graphs](#).



*Chester Morse Lake Reservoir on 7/24/2011  
by Lloyd Buster.*

## State of Conservation Report for Fall 2011

The Partnership for Water Conservation's first major initiative under its new strategic direction will be to prepare and issue a State of Conservation Report. The report will inform members, utilities, state officials and the public as to where Washington State currently stands in regards to water conservation-related issues and policies.



"The report will be the first major documentation of water conservation activities in the state," said Janet Nazy, Partnership Executive Director.

"It will clearly spell out to decision makers and the public what municipal water suppliers have done in the past, what is currently being done to conserve water, trends,

spotlights on progressive efforts and recommendations for the future."

The report will reflect technical data from around the state and from all pertinent sectors, with emphasis on conservation by municipal water suppliers. Dozens of utility and other related industry experts will be involved in its preparation. The Department of Health's Office of Drinking Water is working with the Partnership. Additional data on water use will be included, as will Department of Ecology information on agricultural conservation.

"It is our expectation that the data from 2009 will be the Partnership's baseline year. We hope to have the report completed by the end of 2011 for review and a final report will be issued in 2012. This will be the first definitive effort in the state to give a comprehensive picture of conservation efforts – both past and present," said Nazy.

For more information on the process and the report, visit [www.partners4water.org](http://www.partners4water.org) or contact Janet Nazy at [janetn@partners4water.org](mailto:janetn@partners4water.org) or call 877-411-2120.

**The Water Supply Forum** aggregates representatives of public water systems and local governments in the Central Puget Sound region of Washington State. The Forum addresses current and future water supply issues, including supply planning, environmental stewardship, and other water supply related issues currently facing the region.

[www.watersupplyforum.org](http://www.watersupplyforum.org)

We want to hear from you! If you want more information on Forum efforts or provide us with comments, please contact us at [forum@watersupplyforum.org](mailto:forum@watersupplyforum.org) or at our mailing address.

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