



LAKE WHATCOM WATER AND SEWER DISTRICT
1220 Lakeway Drive
Bellingham, WA 98229

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

AGENDA

February 14, 2018

6:30 p.m. – Regular Session


1. CALL TO ORDER
2. PUBLIC COMMENT OPPORTUNITY
At this time, members of the public may address the Commission. Please state your name prior to making comments.
3. ADDITIONS, DELETIONS, OR CHANGES TO THE AGENDA
4. CONSENT AGENDA
5. SPECIFIC ITEMS OF BUSINESS:
 - A. Salary & Benefits Survey Update
 - B. Surplus Items Disposal
 - C. Commissioner Vacancy
 - D. Succession Planning & Staffing Levels
6. OTHER BUSINESS
7. MANAGER'S REPORT
8. PUBLIC COMMENT OPPORTUNITY
9. ADJOURNMENT



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

Item 5.A.

DATE SUBMITTED:	February 6, 2018	MEETING DATE:	February 14, 2018
SUBJECT:	Salary & Benefits Survey Update		
TO: BOARD OF COMMISSIONERS	FROM: Patrick Sorensen, General Manager		
MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. Proposal from Ross Ardrey, NW Management Consulting, LLC dated January 4, 2018 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

By policy every 4 years the District conducts a salary and benefits study which evaluates our position in the market place. The last two surveys have been conducted by Gene Matt & Associates. Mr. Matt has opted not to submit a proposal this time around as he is retiring this year. The District sought proposals from two other providers who have had experience with public agencies in western Washington (in particular water and sewer districts).

After a careful review I selected Ross Ardrey from NW Management Consulting to conduct the survey this year. Like our prior consultant, Mr. Ardrey is experienced with conducting salary and benefit surveys with water and sewer districts and cities in western Washington. He has likewise conducted a survey with our District, before my time, and has assisted us in specialized job recruitments.

As in the past the completed survey will be used by the District and labor union in our upcoming contract negotiations later this summer. Mr. Ardrey has met with both District management and labor representatives. We have invited him to visit with the Board at your meeting and address any questions you may have. He will explain the survey schedule and format to be followed. We are essentially following the approach we have done previously. A copy of his proposal is attached.

FISCAL IMPACT

The Ardrey proposal is for a fee of \$17,200 plus expenses of \$1,430 for a total cost not to exceed \$18,630. The billing rate is \$100 per hour without any markup. It is projected that the consultant will take up to 172 hours to complete the project. Our last survey cost approximately \$22,000 four years ago. The other proposer had a cost estimate of \$25,000 to \$35,000. This year's survey was approved and budgeted for within the 2018 budget.

RECOMMENDED BOARD ACTION

Because the project is budgeted for and it falls under the \$25,000 threshold I have developed and authorized a professional services contract with Mr. Ardrey. We have just started the process. I wanted him to meet the Board early on in this effort.

PROPOSED MOTION

A formal motion is not required, but Mr. Ardrey would like to meet you and hear your thoughts.

NW MANAGEMENT CONSULTING, LLC

• COMPENSATION • HUMAN RESOURCES

2720 Hoyt Avenue #11
Everett, WA 98201

Phone: (425) 252-4234

Cell: (206) 818-4234

Email: ross.ardrey@gmail.com

January 4, 2018

Board of Commissioners
Lake Whatcom Water & Sewer District
1220 Lakeway Drive
Bellingham, Washington 98229

PROPOSAL BID

This letter transmits a proposal for the District's Non-Rep and AFSCME compensation survey. The study is intended to build on the District's previous surveys, assure consistency and non-discriminatory study methods, and continue Board, Management and AFSCME presentation formats.

The study includes joint efforts on project plans, management and staff interviews, site-based surveys, and multiple Management and AFSCME review workshops. The not-to-exceed bid for professional fees is \$17,200 with expenses at \$1,430 so the not-to-exceed maximum for professional fees and expenses is at \$18,630.

CONSULTANT EXPERIENCE

NW Management Consulting is the compensation and human resources consulting practice of Ross J. Ardrey. The firm is located in Everett. Mr. Ardrey's Degrees: B. A., University of Chicago; M. A., Graduate School, U of W; J. D., School of Law, U of W.

Mr. Ardrey has successfully completed about 40 projects for North Sound cities and water/sewer districts including Lake Whatcom Water & Sewer District. The first district salary study he completed was for Alderwood Water District way back in 1975. The most recent was with the PUD of Skagit County in 2017. Examples of recent projects:

<u>Water/Sewer Districts/PUDs</u>	<u>Description</u>	<u>Most Recent</u>
• PUD of Skagit County	Non-Rep Compensation Study	2017
• Skyway Water/Sewer	Multiple Compensation Studies	2015
• Lake Whatcom Water/Sewer	Multiple Compensation Studies (AFSCME)	2010
<u>Recent Local Area Cities with Water/Sewer Services</u>		
• City of Sedro-Woolley	Rep and Non-Rep Compensation (AFSCME)	2017
• City of Port Orchard	Non-Represented Compensation Study	2017
• City of Stanwood	Represented Compensation Study (Teamsters)	2017

Other North Sound City projects include studies with Burlington (2008), Anacortes (2004), Mount Vernon (2000), Skagit County PW with AFSCME (2000) and City of Bellingham with AFSCME (1993-1910) plus SW Suburban, Samish Water District and King County Water #111.

This proposal represents the consultant's positive commitment to the Board, Management, AFSCME and District Staff.

Sincerely,
Ross J. Ardrey
Ross J. Ardrey
President

**LAKE WHATCOM WATER & SEWER DISTRICT
PROPOSAL FOR NON-REP AND AFSCME COMPENSATION SURVEY**

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PROPOSAL FOR NON-REP AND AFSCME COMPENSATION SURVEY

INTRODUCTION

NW Management Consulting will welcome the opportunity to work with Lake Whatcom Water & Sewer District to plan and complete the District's Non-Rep and AFSCME Compensation Survey.

The study is intended to build on the District's previous surveys, assure consistency and non-discriminatory study methods, and continue Board, Management and AFSCME presentation formats.

The suggested approach includes joint efforts on project plans, management and staff interviews, site-based surveys, and multiple Management and AFSCME survey review workshops.

RECENT CONSULTANT EXPERIENCE

1. Experience with union and non-rep market-based compensation surveys:

Whatcom County and other North Sound agencies with water and/or sewer service:

<u>Area</u>	<u>Projects</u>	<u>Districts/Cities with Water and/or Sewer Services</u>
• Districts and PUDs	11	Lake Whatcom, Lake Samish, Skagit PUD
• Whatcom/Skagit Cities	20	Blaine, Ferndale, Bellingham, Sedro-Woolley,
• Whatcom/Skagit (Cont)		Burlington, Anacortes, Mount Vernon
• <u>Other North Sound Cities</u>	<u>12</u>	<u>Stanwood, Lynnwood, Mountlake Terrace, Oak Harbor</u>
North Sound Projects	43	Cities and Water/Sewer Districts: 14

2. Accomplishments with public sector projects which were adopted and implemented:

Local area and North Sound - 90 projects; Implementation: \approx 100%; Examples:

- PUD of Skagit County (2017)
- City of Sedro-Woolley, AFSCME and Non-Rep (2017)
- City of Stanwood, Teamsters (2017)
- Port of Port Townsend, Teamsters and Non-Rep (2016)
- Lake Whatcom Water & Sewer District, AFSCME and Non-Rep (2010)
- City of Burlington, Non-Rep (2007)
- Port of Anacortes, Non-Rep (2004)
- City of Anacortes, Non-Rep (2004)
- Port of Bellingham, Multiple Unions and Non-Rep (2002)
- Port of Skagit County, Non-Rep (2002)
- City of Mount Vernon, Non-Rep (2000)
- City of Lynnwood, Non-Rep (1998)
- City of Bellingham, AFSCME and Non-Rep (1997)

HIGHLIGHTS OF QUALIFICATIONS

Mr. Ardrey consulted for two national consulting firms for 20 years before founding NW Management Consulting in 1993. Mr. Ardrey's studies include public administration, business and law. Degrees: B. A. (University of Chicago), M. A. (University of Washington), and J. D. (University of Washington). The firm relocated from downtown Seattle to Everett in 2013.

SUGGESTED APPROACH

Task One: Survey Plan and Strategy

Approach is to leverage Management, AFSCME and staff job and industry knowledge with consultant compensation expertise. Strategy is to go beyond a consultant directed processes and recognize joint efforts throughout the survey. Outcome: Consensus on project plans.

Task Two: Interviews and Observations

This step focuses on informal management and AFSCME interviews (60 minutes each) as well as preparation of a summary of interview comments and findings to provide feedback and framework for discussions. Interview topics include examples of recent tasks, major projects, seasonal variations, changes in job functions, risks and hazards, job descriptions and uniqueness of job functions. Equally important is the opportunity to discuss existing program assessments and opportunities for improvements. Purpose of the interviews is to make sure everyone believes the consultant understands their jobs. Interviews also help allow for recognition of variations in the way people express themselves and help the consultant understand the complexity and uniqueness of District and position functions. Outcome: Opportunity for everyone to be heard.

Task Three: Survey Visits and Meetings

The purpose of this step is to provide updated, credible and verifiable labor market data from water, sewer, combined service and/or other agency compensation study.

- Base the survey on District AFSCME and non-rep positions
- Conduct the survey through site-based survey visits
- Include about 10 to 12 other comparable water, sewer, combined districts and cities

Steps include discussions about survey comparison job matches, collecting data on salaries, rates and ranges, and benefits, and reviewing practices of other water, water/sewer or other agencies. Outcome: Consensus on survey processes, credibility, data collection, validity and findings.

Task Four: Development of Findings

Task four involves reviews of survey job matches and comparisons with Management and AFSCME. The purpose here is to recognize that salary surveys are not a science and that efforts to avoid mistake are essential. Outcome: Consensus on survey findings.

Task Five: Adjustments and Placements

Task five involves suggestions for updating ranges, how to handle unique positions (if any), and preparing suggested range placements. Also benefits. Outcome: Consensus on findings.

Task Six: Implementation Plans and Reports

Implementation plans will need to consider survey findings and whether the District's policy is to be the same as, or exceed or be less than the other agencies. Cost estimate for various alternatives should reflect the District's budget processes and provide a framework for sustainable directions. Outcome: Consensus on implementation plans and directions.

SUGGESTED SCHEDULE


















Input regarding schedule matters will be welcome. The compensation study outlined in the suggested approach requires about 16 to 20 weeks for completion. The worksheet following this page lists project tasks on the left with a suggested work schedule on the right.

LWWSD COMPENSATION SURVEY
PROJECT PLAN AND SCHEDULE - PRELIMINARY OUTLINE - JANUARY 2, 2018

Narrative: Purpose of Chart Is to Show Project Plan and Flow of Work

Project Plan on Left with Schedule on Right -- Classes: AFSCME 14; Non-Rep 4; Survey: 12 Agencies

Open, Participatory, Non-Discriminatory Process -- Interview/Focus Group Participation Target: 100%

Project Tasks	DESCRIPTIONS Consultant Responsibilities	SCHEDULE (MONTHS)				
		Feb	Mar	Apr	May	June
1	SURVEY PLAN AND STRATEGY Develop and refine project plan <ul style="list-style-type: none"> • Mgt and AFSCME introductions and plans • Comparable jurisdiction selections • Job description/classification reviews/analysis → Outcome: Consensus on plans and survey					
2	INTERVIEWS / OBSERVATIONS Facilitate informal interviews focus groups <ul style="list-style-type: none"> • Interviews AFSCME (~ 14 @ 60 min each) • Interviews Non-Rep (~ 4 @ 60 min each) • Follow-up Interviews (~ 4 @ 60 min each) • Target for interviews focus groups: 100% → Outcome: Everyone opportunity to be heard					
3	SURVEY VISITS AND MEETINGS Conduct compensation survey with feedback <ul style="list-style-type: none"> • Survey matches, salaries, benefits (~ 12) • Feedback summaries and reviews → Outcome: Consensus on survey results					
4	DEVELOP FINDINGS Develop survey salary and benefit findings <ul style="list-style-type: none"> • Market and equity reconciliations • Mgt AFSCME briefings; follow-ups • Mgt AFSCME additional follow-ups → Outcome: Consensus on findings					
5	ADJUSTMENTS AND PLACEMENTS Reconcile labor market and existing placements <ul style="list-style-type: none"> • Mgt and AFSCME raw data and audit reviews • Report in draft format with inputs for final → Outcome: Consensus on recommendations					
6	IMPLEMENTATION AND REPORTS Plans to include Power Point and report formats <ul style="list-style-type: none"> • Meetings with Board, Mgt, AFSCME, staff • Prepare and distribute participant report • Follow-up on concerns; prepare final report → Outcome: Consensus on reports					
1 - 6	PROJECT (AFSCME AND NON-REP)					

PROJECT MANAGEMENT RESPONSIBILITIES

Suggested project management is for Mr. Ardrey to serve as consultant project manager, function as a third party resource, and personally complete interviews, surveys, analysis, reports and presentations. For emergencies NW Management Consulting has a continuing relationship with Moss Adams Advisory Services. Mr. Ardrey's contact at Moss Adams is Thomas M. Krippaehne (206) 442-2348. Mr. Krippaehne is the managing partner for Moss Adams Advisory Services.

PROPOSED CONSULTANT AND DISTRICT RESPONSIBILITIES

The following outline is intended to highlight consultant responsibilities and deliverables. It is not intended to be all-inclusive, but a good digest of what needs to be accomplished.

Consultant Responsibilities:

- Introductory and ongoing meetings, planning and communications
- Review job descriptions and compensation documents
- Conduct individual and group interviews and work site visits
- Summarize interview findings
- Review other available surveys
- Prepare survey interview plans, guidelines and formats
- Plan and conduct survey site visits
- Compile and analyze survey results; circulate and refine survey findings
- Develop, review, refine, and present reports
- Prepare recommendations for salary grades and for range placements
- Facilitate management and staff implementation plans and briefings

District Responsibilities:

- District to fund project and serve as project manager
- District to schedule and coordinate meetings, interviews and survey visits
- Staff and managers to participate in interviews
- District to provide information to the consultant as necessary for project
- Review and comment on survey comparables, comparisons and recommendations
- District to have final approval of all work products produced by the consultant

Initial List of Consultant Deliverables:

- Proposal Non-Rep and AFSCME compensation study
- Highlights of interview comments
- Survey planning worksheets
- Preliminary report on salary, benefit and compensation survey practices
- Reports on salary, benefit and compensation practice surveys
- Reconciliations of internal and external compensation perspectives
- Salary grade and range placement worksheets
- Draft reports with recommended grades, ranges, placements and implementation plans
- Reports to include Power Point summary, Survey Report, and GM Summary
- Participant report
- Final report with recommended grades, ranges, placements and implementation plans

Cost Proposal:

A suggested cost proposal is included following this page.

COST PROPOSAL

The suggested approach is intended to be about Lake Whatcom Water & Sewer District, meet Board, General Manager, management team, AFSCME and staff expectations, and provide a framework for continuing the District's review methodology. The approach is flexible to reflect developments as the study progresses. Methods are intended to conserve resources.

PROJECT

Project manager/consultant hours: 172; Fees: \$17,200; Expenses: \$1,430; Cost: \$18,630

1. Standard billing rate is \$100/Hour; Expenses billed without markup
2. Not-to exceed maximum for basic project: \$18,630

ADDITIONAL EFFORTS REQUIRE WRITTEN APPROVAL

1. Project manager/consultant hours: As requested
2. Standard billing rate is \$100/Hour; Expenses billed without markup

The suggested approach is intended to be a joint effort with District management, AFSCME, non-represented staff, survey participants and consultant.

Additional efforts are intended to enhance survey validity and credibility. Project plan elements may be dropped, expanded, or refined. There also may be other options that the District wants to consider. Examples to consider will depend on study findings, non-represented staff concerns, and implementation plans.

PROJECT FEES AND EXPENSES WORKSHEET

A table showing estimates follows this page. Headnotes show narrative explanations and are intended to facilitate reviews. Project steps and work plan outlines are shown in the first two columns and are carried over from page 5. The third column shows estimated consultant hours on a task-by-task basis, and the block on the right shows fees, expenses and total task costs. Project totals are shown at the lower end of each column.

Estimates shown in the worksheets are based in the project plan outlined in this proposal. There may be items that should be added, redefined, or deleted. The estimates assume revisions in the project and/or addition or reductions of efforts will require appropriate approvals.

LWWSD COMPENSATION SURVEY
PROJECT PLAN AND ESTIMATES - PRELIMINARY OUTLINE - JANUARY 2, 2018

Narrative: Purpose of Chart Is to Show Project Plan, Estimates and Flow of Work

Project Plan on Left, Estimates on Right -- Classes: AFSCME 14; Non-Rep 4; Survey: 12 Agencies

Open, Participatory Process -- Treat Everyone the Same -- Interview/Focus Group Participation Target: 100%

Project Tasks	DESCRIPTIONS Consultant Responsibilities	Cnslt Hours	ESTIMATE (\$100/Hr)		
			Fees	Expenses	Total
1	SURVEY PLAN AND STRATEGY Develop and refine project plan <ul style="list-style-type: none"> • Mgt and AFSCME introductions and plans • Comparable jurisdiction selections • Job description/classification reviews/analysis → Outcome: Consensus on plans and survey	16	1,600	130	1,730
2	INTERVIEWS / OBSERVATIONS Facilitate informal interviews focus groups <ul style="list-style-type: none"> • Interviews AFSCME (≈ 14 @ 60 min each) • Interviews Non-Rep (≈ 4 @ 60 min each) • Follow-up Interviews (≈ 4 @ 60 min each) • Target for interviews focus groups: 100% → Outcome: Everyone opportunity to be heard	22	2,200	260	2,460
3	SURVEY VISITS AND MEETINGS Conduct compensation survey with feedback <ul style="list-style-type: none"> • Survey matches, salaries, benefits (≈ 12) • Feedback summaries and reviews → Outcome: Consensus on survey results	48	4,800	520	5,320
4	DEVELOP FINDINGS Develop survey salary and benefit findings <ul style="list-style-type: none"> • Market and equity reconciliations • Mgt AFSCME briefings; follow-ups • Mgt AFSCME additional follow-ups → Outcome: Consensus on findings	38	3,800	195	3,995
5	ADJUSTMENTS AND PLACEMENTS Reconcile labor market and existing placements <ul style="list-style-type: none"> • Mgt and AFSCME raw data and audit reviews • Report in draft format with inputs for final → Outcome: Consensus on recommendations	24	2,400	130	2,530
6	IMPLEMENTATION AND REPORTS Plans to include Power Point and report formats <ul style="list-style-type: none"> • Meetings with Board, Mgt, AFSCME, staff • Prepare and distribute participant report • Follow-up on concerns; prepare final report → Outcome: Consensus on reports	24	2,400	195	2,595
1 - 6	PROJECT (AFSCME AND NON-REP)	172	17,200	1,430	18,630

ADMINISTRATION

Deliverables

Deliverables include project plans, worksheets and survey reports. The reports are to include narratives and explanations. All documents are to be in both hard copy and electronic format.

Invoicing and Payments

The consultant's suggestion is for invoicing and payments to reflect accomplishment of project milestones. The total amount is not to exceed \$18,630. Additional efforts, if any, with appropriate written approved, are to be billed at the consultant's standard billing rate of \$100/hour.

Insurance Coverage and Warranties

NW Management Consulting maintains general and professional liability insurance that provides coverage to protect consultant and client interests. General liability provisions include general aggregate business liability at \$2,000,000 and bodily injury by accident at \$1,000,000 each accident. The policy is with Liberty Mutual Insurance. Professional Liability Insurance is in the amount of \$1,000,000 and is with Hanover Insurance Group. The City will be named as an additional insured. Ron Boardman at Redmond General Insurance Agency is the firm's agent (425) 885-2283.

It is Mr. Ardrey's practice to provide informal assistance to clients without charge during the implementation and administration of compensation programs for a period of six (6) months.

Compensation surveys, recommendations, and other deliverables are to be in accordance with generally accepted compensation practices of public agencies in the State of Washington.

Professional Ethics

Mr. Ardrey adheres to the Institute of Management Consultants' Code of Professional Conduct. The Code assures clients of the consultant's independence of judgment and protection of the confidentiality of client matters as well as the consultant's compliance with laws and regulations.

CONSULTANT SUBMITTAL

This proposal for the Lake Whatcom Water & Sewer District Non-Rep and AFSCME Compensation Survey was prepared by Ross J. Ardrey.

The study is intended to be fully responsive to the Lake Whatcom Water & Sewer District Request for Proposals, and incorporates by reference any and all provisions of the Request for Proposals.

Mr. Ardrey will welcome the opportunity to respond to questions, and, if authorized, get started.

Sincerely,

Ross J. Ardrey
President

CONSULTANT STATEMENT OF QUALIFICATIONS

CONSULTANT BIOGRAPHICAL SUMMARY

Mr. Ardrey works closely with client boards, management teams, HR, unions and staff. Studies focus on client concerns and often involve multiple reviews and workshops.

Mr. Ardrey's studies include public administration, business, and law. Degrees received:

- B. A. University of Chicago
- M. A. Graduate School, University of Washington
- J. D. School of Law, University of Washington

Mr. Ardrey's previous and current employers:

- Harry J. Prior & Associates, Inc., Seattle, Bellevue: 1972 - 1990
- Howard Johnson & Company, Seattle: 1990 - 1993
- NW Management Consulting, Seattle, Everett: 1993 - Present

Professionally, Mr. Ardrey is active in the NW Compensation Forum and has served at the local and national level of the Institute of Management Consultants (IMC) which certifies management consultants. Accomplishments: IMC Chapter President (1990, 1995), Best US IMC Chapter (1990, 1995), and IMC National Board of Directors (1992).

Distinctive Features of Consultant's Practice:

Clients look to Mr. Ardrey as a local compensation resource who:

- Presents a good balance of listening, consulting, facilitating and communications skills
- Keeps up on public, not-for-profit and private sector compensation practices
- Operates at a national, local and best practices level
- Retains a low overhead cost structure
- Completes projects on budget and on time
- Maintains a good track record with boards, executives, employees and unions

2. Recent accomplishments in developing classification/compensation plans for water, sewer and other public employers. Implementation: ≈ 100%; Examples:

- Most recent City, District and PUD Water Service Survey Comparisons, Skagit PUD (2017)
- First Board driven CEO compensation study, Community Transit (2017)
- First Lump Sum Recognition Award System for W/S, Skyway Water & Sewer (2011)
- First local area Union-HR Team based survey, Skagit County Public Works (2000)
- First AFSCME Management WW Classification Team Survey, City of Bellingham (1998)
- First AWC survey and on-site visit survey reconciliations, City of Lynnwood (1997)

EXAMPLES OF CLIENT REFERENCES

Client references are grouped by sectors and listed in geographic order from North to South.

Water and Sewer Districts:

PUD of Skagit County
1415 Freeway Drive
Mount Vernon, Washington 98273

George Sidhu
General Manager (360) 424 7104
Kathy White, HR Manager, (360) 848-2128

Lake Whatcom Water & Sewer District
1220 Lakeview Drive
Bellingham Washington 98229

Patrick Sorensen
General Manager
Telephone: (360) 734-9224

Samish Water District
2195 Nulle Road
Bellingham, Washington 98229

Byron Gaines
Manager
Telephone: (360) 734-5664

Skyway Water & Sewer District
6723 South 124th Street
Seattle, Washington 98178

Cynthia Lamothe
General Manager
Telephone: (206) 772-7343

SW Suburban Sewer District
431 SW Ambaum Blvd.
Burien, Washington 98166

Ron Hall
General Manager
Telephone: (206) 432-3512

Cities:

City of Sedro-Woolley
325 Metcalf Street
Sedro-Woolley, Washington 98284

Eron Berg
City Supervisor/Attorney
Telephone: (360) 855-9922

City of Anacortes
904 6th Avenue
Anacortes, Washington 98221

Emily Schuh
Human Resources Director
Telephone: (360) 299-1941

City of Stanwood
10220 270th Street NW
Stanwood, Washington 98292

Deborah Knight
City Administrator now at City of Monroe
Telephone: (360) 863-4500

City of Mountlake Terrace
6100 219th St SW, Suite 200
Mountlake Terrace, Washington 98043

Scott Hugill
City Manager
Telephone: (425) 776-1161

City of Bainbridge Island
625 Winslow Way East
Bainbridge Island, Washington 98110

Kathleen Grauman
HR Manager (Retired)
Telephone: (206) 595-6375

City of Port Orchard
216 Prospect Street
Port Orchard, Washington 98366

Rob Putaansuu
Mayor
(360) 876-7014

City of Tukwila
6200 Southcenter Boulevard
Tukwila, Washington 98188

David Cline
City Administrator
Telephone: (206) 433-1850

TESTIMONIALS

Comments Generally Follow Order Work is Completed

“We use Ross Ardrey...He does a great job; very thorough and thoughtful, lots of experience.”

- Director, Business and HR Services.

“Ross is a good project planner. He revised the proposal to pick up on my suggestions.”

- City Manager

“Ross has had contracts here going back 15+ years doing classification work, compensation work, and studies wherein both classification and pay were studied. Ross is a solid practitioner in classification and compensation and has a good systems overview as to how classification families are intertwined. He is very personable, a capable statistician, and County employees and managers enjoy working with him.”

- Manager, Compensation

“In 25 years as a city manager Ross’ labor market surveys are the most thorough I’ve seen.”

- City Manager

“Ross is a fantastic interviewer. He is very easy to talk with.”

- Lift Operator (Teamsters)

“We love Ross to bits here ... Our folks can be tough to please but even when it's been information they don't like or don't want to hear, the constant feedback I get about Ross is that people are heard with him; he listens and they feel their input is valued; this is HUGE during class/comp studies when people so frequently don't receive an increase or what they wanted. You can't go wrong with him and he really knows his stuff.”

- Director, Human Resources

“Ross did an extraordinary job of presentations with our Council and responding to questions from Council Members.”

- Mayor

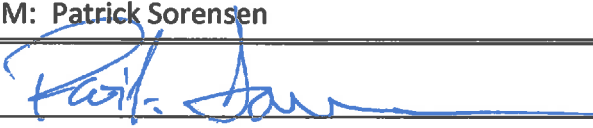
Everyone’s Efforts Are Greatly Appreciated



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

Item 5.B.

DATE SUBMITTED:	February 7, 2018	MEETING DATE:	February 14, 2018
SUBJECT:	Disposal of Surplus Items		
TO: BOARD OF COMMISSIONERS	FROM: Patrick Sorensen		
GENERAL MANAGER APPROVAL			
DISTRICT ENGINEER/ASST MGR APPROVAL			
FINANCE MANAGER APPROVAL			
ATTACHED DOCUMENTS	1. List of Items Dated February 7, 2018		
	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

Attached is a list of miscellaneous surplus items that the District no longer needs.

FISCAL IMPACT

None

RECOMMENDED BOARD ACTION

To declare the presented list of items as surplus and authorize staff to dispose of them.

PROPOSED MOTION

To declare the presented list of items dated February 2018 as surplus and authorize the General Manager to dispose of the property in a manner consistent with state law.

February 2018 Surplus List

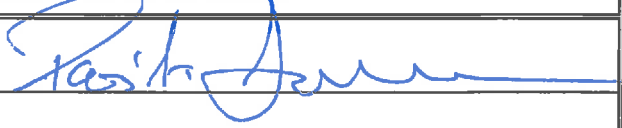
Quantity	Item
1	Hach FLOC Tester
1	Hach Model 2100A Turbidimeter
1	Pulsatron Pulsafeeder Series E Plus
1	Pulsatron Pulsafeeder Series MP
2	Wallace & Tiernan Chemical Food Pumps
3	Regal Gas Chlorinators
2	Hach 9180SC Acidification
1	Hach 9184SC Chlorine Analyzer
4	Hach 1720C Turbidimeters
4	Hach 1720C Turbidimeter Controller
1	Hach Model 2000XR Streaming Current Meter (2 Components)



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

Item 5.C.

DATE SUBMITTED:	February 8, 2018	MEETING DATE:	February 14, 2018
SUBJECT:	Commissioner Vacancy		
TO: BOARD OF COMMISSIONERS	FROM: Patrick Sorensen		
GENERAL MANAGER APPROVAL			
DISTRICT ENGINEER/ASST MGR APPROVAL			
FINANCE MANAGER APPROVAL			
ATTACHED DOCUMENTS	1.		
	2.		
	3.		
TYPE OF ACTION REQUESTED	RESOLUTION	FORMAL ACTION/ MOTION	INFORMATIONAL /OTHER
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Commissioner Curtis Casey has issued his resignation effective April 1, 2018. The Board has ninety days from the occurrence of the vacancy to appoint a qualified person to fill the vacancy. This Agenda item is a placeholder for discussion on proceeding with filling Commissioner Position #4.

FISCAL IMPACT

N/A

RECOMMENDED BOARD ACTION

N/A

PROPOSED MOTION

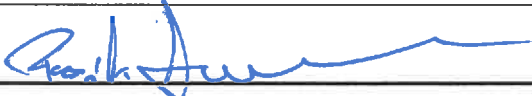
None at this time.



LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

Item 5.D.

DATE SUBMITTED:	February 6, 2018	MEETING DATE:	February 14, 2018
SUBJECT:	Succession Planning and Staffing Levels		
TO: BOARD OF COMMISSIONERS		FROM: Patrick Sorensen, General Manager	
GENERAL MANAGER APPROVAL			
DISTRICT ENGINEER / ASSISTANT GENERAL MANAGER APPROVAL		BH	
FINANCE MANAGER / TREASURER APPROVAL		DD	
ATTACHED DOCUMENTS		1. Conceptual Organizational Chart dated 2-8-2018	
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Over the last few years as a District we have had to come to terms with upcoming staffing changes brought upon by an aging workforce and pending retirements. In planning for these changes (some which we have dealt with already) we have made some good hires that have benefited the direction of this organization as we move forward. Specifically this includes greater professionalization of our staff through these hires. These efforts to date have benefited the rate payers, the elected commissioners, and the other staff members in carrying out our mission. These critical changes over the last few years have included replacing the Finance Manager/Treasurer, Customer Service/Accounting Clerk position, creating a Lead Maintenance Worker position, replacing a Maintenance Worker position, and recruiting a new Administrative Assistant with an IT and H.R. background.

In this effort the Board has also committed to providing a salary and benefits schedule that are capable of attracting and retaining qualified and professional staff. In addition, we

have committed to providing both technical and administrative/project management/and managerial training based on the needs of the organization. Together these commitments benefit the District in staff retention, preparing staff for expanded roles in the future, greater efficiency, and lower liability costs over time. As an example, in 2018 I have committed to sending staff to technical and public works/utilities management training. Bill Hunter will be attending a one-week course offered by the Washington Chapter of the American Public Works Association (APWA) on general management skills for public works and utility managers. The new Lead Maintenance Worker, Jason Dahlstrom, will be involved in a one-week leadership team building course also offered by the APWA. Finally, Kristin Hemenway, our Construction Engineer, will be involved in a one-week APWA class involving leadership skills focused on project management.

Long Range Succession Planning

As a discussion point I would like to engage in a conversation about the longer term staffing needs of the District. This would include planned retirements, how to handle such changes, and suggested organizational changes to move us forward into the future in order to best utilize our staffing resources.

The attached conceptual organizational chart adds a brand new position. The proposed position is an Operations and Maintenance Manager. Note that there are different ways to incorporate such a position into the organization. The proposed chart is intended as discussion tool following initial separate discussions with Board members and staff.

District performance expectations by rate payers, District commissioners, City, County, State, and the greater public that depend on Lake Whatcom for drinking water and recreational opportunities have all increased over the years. Notable higher expectations and goals include:

- minimizing sewer spills
- uninterrupted water/sewer service during power outages
- preparedness to respond to emergency situations and natural disasters
- effective safety program – policies, training, tracking, working safely, development of standard operating procedures
- advancing asset management concepts and practices into the organization that provide for long-term (many decades) financial sustainability of infrastructure
- implement both operational and maintenance strategies and plans that most efficiently extend asset life
- tracking labor, equipment, and material costs for capital projects, preventative maintenance, and unscheduled repairs utilizing technology and software tools

It is management's opinion that in order to take the District's performance to the next level to achieve expectations noted above, more human resources are needed that focus on

strategy, planning, scheduling, tracking, measuring, and analyzing resources utilized for operations and maintenance of the District's assets.

FISCAL IMPACT

At this time we do not have specific numbers for discussion and comparison purposes.

RECOMMENDED BOARD ACTION

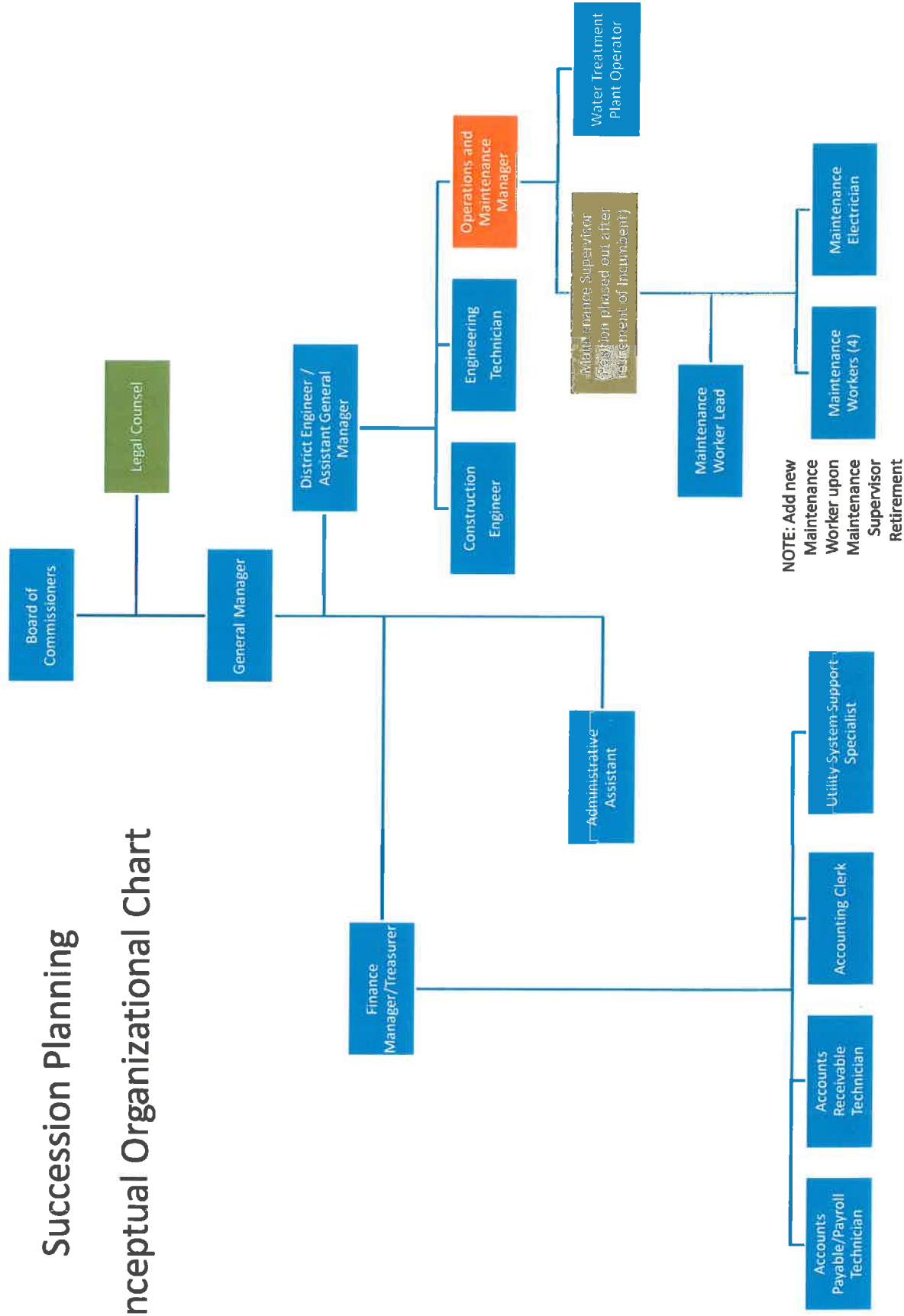
No action is recommended for this meeting.

PROPOSED MOTION

No formal motion is recommended at this time

Succession Planning

Conceptual Organizational Chart






LAKE WHATCOM WATER AND SEWER DISTRICT

AGENDA BILL

Item 7

DATE SUBMITTED:	February 6, 2018	MEETING DATE:	February 14, 2018
SUBJECT:	Manager's Report		
TO: BOARD OF COMMISSIONERS	FROM: Patrick Sorensen		
MANAGER APPROVAL			
ATTACHED DOCUMENTS	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

Wednesday

February 14, 2018

Regular Meeting

6:30 p.m.

Important Upcoming Dates:

- **Meetings Associated with the Lake Whatcom Management Program:**
 - **Policy Group Meeting:** The next meeting is scheduled for May 15, 2018 3:00 p.m. in the City of Bellingham's Fireplace Room at 625 Halleck Street through the Halleck St. entrance.
 - **Management Meeting:** Another meeting has not been planned for at this time.
- **Next Regular Board Meeting:** Will be held on **Wednesday, February 28, 2018** at 8:00 a.m.
- **Employee Staff Meeting:** The next staff meeting is set for **Thursday, February 15, 2018 at 8:00 a.m.** in the Board Room. Commissioner Carter is scheduled to attend this meeting.
- **Employee Safety Committee Meeting:** The next meeting is set for **February 15, 2018 at 9:00 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 **February 13, 2018** at 6:15 p.m.
- **Whatcom Water District's Caucus Meeting:** The Caucus meeting is set for **February 21, 2018** 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.
- **Update: Septic to Sewer Properties:** In our efforts to get the remaining properties connected to sewer as Directed to the Boar two years ago we can report that we only have 3 left. Staff is working with legal counsel and Wilson Engineering to prepare the necessary paper work

and terms needed to move forward with making the final connection this summer. We will keep the Board advised of events as we move forward with process.

- **Upcoming Important Agenda Topics:**

- The Lake Whatcom Joint Councils & Commission Meeting to be held on March 28, 2018 at 6:30 pm at City Hall Council Chamber.
- WASWD Spring Conference in Yakima April 4, 5, & 6, 2018.