

Lake Whatcom Water and Sewer District
Regular Meeting of the Board of Commissioners
July 31, 2013

Board Secretary Todd Citron called the Regular Session to order at 8:00 a.m. Other District representatives present included Commissioners Deborah Lambert, Laura Weide and John W. Millar, General Manager Patrick Sorensen, District Engineer Bill Hunter, Consulting Engineer Melanie Mankamyer, Finance Manager Debi Hill, and Recording Secretary Lyn Edwards. Commissioner Leslie Mc Roberts was excused from the meeting. A list of interested participants is on file.

- Consent Agenda

- Action Taken

- Lambert moved, Weide seconded, approval of:**

- **Accounts Payable Vouchers totaling \$26,762.88**
 - **Payroll for Pay Period #15 (7/6/2013 through 7/19/2013) totaling \$39,641.90**
 - **Payroll Benefits for Pay Period #15 totaling \$36,538.40**
 - **Meeting Minutes for July 10, 2013**

- Motion passed.**

- City of Bellingham Wastewater Treatment Contract and Wastewater Treatment Plant Project Update

Consulting Engineer Melanie Mankamyer from Wilson Engineering and City of Bellingham Assistant Public Works Director Eric Johnston explained the methodology used to determine how the District's sewage treatment bill would be calculated under the proposed new agreement. There are two main components that will make up the District's cost share; Operations and Maintenance (O & M) and Capital Improvements. The O & M portion of the bill is based upon the volume of sewage that the District sends to the wastewater treatment plant. The Capital Improvement portion of the District's bill will be a percentage of the major capital improvement projects at the wastewater treatment plant. The City's wastewater treatment plant project engineer, Freeman Anthony, also provided an overview of the Wastewater Treatment Plant Upgrade project that is currently in progress. Extensive discussion took place during and after the presentations.

- Rate Study

The District periodically contracts with a financial consultant to perform a rate study to ensure that the correct amount of revenue will be generated by the District's rates and charges to support capital and operating needs. Hill informed the Board that funds for a rate study were included in the 2013 Budget, but there have been additional tasks requested which will increase the cost of the rate study by approximately \$20,000.00. These additional services will include a Rate Structure Analysis and a Cost of Service Analysis. Discussion followed.

- Action Taken

- Lambert moved, Weide seconded, to approve a budget increase of \$20,000 for the additional tasks that FCS Group has been requested to perform as a part of the District's upcoming rate study including a Cost of Service Analysis and Rate Structure Analysis. Motion passed. Millar opposed.**

• Other Business

Water Rights

Commissioner Millar expressed his concerns regarding water rights issues. After a brief discussion, District legal counsel was directed to do additional research on the matter and report his findings back to the Board.

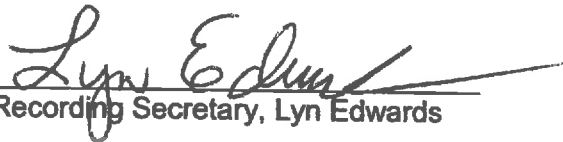
Invasive Species Mitigation

Clare Fogelsong from the City of Bellingham stopped by to let the Board know about a meeting with Fish and Wildlife representatives that will take place on Thursday August 1st to discuss the establishment of a coordinated regional monitoring program to mitigate the spread of aquatic invasive species.


• Manager's Report


Sorensen reminded the Board about the Fall WASWD Conference and other upcoming community meetings of interest.

With no further business, Citron adjourned the Regular Session at 9:40 a.m.

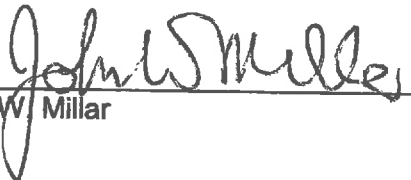

Recording Secretary, Lyn Edwards

8-14-2013
Date Minutes Approved


Deborah Lambert


Todd Citron


Laura Weide


John W. Millar

LAKE WHATCOM WATER AND SEWER DISTRICT

Budget Action Worksheet

Meeting Date: July 31, 2013

COMMISSIONER APPROVAL:

Laura Weide
 Todd Citron
 Deb Lambert
 Leslie Mc Roberts
 John W. Millar

[Handwritten signatures over lines]

ACTION ITEM DESCRIPTION/PURPOSE	\$Amount +/-NTE	FUND	
		General	Construction
Rate Study Performed by FCS Group-Additional Services; Cost of Service Analysis and Rate Structure Evaluation	+\$20,000.00	X	

Cc: Finance Manager