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*Mission Statement: Meeting the challenge of protecting the environment and providing quality sewer service to the community.*

**MINUTES  
 COMMISSIONER MEETING  
 September 27, 2018, 9:00 AM**

**Attendees:** Commissioners Dan Lorentzen, Mariah Low and Kevin Kosche. District Staff: Tonya Christoffersen, Johnathan Dix, Tara Bighouse and Caitlin Hubbard. District Engineers: Barry Baker and Leigh Nelson, G&O. Legal Counsel: Brad Cattle. City of Lake Stevens: Eric Durpos

1. **CALL TO ORDER** – At 9:00 AM, Commissioner Kosche called the Meeting to order
2. **PLEDGE OF ALLEGIANCE** – Commissioner Kosche led those present in the Flag Salute
3. **AGENDA APPROVAL** – Commissioner Low moved to approve the Agenda. Commissioner Lorentzen seconded the Motion. The Motion passed unanimously
4. **CONSENT ITEMS** (The Commissioners have previously reviewed these in detail): Commissioner Lorentzen moved to approve the Consent Items A through I as presented. Commissioner Low seconded the Motion. The Motion passed unanimously.

	<b>AMOUNT</b>	<b>CHECK #'s</b>
A. Minutes:		
B. Lien Placements (0)	NA	
Lien Releases (0)	NA	
C. Investments	\$1,075,884.27	
Withdrawals	\$2,035.49	
Transfers	\$24,142.42	
D. Payroll	NA	
E. 40 – Maintenance	\$128,650.61	5713-5738 & EFT113 & Dec16Audit
F. 48 – SRF Principle & Interest Payment	NA	
G. 50 – City of Lake Stevens Bond Payment	NA	
H. 58 – Capital Expenditures	\$2,035.49	5739
I. 60 – PWTF Principle & Interest Payment	NA	

J. Autumn Crest DEA Sewer Construction Plan Approval – Leigh Nelson showed the location on the map north of Glenwood Elementary, it is recommended for approval. Commissioner Lorentzen moved to approve Autumn Crest DEA Sewer Construction Plan. Commissioner Low seconded the Motion. The Motion passed unanimously

5. **PUBLIC FORUM – Non-action Items** (please limit comments to 3 minutes)

6. **OLD BUSINESS**

- A. Evaluation of Merger – Tonya Christoffersen has nothing additional beyond the research on the Risk and Benefits information on the merger.
- B. Bid Results and Recommendation to Award Bio-Filter Media Replacement – Barry Baker reminded the Commission this project was previous out for bid last May with no bids. He explained what the Bio-Filter is and the difference being you cannot by it off the shelf as its wood waste. The Limestone availability is only in the summer, you cannot get it after August 31<sup>st</sup>. The District purchased the limestone separately so it would be available to use and is now on site. The District has received 3 bids, the varying costs he believes is due to the busy schedule of the contractor. The low bidder Accord Construction LLC does meet the requirements and is the recommended bid award. Commissioner Lorentzen asked if this bid includes the cost of the Limestone, Barry replied the new bid was revised to include the District purchase of the limestone. Commissioner Lorentzen moved to approve the Bio-Filter Media

Replacement as recommended in the amount of \$46,756.56. Commissioner Low seconded the Motion. The Motion passed unanimously.

## **7. NEW BUSINESS**

- A. Brett Shattuck from Tulalip Tribes – Tonya Christoffersen introduces Brett, from Tulalip Tribes. Brett gave an outline of his discussion items. He noted it's good to have the new Treatment Plant out of the flood plain. The location of the old plant is in a good location to restore to a natural state. Brett showed pictures of the land and existing structures and the drainage area. Caitlin added there is another meeting scheduled with the DOE for today to hopefully get a completion letter. Brett went over the alternatives for final restoration of the site; natural attenuation, reusing the lagoons for different uses – potential storm water treatment which he stated is quite costly, keep the lagoon and putting a new liner and new pipe, a very expensive alternative, constructed wetland use – also a large cost taking the lagoon and turning into a wetland while retaining the structures and lastly filling in the lagoons and grading for development. Brett broke down the cost breakdown for each alternative. He explained the draft closure plan; complete bio solids cleanup, potential punter clay liner and transfer ownership to another entity. Caitlin reached out to several parties/partners and Tulalips idea would be to combine a few of the options. He explained their idea would be to create wetlands and enhancements, education outreach, native plant nursery, storm water management and increase fish access. Brett explained the conceptual options including Ducks Unlimited, City of Lake Stevens for Storm water and Drainage discussions, Growing Veterans Group and Sound Salmon Solutions. This is the conceptual idea and believes there are a lot of other useful ways to use the land. Tonya added the District is hoping for a closure letter from the DOE and for Tulalip Tribes to take the lead on this. The District is currently paying a lot in insurance due to the structures, so as soon as DOE will close it the District can transfer it over. She added there are so many agencies that can benefit and has heard they are in agreement to let Tulalip tribe take the lead on this. Caitlin noted the land has been valued at \$140,000, not including the structures, however they can be considered a liability. Tonya added there is a lot of use for it and believes it should be gifted back to the community, then the District can be done with it. Commissioner Kosche added from a District stand point it's a liability. Eric Durpos added he believes the City is interested in the property and would like have this presentation brought back to the Utility Committee. Commissioner Kosche has no problem in the spirit of transparency but would like to have a decision made to either give it to the Tulalip Tribe or the City takes it and takes all responsibly whatever maximizes the usage. Commissioner Lorentzen added he agrees and believes the Tulalip Tribe will do something with it, to not just pass it on for it to sit with a completion timeframe and to stop the Districts liability. Brad Cattle added the transfer would need to include an intended purpose. He explained that is how it needs to be done with consideration and has to be a package to go with it not just a transfer. Commissioner Low asked what is the need for today. Tonya replied it was for information. Commissioner Lorentzen asked the City's timeline for the potential decant facility. Eric stated the City would not use it for a decant facility. Caitlin added it isn't possible due to the big trucks, etc. Kirk Nelson with Tulalip Tribes asked what are the current annual costs to the District for this property. Tonya replied \$15,000, Caitlin added it includes a 3 phase PUD transformer and flood insurance. Kirk added to be open and transparent they completed a restoration project in 2015 in Marysville that took 10 years of planning; it takes time. Brett added there are option in the short term for example Ducks Unlimited that can be done quickly, there are many options for the structures and to look into those fully before removing them and then looking into the grants to get money for the projects. He thinks it would be great to do analysis on what can be done

most effectively but also implementing the easy now. Commissioner Kosche noted to take it to the next Utility Committee meeting.

- B. Developer Billing Late Fees – Tonya Christoffersen reminded this was in conjunction with Patrick McCourt’s request. Mickie Cooper noted there are two options and not send out a late fee on anything less than \$5 or to delay the late fee billing from 30 days to 60 days to give them more time. It will take a little pressure off the accounting staff to get the bills out as well. Commissioner Low asked if Patrick McCourt been briefed on these options? Mickie replied yes, he called and was given the information and was ok with it. Commissioner Lorentzen moved to approve the developer billing of late fees to be moved from 30 to 60 days. Commissioner Low seconded the Motion. The Motion passed unanimously.
- C. 2<sup>nd</sup> Quarter Financial Update – Mickie Cooper reported on the financials. We are on track to end the year with \$1.7 million in our debt payment funds for 2019 payments. She discussed the following: Treatment Plant Operations - There was an increase in May and June due to the increase in sodium hydroxide cost, fire/sprinkler system inspections, additional bio solids haul off, and generator maintenance. Maintenance & Collections - The increase in March and April were due to the purchase of more air monitors and the annual telemetry support payment. Administrative Expense – January and February increase were due to WASWD dues and the new website. Customer Records & Collection – In January we paid for our billing statement stock and envelopes. Legal – The increase is the cost for the Bargaining Union negotiations. The operating costs are consistent month to month. Mickie explained the Connection fees breakdown received and contributed capital. Mickie explained the Connection fees breakdown received and contributed capital. Mickie compared January through June of 2017 and 2018 and explained the increases. She presented the cost per ERU breakdown. The total operating expense is \$35.09 per customer. She noted the cost per ERU for all debt and expenses is currently year to date \$83.07. Mickie discussed the items that show over budget; computer maintenance expense due to the monthly subscription of Microsoft Office programs. administration safety glass was installed at the front counter, property liability insurance increase, legal expenses due to Bargaining Union negotiations, Lift Station 12 Maintenance impeller replacements, Lift Station 15 filters and pressure transmitter recalibration maintenance. Lift Station 8C telemetry controls and pressure switch maintenance, field computer software maintenance for the yearly telemetry support, replacement of UV lights and plant maintenance & operations supplies including the yearly generator service and sludge pump impeller repairs. The District is currently at 45% of the budget year to date, which is currently under budget for the year.

## **8. MANAGERS’ REPORTS**

- A. Manager of Administration – Tonya Christoffersen received a report of the Caring by Sharing balance \$1819.65 and have paid out \$274.34 year to date. There seems to be a change from years past which is nice to see. Tonya added Kathy from the City asked about renting this room, she has put a lock on the outside door and can add a lock to the inside door. Commissioner Lorentzen asked about the files in the cabinets. Commissioner Kosche added he doesn’t have a problem using the public building for public use. Tonya let the Commission know there is an event Saturday Nov 6<sup>th</sup> at the cabana at Stitch Lake if they would like to attend.
- B. Manager of Collections – Johnathan Dix reported he was not able to get the Resolution for Ms. Huxford’s property as this is a unique situation, for now he would like to ask the Commission to grant a variance from our current ADU policy described in Res 916 requiring an ADU to be on the same parcel as the apparent home. This property cannot be used for permanent occupancy and cannot be combined with the existing parcel. There is a layout and a site plan which can use to calculate the fixture count. Since the proposed structure cannot be used for

permanent occupancy Johnathan is proposing the District forego the additional monthly charge which resolution no. 916 would require. He would also like to send the owners a memo outlining the variance. Commissioner Kosche moved to grant a onetime variance working from the previously resolution using the ADU and forgoing the monthly sewer fee. Commissioner Lorentzen seconded the Motion. The Motion passed unanimously.

Johnathan reported there are 341 GFC's and 199 permits year to date. Lift Station 17 is almost complete, Smith and Loveless has been asked to retest the pump and it should be delivered in the next two weeks. The bulk oxygen storage tank at Lift Station 17 is now being installed after the strike. Johnathan commended the field crew for their work on Lift Station 15, two out of the four pumps have not been working due to electrical components. The work has been completed and is ready for the wet weather.

C. Treatment Plant Update – Caitlin Hubbard reported the plant is working well. Staff is still striving for the ability to save energy. They have made changes and it is helping. Johnathan added Caitlin and Jeff participated in a Washington WARN exercise. Caitlin added they gave different natural disasters to figure out what they need to do to maintain and it was a good exercise.

**9. CITY REPORT** – Eric Durpos reported the ribbon cutting for Lundeen park is at 4:00 PM today. The annual overlay on 91<sup>st</sup> south of Market is to be completed on Saturday. The City was awarded the safe walk to school project grant. The South Lake Stevens Road trail project is complete. The Police Department is moving forward as well. Commissioner Kosche noted the nice work improvements on Davies Road.

**10. COMMISSIONERS' REPORT** – Commissioner Lorentzen thanked staff for their efforts in keep costs down. Overall he appreciated everyone doing all the hard work. Commissioner Kosche noted with all the meetings this week it has been a good week to be able to work with the City and staff.


**11. EXECUTIVE SESSION** – None.


**12. CONCLUDE** – The Board Meeting was concluded at 10:04 AM.

Signed at a regular open public meeting this 11<sup>th</sup> day of October 2018



  
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Dan Lorentzen, Commissioner

  
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Mariah Low, Secretary and Commissioner

  
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Kevin Kosche, President and Commissioner