Lake Whatcom Water and Sewer District Special Meeting of the Board of Commissioners August 18, 2016

Acting Board President Todd Citron called the Special Session to order at 6:30 p.m. Other District representatives present included Commissioners Curtis Casey and Bruce R. Ford, General Manager Patrick Sorensen, District Engineer Bill Hunter, consulting engineer Melanie Mankamyer, legal counsel Robert Carmichael and Finance Manager and Recording Secretary Debi Denton. Commissioner Weide was excused from the meeting. There were no members of the public present.

Consent Agenda

Action Taken

Casey moved, Ford seconded, approval of:

- Accounts Payable Vouchers totaling \$132,485.29
- Accounts Payable Vouchers Second Quarter Payroll Taxes totaling \$7,214.39
- Payroll for Pay Period #16 (7/16/2016 through 7/29/2016) totaling \$38,450.97
- Payroll Benefits for Pay Period #16 totaling \$39,444.21
- Minutes for the July 27, 2016 Meeting

Motion passed.

Sewer Connection Issue – Resolution 828

At the June 8, 2016 meeting, the Board considered two options pertaining to septic system users who have been requested to connect to the District's sewer system but have not yet done so. One of the options the Board considered and selected was to "enforce existing District policy and compel connection of the unconnected properties".

Legal counsel Bob Carmichael gave an overview of Resolution 828 reaffirming the District's long-standing policy requiring sewer connection for those properties using septic systems after sewer service has been made available. Owners of effected properties will be given twelve months' notice to connect to the sewer system after which time the District will enforce connection utilizing its authority under RCW 57.08.005(9). Discussion followed.

Action Taken

Casey moved, Ford seconded, to approve Resolution 828 and direct staff to send a letter substantially in conformance with Exhibit A thereof to effected property owners and to work with such owners. Motion passed.

There was also an unusual instance of a Geneva property owner who discovered that they were still using an old septic system instead of being connected to the sewer as they and the District had thought. Sewer service was made available to this particular property located on Fremont Street in 1982. Staff and legal counsel have been investigating the situation and have drafted a letter to the property owner. The Board discussed the draft letter.

Action Taken

Casey moved, Ford seconded, to approve and authorize the General Manager to send the proposed letter and offer dated August 19, 2016 to the owner of 4815 Fremont Street. Motion passed.

Monthly Budget Analysis

Denton presented highlights of the July Monthly Budget Analysis and reported on the state audit and the upcoming interim rate study.

Summary of Existing District Projects

Hunter reported regarding the Division 22 Reservoir Project, the Sudden Valley Culvert Replacement Project, Strawberry Point Sewer Pump Station Improvements Project, Whatcom Falls Manhole Project and various on-going maintenance projects that District staff has been working on.

McGuire Hydrant DEA Application

Hunter informed the Board that building contractor Kelly Zender is requesting to enter into a Developer Extension Agreement to install one fire hydrant on behalf of the owner of a new home being built at 2355 North Shore Road. The proposed fire hydrant will be installed at the end of the Districts 8" water main that ends on Agate Heights Road.

Action Taken

Casey moved, Ford seconded, to approve the McGuire Developer Extension Agreement to install one fire hydrant on Agate Heights Road. Motion passed.

Country Club Sewer Pump Station Improvements – Engineering Agreements
Hunter explained that during the spring of 2016 the District completed an engineering consultant selection process for the County Club Sewer Pump Station Improvements Project and formally selected BHC Consultants. BHC and staff have developed a scope of work and schedule with the goal of construction occurring during summer 2017. Due to the proximity to Lake Louise, a Whatcom County Substantial Shoreline Development Permit will be required. This permit process will take several months to complete and needs to begin as soon as possible in order for the project to be ready for construction in 2017.

The District's Capital Improvement Plan estimated \$669,500 for the project, including permitting, design, and construction. Staff recommends allocating an additional \$153,093 from the 2016 operating fund to pay for this project. Discussion followed.

Action Taken

Casey moved, Ford seconded, to approve BHC's Scope of Work and Fee Estimate for time and materials not to exceed \$153,093; and authorize the General Manager to sign and execute the Architectural/Engineering Agreement. Motion passed.

Action Taken

Casey moved, Ford seconded, to authorize \$153,093 operating funds to be allocated to the Country Club Sewer Pump Station Project for the scope of work and fee as presented by staff. Motion passed.

Manager's Report

The Manager's Report was briefly discussed. Commissioner Casey agreed to attend the staff meeting on August 23, 2016 at 8:00 a.m.

Executive Session Per RCW 42.30.140(4) – Personnel and RCW 42.30.110(1)(i) – Potential Litigation 30 Minutes

Citron recessed the Special Session to Executive Session at 7:29 p.m. The purpose of the Executive Session was to discuss Personnel and Potential Litigation. It was estimated that the Executive Session would take about 30 minutes. Citron recessed the Executive Session and reconvened the Special Session at 7:40 p.m.

Action Taken

Casey moved, Ford seconded, to authorize the General Manager to approve a settlement with the Heintz party of up to \$50,000.00 with the District paying a deductible of \$5,000.00 and the Heintz party releasing all claims against the District and dismissing the grievance under the AFSCME Union Contract. Motion passed.

With no further business, Citron adjourned the Special Session at 7:41 p.m.

Recording Secretary, Debi Denton

9-31-2016 Date Minutes Approved

Todd Citron

Bruce R. Ford