



LAKE WHATCOM WATER AND SEWER DISTRICT
1220 LAKEWAY DRIVE
BELLINGHAM, WASHINGTON 98229

REGULAR MEETING
OF THE BOARD OF COMMISSIONERS

AGENDA

April 27, 2016

8:00 a.m. – Regular Session

1. CALL TO ORDER
2. Executive Session – 60 Minutes
 - Per RCW 42.30.140 (4)(a) - Step 4 Grievance Hearing
 - Per RCW 42.30.110 (1)(i) – Discussion of Potential Litigation with Legal Counsel
3. PUBLIC COMMENT OPPORTUNITY

At this time, members of the public may address the Commission. Please state your name prior to making comments.
4. ADDITIONS, DELETIONS, OR CHANGES TO THE AGENDA
5. CONSENT AGENDA
6. SPECIFIC ITEMS OF BUSINESS:
 - A. Water Sampling RFQ
 - B. Bonding Follow-up Information
 - C. General Engineering and Country Club Pump Station Consultant Selection Committee
 - D. Sudden Valley Community Association Culvert Replacement Coordination
7. OTHER BUSINESS
8. MANAGER'S REPORT
9. PUBLIC COMMENT OPPORTUNITY
10. ADJOURNMENT



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	April 19, 2016		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL <i>Patrick Sorensen</i>		
MEETING AGENDA DATE:	April 27, 2016		
AGENDA ITEM NUMBER:	5.A.		
SUBJECT:	Water Sampling RFQ		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL:	1. Draft Request for Proposals (RFP)		
	2.		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL/ OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

As requested by the Board, attached is the draft Request for Proposals for the North Shore area water quality testing program. The reason for the water quality testing program in this particular area of the lake is to either prove or disprove that the septic systems in the area are leaching into the lake thereby causing water quality concerns.

FISCAL IMPACT

Unknown at this time.

RECOMMENDED BOARD ACTION

Review/discuss/provide comments on the draft Request for Proposals

PROPOSED MOTION

No motion needed at this time.



DRAFT

REQUEST FOR PROPOSALS

LAKE WHATCOM NORTH SHORE WATER QUALITY TESTING

District Project #C1607

DRAFT

**LAKE WHATCOM WATER AND SEWER DISTRICT
REQUEST FOR PROPOSALS
LAKE WHATCOM NORTH SHORE WATER QUALITY TESTING**

Lake Whatcom Water and Sewer District is requesting proposals from qualified firms to perform to develop a water quality sampling, testing, and analytical plan to determine if onsite sewage systems along the end of Northshore Road are contributing to the pollution of Lake Whatcom.

The District intends to select the most qualified firm. Proposal submittal requirements and project information are available at <http://lwwsd.org/resources/projects/>

Proposals shall be delivered by 4:00pm, May 24, 2016 to Attn: Patrick Sorensen, Lake Whatcom Water and Sewer District, 1220 Lakeway Drive, Bellingham, WA 98229. Questions should be directed to Patrick Sorensen, at 360-734-9224.

Any firm failing to submit information in accordance with the procedures set forth in the Request for Proposals may not be considered responsive and may therefore be subject to disqualification by the District.

Date of publication: May 1, 2016
Seattle Daily Journal of Commerce and Bellingham Herald

**REQUEST FOR PROPOSALS
LAKE WHATCOM NORTH SHORE WATER QUALITY TESTING**

DRAFT

I. INTRODUCTION

1. This Request for Proposals ("RFP") outlines the information necessary to understand the consultant selection process and the required documentation a Proposer must submit. After reviewing this RFP, any firm that determines it has the necessary expertise, experience and staffing to successfully perform the required services may submit its Submittal addressing the items set forth herein. A general overview of the selection process is as follows:
 - A. Proposers shall deliver the Submittal to the District no later than **4:00 p.m. on May 24, 2016**, after which time they will be reviewed and evaluated. The submittal shall be delivered to:

**Attn: Patrick Sorensen
Lake Whatcom Water and Sewer District
1220 Lakeway Drive
Bellingham, WA 98229**
 - B. Lake Whatcom Water and Sewer District, hereinafter referred to as the District, may at its option, contact a Proposer and ask clarifying questions concerning the Proposer's Submittal.
 - C. At the District's option, the District may conduct interviews with Proposers qualifying as finalists.

II. ATTACHED DOCUMENTS

1. Attachment 1 – Scope of Work (2 pages)
2. Attachment 2 – Sample Professional Services Agreement (8 pages)
3. Attachment 3 - Northshore System Extension Preliminary Investigation (15 pages)

III. PROCUREMENT PROCESS

1. General Information

A. Compliance with Legal Requirements.

1. The procurement of these consultant services will be in accordance with applicable District, Federal, State and Local laws, regulations and procedures. The District reserves the right to reject any and all Submittals received. Any Proposer failing to submit information in accordance with the procedures set forth herein may not be considered responsive and may therefore be subject to disqualification by the District.
2. In accordance with the provisions of this RFP, the District will evaluate the Submittals. The final selection, if any, will be that Consultant which, in the opinion of the District, best meets the requirements set forth in the RFP and is determined to be the most highly qualified for the services requested.

B. Costs borne by Proposers. All costs incurred in the preparation of the Submittal and participation in this RFP and negotiation process shall be borne by the proposing firm.

C. Public Disclosure. Once in the District's possession, Submittals shall become property of the District and considered public documents under applicable Washington State laws. All documentation that is provided to the District may be subject to disclosure in accordance with the Washington State public disclosure laws.

2. Protests

A. Time to File a Protest.

1. Any prospective Proposer may file a protest challenging the requirements identified in the RFP provided such protest is received no later than ten (10) calendar days prior to the date established for responding to this solicitation.
2. A financially interested Proposer may file a protest based on evaluation of Submittals provided such protest is received no later than five (5) calendar days after the protesting party knows or should have known of the facts and circumstances upon which the protest is based.
3. In no event shall a protest be considered if all Submittals are rejected or after execution of this Contract.

- B. Form of Protest. A protest shall be in writing and addressed to: Patrick Sorensen, General Manager, Lake Whatcom Water and Sewer District, 1220 Lakeway Drive, Bellingham, WA 98229. The protest shall include the following:
- 1. The name, address and telephone number of the party protesting or their representative;
 - 2. The RFP number and contract title under which the protest is submitted;
 - 3. A detailed description of the specific grounds for protest and any supporting documentation; and
 - 4. The specific ruling or relief requested.
- C. Determination of Protest. Upon receipt of a timely written protest, the District General Manager shall investigate the protest and shall prior to execution of the Contract respond in writing to the protest. The District General Manager’s decision shall be considered the final action by the District.
- D. Compliance with Protest Process. Failure to comply with these protest procedures will render a protest untimely and inadequate and may result in rejection thereof by the District.
- E. Exhaustion of Administrative Remedies. As a mandatory condition precedent to initiating a lawsuit against the District, a prospective Proposer or a Proposer shall comply with the Protest Procedures defined herein.
- F. Venue. By responding to this RFP and for the convenience of the parties, the prospective Proposer or a Proposer acknowledges and agrees that a lawsuit or action related to or arising out of this procurement shall be brought in the Superior Court of Whatcom County, Washington.

3. Schedule

- A. Anticipated Schedule. The selection process is anticipated to proceed as outlined below and is subject to change:

<u>Date</u>	<u>Selection Process</u>
May 1, 2016	Public Announcement of the RFP
May 24, 2016	Submittals Due at 4:00 p.m.
June 9, 2016	Notification of short-list for interviews (if necessary)
June 16, 2016	Interviews (if necessary)
June 29, 2016	Recommendation to the Board
July, 2016	Contract Execution

- B. Notification. The District will notify appropriate firms of changes in the RFP and Notice of Selection.
- C. Addenda. In the event it becomes necessary to revise any part of the RFP, addenda will be provided to all firms still under consideration at the time the addendum is issued. If any firm has reason to doubt whether the District is aware of the firm's interest, it is the responsibility of the firm to notify the District to be sure that addenda are received. Mail or call such notice to Patrick Sorensen, 360-734-9224, Lake Whatcom Water and Sewer District, 1220 Lakeway Drive, Bellingham, WA 98229.

4. Negotiations

- A. At the completion of the selection process, the selected Proposer will enter into contract negotiations with the District. Negotiation of a contract will be in conformance with applicable federal, state and local laws, regulations and procedures. The negotiated cost and pricing data, once agreed to by the District and the Consultant, shall form the basis for a billing/payment provision.
- B. At the beginning of negotiations the selected Proposer and District shall meet to establish a Negotiation Schedule. Negotiations shall begin with a Level of Effort (LOE) based on the Scope of Work (SOW) identified in the Qualifications Statement and the Work Plan submitted by the selected Proposer.
- C. If the District and selected Proposer cannot come to terms on LOE and SOW after three (3) revisions to the SOW and LOE, the District may discontinue negotiations and go to the next highest ranked Proposer. Failure to reach an agreement after three (3) revisions demonstrates an inability to reach agreement within a reasonable timeframe.

5. Contract Terms and Conditions

- A. A copy of the draft agreement for professional services is included in Attachment.
- B. By submitting a proposal, the Consultant represents that it has carefully read the terms and conditions of the agreement and agrees to be bound by them.

6. Cost and Pricing Data.

- A. The selected consultant shall provide the following information within five (5) business days after Notice of Selection has been received. Failure to provide such information in a timely manner may result in the District discontinuing negotiations with the selected Proposer(s) and starting negotiations with the next highest ranked Proposer.
 - 1. Direct Salaries. Selected consultant and its sub consultants (if applicable) shall submit the following information:

- a. List of employees, in alphabetical order (last name first), with job classification, rate of pay and salary review date.
2. Overhead Rates. Selected consultant and its sub consultants shall submit the following information:
 - a. Provide current audited overhead schedule, audit report and cost detail by general ledger account.
 - b. Provide a listing of all personnel who will perform work on this Project whose salaries, in full or in part, are included in overhead for the current and previous year. For each person identify his or her title, classification, position in company and salary rate.
3. Billing Rates. Submit only for certain qualifying firms.
 - a. Small firms that do not have an accounting system in place, that identifies direct and indirect costs separately, generally use billing rates. Fully burdened billing rates, which include labor, overhead costs and profit, are allowed on a case-by- case basis for those firms that typically use this method for billing purposes.
4. Other Direct Cost(s).
 - a. Identify all Other Direct Cost(s) (ODC) for this Project and the rationale used as a basis for this cost.
 - b. For each ODC, provide the unit prices and/or rates with supporting rationale, historical data and estimating methodology used to validate these rates.
 - c. Failure to identify ODC results in a presumption that there are no ODC.
5. Profit. Selected consultants and its sub consultants shall provide the following:
 - a. Proposed profit;
 - b. Rationale and justification for the proposed rate.

IV. INSURANCE REQUIREMENTS

- A. Prior to execution of the Agreement, the Selected Consultant shall file with the District certificates of insurance and endorsements from the insurer(s) certifying to the coverage of all insurance required in accordance with the District's standard agreement. All evidences of insurance must be certified by a properly authorized officer, agent, general agent or qualified representative of the insurer(s) and shall certify the name of the insured, the type and amount of insurance, the location and operations to which the insurance applies, the

expiration date, and provides that the District receives notice at least thirty (30) calendar days prior to the effective date of any policy limit or cancellation of required coverages. The Consultant shall notify the District at least thirty (30) calendar days prior to the effective date of any cancellation or reduction in coverage in the policy. The Consultant shall maintain during the entire Contract period, insurance coverage at least as broad as the limits and coverage outlined in the District's standard agreement. The Consultant shall, upon demand of the District, make available to the District at Consultant's local office in all such policies of insurance and the receipts of payment of premiums thereon. Failure to provide such policies of insurance within a time acceptable to the District shall entitle the District to suspend or terminate the Consultant's work hereunder.

- B. The Consultant shall obtain and maintain at a minimum the limits of insurance set forth in the Consultant Agreement. By requiring such minimum insurance, the District shall not be deemed or construed to have assessed the risks that may be applicable to the Consultant under the Agreement. The Consultant shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits and/or broader coverage.
- C. Each insurance policy shall be written on an "occurrence" form; excepting that insurance for professional liability, errors and omissions when required, is acceptable on a "claims made" form.
- D. If coverage is approved and purchased on a "claims made" basis, the Consultant shall continue coverage either through (1) policy renewals for not less than three years from the date of completion of the work which is the subject of this Agreement or (2) the purchase of an extended discovery period for not less than three years from the date of completion of the work which is the subject of this Agreement, if such extended coverage is available.
- E. If in order to meet the insurance requirements the Consultant must rely on the insurance to be provided by one or more sub consultant, then such sub consultant(s) shall be required to meet all of the requirements herein applicable to the insurance they are providing, and shall include District and Consultant as additional insureds on all liability policies except Professional Liability/Errors & Omissions and Workers Compensation. The District will not make any payments on work performed by sub consultants until all insurance documentation from such sub consultants have been received and accepted by the District.
- F. Provided the affected insurance policies permit the following waiver, without voiding coverage, Consultant and District waive all rights against each other to subrogation for damages covered by property insurance.

V. EVALUATION AND SELECTION CRITERIA

- A. All Submittals will be evaluated by a Consultant Selection Panel ("Panel"), which will be responsible for ranking of the Project Submittal. The criteria outlined below will be used in evaluating the Submittals and determining the most qualified. A total of 100 points (excluding a potential interview) has been assigned to the Evaluation Criteria. The maximum

points possible will follow each criterion listed. The points indicate relative weight or importance given to each criterion.

- B. The District may determine that the ranking is close and an interview with the top ranked firms is necessary. Interviews will have a maximum of 50 points. The number of Proposers to participate in interviews, if any, will be determined by the District based on the recommendation of the evaluation. The District may choose to use different criteria for the interview, in which case the finalists will be so notified in writing. The interview process may or may not include a Consultant presentation and the Consultants will not be given questions to prepare for in advance of the interview.
- C. Following review of the submittals and the interviews (if conducted) the evaluators will use the points to score each Submittal. Each evaluator will put the scores in rank order, with the highest scored Proposer 1st, the second-highest scored Proposer 2nd, etc. This ranking will then be totaled. From the ranking, the District intends to recommend the most qualified Proposer to the Board of Commissioners for approval to begin negotiations.

VI. DOCUMENTATION

- A. The prime Proposer shall submit five (5) bound copies along with an electronic PDF file of the Submittal. The Submittal shall be presented in a clear, comprehensive and concise manner.
- B. Proposers are discouraged from submitting lengthy Submittals. The District requests that Submittals be concise and clearly written containing only essential information. The Letter of Interest and Statement of Qualifications sections shall together total 20 pages or less, including any resumes and cover letter. The Proposer is allowed an additional 5 pages for each separate Project Proposal section.
 - Submittals shall be minimum of 11 font.
 - Sheets with double sided printing will be counted as 2 pages.
 - Sketches, maps and charts printed on 11x17 count as 1 page.
- C. The Submittal shall consist of the following parts:
 - 1. Letter of Interest. The Letter of Interest shall contain the following information:
 - Identify the Project name that the Proposer is submitting;
 - Proposer's name, mailing address, contact person, email, telephone and fax numbers; and
 - UBI and federal tax ID numbers.
 - List of anticipated specialized sub consultant disciplines the Proposer will need to complete the work for the Project. Sub consultants will be selected jointly by the District and the prime consultant during the negotiation process, following prime consultant selection.
 - Stipulation that Proposer accepts all terms of the RFP, especially the terms and conditions of the sample contract (Attachment 2).

2. Statement of Qualifications. The Submittal shall include:

- General information regarding types of services provided, firm history, and financial capacity and stability.
- An approach to the project and coordination among interested parties including the District, City of Bellingham, and Whatcom County.
- List of principals and owner, number of employees and licenses.
- Relevant previous project experience, awards and recognitions.
- Number of employees.
- Resumes of proposed project manager and other key personnel that will be assigned to the project(s).
- List experience and special abilities of the proposed project manager and individuals (Key Personnel) who will be working on the project.
- Highlight how and why this project is within your firm's capabilities and expertise. Provide specific project examples with references for similar water quality sampling, testing, and analyses completed by the firm and/or individual project team members within the last five (5) years.
- References. Proposers should provide references for the past projects that include organization names, addresses, telephone numbers and e-mail addresses. The District reserves the right to investigate the references and past performances of any Proposer with respect to successful performance of similar projects, compliance with specifications and contractual obligation, and completion of the project on schedule.

3. Work Plan for Phase 1 Scope of Work. The Submittal shall include:

- **Narrative.** A written narrative of the proposed Work Plan describing tasks, deliverables, assumptions made, options considered and selected, and alternatives that the District might want to explore during negotiations of the final scope of work fee. See Attachment 1 for an anticipated scope of work. The proposer is encouraged to refine and develop a scope of work that might better meet the intent of the project.
- **Schedule.** A proposed schedule for the Work Plan. Identify tasks, workshops, draft document review times, milestones, public meetings, and public presentations.
- **Fee Estimate.** A spreadsheet summarizing the Work Plan broken down by task. Provide Level of Effort (hours), fee estimate, materials, expenses, and sub-consultant estimates for each task based on billing rates. Include the total fee estimate for Phase 1. Provide an estimated cost for options and alternative that the District might want to consider.
- **Billing Rates.** Provide schedule of billing rates and expenses.

VI. EVALUATION CRITERIA AND SUBMITTAL INFORMATION

A. Qualifications, Experience and Technical Competence - 50 Points.

The District will evaluate the experience and technical competence of the Proposer's Key Personnel to complete the project. Emphasis will be placed on recent experience and

expertise in performing the required services on projects with a scope of work similar in size and complexity to this Project.

B. Work Plan – 50 Points.

The District will evaluate the proposed Work Plan to determine the Proposer's understanding of the scope of work, appropriate utilization of sub consultants, and overall project approach. The Work Plan is an opportunity for the Proposer to demonstrate its understanding of scope and propose ideas for the Project.

C. Interviews - 50 Points (if conducted).

1. The District may or may not conduct interviews. If the District determines that interviews are necessary, the District will conduct interviews with the short listed Proposers (finalists).
2. Proposers will be notified in writing of the request and provided the date, place, and time of the interview. The interview process may or may not include a Consultant presentation and the Consultants will not be given questions to prepare for in advance of the interview. The District may choose to use different criteria for the interview, in which case the Finalists will be so notified in writing.
3. The intent of the interview is for the District to meet and evaluate the Proposer's assigned Key Personnel. The assigned project manager must participate in the interview. Other Key Personnel critical to the success of the project are also encouraged to participate.
4. Failure to participate in the interview process shall result in a Proposer's disqualification from further consideration.

ATTACHMENT 1 – SCOPE OF WORK

The purpose of this RFP is to obtain a qualified consultant to develop a water quality sampling, testing, and analytical plan to determine if onsite sewage systems along the end of Northshore Road are contributing to the pollution of Lake Whatcom.

Lake Whatcom is the surface water supply for the District's water treatment plant located in Sudden Valley that currently serves a population of nearly 10,000 people. Lake Whatcom is also the drinking water source for a number of residences that draw directly from the lake as well as the City of Bellingham which serves a population of more than 80,000.

The US Environmental Protection Agency and the Washington State Department of Ecology has determined that the water quality of Lake Whatcom has become polluted to the point where action must be taken. The City of Bellingham is working with Whatcom County to sample and analyze certain areas of Lake Whatcom and incoming streams. The District is a partner with the City of Bellingham and Whatcom County through inter-local agreements. However, there currently are no known efforts to sample and analyze the North Shore area of Lake Whatcom to investigate possible impacts from onsite sewage systems leaching into the lake.

The District has concerns that onsite sewage systems along the North Shore of Lake Whatcom could be contributing to coliform and phosphorus pollution problems, as well as adding pharmaceutical and other man-made compounds to the lake. The leachate of onsite sewage system drain fields contain high levels of phosphorous and coliform bacteria (the main contaminants contributing to the pollution of Lake Whatcom). Leachate also contains man-made compounds found in all detergents called "Optical Brighteners". These compounds might be detectable and be an indicator of leachate entering the lake.

The District intends to select the most qualified firm for the Project.

The anticipated scope of work is divided into two phases:

Phase 1 – Develop Sampling, Testing, and Analytical Plan

Phase 1 includes the development of a plan to determine if onsite sewage system leachate is a source of coliform and phosphorus pollution. Work includes:

- A cursory review of recent and current sampling, testing, and analyses done by others to understand how this Plan could supplement existing efforts and avoid duplication of work.
- Research and evaluate investigations done around the nation (and world) that could be a model for this Plan.
- Outline a sampling and testing plan that could determine if onsite sewage systems are a source of pollution. The Proposer is encouraged to propose sampling and analytical methods that would aid in the determination.
- Outline the analytical and statistical steps to evaluate the data and the confidence level of conclusions that could result.
- Provide a cost estimate and preliminary schedule to implement the Plan.
- Attend a workshop with the District Board of Commissioners to summarize preliminary research and coordinate completion of the written Plan.
- Present the draft Plan and the final Plan to the District Board of Commissioners.
- Attend a public meeting to present the final Plan to the Lake Whatcom Cooperative Management Program (City of Bellingham, Whatcom County, and Lake Whatcom Water and Sewer District).

Phase 2 – Perform Sampling, Testing, and Analysis

Phase 2 would be the actual sampling, testing, and analytical work. This phase may or may not be implemented as part of this agreement. There are several possibilities on how this phase could be implemented and depends on coordination efforts between the District, Whatcom County, and the City of Bellingham. One possibility is the District would amend the original Phase 1 professional services agreement to include Phase 2 work, with no financial participation from the other local agencies. Another possibility is the District is able to coordinate with either Whatcom County or the City of Bellingham (or both) to implement the Plan developed in Phase 1 as part of other sampling and testing programs under way.

ATTACHMENT 2 – SAMPLE PROFESSIONAL SERVICES AGREEMENT

LAKE WHATCOM WATER AND SEWER DISTRICT
PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made on _____, 2016, between LAKE WHATCOM WATER AND SEWER DISTRICT ("District"), a Washington municipal corporation and _____ ("Consultant"),

In consideration of the mutual benefit derived by the parties and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree and covenant as follows:

1. PROJECT

Consultant shall perform all services and furnish all labor, tools, materials, and equipment for the District's project known as Lake Whatcom North Shore Water Quality Testing (District Project #C1607) ("Project") in accordance with and as more fully described in Attachment A – Scope of Work. No additional services shall be performed or deemed authorized without the written prior authorization from the District

2. PROJECT COST

The District shall pay Consultant for actual services rendered per Attachment B - Rates and Charges not to exceed an amount of

(\$ _____) ("Project Cost"). The Rates and Charges include all costs associated with the Project, including, but not limited to labor, materials, overhead, administrative, and permit and regulatory costs, unless otherwise agreed to by the parties in writing. Prior written approval from the District is required for any services not included in the Scope of Work (Attachment A). Consultant shall have no right or claim for payment for services provided which are not included in the Scope of Work (Attachment A) even if said services were performed in good faith. Any services performed in violation of this paragraph shall be at the sole cost and expense of Consultant.

3. AGREEMENT TERM/PERIOD OF PERFORMANCE

Consultant shall commence work under this Agreement upon receipt of notice to proceed from the District. The Scope of Work must be completed no later than _____ unless extended or terminated earlier by the District pursuant to the terms and conditions of this Agreement.

4. PAYMENT TERMS

The Project Cost shall be payable in the following manner: On or before the 26th day of each month, Consultant shall submit a detailed monthly invoice for all services provided describing in reasonable and understandable detail the services invoiced, the progress of the Scope of Work, and the requested payment amount. The District shall issue a warrant for payment of approved services contained in the invoice within thirty (30) days after approval.

5. CHANGE IN THE SCOPE OF WORK

Change in the Scope of Work, Project Cost, or Term shall require execution of a written amendment signed by the Consultant and District. The District may at any time order additions, deletions, revisions, or other written changes in the Scope of Work. The Consultant will prepare and submit a proposal to the District for consideration that details changes to the Scope of Work, Project Cost or Term, at the request of the District.

6. STANDARD OF CARE

The Consultant shall be responsible for the professional quality, technical adequacy and accuracy, timely completion and coordination of all tests, reports and other services prepared or performed pursuant to this Agreement. The Consultant shall perform its work to conform to generally accepted professional standards applicable to the types of services and work provided hereunder. The Consultant shall be responsible for the professional standards, performance and actions of all persons and firms performing work pursuant to this Agreement. The Consultant shall, without additional compensation, correct or revise any errors, omissions or specific breaches of a contractual obligation in such tests, reports and other services. The District's approval of plans, drawings and specifications shall not relieve Consultant of responsibility for the adequacy or accuracy thereof. Consultant shall remain liable for damages and costs incurred by the District arising from Consultant's errors, omissions or negligent performance of services furnished under this Agreement.

7. INDEMNIFICATION

Consultant and subcontractors of Consultant agree to defend, indemnify, and hold harmless the District, its commissioners, officers, managers, employees, engineers, agents, and volunteers from and against any and all demands, claims, losses, injuries, damages, liabilities, suits, judgment, reasonable attorneys' fees and costs, and other expenses of any kind on account of, relating to, or arising out of Consultant's performance of the Scope of Work under this Agreement, except to the extent such injuries or damages are caused by the negligence of the District. For the purposes of this indemnification, Consultant specifically and expressly waives any immunity granted under the Washington Industrial Insurance Act, Title 51 RCW. This waiver has been mutually negotiated and agreed to by the parties. If a court of competent jurisdiction determines that this agreement is subject to RCW 4.24.115, Consultant's obligation to defend, indemnify, and hold harmless the District, its officers, employees, agents and volunteers shall be limited to the extent of the District's negligence. Consultant shall include this indemnification obligation for the benefit of the District as a subcontractor requirement in any subcontractor agreement which includes performance of services under this Agreement; provided that, Consultant shall remain wholly responsible to the District for performance of the indemnification obligation set forth herein. The provisions of this paragraph shall survive the expiration or termination of this Agreement.

8. INSURANCE

Consultant shall obtain, and keep in force during the term of this Contract, insurance policies as follows:

- a. **Commercial General Liability.** Limits no less than \$1,000,000.00 combined single limit per occurrence and \$2,000,000.00 aggregate for personal injury, bodily injury and property damage. Coverage shall be as broad as Insurance Services Office form number (CG 00 01) covering Commercial General Liability.
- b. **Automobile Liability Insurance.** Limits no less than \$1,000,000.00 combined single limit per accident for bodily injury and property damage. Coverage shall be as broad as

Insurance Services Office form number (CA 00 01) covering Business Auto Coverage, symbol 1 "any auto"; or the combination of symbols 2, 8, and 9.

- c. **Workers' Compensation.** Coverage shall be at least as broad as Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington, as well as any similar coverage required for this work by applicable Federal Law.
- d. **Professional Liability.** Professional Liability coverage may be required at the option of the District, in an amount of not less than \$1,000,000 per claim and in the aggregate. Insurance shall have a retroactive date before the commencement of the Term and coverage shall remain in effect for the Term of this Agreement plus three years.
- e. The insurance policies shall specifically name the District, its elected or appointed officials, officers, employees, and volunteers as insureds with regard to damages and defense of claims arising from (1) activities performed by or on behalf of the Consultant; or (2) products and completed operations of the Consultant; or (3) premises owned, leased, or used by the Consultant.
- f. The insurance policies (1) shall state that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability; (2) shall be primary insurance with regard to the District; and (3) shall state that the District will be given at least 45 days' prior written notice of any cancellation, suspension or material change in coverage.
- g. Before commencing work and services, Consultant shall provide to the District a Certificate of Insurance evidencing the required insurance accompanied by endorsements as are necessary to comply with the requirements of this section. The District reserves the right to request and receive a certified copy of all required insurance policies.
- h. Any payment of deductible or self-insured retention shall be the sole responsibility of Consultant.

9. COMPLIANCE WITH CODES AND REGULATIONS

Consultant is expected to comply with all applicable statutes in performing the Scope of Work, including, but not limited to all state and local laws, regulations, codes and standards that are applicable at the time Consultant performs the services.

10. PERMITS, TAXES, TEMPORARY FUNCTIONS

Consultant shall secure and pay for all permits, fees and licenses necessary for the performance of this Agreement. Consultant shall pay any and all federal, state and municipal taxes, including sales taxes, if any, for which Consultant may be liable in carrying out this Agreement.

11. TERMINATION

This Agreement may be terminated by the District for cause when the District deems continuation to be detrimental to its interests or for failure of the Consultant to adequately perform the services specified in the Agreement. The District may terminate this Agreement for cause by sending a written notice to Consultant that specifies a termination date at least seven (7) days after the date of

notice. This Agreement may also be terminated by the District without cause by sending written notice to Consultant that specifies a termination date at least thirty (30) days after the date of notice. Unless terminated for Consultant's material breach, Contractor shall be paid or reimbursed for all hours worked up to the termination date, less all payments previously made; provided that the work performed after the date of notice must be only that which is reasonably necessary to terminate the work in a professional manner, unless otherwise agreed.

12. GENERAL PROVISIONS

- a. **Notices.** Any notice or demand desired or required to be given under this Agreement shall be in writing and deemed given when personally delivered, sent by facsimile machine, or deposited in the United States Mail (or with an express courier), postage prepaid, sent certified or registered mail, and addressed to the parties as set forth below or to such other address as either party shall have previously designated by such a notice:

District:	Consultant:
Attn: General Manager	Attn: _____
Lake Whatcom Water and Sewer District	_____
1220 Lakeway Drive	_____
Bellingham, WA 98229	_____
Phone: (360) 734-9224	Phone: _____
Fax: (360) 738-8250	Fax: _____

- b. **Records and other Tangibles.** Until the expiration of six years after the term of this Agreement, Consultant agrees to maintain accurate records of providing the services specified by the Agreement and to deliver such records to the District as requested by the District.
- c. **Ownership of Work.** The District has ownership rights to the plans, specifications, and other products prepared for the Project by the Consultant. Consultant shall not be responsible for changes made in the plans, specifications or other products by anyone other than the Consultant. Consultant shall have free right to retain, copy and use any tangible materials or information produced but only for its own internal purposes. Use of documents or other materials prepared under this Agreement for promotional purposes shall require the District's prior consent.
- d. **Disclosure.** All information developed by Consultant and all information made available to the Consultant by the District, and all analyses or opinions reached by the Consultant shall be confidential and shall not be disclosed by Consultant without the written consent of the District, unless said information is made publicly available by the District or the City of Bellingham.
- e. **Non Discrimination.** During the term of this Agreement, the Consultant agrees that no person shall, on the grounds of race, creed, color, national origin, sex, marital status, age, religion, or on the presence of any sensory, mental or physical disability, be discriminated against by the Consultant.
- f. **Relationship of the Parties.** Nothing contained herein or any document executed in connection herewith, shall be construed to create an employer-employee relationship or joint venture relationship between the District and Consultant, its employees or subcontractors. The Consultant is an independent contractor. The Consultant is responsible for its acts or omissions

and acts or omissions of its agents, employees, servants, subcontractors, or otherwise during the performance of this Agreement.

- g. **Entire Agreement.** This Agreement and its attachments contain the entire understanding between the District and Consultant relating to the Project which is the subject of this Agreement. Subsequent modification or amendment of this Agreement shall be in writing and signed by the parties to this Agreement.
- h. **Waiver.** Waiver of any breach or default hereunder shall not constitute a continuing waiver or a waiver of any subsequent breach either of the same or of another provision of this Agreement.
- i. **Assignment.** The Consultant shall not assign, or transfer any interest in this Agreement in whole or in part to any individual, firm or corporation without the prior written consent of the District. Subject to the provisions of the preceding sentence, this Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the Consultant. This Agreement is made only for the benefit of the District and the Consultant and successors in interest and no third party or person shall have any rights hereunder whether by agency or as a third party beneficiary.
- j. **Severability.** If any term, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, the remainder of this Agreement shall remain in effect.
- k. **Dispute Resolution.** If any dispute, controversy, or claim (collectively "dispute") arises out of this Agreement, the parties agree to first try to settle the dispute in non-binding mediation with the assistance of a recognized professional mediation service. The parties shall each designate a representative with full settlement authority who will participate in the mediation. The parties shall bear all expenses associated with the mediation equally, except for attorneys' fees. Any dispute subject to, but not resolved by, mediation shall be subject to a private arbitration which, unless the parties mutually agree otherwise, shall be held in accordance with RCW 7.04A.
- l. **Jurisdiction/Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. Any suit to enforce or relating to this Agreement, including the enforcement of any arbitration award, shall be brought in Whatcom County Superior Court, Whatcom County, Washington.
- m. **Attorneys' Fees.** In the event that any party commences litigation against the other party relating to the performance, enforcement or breach of this Agreement, the prevailing party in such action shall be entitled to all costs, including attorneys' fees, expert witness fees and costs and any such fees or costs incurred on appeal.
- n. **Counterparts.** This Agreement may be executed in counterparts and each shall be deemed an original, but all of which together shall constitute a single instrument.

In Witness Whereof, the parties enter into this Agreement, mutually agree on above terms, are authorized to execute this Agreement and the parties have executed this Agreement on the day and year indicated.

("CONSULTANT")

(Signature)

(Printed Name and Title)

Dated: _____

Approved as to form:

Robert Carmichael
Attorney for Lake Whatcom Water & Sewer District

Dated: _____

Lake Whatcom Water and Sewer District
("DISTRICT")

Patrick Sorensen, General Manager

Dated: _____

ATTACHMENT A – SCOPE OF WORK

[attach scope of work]

022

ATTACHMENT B – RATES AND CHARGES

[attach rates and charges]

ATTACHMENT 3

NORTHSHORE SYSTEM EXTENSION PRELIMINARY INVESTIGATION

BY

WILSON ENGINEERING, LLC

NOVEMBER 19, 2015

(15 pages attached)

TO: Patrick Sorensen, General Manager
Bill Hunter, PE, Assistant Manager / District Engineer

FROM: Melanie Mankamyer, PE

SUBJECT: Northshore System Extension Preliminary Investigation

JOB NO.: 2015-053

DATE: November 19, 2015

Earlier this year the District Board requested additional information regarding the properties along the north shore of Lake Whatcom that have been developed with on-site septic systems, and a review of the parameters that need to be addressed if the District decides to pursue a sewer system extension to this area.

Wilson Engineering was tasked with conducting this research. The purpose of this Memorandum is to document the results of the research and present candidate "next step" actions.

In the District's approved 2014 Comprehensive Sewer Plan, a potential future sewer basin was identified at the east end of North Shore Road (Exhibit J-4). This area was included in the sewer capacity analyses for North Shore. This area is not currently designated as an Urban Growth Area (UGA) or Limited Area of More Intense Rural Development (LAMIRD), though the majority of the existing lots are much smaller than 5 acres - a typical definition for "rural".

The Growth Management Act (GMA) limits the extension of sewers into rural areas. RCW 36.70A.110(4) provides in part:

In general, it is not appropriate that urban governmental services be extended to or expanded in rural areas except in those limited circumstances shown to be necessary to protect basic public health and safety and the environment and when such services are financially supportable at rural densities and do not permit urban development.

As discussed in Bob Carmichael's Memorandum to the Board, dated March 31, 2015, there are two potential courses of action to lawfully extend sewer to the area at the end of Northshore Road - designation of the area as a LAMIRD by Whatcom County or Conditional Use Permit Approval for the extension by Whatcom County showing it is necessary to protect public health and safety and the environment. The March 31, 2015 Memorandum provides substantial background on the process and requirements associated with both of these options and is attached.

We met with County Planning Department representatives to discuss their potential position/reaction to both of these paths. They were understanding of the goal, but were concerned about having sufficient back-up information to go down either path. They suggested additional research into the status of existing septic systems, failure rates, and drinking water sources from the public health side, and age of the developments for the LAMIRD option.

One of the key criteria in establishing a LAMIRD is showing that the land was characterized by existing development more intensive than the surrounding rural areas as of July 1, 1990. Using data from the Whatcom County Assessor's office, we have determined that there are 97 residential units in this area. Of

those, 54 were built before 1990 (20 of these before 1960), and 44 were built in 1990 or later. Five are listed as being built in 1990 but there is insufficient information to determine if they were there prior to July 1, 1990. This data is shown on the attached figure, color-coded by construction date. Also shown are the 28 vacant parcels that potentially could be developed and the one development that is currently underway. We removed parcels from the vacant category if they shared ownership with adjacent developed parcels and were too small to be developed separately, or if they had public ownership or were restricted (shown on the figure as “exclusions”).

We also obtained the septic system records that were available from the Whatcom County Health Department’s website and entered relevant data into a database. This data indicates that all but two of the 96 septic systems have been inspected since 2009, with 55 having been inspected since January 2013. The records also included a 1974 permit for an outdoor toilet for a cabin. The last conventional gravity system was installed in 2004. The table below provides the number of each of the types of septic systems installed in this area. A full list of the septic systems and their inspection data is attached.

OSS TYPE	Number installed
CONVENTIONAL GRAVITY	33
PUMP TO GRAVITY DISTRIBUTION	28
BIOFILTER	11
PRESSURE DISTRIBUTION	10
AEROBIC TREATMENT UNIT w/ PRESSURE DISTRIBUTION	5
SAND FILTER w/ MOUND	2
MOUND	2
AEROBIC TREATMENT UNIT w/ DRIP IRRIGATION	2
NON-PRESSURIZED MOUND	1
DRIP IRRIGATION	1
OUTDOOR TOILET/PRIVY	1
UNIDENTIFIED	1

The majority of the inspections were performed by professionals (71), with only 20 systems being inspected by the homeowner (the remaining were new and inspected by the County during installation). Twenty of the inspection records indicated that “maintenance was needed”, - eight needed the septic tank pumped and eleven needed minor work like sealing the risers. Only one needed major work for a failed pump.

Twenty-eight of the septic systems appear to be located on the lake side of Northshore Road. Five of the residences were built after 1990, and six of the older septic systems have been replaced. There are several septic systems in this area that are quite old, including two installed in 1935 and one dating back to 1908, that do not appear to have been replaced or upgraded.

We estimate that about 22 septic systems have been replaced - the permit application date is much newer than the year the building was built. Most of the replacements were for residences built before 1980 - and included the septic system for 1901 house which was replaced in 2014. From the data, it is hard to tell which replacements are due to failing systems and those required for remodels.

We were able to identify the drinking water source for 69 of the properties Seventeen appear to draw water from Lake Whatcom, and 50 use well water. Two properties were listed as being on a community or association water system, though we expect this number to be higher and possibly include those with unidentified water sources. We were not able to find information on the drinking water source for 28 of the properties.

In conclusion, the data provided by the Health Department records does not provide sufficient evidence to support potential claims of septic system failures that could justify a “health and safety and the environment” case. Nor will the level of pre-1990 existing development at just over half of the total development be sufficiently compelling alone to justify the creation of a LAMIRD, in part because it will be seen as “enabling” the development of the 28 vacant parcels.

We do believe that there is a high probability that the County would support a sewer extension with data that these septic systems were impacting the water quality in the lake. We recommend that the District pursue a rigorous water quality testing program to collect data that would show such an impact. With that data, and the results listed in this memo, the District would be able to make the compelling argument for extending sewer to this area, regardless of the approach.



ROBERT A. CARMICHAEL | Attorney
bob@carmichaelclark.com

MEMORANDUM

TO: Board of Commissioners – Lake Whatcom Water & Sewer District
FROM: Robert A. Carmichael
DATE: March 31, 2015
SUBJECT: Potential for Northshore Sewer Extension

I. BACKGROUND

There may be interest on the Board of Commissioners in exploring the possibility of Lake Whatcom Water and Sewer District (“District”) extending its sewer system to serve approximately 80-100 homes at the end of Northshore Road along Lake Whatcom, all of which are presently served by on-site septic systems. Preliminary investigation by legal counsel and staff resulted in a verbal report to the Board at its first meeting in March and a Board request for a follow up memorandum. This memo is meant to comply with that request. It is preliminary in nature and intended to identify potential courses of action in case the District Board chooses to become proactive on this issue. Significant issues associated with how to pay for the potential sewer extension, and the U.L.I.D. process, are not part of the memo.

II. POTENTIAL COURSES OF ACTION

There are two potential legal paths to lawfully extending sewer to the 80-100 homes at the end of Northshore Road:

- (1) Designation by Whatcom County of the area as a Limited Area of More Intense Rural Development (“LAMIRD”); or
- (2) Conditional Use Permit Approval for the extension.

The principal purpose of this memorandum is to outline the applicable laws and steps necessary under each potential legal path. Analysis of the potential for success requires development of factual information to determine if the necessary legal criteria will likely be met. Such work is beyond the scope of this memorandum.

Before discussing each option in turn, limitations on sewer extensions arising from the Growth Management Act (Chapter 36.70A RCW or “GMA”) should be briefly examined.

III. LIMITATIONS ON SEWER EXTENSIONS IN GMA

The GMA limits the extension of sewers into rural areas. RCW 36.70A.110(4) provides in part:

In general, it is not appropriate that urban governmental services be extended to or expanded in rural areas except in those limited circumstances shown to be necessary to protect basic public health and safety and the environment and when such services are financially supportable at rural densities and do not permit urban development.

RCW 36.70A.110(4). The foregoing provision has been generally interpreted to preclude extension of sewers outside of designated Urban Growth Areas ("UGAs") unless the extension is demonstrated as necessary to protect public health and safety. *Thurston County v. Cooper Point Association, et al.*, 148 Wn. 2d 1, 17-18, 57 P. 3rd 1156 (2002). Therefore, one path available for extending sewers to the end of Northshore Road is to factually demonstrate that such extension is necessary to protect public health and safety. This will likely require either evidence of failing septic systems, or evidence that septic systems pose inherent health and safety risks when located along the shores of an impaired water body which supplies municipal drinking water.

Sewers may also be extended to serve limited areas of more intense rural development ("LAMIRDs") as a permitted use under certain circumstances. WCC 20.82.030(4). Public services and public facilities like sewers are allowed in LAMIRDs so long as they are provided "in a manner that does not permit low-density sprawl." RCW 36.70A.070(5)(d)(iv). A sewer extension serving a LAMIRD as a permitted use must also be consistent with an approved sewer comprehensive plan and the County Comprehensive Plan. LAMIRDs are designated by the County in its Comprehensive Plan and referred to therein as Rural Communities. Strict statutory criteria and County Comprehensive Plan criteria must be satisfied for an area to qualify for LAMIRD designation.

The 80-100 homes at the end of Northshore Road along Lake Whatcom presently served by septic systems are located in a rural area with Rural 5 Acre ("R-5A") zoning. Therefore, the two potential legal pathways for extending sewer services to serve these homes is: (1) have the area designated as a LAMIRD; or (2) obtain a Conditional Use Permit showing that the extension is necessary to protect public health and safety and the environment.

IV. TEXT AMENDMENT NECESSARY TO COUNTY COMPREHENSIVE PLAN

Current County Comprehensive Plan **Policy 2T-2** is unnecessarily restrictive on the extension of sewers and if not amended could result in denial of a conditional use permit for a sewer extension even when necessary to protect the public health and safety and environment. This same current policy is also inconsistent with allowing sewers in a LAMIRD, despite other language in the County Comprehensive Plan and Zoning Code authorizing sewers in LAMIRDs.

Current **Policy 2T-2** categorically prohibits sewers outside a Short Term Planning Area. Under current **Goal 2T** of the County Comprehensive Plan, Short Term Planning Areas are to be established, outside of which urban levels of development will not occur. WCCP **Goal 2T**. Short Term Planning Areas are overlay designations within UGAs. The first bullet point under current **Policy 2T-2** states: “No sewer shall be extended outside a Short Term Planning Area.” Of course, the potential area for a Northshore sewer extension is not located in a Short Term Planning Area or even in a UGA. Therefore, unless current **Policy 2T-2** is changed, no Northshore sewer extension is possible under the current County Comprehensive Plan.

The restriction on sewers in current **Policy 2T-2** makes no allowance for sewer extensions when necessary to protect the public health and safety and the environment, as allowed by RCW 36.70A.110(4) and Whatcom County Comprehensive Plan **Policies 2EE-4, 5T-1, and 5T-2**. The current restriction is also inconsistent with allowing sewer extensions in LAMIRDs as otherwise authorized by the County Zoning Code (WCC 20.82.030(4)) and County Comprehensive Plan **Policies 2EE-4, 5T-1, 5T-2, and 5T-3**. Due to these inconsistencies with GMA and with other provisions in the County’s own Zoning Code and Comprehensive Plan, a strong case can be made for amendment of current **Policy 2T-2** to eliminate the current categorical prohibition on extending sewers outside of Short Term Planning Areas.

Important Recent Development: Fortunately, a very timely County process is underway right now before the Planning Commission to amend most of current **Goal 2T** and **Policy 2T**, including striking the portion of **Policy 2T-2** which currently prohibits sewer extensions outside Short Term Planning Areas. This is a byproduct of the County eliminating the distinction between Short Term and Long Term Planning Areas within UGAs, so it is part of a much bigger proposed change in the County Comprehensive Plan. If the proposed text amendments to the County Comprehensive Plan before the Planning Commission are ultimately adopted by the Council, which is very likely, then there will be no need for the Lake Whatcom Water & Sewer District to propose a text amendment to the County Comprehensive Plan **Policy 2T-2** prior to pursuing the two legal pathways discussed below.¹ The balance of this memorandum is written under the assumption that the prohibition on sewer extensions outside Short Term Planning Areas under current **Policy 2T-2** will soon be eliminated.

V. PATH 1: ESTABLISH A LAMIRD TO ACCOMMODATE NORTHSORE SEWER EXTENSION

Sewer extensions in residential LAMIRDs which are in conformance with a state approved sewer comprehensive plan and consistent with the Whatcom County Comprehensive Plan are “permitted outright” under the County Zoning Code. WCC 20.82.030(4). A Comprehensive Plan

¹ It is still possible and perhaps desirable for additional County Comprehensive Plan text amendments more specific to the problem of septic systems along Lake Whatcom to express a policy level desire to eliminate septic systems along the Lake. If the District decides to move forward, additional thought may be given to proposing potential new County Comprehensive Plan policies specifically directed at protecting Lake Whatcom water quality from impairment from septic systems. But this is not necessary to pursue the two potential paths outlined herein.

amendment for a LAMIRD designation must be filed with the County. Such applications are due on or before December 31st for consideration in the following year. WCC 2.160.040(C). So, for consideration in 2016, an application must be filed on or before December 31, 2015. Then in the following year, the County Council will decide if it chooses to “docket” the application for processing. It is not required to do so. But if the County Council believes a proposed LAMIRD should be considered, it will be approved for processing. Thereafter, it will be reviewed by the Planning Department which will perform SEPA review, prepare a staff report, and schedule the matter for a public hearing before the County Planning Commission. The Planning Commission will make a recommendation on the application to the County Council and the County Council will make a final decision. The County Council may or may not have its own public hearing on the application. Given that the County is working toward meeting a June 2016 deadline for its Comprehensive Plan update, it is likely that consideration of a new LAMIRD would not take place until the latter half of 2016 at the earliest.

To prepare the application for a residential LAMIRD designation, the proposed boundaries must be carefully drawn with LAMIRD criteria in mind. The criteria that must be satisfied for a residential LAMIRD designation is set forth in RCW 36.70A.070(5)(d)(iv) and (v). The statutory criteria provides:

(iv) A county shall adopt measures to minimize and contain the existing areas or uses of more intensive rural development, as appropriate, authorized under this subsection. Lands included in such existing areas or uses shall not extend beyond the logical outer boundary of the existing area or use, thereby allowing a new pattern of low-density sprawl. Existing areas are those that are clearly identifiable and contained and where there is a logical boundary delineated predominately by the built environment, but that may also include undeveloped lands if limited as provided in this subsection. The county shall establish the logical outer boundary of an area of more intensive rural development. In establishing the logical outer boundary, the county shall address (A) the need to preserve the character of existing natural neighborhoods and communities, (B) physical boundaries, such as bodies of water, streets and highways, and land forms and contours, (C) the prevention of abnormally irregular boundaries, and (D) the ability to provide public facilities and public services in a manner that does not permit low-density sprawl;

(v) For purposes of (d) of this subsection, an existing area or existing use is one that was in existence:

(A) On July 1, 1990, in a county that was initially required to plan under all of the provisions of this chapter;

RCW 36.70A.070(5)(d)(iv) and (v). Following the state statute, the County also has LAMIRD designation criteria. County Comprehensive Plan **Policy 2HH-1**. Key mandatory criteria for land considered for Rural Community LAMIRD designation under the County Comprehensive Plan are:

- That the land was characterized by existing development more intensive than surrounding rural areas as of July 1, 1990; and
- That the land is not currently designated by the Comprehensive Plan as UGA or Resource Lands.

County Comprehensive Plan **Policy 2HH-1.A**.

The County Comprehensive Plan also contains the following additional locational criteria to consider for evaluation in combination, all of which need not apply.

- The existing (1990) residential built environment was more intensively developed than surrounding areas;
- Public services are available to serve potential infill, such as adequate potable water and fire protection, transportation facilities, sewage disposal and stormwater control;
- The area is planned for more intensive development in a post-GMA plan;
- Existing zoning prior to LAMIRD designation, except zoning may not be a sole basis for designation.

County Comprehensive Plan **Policy 2HH-1.B**.

If an area satisfies the above LAMIRD criteria in **Policy 2HH-1.A** and generally conforms to one or more of the criteria in **Policy 2HH-1.B** above, then the outer boundary criteria set forth in **Policy 2HH-1.C** will be used to determine the boundaries. The outer boundary “must minimize and contain areas of intensive development and be delineated predominately by the built environment” and shall include:

- Areas that were intensively developed and characterized by the built environment (including water lines and other utility lines with capacity to serve areas of more intensive uses) on July 1, 1990;
- Areas that on July 1, 1990, were not intensively developed may be included within Rural Community boundaries if they meet any of the following conditions:
 - Including area helps preserve character of existing built neighborhood
 - Including area allows the logical outer boundary to follow a physical boundary such as bodies of water, streets and highways, and land forms and contours
 - Including the area prevents logical outer boundary from being abnormally irregular
 - Including the area is consistent with efficient provision of public facilities and services in a manner that does not permit low-density sprawl

- Including area does not create a new pattern of low-density sprawl.

County Comprehensive Plan **Policy 2HH-1.C**

Based on the foregoing, support for a LAMIRD designation for the Northshore area requires identifying the existing built environment as of 1990 and determining a logical outer boundary per the above criteria. Assessor's office records and aerial photographs may be used. Limiting connection to sewer to assure it does not promote sprawl will likely be required with any LAMIRD.

Appeals: An appeal of a LAMIRD designation by the County Council is made to the Growth Management Hearings Board. Any appeal from a Growth Management Hearings Board decision is made to Superior Court. From there to Court of Appeals Division 1 in Seattle. And discretionary review is possible from there by the State Supreme Court.

VI. PATH 2: OBTAIN CONDITIONAL USE PERMIT

New sewer extensions outside a UGA and LAMIRD are authorized in WCC 20.82.030(4) by conditional use permit. WCC 20.82.030(4) provides in part that "Sewer lines shall not be extended to serve lots in rural areas unless such extensions are shown to be necessary to protect basic public health and safety and the environment, and when such services are financially supportable at rural densities and do not permit urban development." Therefore, to make the case for a sewer extension at Northshore Road the District must produce evidence showing that the above standards are met.

In addition, the general conditional use permit criteria of the County must also be satisfied. WCC 20.84.220. One particular criteria is that the proposal "(1) Will be harmonious and in accordance with the general and specific objectives of Whatcom County's Comprehensive Plan and zoning regulations." WCC 20.84.220(1). It is to meet this criteria that **Policy 2T-2** must be amended to remove the categorical prohibition on sewers outside Short Term Planning Areas. But based on the Comprehensive Plan text amendments currently being considered by the Planning Commission, it is highly likely that this prohibition on sewers in **Policy 2T-2** will be removed in the near future.

Obtaining a conditional use permit requires filing a conditional use permit application with Whatcom County, County SEPA review, production of a staff report, and a public hearing before the County Hearing Examiner. The application can be filed at any time that the District believes it has the evidence at hand to make its case. If all criteria are met, the Hearing Examiner must grant approval. Usually conditions are attached to any approval.

To obtain a Northshore sewer extension conditional use permit, it will be vital to produce evidence that pollution from existing septic systems is reaching the Lake or at least that existing septic systems at their present locations and numbers generate a significant risk of producing a

public health problem. *Thurston County v. Cooper Point Association, et al.*, 148 Wn. 2d 1, 17-18. Supporting testimony from Department of Ecology would be extremely helpful, as would other expert testimony. Conditions on any approval will likely also require restrictions on connection to the sewer by new subdivisions, but it is premature to speculate on the nature of the restriction likely required.

In the event a preponderance of the evidence before the Hearing Examiner demonstrates that the specific and general criteria for a conditional use permit are met, the Hearing Examiner may grant approval and the extension may be completed.

Appeals: Appeals of a conditional use permit approval or denial are heard on the record by the County Council. Any appeal of the decision of the County Council is by Land Use Petition Act ("LUPA") Petition, filed under Chapter RCW 36.70C., directly to Superior Court, again on the record. Appeals from Superior Court go to the Court of Appeals, Division 1 in Seattle. Any review from there is to the State Supreme Court.

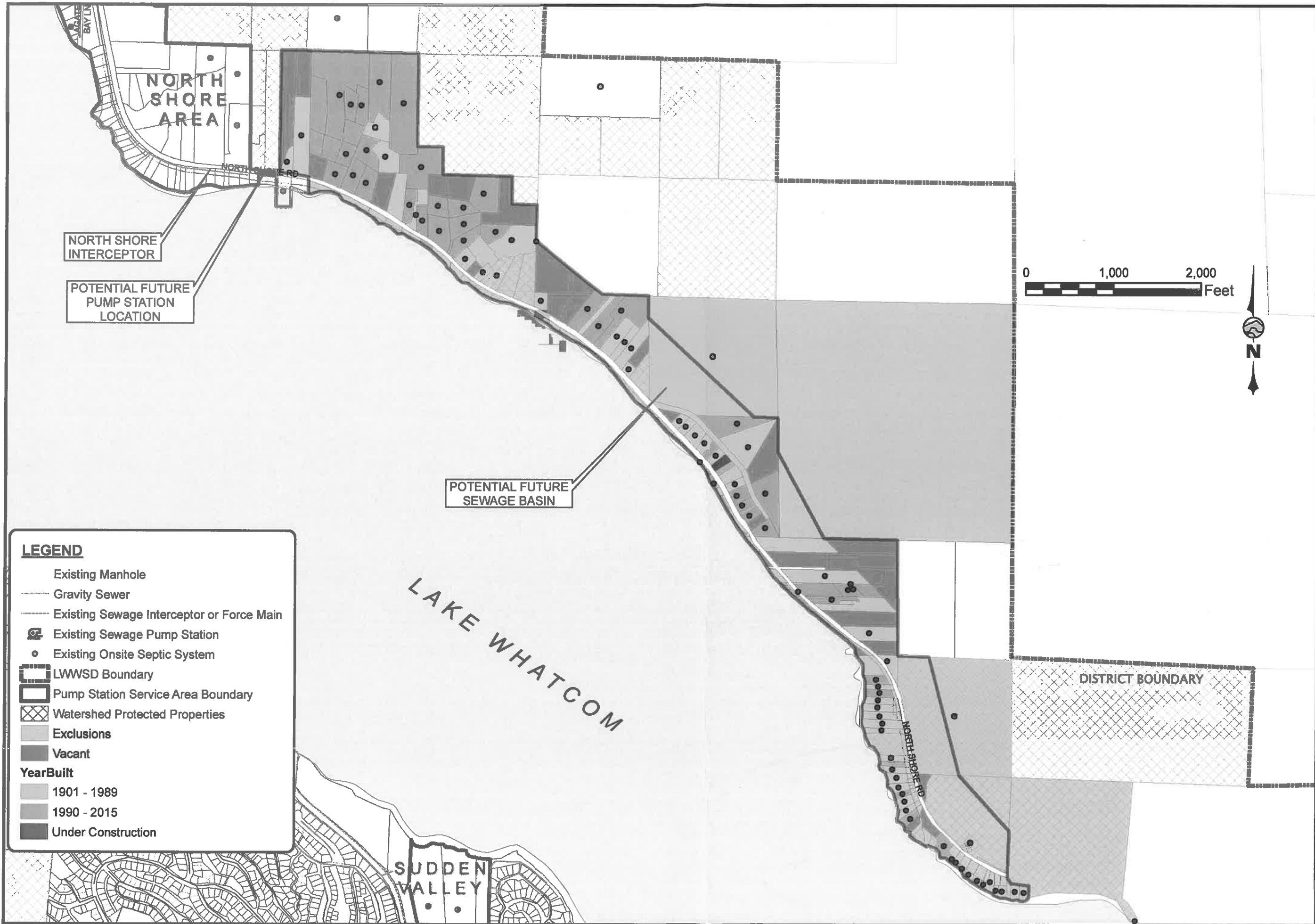
VII. POTENTIAL NEXT STEPS IN PROCESS (no set order)

1. Feasibility review to determine evidence needed to support each path/strength of case.
2. Feasibility review to determine how to pay for extension.
3. Meet with elected officials from County and City to gauge level of potential support.
4. Meet with staff from County, City, and Department of Ecology to discuss best path forward.
5. Work with County staff on bringing proposal forward.

NORTHSHORE ROAD OSS DATA								
				PERMIT				
prop_id	geo_id	YearBuilt	INSTALL DATE	SUBMITTAL	INSPECTION	OSS		
				DATE	DATE	OSS TYPE	INSP TYPE	STATUS
28972	370405461512	1979						
83865	380430507018	1901	7/11/2014	6/4/2014	7/11/2014	ATU-PD	NEW	
84069	380432409074	1908			2/28/2013	CG	ROSS	MN-Pump
84001	380432220473	1914		6/9/1987	4/15/2014	CG	ROSS	Satisfactory
83860	380430501040	1920		7/13/2004	7/12/2012	CG	HROSS	Satisfactory
83967	380432101474	1929		6/29/1972	6/25/2014	CG	ROSS	Satisfactory
84053	380432398124	1930		9/17/1984	6/5/2012	P-GD	ROSS	MN-Mini
29003	370405540448	1934		8/4/1998	5/3/2012	P-GD	ROSS	MN-Mini
29006	370405548451	1934		8/29/2012	9/17/2014	PD	ROSS	Satisfactory
28991	370405507471	1935			4/10/2014	CG	ROSS	Satisfactory
28998	370405523493	1935			6/30/2014	CG	ROSS	MN-Pump
83964	380432095482	1936	4/26/2007	2/22/2007	5/21/2014	BIO	ROSS	Satisfactory
173194	380432166425	1945	10/26/2009	5/18/2007	12/6/2011	PD	ROSS	Satisfactory
28960	370405450530	1946		5/15/1997	10/1/2011	CG	HROSS	Satisfactory
83939	380432007557	1946		6/25/1969	11/16/2011	CG	HROSS	Satisfactory
83843	380430486030	1949	6/15/2009	10/17/1997	7/17/2014	PD	HROSS	Satisfactory
84071	380432412058	1949		7/17/1996	4/23/2014	P-GD	ROSS	Satisfactory
84092	380432510075	1949			4/21/2014	PD	ROSS	Satisfactory
28953	370405438554	1950		6/5/2012	9/26/2012	ATU-PD	ROSS	Satisfactory
28957	370405447538	1950			6/2/2014	CG	ROSS	Satisfactory
83968	380432108466	1954			8/28/2013	CG	ROSS	MN-Pump
28426	370404011364	1961			12/29/2011	P-GD	ROSS	MN-Major
84077	380432426006	1961		3/30/1989	4/9/2014	PD	ROSS	Satisfactory
29001	370405534456	1962			6/21/2014	CG	HROSS	Satisfactory
83807	380430428098	1962	12/21/2004	5/10/1996	7/5/2012	P-GD	ROSS	Satisfactory
84060	380432406049	1962			5/22/2014	CG	HROSS	Satisfactory
28427	370404022361	1967			5/3/2012	CG	ROSS	MN-Mini
175503	380432336222	1968	9/6/2002	8/8/2002	4/14/2014	ATU-DI	ROSS	Satisfactory
29008	370405556447	1968			12/14/2011	CG	ROSS	Satisfactory
84009	380432233326	1971		11/22/2002	5/10/2012	CG	ROSS	MN-Pump
84073	380432421019	1971			6/24/2010	P-GD	ROSS	Satisfactory
83986	380432183411	1972	6/26/2006	4/24/2006	6/10/2014	ATU-PD	ROSS	Satisfactory
83991	380432195367	1972			6/20/2014	CG	ROSS	Satisfactory
84057	380432402159	1973		5/26/1972	4/15/2012	CG	HROSS	Satisfactory

NORTHSHORE ROAD OSS DATA								
prop_id	geo_id	YearBuilt	INSTALL DATE	PERMIT	INSPECTION		OSS	STATUS
				SUBMITTAL DATE	DATE	OSS TYPE INSP TYPE		
28988	370405503478	1974			5/4/2015	CG HROSS		Satisfact
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83877	380430540056	1976	7/20/1976	7/30/1974	9/22/2014	CG ROSS		MN-Mini
28951	370405436563	1977			5/12/2011	P-GD ROSS		Satisfact
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83687	380430248170	1977	6/11/2009	9/8/2008	5/22/2012	BIO ROSS		Satisfact
84064	380432408082	1977		1/10/1977	5/30/2014	CG ROSS		Satisfact
83970	380432110450	1978			7/21/2010	CG ROSS		Satisfact
84061	380432406098	1978		7/11/1964	10/4/2012	CG ROSS		Satisfact
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173192	380432172419	1983	4/16/2009	9/17/2008	5/19/2014	PD HROSS		Satisfact
83787	380430377173	1983	6/8/1999	1/6/1998	6/2/2012	CG HROSS		Satisfact
83770	380430342139	1985		5/16/1991	6/20/2014	P-GD ROSS		MN-Pum
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84006	380432227335	1986		3/5/1986	7/10/2010	CG ROSS		MN-Mini
84048	380432382192	1987		4/20/1995	4/26/2012	CG ROSS		MN-Pum
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83704	380430308156	1990		11/15/1989	8/20/2013	P-GD ROSS		MN-Mini
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83768	380430340230	1990		6/11/1990	1/27/2015	M ROSS		Satisfact
84055	380432401107	1990		10/16/1988	9/17/2014	PD HROSS		Satisfact
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83764	380430330126	1992		6/19/1990	8/20/2013	P-GD ROSS		Satisfact
83775	380430347173	1992		10/6/1988	8/20/2013	P-GD ROSS		MN-Mini
83756	380430324153	1993	2/22/2006	7/13/1994	8/20/2013	P-GD ROSS		MN-Pum
84035	380432341206	1993		2/2/1981	12/19/2014	P-GD HROSS		Satisfact
83778	380430358195	1994		6/28/1990	10/14/2011	P-GD HROSS		Satisfact
83809	380430430140	1994	7/6/1986	11/19/1993	1/27/2012	NP-M ROSS		MN-Pum
84018	380432255292	1996	3/3/2011	5/1/2006	5/17/2013	SF-M ROSS		Satisfact
28955	370405443546	1997		5/10/1996	4/14/2014	P-GD HROSS		Satisfact

NORTHSHORE ROAD OSS DATA								
				PERMIT				
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84025	380432270345	1997		8/5/1996	10/11/2010	CG	ROSS	Satisfact
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83755	380430320150	2001		9/30/1998	2/6/2010	P-GD	ROSS	MN-Mini
84013	380432242336	2001		9/23/1996	1/10/2015	P-GD	HROSS	Satisfact
83774	380430346202	2002		3/20/2002	6/19/2014	M	ROSS	Satisfact
83789	380430379225	2002		1/6/1998	11/30/2011	CG	HROSS	Satisfact
83823	380430450060	2002	11/2/2001	2/9/2005	3/19/2012	P-GD	HROSS	Satisfact
84024	380432269277	2002		4/27/2001	4/20/2015	BIO	ROSS	Satisfact
83776	380430349121	2004		10/27/2003	8/28/2010	CG	ROSS	Satisfact
83793	380430409203	2004		12/6/1988	6/30/2014	P-GD	ROSS	Satisfact
83953	380432060521	2004		10/8/1969	5/24/2010	CG	ROSS	Satisfact
84051	380432391206	2004		1/24/2001	1/8/2013	BIO	ROSS	Satisfact
84062	380432407091	2004		8/18/1986	6/23/2011	P-GD	ROSS	Satisfact
28986	370405493492	2005			11/10/2011	ATU-DI	ROSS	Satisfact
83797	380430415090	2005		1/6/2009	6/11/2014	P-GD	ROSS	Satisfact
83821	380430448089	2005	8/25/2005	9/30/2004	5/19/2014	BIO	ROSS	MN-Mini
83838	380430480073	2005	4/9/2006	3/3/2004	9/14/2012	BIO	ROSS	Satisfact
83863	380430504105	2006	1/12/2006	8/26/2004		BIO		
83867	380430510064	2006		4/13/2005	11/26/2014	BIO	ROSS	Satisfact
28959	370405448518	2007		6/8/2009	7/20/2009	PD	HROSS	Satisfact
83833	380430473088	2007		8/26/2004	4/22/2015	BIO	ROSS	Satisfact
84044	380432371206	2007	3/28/2013	1/21/2003	8/7/2014	ATU-PD	ROSS	Satisfact
83971	380432110540	2008	6/17/2006	8/23/2005	1/25/2015	BIO	ROSS	Satisfact
84008	380432230425	2008	10/7/2009	6/23/2008	12/6/2011	PD	ROSS	Satisfact
84011	380432239317	2008	2/13/2012	9/19/2008	2/13/2012	SF-M	ROSS	Satisfact
84040	380432355196	2009		10/30/2002	6/21/2014	ATU-PD	ROSS	Satisfact
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83835	380430478051	2012	9/30/2011	2/19/2010	9/30/2011	PD	NEW	Satisfact
83995	380432205362	2014	9/4/2014	2/27/2004	9/4/2014	P-GD	NEW	Satisfact



WILSON ENGINEERING, LLC
805 DUPONT STREET
BELLINGHAM, WA 98225
(360) 733-6100 FAX (360) 647-5061
www.wilsonengineering.com

Wilson
SURVEY/ENGINEERING

DESIGNED BY
MMM

DRAWN BY
RON/RW

CHECKED BY
MMM

LAKE WHATCOM WATER & SEWER DISTRICT
WASHINGTON
NORTHSHORE SEWER EXTENSION
LAND OCCUPANCY

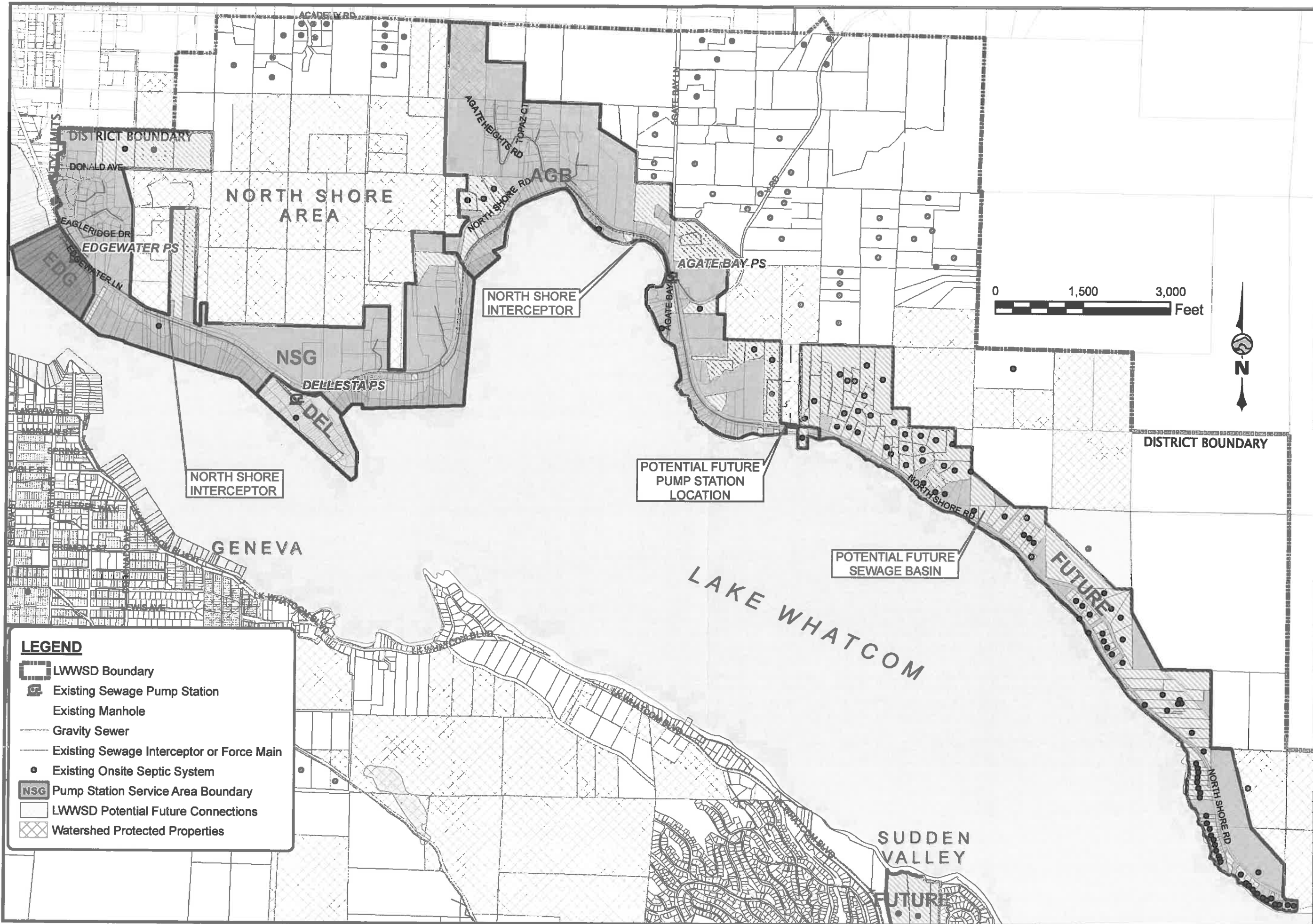
DATE
NOV 2015

SCALE
AS SHOWN

JOB NO.
2015-053

SHEET
1

OF
1



Wilson
SURVEY/ENGINEERING

WILSON ENGINEERING, LLC
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BELLINGHAM, WA 98225
(360) 733-6100 FAX (360) 647-9061
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DESIGNED BY MMM	LAKE WHATCOM WATER & SEWER DISTRICT	
	EXHIBIT J-4	
DRAWN BY RDN	WASHINGTON	
	WHATCOM COUNTY	
CHECKED BY MMM	NORTH SHORE	
	POTENTIAL SEWER GROWTH MAP	

DATE
JUNE 2013

SCALE
AS SHOWN

SHEET
1

JOB NO.
2013-014

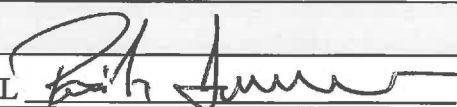
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039



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	April 20, 2016		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL 		
MEETING AGENDA DATE:	April 27, 2016		
AGENDA ITEM NUMBER:	5.B.		
SUBJECT:	Bonding Follow Up Information		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL:	1. Bond Summary Information		
	2. Financial Impact Spreadsheet		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL/ OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

At the April 11th meeting, Jim Nelson from DA Davidson presented the option of refunding our current 2009 bond issue and re-financing the Post Point contract that the District currently holds with the City of Bellingham. The option was also presented that if the District has a new money need we may want to include that financing to achieve economies of scale.

Two new money projects were included in the preliminary discussion:

- Financing the \$800,000 Division 22 Reservoir additional costs.
- Financing the \$400,000 Strawberry Point Pump Station Improvements Project.

FISCAL IMPACT

The fiscal impact is summarized on the attached spreadsheet which illustrates options as they relate to the Debt Service Coverage ratio. The Annual Debt Service Impact is also shown for comparison.

RECOMMENDED BOARD ACTION

Staff recommends the \$1.2 Million new money option to be included with the Refunding and Post Point refinance bond issue proposal.

PROPOSED MOTION

To approve the \$1.2 Million new money option to be included with the Refunding and Post Point refinance bond issue proposal.

Debt – Part of the Capital Funding Toolbox

- Capital funding tools smooth out timing of capital funding demands, to better match timing of operating revenues
 - Grants etc.
 - Revenues – rates and permits
 - Reserves – saved up in advance of the need
 - Debt – pay with ongoing revenue
- Debt is a useful part of the capital funding toolbox
 - Timing – you get the money when you need it
 - Intergenerational equity – pay as you use
- However, the amount of debt must be limited and monitored
 - Debt reduces financial flexibility for the government – you can't cut debt service if your revenues fall short
 - Debt is more expensive than reserves – you pay interest instead of earning interest

Debt Policy Statement

- Debt policies are written guidelines and restrictions affecting the debt issuance activities of a government. The set forth policies of debt issued, and the debt issuance processes. The policy statement identifies policy goals, provides justification for the debt issue, and demonstrates a commitment to long-term financial planning.
- Provides a basis for evaluating the impact of any new debt on the government's financial condition
- Communicates to ratepayers and bondholders that the government is prudent and has a policy basis for debt.

Credit Ratings

- There are four key elements of credit ratings
 - Economic base and strength of security pledge – 40%
 - Financial strength/health of the issuer – 40%
 - Use of long-term debt and other non-bonded obligations – 10%
 - Management and governance – 10%

Capital Planning Process

- Prioritize projects based upon costs and benefits
- Develop long-term forecast with a financial model (FCS Group)
- Debt term should not exceed asset life
- New debt service should be viewed along with existing debt service, so cumulative debt burden can be evaluated

	ACTUALS		PROJECTIONS - DERIVED FROM WATER/SEWER RATE MODELS					Source Model
	2016	2017	2018	2019	2020	2021		
Revenues of the System								
Operating Revenue	\$5,888,026	\$6,064,667	\$6,246,607	\$6,434,005	\$6,627,025	\$6,825,836	Increased Revenue from Rate Increases (3%)	
Non-Operating Revenue	90,000	90,000	90,000	90,000	90,000	90,000	Fees (Late Fees, Lock fees, Billing Suspension fees etc)	
Capital Contributions	100,000	100,000	100,000	100,000	100,000	100,000	Assumes 10 permits at \$10,00 for Capital Contributions	
ULID Revenue	60,000	55,000	50,000	45,000	40,000	35,000		
Total Revenue	6,138,026	6,309,667	6,486,607	6,669,005	6,857,025	7,050,836		
Costs of Maintenance and Operation ⁽¹⁾	3,769,244	3,882,321	3,998,791	4,118,755	4,242,317	4,369,587	Increased Expenses (3%)	
Net Revenue Available for Debt Service	2,368,782	2,427,345	2,487,816	2,550,250	2,614,708	2,681,249		
Maximum Annual Debt Service	888,259	899,447	899,447	899,447	899,447	899,447	Includes 2009 Bond, Post Point, DWSRF Loans, PW Loan	
Debt Service Coverage	2.67	2.70	2.77	2.84	2.91	2.98	\$1.2M new money (Divv 22 Res and Strawberry Point Pump)	

(1) Excludes Depreciation, Debt Service and Capital Outlay

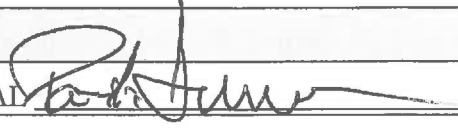
	ACTUALS	PROJECTIONS - DERIVED FROM WATER/SEWER RATE MODELS					Source Model
	2016	2017	2018	2019	2020	2021	
Revenues of the System							
Operating Revenue	\$5,888,026	\$6,064,667	\$6,246,607	\$6,434,005	\$6,627,025	\$6,825,836	Increased Revenue from Rate Increases (3%)
Non-Operating Revenue	90,000	90,000	90,000	90,000	90,000	90,000	Fees (Late Fees, Lock fees, Billing Suspension Fees etc)
Capital Contributions	100,000	100,000	100,000	100,000	100,000	100,000	Assumes 10 permits at \$10,00 for Capital Contributions
ULID Revenue	60,000	55,000	50,000	45,000	40,000	35,000	
Total Revenue	6,138,026	6,309,667	6,486,607	6,669,005	6,857,025	7,050,836	
Costs of Maintenance and Operation ⁽¹⁾	3,769,244	3,882,321	3,998,791	4,118,755	4,242,317	4,369,587	Increased Expenses (3%)
Net Revenue Available for Debt Service	2,368,782	2,427,345	2,487,816	2,550,250	2,614,708	2,681,249	
Maximum Annual Debt Service	888,259	871,724	871,724	871,724	871,724	871,724	
Debt Service Coverage	2.67	2.78	2.85	2.93	3.00	3.08	
							Includes 2009 Bond, Post Point, DWSRF Loans, PW Loan \$800,000 new money (Div 22 Res)

(1) Excludes Depreciation, Debt Service and Capital Outlay



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

DATE SUBMITTED:	April 20, 2016		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL 		
MEETING AGENDA DATE:	April 27, 2016		
AGENDA ITEM NUMBER:	5.C.		
SUBJECT:	General Engineering and Country Club Pump Station Consultant Selection Committee		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL:	1. 2. 3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL/ OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

The District advertised a Request for Qualifications (RFQ) for two projects: (1) General Engineering Services and (2) Country Club Sewer Pump Station Improvements. The advertisement was published in the Bellingham Herald on March 18, 2016. Submittals were due on April 14, 2016. The District received submittals from 6 firms (in alphabetical order):

- BHC Consultants, LLC
- CHS Engineers
- Gray & Osborne, Inc.
- Reichhardt & Ebe Engineering Inc
- RH2 Engineering, Inc.
- Wilson Engineering, LLC

The General Engineering Services contract will be a 5-year agreement. The Country Club Sewer Pump Station Improvements is for pre-design thru construction – construction is planned for summer 2017.

Staff recommends forming a consultant selection committee (1 or 2 commissioners and 3 staff) to review and rank each firm's qualifications, discuss observations and thoughts with committee members, if needed interview short-listed firms, and conclude the process by making a recommendation to the Board of Commissioners for each project.

Staff proposes two meeting dates (times and dates are flexible):

- 1. Tuesday, May 10, 2016 between 9am and 11am. Discuss and rank firms for each project and decide if interviews are needed.
- 2. Tuesday, May 24 2016 from 8am to noon. If needed, conduct interviews to determine finalist(s).

The goal is to present the committee recommendation at the 8am May 25th Board of Commissioner meeting.

Copies of the published Request for Qualifications, Scoring and Evaluation Worksheets, and Firm Submittals will be given to committee members at this Board meeting.

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

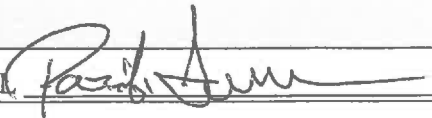
See below.

PROPOSED MOTION

Commissioners _____ and _____ will participate in the consultant selection committee to review qualifications and select consultants for General Engineering Services and Country Club Sewer Pump Station Improvements.



LAKE WHATCOM WATER AND SEWER DISTRICT
AGENDA BILL

DATE SUBMITTED:	April 21, 2016		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL 		
MEETING AGENDA DATE:	April 27, 2016		
AGENDA ITEM NUMBER:	5.D.		
SUBJECT:	Sudden Valley Community Association Culvert Replacement Coordination		
LIST DOCUMENTS PROVIDED ⇒ NUMBER OF PAGES INCLUDING AGENDA BILL:	1.		
	2.		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL/ OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Sudden Valley Community Association (SVCA) is planning to replace 4 storm drain culverts in Sudden Valley this summer. Three of the sites require relocation of public water and/or sewer mains to accommodate the new culvert configurations.

SVCA would like the District to pay for relocating the public water/sewer mains. Wilson Engineering, acting as SVCA's consultant, developed a draft Developer Extension Agreement to coordinate the work. Staff and the District attorney have reviewed the draft document.

The District, being a public entity, must follow certain state laws that do not apply to private entities such as SVCA. The District's attorney, Bob Carmichael, will discuss the legal requirements and options available to the District to coordinate with SVCA on the culvert replacements.

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

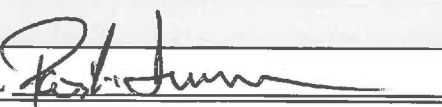
None.

PROPOSED MOTION

None.



LAKE WHATCOM WATER AND SEWER DISTRICT
AGENDA BILL

DATE SUBMITTED:	April 19, 2016		
TO BOARD OF COMMISSIONERS			
FROM: Patrick Sorensen	MANAGER APPROVAL 		
MEETING AGENDA DATE:	April 27, 2016		
AGENDA ITEM NUMBER:	7.0		
SUBJECT:	Manager's Report		
LIST DOCUMENTS PROVIDED ⇨ NUMBER OF PAGES INCLUDING AGENDA BILL: _____	1. Manager's Report		
	2.		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL/ OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Updated information from the General Manager in advance of the Board meeting.

FISCAL IMPACT

None

RECOMMENDED BOARD ACTION

None required.

PROPOSED MOTION

None

General Manager Comments

April 27, 2016

Important Upcoming Dates:

- **Meetings Associated with the Lake Whatcom Management Program:**
 - **Policy Group Meeting:** The next meeting is scheduled for Monday, April 25, 2016 at 3:00 p.m. in the City of Bellingham's Fireplace Room located in the bottom floor of the Municipal Court Building at 625 Halleck Street. The Fireplace Room is located next to the City's Information Technology Office on the east side of the Court Building. The May meeting will be held on Monday the 23rd at the same time and location.
 - **Management Meeting:** The date for the next meeting with the Mayor and County Executive has not been set at this time.
- **Next Regular Board Meeting:** The next meeting will be held on **Wednesday, May 11, 2016** at 6:30 p.m.
- **Employee Staff Meeting:** The next staff meeting is set for **Thursday, May 12, 2016 at 8:00 a.m.** in the Board Room. Commissioner Casey is scheduled to attend this meeting.
- **Employee Safety Committee Meeting:** The next meeting is set for **May 12, 2016 at 8:00 a.m.** in the small conference room.
- **Washington Association of Sewer & Water Districts (WASWD) Section III Meeting:** The next Section III meeting will be held at Bob's Burger & Brew in Tulalip on May 10, 2016 at 6:15 p.m.
- **Whatcom Water District's Caucus Meeting:** The next Caucus meeting is set for **May 18, 2016** at 1:00 p.m. in the Board Room.

Other:

- **Committee Meeting Reports as Needed:** This is a place holder for Board and staff members to report on recent committee meetings, such as the Lake Whatcom Policy Group, since the last Board Meeting.