



LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

AGENDA

October 30, 2019

8:00 a.m. – Regular Session

1. CALL TO ORDER

2. PUBLIC COMMENT OPPORTUNITY

At this time, members of the public may address the Board of Commissioners. 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. Presentation—Geneva Sanitary Sewer Lift Station Renovation Project
- B. Resolution No. 862—Revision to Administrative Code Section 5.8, Bonded Side Sewer Contractors
- C. Approval of an Interlocal Agreement with Whatcom County for On-Site Sewage System Impact Assessment
- D. Board of Commissioners Insurance Discussion
- E. Country Club Horizontal Directional Drill 8-Inch Gravity Sewer Main Project Contract Closeout

6. OTHER BUSINESS

7. STAFF REPORTS

- A. General Manager
- B. Engineering Department
- C. Finance Department
- D. Operations Department

8. PUBLIC COMMENT OPPORTUNITY

9. EXECUTIVE SESSION


Executive Session per RCW 42.30.110(1)(g): To review the performance of a public employee (General Manager performance evaluation) – 30 minutes

10. ADJOURNMENT



**AGENDA
BILL
Item 4**

Consent Agenda

DATE SUBMITTED:	October 23, 2019	MEETING DATE:	October 30, 2019
TO: BOARD OF COMMISSIONERS		FROM: Rachael Hope	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. See below	
		2.	
		3.	
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

****TO BE UPDATED 10/29/19 ****

BACKGROUND / EXPLANATION OF IMPACT

- Minutes for the September 25, 2019 Board Meeting
- Minutes for the October 9, 2019 Board Meeting
- Payroll for Pay Period #21 (10/05/2019 through 10/18/2019) total to be added
- Payroll Benefits for Pay Period #21 total to be added
- Accounts Payable Vouchers total to be added



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

REGULAR SESSION OF THE BOARD OF COMMISSIONERS
Minutes
September 25, 2019

Board Secretary Todd Citron called the Regular Session to order at 8:00 a.m.

Attendees: Commissioner Todd Citron Commissioner Bruce Ford
Commissioner Leslie McRoberts General Manager Justin Clary
Finance Manager/Treasurer Debi Denton Recording Secretary Rachael Hope
Asst. General Manager/District Engineer Bill Hunter

Excused Absences: Commissioner Laura Abele Commissioner John Carter

No public were in attendance.

Consent Agenda

Action Taken

McRoberts moved, Ford seconded, approval of:

- **Meeting Minutes for September 11, 2019 Board Meeting**
- **Payroll for Pay Period #19 (09/07/2019 through 09/20/2019) totaling \$43,714.83**
- **Payroll Benefits for Pay Period #19 totaling \$50,615.80**
- **Accounts Payable Vouchers totaling \$140,302.90**

Motion passed.

Staff Presentation – Sudden Valley Water Treatment Plant Raw Water Line Repair

Hunter recalled that during the regularly scheduled Board of Commissioners meeting held on August 28, 2019, the general manager apprised the board of an emergency situation associated with the raw water line for the Sudden Valley Water Treatment Plant, specifically a failing check valve. Hunter presented photographs illustrating the recent repair of the water line by District staff. Discussion followed.

Resolution 861 – Update to Title 2 of Administrative Code

Denton explained that Title 2 is the Fiscal Management section of the District's Administrative Code. The policies within are reviewed every few years with the purpose of updating as well as keeping the District's bond rating favorable. Staff suggested several editorial revisions to portions of Title 2 to enhance consistency and readability. Highlighted changes included:

1. Remove the expiration date associated with rate reductions for low income senior/disabled customers created under Resolution No. 807.
2. Revise Section 2.16, Purchasing Policy, to make it consistent with state law.

Updates were also recommended in order to add transparency and clarity during the bond rating process. Discussion followed.

Action Taken

McRoberts moved, Ford seconded, to adopt Resolution No. 861 amending the District's Administrative Code as presented. Motion passed.

Other Business

Commissioner Ford advised the Board of a current thread in a Next Door neighborhood group regarding a septic/sewer situation on the North Shore. Discussion followed.

General Manager's Report

Clary updated the Board on several topics, including county executive and mayor candidate interviews and the open Maintenance Worker 1 position. Discussion followed.

Engineering Department Report

Hunter highlighted several topics, including the 20 active permits which have been purchased and the end of season ramp up in inspections. He also updated the board on the Country Club gravity sewer line project, progress on the Sudden Valley Water Treatment Plant 20 Year Facility Plan, and Edgewater and Dellesta sewer lift station renovation project shoreline permitting. Discussion followed.

Finance Department Report

Denton shared that monthly reports show revenue is tracking in accordance with budget and expenditures are on target for 2019, and that the first draft of the 2020 budget would be presented at the October 9 board meeting. Discussion followed.

Operations Department Report

Clary reported that the field crew's focus has been on new connections and development issues. Denton recognized District Accounting Clerk Trish Gilmore for doing a great job working with contractors on permitting, scheduling, and inspection issues.

With no further business, Citron adjourned the Regular Session at 9:04 a.m.

Recording Secretary, Rachael Hope

Date Minutes Approved

Laura Abele

Todd Citron

Bruce R. Ford

Leslie McRoberts

John Carter



LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

October 09, 2019

Board Secretary Todd Citron called the Regular Session to order at 6:31 p.m.

Attendees: Commissioner Todd Citron General Manager Justin Clary
Commissioner Bruce Ford Assistant G.M./District Engineer Bill Hunter
Commissioner Leslie McRoberts Finance Manager/Treasurer Debi Denton
District Legal Counsel Bob Carmichael Operations & Maintenance Manager Brent Winters
Recording Secretary Rachael Hope Consulting Engineer Melanie Mankamyer

Excused Absences: Commissioner Laura Abele Commissioner John Carter

Brian Smith of Wilson Engineering was also in attendance.

Changes to Agenda

Clary requested that Item 5B: Agate Heights Water Treatment Plant Expansion be moved to the top of the agenda. He also requested the addition of Item 5D regarding the resignation of Commissioner Laura Abele from Position 1. The board agreed.

Consent Agenda

Action Taken

McRoberts moved, Ford seconded, approval of:

- Payroll for Pay Period #20 (09/21/2019 through 10/04/2019) totaling \$42,838.10
- Payroll Benefits for Pay Period #20 totaling \$50,482.56
- Accounts Payable Vouchers totaling \$235,067.39

Motion passed.

Recommended Alternative – Agate Heights Water Treatment Plant Expansion

Hunter reminded the board that Wilson Engineering presented an analysis of alternatives associated with expansion of the Agate Heights water system treatment capacity during the May 29, 2019 regular meeting. Based upon Board direction, Wilson Engineering and District staff explored means of mitigating system replacement costs while ensuring the District continues to demonstrate expansion related to the District's water rights. Brian Smith of Wilson Engineering presented the staff recommended alternative for the Agate Heights water system, which includes distribution of work over 3 stages to spread budget impacts and maximize life of equipment. Discussion followed.

Preliminary 2020 Budget

Denton presented the first draft of the proposed 2020 Budget. The annual budget provides for the forecasting of revenues and expenditures and is presented to the Board of Commissioners for review

and approval prior to the end of December in advance of the budget year. Using projected revenues based upon prior Board-adopted rate increases (4% and 2.5% water and sewer rates, respectively), actual 2019 operating expenses, and projects defined in the District's water and sewer capital improvement plans, District staff have developed the presented preliminary draft budget for Board discussion. Of note, the preliminary budget reflects a separation of revenues and expenditures into two independent utilities (water and sewer) in accordance with recommendations of the past rate study. Discussion followed.

Board of Commissioners Insurance Discussion

Clary recalled that during prior discussions on July 31 and August 28, questions were posed regarding the cost to the District of providing insurance coverage to its commissioners following the Washington State Legislature's passage of Senate Bill 5122. This bill revised RCW 57.08.100 removing the minimum customer base requirement (5,000 customers) for water/sewer districts to have the option of providing health insurance to commissioners. Staff presented information regarding several topics, including eligibility for Medicare rates, enrollment periods, and information on coverage provided to commissioners by other similarly sized Districts. Discussion followed.

Resignation of Commissioner Laura Abele

Clary explained that Commissioner Laura Abele has tendered her resignation from the Board of Commissioners with an effective date of December 31, 2019. Discussion followed, including suggested timelines for advertising and interviewing for a replacement to be appointed and begin serving in January 2020.

General Manager's Report

Clary updated the Board on several topics, including interviews with County Executive and Bellingham Mayor candidates and current projects out for bid and formation of review committee for Statements of Qualifications once received. Discussion followed.

Executive Session Per RCW 42.30.110(1)(g) General Manager Performance Evaluation – 30 Minutes

Citron recessed the Regular Session to Executive Session at 8:30 p.m. It was estimated that the Executive Session would take 30 minutes. The purpose of the Executive Session was to discuss the General Manager's Performance Evaluation. Citron recessed the Executive Session and reconvened the Regular Session at 8:52 p.m.

With no further business, Citron adjourned the Regular Session at 8:52 p.m.

Recording Secretary, Rachael Hope

Date Minutes Approved

Laura Abele

Todd Citron

Bruce R. Ford


Leslie McRoberts

John Carter



**AGENDA
BILL
Item 5.A**

**Presentation – Geneva Sanitary
Sewer Lift Station Renovation
Project**

DATE SUBMITTED:	October 21, 2019	MEETING DATE:	October 30, 2019
TO: BOARD OF COMMISSIONERS		FROM: Bill Hunter, District Engineer	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. none	
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

For the past two decades, the District has been systematically renovating its sanitary sewer lift stations to bring them up-to-date with current industry standards and technology at a rate of approximately one station renovated per year. In 2019, the District renovated its Geneva sanitary sewer lift station, which entailed retrofitting the existing Smith & Loveless wet well-mounted pumps with new submersible pumps, controls, and telemetry, as well as replacement of approximately 675 lineal feet of 4-inch diameter sewer force main and the addition of a permanent standby generator. Startup of the renovated station was conducted on October 8. Staff will provide a brief overview of the project.

FISCAL IMPACT

The total project cost (design, permitting and construction over a multiple year period) was approximately \$955,000. No additional fiscal impacts, beyond routine operation and maintenance, are anticipated.

RECOMMENDED BOARD ACTION

No action is necessary.


PROPOSED MOTION

Not applicable.



**AGENDA
BILL
Item 5.B**

**Resolution No. 862 –
Revision to Administrative Code
Section 5.8, Bonded Side Sewer
Contractors**

DATE SUBMITTED:	October 21, 2019	MEETING DATE:	October 30, 2019
TO: BOARD OF COMMISSIONERS		FROM: Justin Clary, General Manager	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Resolution No. 862	
TYPE OF ACTION REQUESTED	RESOLUTION <input checked="" type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

As a public agency that owns and operates sanitary sewer collection and conveyance infrastructure within its service area, the District allows for private contractors to construct service laterals and side sewers that connect to District-owned sewer mains. To ensure safe and quality construction of service laterals, the District has set requirements for certification and bonding by private contractors in advance of construction. These requirements have been set through Board of Commissioner approval of Resolution Nos. 146 and 785, which effectively created Section 5.8, Bonded Side Sewer Contractors, of the District Administrative Code. Through implementation of the bonded side sewer contractor certification process, staff have identified revisions to Section 5.8 to better protect the District, as well as to add clarification to the certification process. These recommended revisions are reflected in draft Resolution No. 862.

FISCAL IMPACT

None.

RECOMMENDED BOARD ACTION

Staff recommends revision to the District's process for approval and maintenance of certification of bonded side sewer contractors through adoption of Resolution No. 862.

PROPOSED MOTION

A recommended motion is:

"I move to adopt Resolution No. 862, as presented."

**LAKE WHATCOM WATER AND SEWER DISTRICT
RESOLUTION NO. 862**

A Resolution of the Board of Commissioners
Revising Administrative Code Section 5.8, Bonded Side Sewer Contractors, of Title 5, Sewer

WHEREAS, the Lake Whatcom Water and Sewer District ("District") is a special purpose district authorized under Title 57 Revised Code of Washington; and

WHEREAS, the District owns and operates a sewer collection and conveyance system located within its service boundaries; and

WHEREAS, the District Board of Commissioners wishes to ensure that private connections made to the District's sewer system are constructed in accordance with District engineering standards by contractors with a demonstrated expertise in sanitary sewer system construction; and

WHEREAS, the District Board of Commissioners previously codified requirements for bonded side sewer contractors through adoption of Resolutions Nos. 146 and 785, creating Administrative Code Section 5.8, Bonded Side Sewer Contractors; and

WHEREAS, District staff recommend revisions to Section 5.8 of the Administrative Code to better protect District infrastructure and clarify the process for approval and adherence to the District's bonded side sewer contractor requirements; and

WHEREAS, the District Board of Commissioners have reviewed and determined it appropriate to revise Section 5.8 of the Administrative Code, as reflected in Exhibit A attached hereto for reference purposes only, which identifies specific amendments to Section 5.8 with deletions in strikethrough and additions underlined; and

WHEREAS, the foregoing recitals are a material part of this Resolution;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Lake Whatcom Water and Sewer District, Whatcom County, Washington as follows:

Section 1. Section 5.8, Bonded Side Sewer Contractors, of the District Administrative Code is repealed and replaced with the following.

5.8 Bonded Side Sewer Contractors

5.8.1 Certification

The District maintains a list of certified, District-bonded Contractors (see Section 5.8.3 below) who meet the requirements of the following sections of this Code.

For the purpose of assuring safe and quality construction of side sewers, safe and quality connection of side sewers to the public sewers of the District and affording satisfactory protection to the sewer users of the District, no person may construct, install, repair, reconstruct, excavate, or connect to the public sewer of the District any gravity side sewer, unless he or she is a District-bonded Gravity Side Sewer Contractor holding a current state contractor's license. No person may construct, install, repair, reconstruct, excavate, or connect to the public sewer of the District any pressure side sewer, unless he or she is a District-bonded Pressure Side Sewer Contractor holding a current state contractor's license. [Resolution Nos. 146, 785, 862]

5.8.2 Registration, Standards, Application

Gravity Side Sewer Contractors and Pressure Side Sewer Contractors (together, "Side Sewer Contractor") shall be certified by the District based on information contained in applications and obtained from other reliable sources relating to the experience, ability to perform the necessary work, maintenance of applicable state licenses and certifications, and reputation of the applicant and his or her satisfaction of the requirements of this title. Contractors seeking certifications shall submit an application to the District. All applicants for certification shall supply such information as the District shall require relating to his or her experience, ability to perform side sewer work, and personal, financial, and previous work references. Contingent upon meeting all requirements stipulated in Section 5.8.3, a Side Sewer Contractor may be certified at the discretion of the General Manager based upon the findings of the review of the applicant's experience, ability, and references. An application fee, as set within the District's current Master Fees and Charges Schedule, shall be paid by the applicant at the time of application. Application fees are non-refundable, regardless of whether or not the applicant becomes certified by the District. The application shall be in the form of a District-provided contract whereby the applicant shall agree to abide by the Side Sewer Contractor requirements of this Code. [Resolution Nos. 146, 785, 862]

5.8.3 Bond and Insurance

Every applicant for a District certification must, prior to inclusion on the certified contractors list, deposit with the District:

1. A surety bond in favor of the District in the amount of thirty thousand dollars (\$30,000.00) with a surety or sureties thereon approved by the District and conditioned that he or she will perform the obligations of the application or contract (if the application is in contract form) and the resolutions and requirements of the District relating to side sewers and Side Sewer Contractors, and
2. Satisfactory proof that the applicant currently carries the following insurance coverage:
 - a) Public liability insurance in an amount not less than fifty thousand dollars (\$50,000.00) for injuries and accidental death to any one person, and an amount not less than one hundred thousand dollars (\$100,000.00) for any one accident.

- b) Property damage and fire insurance in an amount not less than twenty-five thousand dollars (\$25,000.00).
- c) Commercial General Liability Insurance in an amount not less than one million dollars (\$1,000,000.00) per occurrence and one million dollars (\$1,000,000.00) in the aggregate in any one year.

As long as a Side Sewer Contractor is included on the District-certified list, he or she shall maintain such bond and insurance, and such additional limits as may be required from time to time, and shall furnish proof thereof to the District whenever a permit is issued or whenever required by District Management. [Resolution Nos. 146, 785, 862]

5.8.4 Responsibilities

Every bonded Side Sewer Contractor or property owner shall:

1. Post a valid side sewer permit at the site of the work prior to commencing the work relating hereto.
 2. Contract for work using only the standard form of side sewer contract approved by the District Management, executed in duplicate or more, which shall provide a clear description, including a sketch, of the work to be performed and the materials to be used and that workmanship and materials shall be guaranteed for a period of one year after installation and acceptance thereof.
 3. Adhere at all times to the then current requirements of the District for side sewers and Side Sewer Contractors, including such reasonable requirements of the General Manager relating to construction, installation, reconstruction and repair.
 4. Be liable for damages to the public sewers or sewage works of the District caused by his or her work.
 5. Be responsible for proper and legal disposal of excess materials following construction.
- [Resolution Nos. 146, 785, 862]

5.8.5 Revocation and/or Suspension of Certification

Discretionary Revocation or Suspension

The District's certification of a Side Sewer Contractor may be revoked by the Board of Commissioners, or temporarily suspended by the General Manager until the next meeting of the Board of Commissioners, for any one of the following causes:

1. Fraud or misrepresentation in applying for or maintaining the license;

2. Failure to observe the rules and regulations of the District relating to side sewers and Side Sewer Contractors;
3. Failure to pay for labor or materials used in the construction of side sewers; or
4. Fraud or misrepresentation to the property owner, building occupant, or agent or representative thereof for the purpose of obtaining a contract for the construction of a side sewer, or during the course of work done pursuant to such contract, and including the failure to adhere to the standard side sewer contract.

Mandatory Revocation or Suspension

The District's certification of a Side Sewer Contractor shall be immediately revoked for any one of the following causes:

1. Failure to correct work within thirty (30) days of receipt of written notice from the District or pay any default covered by the guaranty in the standard side sewer contract;
2. Failure to pay for work performed by the General Manager or District, or caused to be performed thereby, for which the contractor may be liable; or
3. Failure to maintain or, when requested, prove the maintenance of the surety bond and insurance required to be maintained by Title 5.8.3.

Prior to the meeting of the Board of Commissioners at which action or de-certification will be taken, the contractor shall be notified and shall be afforded an opportunity to be heard by the Board of Commissioners at that meeting. If the certification is revoked, or suspended, the contractor must forthwith cease any side sewer construction work being performed by him within the District.

In such cases where a Side Sewer Contractor's certification has been revoked due to failure to maintain the surety bond or insurance, an administrative fee equal to 75 percent of the application fee defined in Section 5.8.2 shall be paid to the District at the time of submittal of proof of compliance with the requirements of Section 5.8.3.

Once a Side Sewer Contractor's certification has been revoked, a contractor's re-certification shall not be approved until such time as the contractor (a) pays any administrative fees due; and (b) fully reimburses the District for the cost to repair the contractor's work, or performs, with District authorization, repairs to the District's satisfaction. [Resolution Nos. 146, 785, 862]

5.8.6 Renewal of Certification

A Side Sewer Contractor will remain on the District's certified contractors list as long as the contractor continues to meet the requirements defined in Sections 5.8.2 and 5.8.3. A contractor that has been removed from the list shall be required to reapply. [Resolution Nos. 146, 785, 862]

5.8.7 Connection to District-Owned Pressure Sewer Main

In cases where a party wishes to connect to a District-owned pressure sewer main, the District shall perform the side sewer construction with the requesting party responsible for all costs of construction in accordance with the rates specified in the District's Master Fees and Charges Schedule. In such cases, the requesting party shall deposit with the District prior to construction the estimated value of the project, plus a ten percent contingency. [Resolution No. 862]

Section 2. Any resolutions or parts of resolutions in conflict herewith are hereby repealed insofar as they conflict with the provisions of this Resolution.

Section 3. If any section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution. The Board of Commissioners hereby declare that it would have passed this Resolution and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases has been declared invalid or unconstitutional, and if, for any reason, this Resolution should be declared invalid or unconstitutional, then the original resolution or resolutions shall be in full force and effect.

Section 4: This Resolution shall be effective immediately.

ADOPTED by the Board of Commissioners of Lake Whatcom Water and Sewer District, Whatcom County, Washington, at a regular meeting thereof, on the 30th day of October, 2019.

Laura Abele, Commissioner

Todd Citron, Commissioner

Bruce Ford, Commissioner

Leslie McRoberts, Commissioner

John Carter, Commissioner

Approved as to form, District legal counsel

EXHIBIT A

5.8 Bonded Side Sewer Contractors

5.8.1 Certification

The District maintains a list of certified, District-bonded Contractors (see Section 5.8.3 below) who meet the requirements of the following sections of this Code.

For the purpose of assuring safe and quality construction of side sewers, safe and quality connection of side sewers to the public sewers of the District and affording satisfactory protection to the sewer users of the District, no person may construct, install, repair, reconstruct, excavate, or connect to the public sewer of the District any gravity side sewer, unless he or she is a District-bonded Gravity Side Sewer Contractor holding a current state contractor's license. No person may construct, install, repair, reconstruct, excavate, or connect to the public sewer of the District any pressure side sewer, unless he or she is a District-bonded Pressure Side Sewer Contractor holding a current state contractor's license. [Resolution Nos. 146, 785, 862]

5.8.2 Registration, Standards, Application

Gravity Side Sewer Contractors and Pressure Side Sewer Contractors (together, "Side Sewer Contractor") shall be certified by the District based on information contained in applications and obtained from other reliable sources relating to the experience, ability to perform the necessary work, maintenance of applicable state licenses and certifications, and reputation of the applicant and his or her satisfaction of satisfying the requirements of this title. Contractors seeking certifications shall submit an application to the District. All registrants-applicants for certification shall supply such information as the District shall require relating to his or her experience, ability to perform side sewer work, and personal, financial, and previous work references. Contingent upon meeting all requirements stipulated in Section 5.8.3, a Side Sewer Contractor may be certified at the discretion of the General Manager based upon the findings of the review of the applicant's experience, ability, and references. An application fee, as set within the District's current Master Fees and Charges Schedule, shall be paid by the applicant at the time of application. Application fees are non-refundable, regardless of whether or not the applicant becomes certified by the District. The application ~~may~~ shall be in the form of a District-provided contract whereby the applicant shall agree to abide by the Side Sewer Contractor requirements of this Code. [Resolution Nos. 146, 785, 862]

5.8.3 Bond and Insurance

Every applicant for a District certification must, prior to inclusion on the certified contractors list, deposit with the District:

1. A surety bond in favor of the District in the amount of thirty thousand dollars (\$10,000.0030,000.00) with a surety or sureties thereon approved by the District ~~Commissioners~~ and conditioned that he or she will perform the obligations of the application or contract (if the application is in contract form) and the resolutions and requirements of the District relating to side sewers and Side Sewer Contractors, and
2. Satisfactory proof that the applicant currently carries the following insurance coverage:

- a) Public liability insurance in an amount not less than fifty thousand dollars (\$50,000.00) for injuries and accidental death to any one person, and an amount not less than one hundred thousand dollars (\$100,000.00) for any one accident.
- b) Property damage and fire insurance in an amount not less than twenty-five thousand dollars (\$25,000.00).
- c) Commercial General Liability Insurance in an amount not less than one million dollars (\$1,000,000.00) per occurrence and one million dollars (\$1,000,000.00) in the aggregate in any one year. ~~(From side sewer cont. cert.)~~

As long as a Side Sewer Contractor is included on the District-certified list, he or she shall maintain such bond and insurance, and such additional limits as may be required from time to time, and shall furnish proof thereof to the District whenever a permit is issued or whenever required by District Management. [Resolution Nos. 146, 785, 862]

5.8.4 Responsibilities

Every bonded Side Sewer Contractor or property owner shall:

1. Post a valid side sewer permit at the site of the work prior to commencing the work relating hereto.
2. Contract for work using only the standard form of side sewer contract approved by the District Management, executed in duplicate or more, which shall provide a clear description, including a sketch, of the work to be performed and the materials to be used and that workmanship and materials shall be guaranteed for a period of one year after installation and acceptance thereof.
3. Adhere at all times to the then current requirements of the District for side sewers and Side Sewer Contractors, including such reasonable requirements of the General Manager relating to construction, installation, reconstruction and repair, ~~and~~
4. Be liable for damages to the public sewers or sewage works of the District caused by his or her work.
5. Be responsible for proper and legal disposal of excess materials following construction.

[Resolution Nos. 146, 785, 862]

5.8.5 Revocation and/or Suspension of Certification

Discretionary Revocation or Suspension

The District's certification of a Side Sewer Contractor may be revoked by the Board of Commissioners, or temporarily suspended by the General Manager until the next meeting of the Board of Commissioners, for any one of the following causes:

1. Fraud or misrepresentation in applying for or maintaining the license;
2. Failure to observe the rules and regulations of the District relating to side sewers and Side Sewer Contractors;
3. Failure to pay for labor or materials used in the construction of side sewers; or
4. Fraud or misrepresentation to the property owner, building occupant, or agent or representative thereof for the purpose of obtaining a contract for the construction of a side sewer, or during the course of work done pursuant to such contract, and including the failure to adhere to the standard side sewer contract.

Mandatory Revocation or Suspension

The District's certification of a Side Sewer Contractor shall be immediately revoked for any one of the following causes:

1. Failure to correct work within thirty (30) days of receipt of written notice from the District or pay any default covered by the guaranty in the standard side sewer contract;
2. Failure to pay for work performed by the General Manager or District, or caused to be performed thereby, for which the contractor may be liable; ~~or~~
3. Failure to maintain or, when requested, prove the maintenance of the surety bond and insurance required to be maintained by Title 5. ~~98~~.3.

Prior to the meeting of the Board of Commissioners at which action or de-certification will be taken, the contractor shall be notified and shall be afforded an opportunity to be heard by the Board of Commissioners at that meeting. If the certification is revoked, or suspended, the contractor must forthwith cease any side sewer construction work being performed by him within the District.

~~[Resolution Nos. 146, 785]~~

In such cases where a Side Sewer Contractor's certification has been revoked due to failure to maintain the surety bond or insurance, an administrative fee equal to 75 percent of the application fee defined in Section 5.8.2 shall be paid to the District at the time of submittal of proof of compliance with the requirements of Section 5.8.3.

Once a Side Sewer Contractor's certification has been revoked, a contractor's re-certification shall not be approved until such time as the contractor (a) pays any administrative fees due; and (b) fully reimburses the District for the cost to repair the contractor's work, or performs, with District authorization, repairs to the District's satisfaction. [Resolution Nos. 146, 785, 862]

5.8.6 Renewal of Certification


~~The Side Sewer Contractor's certification may be renewed annually by application as aforesaid and satisfaction of the requirements of this title.~~ A Side Sewer Contractor will remain on the District's certified contractors list as long as the contractor continues to meet the requirements defined in Sections 5.8.2 and 5.8.3. A contractor that has been removed from the list shall be required to reapply. [Resolution Nos. 146, 785, 862]

5.8.7 Connection to District-Owned Pressure Sewer Main

In cases where a party wishes to connect to a District-owned pressure sewer main, the District shall perform the side sewer construction with the requesting party responsible for all costs of construction in accordance with the rates specified in the District's Master Fees and Charges Schedule. In such cases, the requesting party shall deposit with the District prior to construction the estimated value of the project, plus a ten percent contingency. [Resolution No. 862]



AGENDA **Interlocal Agreement with Whatcom**
BILL **County for On-Site Sewage System**
Item 5.C **Impact Assessment**

DATE SUBMITTED:	October 15, 2019	MEETING DATE:	October 30, 2019
TO: BOARD OF COMMISSIONERS		FROM: Justin Clary, General Manager	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Interlocal Agreement with Whatcom County for On-Site Sewage System Impact Assessment	
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Together with the city of Bellingham (City) and Whatcom County (County), the District formed a partnership in 1990 to develop a joint management strategy for the Lake Whatcom watershed. The resulting Lake Whatcom Management Program guides actions by the three entities to protect the quality of Lake Whatcom water. The current 2015-2019 and draft 2020-2024 work plans for the Lake Whatcom Management Program include as an objective under the Monitoring & Data program area “collect and manage data to increase our understanding of water quality and pollution sources, and to guide management decisions.”

In January through March of 2017, Herrera Consultants, under contract with the District, conducted a series of monitoring events along the north shore of Lake Whatcom to assess the impact of existing on-site sewage systems (commonly referred to as septic systems) on the water quality of the lake. The findings of the assessment, which were published in a report in July 2017, indicate that on-site sewage systems are likely adversely impacting water quality. However, City and County staff raised a number of concerns regarding the monitoring approach of the assessment. To address the data gaps of the 2017 assessment identified by City and County staff, and to collect additional data to better understand the impact of on-site sewage systems, a scope of work for a second round of monitoring has been jointly developed by City, County, and District staff. An interlocal agreement between the District and County has also been developed to allocate funding requirements of the assessment (as the project is wholly outside of City limits, the City has determined it will solely contribute staff time towards the project). Once the interlocal agreement is executed between the District and the County, the District will issue a request for proposals to conduct the assessment during the 2019-2020 winter.

FISCAL IMPACT

The current project is estimated to cost \$100,000; under the requirements of the interlocal agreement, the County will be responsible for reimbursing the District 40% of the project costs (i.e., up to \$40,000) with the District responsible for the remainder. The District's 2019 Budget allocates \$30,000 for this project. Given the timing of project, much of this funding is anticipated to carryover to 2020. As a result an additional \$30,000 (\$60,000 total in District funds) will require allocation in the 2020 Budget should the Board approve the interlocal agreement.

RECOMMENDED BOARD ACTION

Staff recommends that the Board approve the interlocal agreement.

PROPOSED MOTION

A recommended motion is:

"I move to approve the interlocal agreement with Whatcom County for conducting an assessment of the impact of on-site sewage systems on the quality of Lake Whatcom water, as presented."

**INTERLOCAL AGREEMENT
BETWEEN
LAKE WHATCOM WATER AND SEWER DISTRICT AND WHATCOM COUNTY
FOR THE
LAKE WHATCOM MANAGEMENT PROGRAM
ON-SITE SEWAGE SYSTEM IMPACT ASSESSMENT**

WHEREAS, Lake Whatcom Water and Sewer District, 1220 Lakeway Drive, Bellingham, WA 98229 (District) and Whatcom County, 311 Grand Avenue, Bellingham, WA 98225 (County), referred to collectively herein as “the Parties,” desire to formalize an arrangement wherein the District will provide funding for the payment of consultants to perform work in relation to assessing the impacts of existing on-site sewage systems (also known as septic systems) on the quality of water in Lake Whatcom (hereafter “Lake Whatcom On-Site Sewage System Impact Assessment”); and

WHEREAS, the Parties together with the City of Bellingham (City) jointly adopted the Lake Whatcom Reservoir Management Program (Program) through County Council Resolution No. 2000-027, City Council Resolution No. 2000-14, and District Board of Commissioners Resolution No. 636; and

WHEREAS, in the 2015-2019 Lake Whatcom Management Work Plan, the Program Area 4, Monitoring & Data, objective is to “collect and manage data to increase our understanding of water quality and pollution sources, and to guide management decisions”; and

WHEREAS, Herrera Environmental Consultants, Inc., under contract with the District, conducted a series of monitoring events along the north shore of Lake Whatcom between January and March 2017 to assess the impact of existing on-site sewage systems on water quality of the Lake; and

WHEREAS, the findings of the assessment were published in the Water Quality Monitoring Report, Lake Whatcom North Shore On-site Septic Sewage System Leachate Detection Project, in July 2017; and

WHEREAS, the data generated through the 2017 assessment indicate that existing on-site sewage systems may be adversely impacting the quality of Lake Whatcom water; and

WHEREAS, it is in the interests of the residents of the County and District to better understand the potential impact of on-site sewage systems located along the shoreline on Lake Whatcom water quality.

NOW, THEREFORE, the Parties agree as follows:

- I. *Purpose:* The purpose of this Agreement is to set the terms whereby the County will make funds available to the District to support the Lake Whatcom On-Site Sewage System Impact Assessment.

- II. *Administration:* No new or separate legal or administrative entity is created to administer the provisions of this Agreement.
- III. *District Responsibilities:* The District hereby agrees to hire a consultant, selected through required public selection processes, as agreed to by the Parties, for conducting the work described in Exhibit A and budgeted in Exhibit B.
- IV. *County Responsibilities:* The County hereby agrees to reimburse the District an amount not to exceed the total budget allocated the County as shown in Exhibit B.
- V. *Payment:* All payments under this Agreement are considered reimbursement for services rendered. Each request for payment herein is to be submitted in the usual form of a claim for services rendered supported by detailed documentation of the services actually performed so as to comply with auditing requirements. Payment shall be upon approved claims and in accordance with customary procedures. The County will compensate the District for services rendered within thirty (30) days following receipt of a detailed invoice, provided all other terms and conditions of this Agreement have been met and certified as such by the District.
- VI. *Term:* This Agreement shall be effective for services performed beginning upon District Board of Commissioners approval of the contract with the selected consultant and extending through the scope of work identified in Exhibit A, but not later than December 31, 2021. This Agreement may be renewed by mutual written agreement of all of the parties hereto. It may be terminated by any party upon the giving of ninety (90) days written notice to the others, at which time any remaining financial obligations shall be paid in full according to the provisions of "V. Payment" stated above.
- VII. *Responsible Persons:* The persons responsible for administration of this Agreement shall be the Whatcom County Public Works Department Director and the Lake Whatcom Water and Sewer District General Manager, or their designees.
- VIII. *Treatment of Assets and Property:* No fixed assets or personal or real property will be jointly or cooperatively acquired, held, used, or disposed of pursuant to this Agreement, except that the products of the on-site sewage system impact assessment work performed pursuant hereto, shall be deemed the property of each of the parties to this Agreement.
- IX. *Data:* Any data or reports generated pursuant to this agreement shall be owned jointly by the District and County. Neither party shall release preliminary data or reports to the public or other entities, unless required by law, without the other party's consent.
- X. *Indemnification:* Each party agrees to be responsible and assume liability for its own wrongful and/or negligent acts or omissions or those of their officials, officers, agents, or employees to the fullest extent required by law, and further agrees to save, indemnify, defend, and hold the other party harmless from any such liability. It is further provided that no liability shall attach to the Parties by reason of entering into this Agreement except as expressly provided herein.
- XI. *Modifications:* This Agreement may be changed, modified, amended, or waived only by written agreement executed by the Parties hereto. Waiver or breach of any term or

condition of this Agreement shall not be considered a waiver of any prior or subsequent breach.

- XII. *Applicable Law:* In the performance of this Agreement, it is mutually understood and agreed upon by the Parties hereto that this Agreement shall be governed by the laws of the State of Washington, both as to interpretation and performance, and the venue of any action arising herefrom shall be in the Superior Court of the State of Washington in and for Whatcom County.
- XIII. *Severability:* In the event any term or condition of the Agreement or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other terms, conditions, or applications of this Agreement that can be given effect without the invalid term, conditions, or application. To this end the terms and conditions of this Agreement are declared severable.
- XIV. *Entire Agreement:* This Agreement contains all terms and conditions agreed upon by the Parties. All items incorporated herein by reference are attached. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.
- XV. *Recordation:* Upon execution of this Agreement, the District shall file a copy of it with the office of its County Auditor or make it accessible on its web site or other electronically retrievable public source, pursuant to the requirements of Revised Code of Washington 39.34.040.

IN WITNESS WHEREOF, the Parties have signed this Agreement this _____ day of _____, 2019.

WHATCOM COUNTY:

Approved as to form:

Jack Louws, Whatcom County Executive

Christopher Quinn, Chief Civil Deputy
Prosecutor

Department Approval:

Jon Hutchings, Public Works Director

STATE OF WASHINGTON)
) ss.
County of Whatcom)

On this ____ day of _____, 2019, before me personally appeared JACK LOUWS, to me known to be the County Executive of WHATCOM COUNTY, and who executed the above instrument and who acknowledged to me the act of signing and sealing thereof.

NOTARY PUBLIC in and for the State of
Washington residing at _____.
My appointment expires: _____

LAKE WHATCOM WATER AND SEWER DISTRICT:

Approved as to form:

Justin Clary, General Manager

Robert Carmichael, District Legal Counsel

STATE OF WASHINGTON)
) ss.
County of Whatcom)

On this ____ day of _____, 2019, before me personally appeared JUSTIN CLARY, to me known to be the General Manager of the LAKE WHATCOM WATER AND SEWER DISTRICT, and who executed the above instrument and who acknowledged to me the act of signing and sealing thereof.

NOTARY PUBLIC in and for the State of
Washington residing at _____.
My appointment expires: _____

EXHIBIT A
Scope of Work
2019-2020 Lake Whatcom On-site Sewage System Impact Assessment

Project Background:

The Lake Whatcom watershed is located in Whatcom County in the northwest corner of Washington State. Lake Whatcom is the drinking water source for approximately 100,000 people, provides recreational opportunities for residents and visitors, and habitat for a variety of fish and animals.

Public awareness regarding deteriorating water quality in the 1980's led to a partnership between Whatcom County, the City of Bellingham, and the Lake Whatcom Water and Sewer District for cooperative watershed management under the Lake Whatcom Management Program. In 2016, the United States Environmental Protection Agency (USEPA) approved a Total Maximum Daily Load (TMDL) for phosphorus in the lake and fecal coliform bacteria in eleven lake tributaries. Efforts are underway to protect lake water quality, reduce the amount of phosphorus entering the lake system, and reduce fecal bacteria levels in tributaries entering the lake.

In 2016, the Lake Whatcom Water and Sewer District contracted with Herrera Environmental Services to conduct a study examining potential impacts of on-site sewage systems (OSSs; also known as septic systems) on lake water quality along Northshore Drive. Herrera evaluated a number of parameters at open water, lakeshore, and discharge sites along OSS-serviced and undeveloped shoreline areas. The primary parameters analyzed included fecal bacteria, optical brighteners, phosphorus, and bacteroidetes DNA biomarkers for human waste. Elevated levels of optical brighteners and bacteroidetes biomarkers were observed at some sites.

Following the study, the Whatcom County Health Department contacted landowners with OSS within the study area to conduct evaluations of systems. A total of 97 OSS were located within the study area, 68 landowners responded and systems were inspected, three failures were found and repaired, and maintenance needs were identified at one site. Eight landowners refused inspections and 17 landowners did not respond. One identified failure was upstream of a sampling site with moderately elevated fecal bacteria and optical brighteners. However, human bacteroidetes biomarkers were not detected or detected at low levels at this site.

Based upon feedback on the initial study from Lake Whatcom Management Program partners, this follow up study will incorporate shoreline areas with sewer service, provide consistent sample sites with equal representation from shoreline types, and further consider the results in relation to TMDL goals for the lake.

Project Goals and Objectives:

The purpose of this study is to follow up on the initial study, expand the study area to include shoreline areas serviced by sewer, and characterize fecal bacteria and phosphorus input to the lake from OSS and sewer serviced shorelines. The following goals and objectives provide guidance for the follow up study.

Goals:

- To determine if OSSs on parcels in shoreline areas are impacting lake water quality through fecal bacteria or phosphorus loading during wet season storm events.
- To determine if there is a difference in fecal bacteria and phosphorus levels in shoreline areas serviced by OSS versus sewer systems during storm events.
- If impacts are detected, determine the extent of those impacts relative to TMDL requirements and public health.

Objectives:

- Characterize fecal bacteria, phosphorus, and bacteriodes DNA concentrations at shoreline sites during critical conditions for OSS leaching and sewer inflow and infiltration (wet season storm events).
- Compare fecal bacteria, phosphorus, and bacteriodes DNA concentrations between OSS, sewer, and undeveloped shorelines during critical conditions.
- Compare fecal bacteria concentrations to state water quality standards.
- Compare phosphorus concentrations to Lake Whatcom TMDL goals.
- Determine next steps for evaluating OSS impacts to surface water drainages and/or groundwater, if deemed necessary from study results.

This Scope of Work includes the elements of the project that should be included in the consultant's proposal. The proposal should detail the consultant's approach to study design, number of sites and frequency of sampling, target parameters, and data analysis to address the project's goals and objectives.

Tasks:

Task 1: Project Development and Management

The consultant will be responsible for understanding the goals and objectives of the study, gathering background information, and developing a sampling plan that outlines the study area and design, sampling techniques and parameters, quality control measures, laboratory analysis, and data analysis. Whatcom County and/or the Lake Whatcom Water and Sewer District will provide information to allow for assessment of parcel locations, and site sewer categorization. Monthly progress reports will provide updates on activities, successes, and challenges.

Deliverables:

- Sampling Plan (building upon the quality assurance project plan [QAPP] developed for the initial study)
- Monthly Progress Reports and Invoices

Task 2: Data Collection and Analysis

This study will include Lake Whatcom shoreline areas with OSS, sewer, and no development. Building from the initial study, storm events during the wet season should be targeted for this study. Both OSS and sewer system functions are most stressed during storm events. For OSS, wet season conditions leading to soil saturation and high water tables can stress a system. Storm events during this period represent the most critical conditions for potential

OSS failure. Sewer systems can be similarly stressed during large rain events due to stormwater inflow and infiltration.

The consultant will be responsible for forecasting storms, collecting and recording field data consistent with parameters recorded during the initial study, collecting water samples for laboratory analysis, and compiling and analyzing data. At a minimum three sampling events at 13 locations (five OSS, five sewered, and three undeveloped) should be included in this study. Use of a fluorometer to assist in reconnaissance survey and identifying site locations is recommended (similar to initial study). A Cyclops fluorometer (Cyclops 7 probe with a DataBank display/logger, stainless steel sensor, and 5-meter cable) is available for consultant's use related to this study. The consultant is encouraged to conduct laboratory analysis for bacteria and nutrients at local laboratories.

Deliverables:

- Field Sheets and Lab Reports
- Excel Workbook with all Raw Data

Task 3: Reporting and Presentation

The consultant will review and validate all field and laboratory data according to quality control measures in the monitoring plan. A draft report will be prepared for the Project Team and Lake Whatcom Data Team with a two week period for review and feedback. A final report will be prepared addressing comments received. A presentation highlighting study methods, results, and findings will be provided.

Deliverables:

- Excel Workbook with all Raw Data and Qualifiers
- Draft Report Summarizing Study Methods, Results, and Discussion
- Final Report
- Presentation of Study

EXHIBIT B
Budget
2019-2020 Lake Whatcom On-site Sewage System Impact Assessment

Jurisdictions will be responsible for ensuring that adequate resources are available to implement the Lake Whatcom On-site Sewage System Impact Assessment as described below.

Task	Cost
Task 1. Project Management and Meetings	\$10,000.00
Task 2. Sampling and Analysis	\$60,000.00
Task 3. Data Analysis and Reporting	\$30,000.00
TOTAL	\$100,000.00

Each jurisdiction commits to paying properly incurred and invoiced expenses as follows:

Whatcom County	40%	(not to exceed \$40,000.00)
Lake Whatcom Water & Sewer District	60%	(not to exceed \$60,000.00)

These commitments are based upon the following assumptions: that the 2019-2020 budget does not exceed \$100,000.00.



**AGENDA
BILL
Item 5.D**

**Commissioner Insurance
Discussion**

DATE SUBMITTED:	October 16, 2019	MEETING DATE:	October 30, 2019
TO: BOARD OF COMMISSIONERS		FROM: Justin Clary, General Manager	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Table-Commissioner Insurance Survey of WASWD Members (2,500-5,000 connections)	
		2. Table-Annual Cost of Providing Each Commissioner Health Insurance	
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

During its 2019 session, the Washington State Legislature passed Senate Bill 5122, which revised [RCW 57.08.100](#) removing the minimum customer base requirement (5,000 customers) for water/sewer districts to have the option of providing health insurance to commissioners. Governor Inslee subsequently signed the bill into law, which became effective July 28, 2019. The District currently serves approximately 4,300 customers; therefore, the pending law will allow the District Board to consider providing insurance to its members. During its regularly scheduled July 31 meeting, the Board discussed the option of providing insurance to commissioners. During the discussion, a number of questions were raised by the Board. Following presents the Board's questions, and staff findings, which were discussed during the Board's August 28 meeting:

- 1) What would be the cost of providing insurance to Medicare-eligible commissioners through the Washington State Public Employees Benefits Board (PEBB)?
District staff contacted PEBB regarding this question. PEBB indicated that because commissioners are considered employees (they are compensated per State statute), they do not qualify for Medicare rates, and would therefore be required the same rates as non-Medicare-eligible employees. If health insurance is provided to commissioners, Medicare would become secondary insurance because the commissioners would be considered active employees covered by District insurance.
- 2) What would costs be to the District and commissioners if commissioners are considered part-time employees under District personnel policies?
District Personnel Policies Manual Section 6.09 (Benefits for Part Time and Temporary Employees) reads:

Regular Part Time Employees: All leaves, including holidays, and insurance premiums are pro-rated. Pro-rated means the ratio between the number of hours in the employee's normal work schedule and forty (40) hours per week.

Under [RCW 57.12.010](#), commissioners are compensated based upon a per meeting basis, regardless of the length of each meeting, not on an hourly basis. Because both length of meetings and number of meetings attended per week vary greatly, administration of a proportionate cost sharing arrangement for insurance premiums could be burdensome from an audit perspective. In addition, the District would need to develop a procedure for collection of premium payments from commissioners, and penalties should a commissioner fail to provide timely payment. That said, the following table provides a rough breakdown on annual costs to the District and individual commissioners based upon various scenarios under 2019 rates:

	5 Hours per Week		10 Hours per Week		20 Hours per Week	
	12.5% District	87.5% Commission	25% District	75% Commission	50% District	50% Commission
Commissioner	\$ 1,249.50	\$ 8,746.50	\$ 2,499.00	\$ 7,497.00	\$ 4,998.00	\$ 4,998.00
Commissioner/Spouse	\$ 2,271.00	\$ 15,897.00	\$ 4,542.00	\$ 13,626.00	\$ 9,084.00	\$ 9,084.00
Commissioner/Family	\$ 3,037.50	\$ 21,262.50	\$ 6,075.00	\$ 18,225.00	\$ 12,150.00	\$ 12,150.00

- 3) Commissioner Carter volunteered to work with Debi Denton to clarify how PEBB works relative to Medicare-eligible individuals.

Debi Denton and Commissioner Carter discussed this topic on August 20. The two concluded that since commissioners are considered employees, Medicare rates do not apply. Further discussion will need to include the factors of commissioner contribution level as well as non-participation waiver fees if all commissioners do not wish to participate in PEBB coverage.

- 4) Would a change in policy to provide insurance to commissioners qualify as a "change in status" that would enable enrollment at any time, or would the District need to wait until the annual open enrollment period (November of each year)?

District staff contacted PEBB regarding this question. PEBB indicated that the Board of Commissioners would be considered a separate group under the District and would be eligible for initial enrollment at any time (i.e., not subject to the annual November enrollment period). PEBB also indicated that, because the Board of Commissioners would be a separate group, the District would be responsible for the monthly waiver fee (currently \$150) for any commissioner that elects not to be covered by PEBB insurance.

During its discussion during the August 28 meeting, the Board decided to inquire during the Fall WASWD conference if other districts with less than 5,000 connections are considering providing insurance to their boards. Discussion during the Small Districts meeting at the conference indicated that none of the districts in attendance were considering this option due to financial constraints. However, it should be noted that, aside from the District, all others in attendance were 1,400 connections or fewer. Since the WASWD conference, District staff contacted WASWD members in the 2,500 to 5,000 connection range (more comparable to the District size). Attached is a table summarizing those findings.

During discussion during the Board's October 9 meeting, Commissioner Citron requested that the table provided under Item No. 2 above be expanded to reflect the cost of providing health insurance to commissioners consistent with full-time employees. That table is attached.

FISCAL IMPACT

The fiscal impacts of the providing insurance to District commissioners is estimated to be up to approximately \$93,000 per year (based on 2020 rates, anticipated Board makeup, and if insurance is provided consistent with represented employees [95% District—5% commissioners]).

RECOMMENDED BOARD ACTION

No action is recommended at this time.

PROPOSED MOTION

Not applicable.

Commissioner Insurance Survey
WASWD Members (2,500-5,000 connections)

District	Connections		Commissioners	Employees	Provides Commissioner Insurance	Considering Commissioner Insurance
	Water	Sewer				
Beacon Hill Water & Sewer District	3,975	2,772	3	9	no	considered
Coal Creek Utility District	4,021	3,590	3	17	yes	NA
King County Water District #49	4,107	0	3	7	yes	NA
King County Water District #125	3,500	0	3	7	yes	NA
Lake Whatcom Water & Sewer District	4,000	4,300	5	18	no	yes
Liberty Lake Sewer & Water District	5,004	4,341	3	13	no	no
Manchester Water District	3,358	0	3	8	yes	NA
North Beach Water District	2,713	0	3	8	no response received	
Northeast Sammamish Sewer & Water District	3,302	4,859	3	9	yes	NA
Olympic View Water & Sewer District	4,800	3,700	3	13	yes	NA
Skyway Water & Sewer District	3,355	4,074	3	10	no	considered

2020 District Insurance Rates

Coverage	Health		Life	
	Month	Annual	Month	Annual
Employee	\$ 841	\$ 10,092	\$ 4	\$ 48
Employee/Spouse	\$ 1,528	\$ 18,332	NA	NA
Employee/Family	\$ 2,043	\$ 24,512	NA	NA

Monthly Cost of Providing Each Commissioner Health Insurance

Coverage	5 Hours per Week		10 Hours per Week		20 Hours per Week		40 Hours per Week	
	12.5% District	87.5% Commission	25% District	75% Commission	50% District	50% Commission	95% District	5% Commission
Commissioner	\$ 105.13	\$ 735.89	\$ 210.26	\$ 630.77	\$ 420.51	\$ 420.51	\$ 798.97	\$ 42.05
Commissioner/Spouse	\$ 190.96	\$ 1,336.71	\$ 381.92	\$ 1,145.75	\$ 763.84	\$ 763.84	\$ 1,451.29	\$ 76.38
Commissioner/Family	\$ 255.33	\$ 1,787.34	\$ 510.67	\$ 1,532.00	\$ 1,021.34	\$ 1,021.34	\$ 1,940.54	\$ 102.13

Annual Cost of Providing Each Commissioner Health Insurance

Coverage	5 Hours per Week		10 Hours per Week		20 Hours per Week		40 Hours per Week	
	12.5% District	87.5% Commission	25% District	75% Commission	50% District	50% Commission	95% District	5% Commission
Commissioner	\$ 1,261.53	\$ 8,830.71	\$ 2,523.06	\$ 7,569.18	\$ 5,046.12	\$ 5,046.12	\$ 9,587.63	\$ 504.61
Commissioner/Spouse	\$ 2,291.51	\$ 16,040.54	\$ 4,583.01	\$ 13,749.03	\$ 9,166.02	\$ 9,166.02	\$ 17,415.44	\$ 916.60
Commissioner/Family	\$ 3,064.01	\$ 21,448.04	\$ 6,128.01	\$ 18,384.03	\$ 12,256.02	\$ 12,256.02	\$ 23,286.44	\$ 1,225.60



**AGENDA
BILL
Item 5.E**

**Country Club
Horizontal Directional Drill
8" Gravity Main Sewer
Construction Contract Closeout**

DATE SUBMITTED:	October 21, 2019	MEETING DATE:	October 30, 2019
TO: BOARD OF COMMISSIONERS		FROM: Bill Hunter	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. BHC Consultants Recommendation Letter	
		2.	
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input checked="" type="checkbox"/>	INFORMATIONAL /OTHER <input type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

Colacurcio Brothers, Inc. has completed all contract requirements and punch list items. Staff recommends accepting the Country Club Horizontal Directional Drill 8" Gravity Main Sewer Project as complete.

FISCAL IMPACT

Original Construction Contract (Colacurcio Brothers, Inc.)	\$701,000.00	
<u>CO#1 Reduced Mitigation Area and Delete Unused Quantities</u>	<u>(\$71,349.90)</u>	
Subtotal approved change orders to date	(\$71,349.90)	-10.2%
Total Construction Cost	\$629,650.10	
<u>8.5% Sales Tax</u>	<u>\$53,520.26</u>	
Grand Total Including Sales Tax	\$683,170.36	

RECOMMENDED BOARD ACTION

Staff recommends the Board accept the project as complete.

PROPOSED MOTION

A recommended motion is:

"I move to accept the Country Club Horizontal Directional Drill 8" Gravity Main Sewer Project as complete and authorize staff to closeout the public works project."



BHC Consultants, LLC
1155 N State St, Suite 528
Bellingham, WA 98225

206 . 505.3400
206 . 505.3406 (fax)
www.bhcconsultants.com

October 22, 2019

Bill Hunter
Lake Whatcom Water and Sewer District
1220 Lakeway Drive
Bellingham, WA 98229

Re: C1611 Country Club HDD 8" Gravity Main Sewer
Project Final Acceptance

Dear Bill,

It is our understanding; based on discussions with District staff, that all previously outstanding work and related contract requirements for the Country Club HDD 8" Gravity Main Sewer project have been completed to the District's satisfaction. Therefore, all contract requirements have been completed by Colacurcio Brothers, Inc and BHC now recommends that final contract payment be authorized and the District accepts the project as complete. BHC will prepare construction records and deliver them to the District in the following weeks.

Thank you for the opportunity to work with the Lake Whatcom Water & Sewer District on this important project. We look forward to working with you again in the future. If we can be of further assistance, please contact me at (360) 220-0154.

Sincerely,
BHC Consultants, LLC


A handwritten signature in blue ink, appearing to read 'Kenneth Gray', is written over a light blue horizontal line.

Kenneth Gray, PE
Project Manager



**AGENDA
BILL
Item 7.A.**

General Manager's Report

DATE SUBMITTED:	October 23, 2019	MEETING DATE:	October 30, 2019
TO: BOARD OF COMMISSIONERS		FROM: Justin Clary	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. General Manager's Report	
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.



LAKE WHATCOM WATER AND SEWER DISTRICT
General Manager's Report
Upcoming Dates & Announcements
Regular Meeting – Wednesday, October 30, 2019 – 8:00 a.m.

Important Upcoming Dates

Lake Whatcom Water & Sewer District			
Regular Board Meeting	Wed Nov 13, 2019	6:30 p.m.	Board Room
Employee Staff Meeting	Thu Nov 14, 2019	8:00 a.m.	Board Room Commissioner Carter to Attend
Investment Comm Meeting	Wed Oct 30, 2019	10:00 a.m.	Small Conference Room
Safety Committee Meeting	Mon Oct 28, 2019	1:00 p.m.	Small Conference Room
Lake Whatcom Management Program			
Data Group Meeting	Thu Nov 14, 2019	9:00 a.m.	City of Bellingham PW Offices 2221 Pacific Street
Policy Group Meeting	Mon Feb 24, 2020	3:00 p.m.	City of Bellingham Fireplace Room 625 Halleck Street
Joint Councils Meeting	March 2020	TBD	TBD
Other Meetings			
WASWD Section III Meeting	Tue Nov 12, 2019	6:15 p.m.	Bob's Burgers, 8822 Quil Ceda Pkwy, Tulalip, WA
Whatcom Water Districts Caucus Meeting	Wed Nov 20, 2019	1:00 p.m.	Board Room
Whatcom County Council of Governments Board Meeting	Wed Dec 11, 2019	4:00 p.m.	Council of Governments Offices 314 E Champion Street

Committee Meeting Reports

Safety Committee:

- Safety Committee met on October 17; committee is currently reviewing the lockout/tagout and small tools programs; and will be evaluating conducting a noise assessment of District facilities/equipment.

Investment Committee:

- No meeting has been conducted since the last report.

Upcoming Important Agenda Topics and Meetings

- Draft 2020 Budget Presentation (November 13)
- Sudden Valley Water Treatment Plant Facility Improvement Plan Contract Award (November 13)
- District-Bellingham Wastewater Treatment Agreement Discussion (November 13)
- 2020 Budget Adoption (November 27)
- Sewer Comprehensive Plan Approval for Distribution for Agency Review (November 27)

2019 Initiatives Status

Administration and Organizational Document Review/Revision

Personnel Policies Manual

- Workplace Violence Policy Update
Approved by the Board during February 27 meeting.
- Drug Testing Policy Update
Approved by the Board during February 27 meeting.
- Paid Family & Medical Leave Act Policy Addition
Approved by the Board during February 27 meeting.

Administrative Code

- Board Meeting Dates/Times
Adopted by the Board during January 30 meeting (Resolution No. 854).
- Purchasing Policy
Adopted by the Board during March 13 meeting (Resolution No. 857).
- Master Fees and Charges Schedule
Adopted by the Board during September 11 meeting (Resolution No. 860).
- Fiscal Management Policies
Adopted by the Board during September 25 meeting (Resolution No. 861).
- Bonded Side Sewer Contractor Policies
To be considered by the Board during October 30 meeting (Resolution No. 862).

Commissioner Protocol Manual

- Work session to review/revise
Adopted by the Board during April 10 meeting.

Health & Safety Program

- Review programs
Ongoing. Safety Committee has updated the District's Employee Safety Manual, and Return to Work, Respirator, Chlorine Safety, Confined Space, Vehicle Operation, Fire Safety, and Meter Reader Safety programs.

File Management System

- Electronic file management structure revision
File management structure has been revised and migration of documents is complete.
- Digitize applicable hard copies and file in DocuWare
Staff attended DocuWare training on June 13; R Hope developing process for ensuring digitalization of applicable documents in accordance with State regulations.

Community/Public Relations Enhancement

Website

- Reconfigured the layout of the *About* dropdown menu to make more user friendly.
- Expanded content for the *Board of Commissioners* page (commissioner bios and photos).
- Routinely providing alerts, as appropriate, on page (e.g., water main flushing notice).

Intergovernmental Relations

- B. Ford and J. Clary met with April Barker, Bellingham mayor candidate, on October 14.
- T. Citron, J. Clary, B. Hunter, B. Winters, K. Hemenway, K. Cook, and E. McGinty attended city of Bellingham Whatcom Falls water treatment plant tour on October 17.

- J. Clary met with Sudden Valley Community Association general manger, Joe Acala, on October 18.
- J. Clary attended the Infrastructure Assistance Coordinating Council conference, on October 22-24.
- J. Clary, D. Denton, and M. Gillis scheduled to represent the District at Sudden Valley Trunk-or-Treat event on October 26.

Social Media Program

- Develop/implement social media program
Program implemented February 14.
- Create/manage District LinkedIn account
LinkedIn account is live (www.linkedin.com/company/lake-whatcom-water-and-sewer-district) with new information posted regularly.
- Create/manage District Facebook account
Facebook account is live (<https://www.facebook.com/Lake-Whatcom-Water-Sewer-District-455872278278848>) with new information posted regularly.
- Create/manage District NextDoor account
NextDoor currently limits public agency pages to only emergency response agencies, J. Clary registered individually to monitor “neighborhoods” within District service area.

Press Releases

- District staff recognition press release issued on January 14.
- ShakeAlert implementation press release issued on July 23.

50-Year Anniversary

- Press release/logo
Release issued November 21, 2018; logo developed November 20, 2018.
- Banner
Installed January 10.
- Commissioner/employee jackets with 50th anniversary logo
Jackets distributed to staff during March 14 staff meeting.
- Celebration
Completed during the annual employee banquet on January 11.

Fact Sheets

- Develop District fact sheets
General informational fact sheet on the District created on April 15.
Water conservation fact sheet created in June and distributed with July/August utility bills.
Winter Readiness fact sheet under development to be distributed with the November/December utility bills.

Lake Whatcom Water Quality

Management Program

- Attend organized meetings; initiate additional meetings/discussions outside of program
J. Clary participating on the Interjurisdictional Coordinating Team (ICT) in the development of the Lake Whatcom Management Program 2020-2024 Work Plan (most recent meeting held on October 9).

Onsite Septic System Impact Assessment

- North shore monitoring
An interlocal agreement between the District and County for conducting an assessment during the winter of 2019-2020 will be considered by the Board on October 30. The city of Bellingham has elected to contribute staff resources to the effort; with no financial participation proposed, the city has requested to not be included in the interlocal agreement.

Onsite Septic System Conversion Program

- Identify applicable lots
Staff identified lots to pursue connection to District collection system.
- Implement conversion notification process
Notice of requirement to connect to District sewer system sent to three property owners on February 21. District staff issued a reminder to each property owner on September 4.
- Complete conversion
Of the three properties, one has been issued a requirement to connect by November 27 by the Whatcom County Health Department, one has attended a Board meeting regarding the financial burden of the connection, and one has not responded to-date.

Watershed Stormwater Utility

- Participate in utility development process
*J Clary attended multiple meetings of the citizen advisory committee, the April 30 public meeting; and multiple County Council meetings.
County Council held a public hearing and adopted (vote of 5-2) the rate structure during its July 23 meeting; the utility will become effective (begin assessing rates) January 1, 2020.*

Board Technology Upgrades

Board-issued Tablets

- Identify/implement appropriate systems to board
Tablets have been issued to each commissioner.

Electronic Board Packets

- Implement electronic-only packet production process
District has converted to electronic-only packet production.

Asset Management

Asset Location

- GPS District infrastructure in Sudden Valley
Emily McGinty, GIS intern (WWU environmental science major with a GIS certification), started on June 20. The project has largely been completed (a few manholes located in forested areas remain to be located when GPS reception improves; Emily's internship will end October 31.

Preventative Maintenance

- Develop/refine automatic work order notification process in Cartegraph
District staff have developed the hierarchy of assets for the system with Cartegraph and are testing the system on a pilot scale. Anticipate full implementation by the end of November.

O&M Workload Capacity Analysis

- Implement process in Cartegraph for tracking resource use
Engineering and operations staff are tracking resources specific to utilities.

- Analyze resource allocation data
Staff are analyzing data; for example, the data enabled an update to the District's master fees and charges schedule (adopted by the Board during its September 11 meeting).

New Development Process Refinement

- Revise/implement new development permit/inspection/approval process
The District issued a letter in May to all individuals that have obtained a Water Availability determination from the District over the past 12 months, notifying them of District limited resources for side sewer inspections and water service installations, and first come-first serve policy relative to the Lake Whatcom land disturbance window (June 1 – September 30). This letter is also being issued with water/sewer availability requests received since May.



**AGENDA
BILL
Item 7.B**

**Engineering Department
Report**

DATE SUBMITTED:	October 23, 2019	MEETING DATE:	October 30, 2019
TO: BOARD OF COMMISSIONERS		FROM: Bill Hunter	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Summary of Existing District Projects	
		2. District Projects Staff Report	
		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

Staff presentation of Summary of Existing District Projects and priorities

FISCAL IMPACT

Not applicable at this time.

RECOMMENDED BOARD ACTION

Review and discuss.

PROPOSED MOTION

Not applicable at this time.



Lake Whatcom Water & Sewer District Summary of Existing District Projects

Prepared for the October 30, 2019 Board Meeting
Data Compiled 10/23/2019 by RH, BH, RM, KH

Status of Water and System Capacities				
	South Shore ID# 95910	Eagleridge ID# 08118	Agate Heights ID# 52957	Johnson Well ID# 04782
DOH Approved ERUs	**	85	57	2
Connected ERUs	3858	70	44	2
Remaining Capacity (ERUs)	**	15	13	0
Permitted ERUs Under Construction	31	0	0	0
Pre-paid Connection Certificates & Expired Permit	15	0	5	0
Water Availabilities (trailing 12 months)	49	0	0	0
Subtotal - Commitments not yet connected	95	0	5	0
Available ERUs	**	15	8	0

** Per DOH, water system capacity is sufficient for buildout. Oct 2018

Completed District Projects in 2019	
Proj #	Project Name
C1504	Reservoir Site Security
C1705	PAR Sewer Pump Station Improvements
C1801	Shake Alert Pilot Program
C1803	Camp Firwood Automatic Transfer Switch
C1809	Replace Backhoe
C1810	Airport Pump Station Stationary Generator & Lakewood Pump Station Access Easement
C1813	Division 7 Reservoir FEMA Seismic and Shake Alert Grant Application
C1906	Water Meters & Replacement Registers
C1912	Procure Boom Lift for Reservoir Access
M1811	North Shore Sewer Force Main Stream Crossing Protection
M1915	Vehicle 42 - 5 Yard Dump Truck Tire Replacement

State Required Report Status														
Monthly Reports														
Name Of Report			Completed											
Chlorination Report Agate Heights Prepared by: Kevin	Postmarked by the 10th of month		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Surface Water Treatment Rule Report (SVWTP) Prepared by: Kevin	Postmarked by the 10th of month		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Department of Revenue Prepared by: Debi	Due end of following month		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Community Right to Know (Hazardous Materials) Prepared by: Rich	March 31		February 28, 2019											
Annual Reports														
Name Of Report	Deadline		Completed											
WA State Cross Connection Report Prepared by: Rich	May		April 3, 2019											
OSHA 300 Log Prepared by: Rich	February 1		January 28, 2019											
Water Use Efficiency Performance Report Prepared by: Kevin	July 1		March 1, 2019											
Consumer Confidence Reports Prepared by: Kevin	June 30		Geneva 6/19		SV 6/19		EagleR 6/19		Agate Ht 6/19					
Report Number of Sewer ERUs to City of Bellingham Prepared by:	January 15		February 20, 2019											
Other Reports														
Name Of Report	Deadline		Completed											
Water Right Permit No. G1-22681 Development Extension	Due Every 5 Years Next Due Feb 15, 2023		March 20, 2018											
Water Right Permit No. S1-25121 Development Extension	Due Every 5 Years Next Due March 30, 2023		March 20, 2018											
CPR/First Aid Training Coordinated by: Rich	Due Biennially Next Due 2021		March 23, 2019											
Flagging Card Training Coordinated by: Rich	Due Triennially Next Due 2022		June 6, 2019											

Safety Program Summary Completed by Rich Munson			
Summary of Annual Safety Training 2019 Testing Period - Jan 1, 2019 to May 30, 2019			
	Enrollments	Completions	% Complete
Engineering - Managers	52	52	100%
Engineering - Staff	23	23	100%
Field Crew	243	243	100%
Office - Managers	16	16	100%
Office - Staff	48	48	100%
Overall	382	382	100%

Safety meetings for the field crew take place every Friday at 7 a.m.

Dates of Completed Safety Committee Meetings					
Wednesday, January 9, 2019	Thursday, May 9, 2019	Monday, September 30, 2019			
Monday, February 11, 2019	Thursday, June 20, 2019	Wednesday, October 17, 2019			
Monday, March 11, 2019	Tuesday, July 23, 2019				
Wednesday, April 10, 2019	Tuesday, August 20, 2019				
Summary of Work-Related Injuries & Illnesses					
	2019	2018	2017	2016	2015
Total Number of Work Related Injuries					
Defined as a work related injury or illness that results in:					
• Death					
• Medical treatment beyond first aid					
• Loss of consciousness	0	0	1	0	1
• Significant injury or illness diagnosed by a licensed health care professional					
• Days away from work (off work)					
• Restricted work or job transfer					
Total Number of Days of Job Transfer or Restriction					
(light duty or other medical restriction)	0	0	13	0	0
Total Number of Days Away from Work					
(at home, in hospital, not at work)	0	0	4	0	0
Near Misses					
	2	2	1		

Developer Extension Agreements			
D1801	Sudden Valley Community Association - Area Z Fire Hydrant		
Scope	Installation of Fire Hydrant		
Sign Date	8/16/2018	Expiration Date	8/16/2021 (3 years)
Prior to Commencing Construction		Prior to Final Acceptance	
<input checked="" type="checkbox"/> 1. District Engineer approves design <input checked="" type="checkbox"/> 2. Reimbursement of District Engineer review costs <input checked="" type="checkbox"/> 3. Copy of insurance policy <input checked="" type="checkbox"/> 4. Copies of recorded easement <i>n/a: to be recorded prior to final acceptance, property owned by Sudden Valley Community Association</i> <input checked="" type="checkbox"/> 5. Copies of permits <input checked="" type="checkbox"/> 6. Pay Developer Conformance Deposit <i>Receipt #16291 8/14/18</i> <input checked="" type="checkbox"/> 7. Developer delivers performance bond <i>Assignment of savings account received in the amount of \$135,798 and dated 8/14/2018. This will cover up to \$90,532 of constructed facilities</i> <input checked="" type="checkbox"/> 8. Pays 25% of total amount of general facilities connection fees due to District <i>n/a: no new connection</i> <input checked="" type="checkbox"/> 9. Pays District Administration, Legal Services, and Inspection Deposit <i>Receipt #16291 8/14/18</i> <input checked="" type="checkbox"/> 10. District Issues Notice to Proceed w/Construction		<input type="checkbox"/> 1. District inspects & approves facilities as complete <input type="checkbox"/> N/A 2. District receives water meters for each service <input type="checkbox"/> 3. District accepts record drawings <input type="checkbox"/> 4. District accepts easements & title insurance <input type="checkbox"/> 5. District receives warranty bond or like security <input type="checkbox"/> 6. District receives maintenance bond <input type="checkbox"/> 7. District receives and approves Bill of Sale <input type="checkbox"/> N/A 8. District receives a copy of recorded plat or legal description <input checked="" type="checkbox"/> 9. District receives legal description of property <input type="checkbox"/> N/A 10. District receives Latecomers Reimbursement fees due to other Developers (if applicable) <input type="checkbox"/> 11. Developer pays any applicable Supplemental DEA Processing/General Administrative fees <input type="checkbox"/> N/A 12. District receives signed and notarized Latecomers Reimbursement Agreement (when applicable) <input type="checkbox"/> 13. Developer has reimbursed the District for all incurred costs associated with DEA <input type="checkbox"/> 14. Developer has met and completed all local, state, and federal permit requirements <input type="checkbox"/> 15. Copies of recorded easement on file with District	
Tasks/Notes			
<ul style="list-style-type: none"> 7/3/2018 DEA Application Received 7/25/2018 Board Authorizes DEA with Conditions 8/7/2018 SVCA Submits Hydraulic Analysis 8/14/2018 SVCA submits drawings, DEA, assignment of savings, insurance certificate, check for \$6,750 (\$5,000 deposit for review & inspection, \$1,000 conformance deposit, and \$750 for processing fee), and shallow pipe depth memo. 9/5/2018 District completes review of hydraulic analysis. 1,250 GPM for 90 minutes is available. 9/5/2018 SVCA submits revised plans. Review on hold until SVCA makes another deposit of \$5,329.66 to cover legal and engineering review. 12/17/2018 Deposit of \$5,329.66 received 			
Continued on next page			

Developer Extension Agreements (cont'd)	
D1801	Sudden Valley Community Association - Area Z Fire Hydrant
Tasks/Notes (cont'd)	
<ul style="list-style-type: none"> • 1/23/2019 Meeting with SVCA to review revised plans received 1/9/2019 • 2/26/2019 SVCA submits revised plans • 3/20/2019 District returns plan review comments to Wilson Engineering • 4/9/2019 District approves plans and issues notice to proceed. • 6/3/2019 Preconstruction meeting with SVCA, contractor, and Wilson to coordinate construct and inspections. Contractor will be starting work soon. • 8/5/2019 Punch list inspection • 8/15/2019 Final acceptance checklist/punch list sent to SVCA • 10/22/2019 District Preparing Bill of Sale, Easement, and Supplemental Conditions agreemnt 	

District Projects

Staff Report

10/22/2019

A1901 Whatcom County Region GIS Imagery Partnership 2019 Flight

An inter-local agreement with Whatcom County and a sub-agency license agreement with vendor, Pictometry International Corporation, in order to take receipt of the entire western Whatcom County imagery dataset and issuance of a Pictometry Connect license.

01 Administration

- 4/16/2019** Pictometry reached a milestone in the flight capture by completing the “Neighborhood” imagery portion of the project along with a portion of the Community level imagery. Flights for the remaining lowland, Nooksack River, and partner areas are next on the list.
- 6/6/2019** Pictometry has finished flight capture. It took them a little while to wrap up the 9” capture with additional snow in the upper portions of the watershed that were identified in the contract as flexible areas (for leaves). Pictometry will now begin performing QA/QC on the imagery and will let us know when the capture is complete.
- 8/26/2019** Whatcom County has taken full delivery of the 2019 image library on behalf of the partnership. Members are evaluating the image library over the next 30 days. County will be sending out inter-local agreements to partners to review and sign soon.
- 9/25/2019** The County rejected the orthophotographs due to areas missing data, processing bands, color irregularity, and blurred imagery in the 6” pixel data set. The vendor is re-processing the imagery. The County plans to provide inter-local agreements for review and approval in the coming weeks.

A1902 Compulsory Sewer Connections

Compel property owners on private septic systems to connect to adjacent public sewer mains.

01 Administration

- 2/19/2019** Staff is looking at properties on Lake Louise Road and Older Lane that are on septic and are in nearby proximity to a public sewer. This group of properties have topographic, environmental or property ownership/easement barriers that block access to nearby public sewer. Staff is working on draft policies to present to the board for consideration and discussion.
- 2/21/2019** Staff identified 3 properties where sewer is readily available adjacent to the property. Sites include 1313 Oriental Ave, 1125 Geneva St, and 2326 Northshore Rd. Notifications are being mailed via certified mail to these properties, requiring connection within 18-months.
- 9/2/2019** 2nd notice mailed to 3 properties reminding owners that connection must be made 18-months from initial notification.

C1611 Country Club Sewer Pump Station

Rehabilitation of Country Club Sewer Pump Station.

01 Administration

- 4/6/2016** Selection of consultant is in conjunction with general engineering services RFQ.
- 8/9/2016** Staff working with BHC to develop scope of work
- 9/8/2016** AE agreement finalized and being routed for execution. Scope/fee was approved by board on 8/31/2016. Work to begin as soon as agreement is executed.

- 11/2/2016 District attended Center Condo Owner's Association board meeting to present and coordinate the project. Association gave District needed letter of authorization to pursue Whatcom County permits for construction - of either option (pump station or direction drill).
- 12/21/2016 AE Agreement Amendment being routed for execution that includes scope for geotech test borings to determine directional drilling feasibility. BHC and GeoEngineers are scheduling work and preparing permit applications.
- 8/30/2017 Board authorizes Amendment 2 to AE Agreement. This work includes detailed geotechnical design for horizontal directional drilling.
- 9/13/2017 Board authorizes Amendment 3 to AE Agreement. This work include additional permitting and detailed design thru bidding.
- 11/8/2017 Staff attended Center Condo Owner's Association board meeting to brief board of progress and to coordinate future work.

02 Predesign

- 10/11/2016 Held predesign meeting with BHC and District staff. BHC beginning preliminary design.
- 11/21/2016 Staff and BHC working on scope amendment to investigate horizontal direction drilling as the primary option. This option has the potential to eliminate the need for the pump station.
- 3/21/2017 Consultant completed 3 test bores to determine feasibility of horizontal direction drilling. They did not encounter any hard rock. One bore had sandstone the last 5 feet.
- 4/19/2017 District received copy of Geotechnical Data Report that documents soil conditions found during exploratory boring. Geotechnical engineers are working on a 2nd report that will discuss and recommend horizontal drilling methodology for construction and bid documents.
- 5/17/2017 District received copy of draft geotech report regarding Trenchless (HDD) Alternative Evaluation. BHC also reviewing report and coordinating with subconsultant.
- 6/22/2017 Geotechnical subconsultant addressing District and BHC review comments and will be including a discussion on auger drilling in addition to the horizontal drilling method.
- 7/12/2017 Consultants presented horizontal direction drilling and conventional auger bore alternates to Board. Staff will make a recommendation a next Board meeting on the preferred alternative.

03 Permitting

- 10/20/2016 Pre-Application meeting with Whatcom County to review anticipated permitting requirements.
- 11/7/2016 District and GeoEngineers met wet Whatcom County Critical Areas Biologist to review potential critical areas.
- 12/22/2016 GeoEngineers submitted shoreline exemption permit application for test borings to Whatcom County.
- 11/16/2017 Held 2nd pre-application meeting with County staff. 2nd meeting was necessary due to scope change from replacement of pump station to horizontal directional drilling. Consultants are preparing permit applications for project to be submitted early December.
- 1/25/2018 Consultants are still preparing permit applications. Draft applications are expected any day for District review. Staff has rescheduled construction from summer 2018 to summer 2019. A revised CIP plan will be presented to board for approval on 1/31/2018.
- 2/12/2018 Staff have reviewed draft permit application package and is coordinating with consultant to address minor comments.
- 3/8/2018 District received permit application materials from consultant. Staff working to obtain Center Condo and SVCA notarized signatures.
- 4/13/2018 Permit applications submitted to Whatcom County.
- 4/17/2018 Corps and JARPA documents sent to agencies.
- 5/10/2018 County issued SEPA notice to agencies and property owners within 1000-feet of project for comment period. Written comments are due by June 10, 2018.
- 5/11/2018 District received Nationwide Permit12 (Utility Line Activities) from Army Corps of Engineers.
- 6/10/2018 Written SEPA comments to County due.

- 6/18/2018 As of today the shorelines administrator said he is still waiting on comments from critical areas staff, and that he'd check-in with those staff tomorrow.
- 7/5/2018 County in process of reviewing permit applications.
- 9/19/2018 County critical areas staff still reviewing details proposed plan. BHC and GeoEngineers are in contact with County staff to make sure they have everything they need to complete application processing and to schedule a shoreline hearing date.
- 10/18/2018 All additional information requested by County critical areas has been submitted. Waiting for shorelines hearing date.
- 11/28/2018 DOE issued conditional approval for Geneva Sewer Pump Station Improvements Project. There is a 21-day public comment period that ends 12/19/2019.
- 1/9/2019 Public Hearing at 125pm in the County Council Chambers for the shoreline substantial development permit.
- 1/11/2019 Received shoreline substantial development permit from hearing examiner's office.

05 Design

- 10/18/2017 BHC and Geoengineers working on detailed design and permit application submittal for HDD.
- 12/6/2017 District received Wetland Delineation Report, HDD Design Report, and Design Report from BHC. Staff is reviewing and coordinating with consultant.
- 2/12/2018 Staff received 30% complete plans for review and comment.

06 Bidding

- 2/4/2019 Advertisement for Bids published in Bellingham Herald and Seattle Daily Journal of Commerce.
- 2/21/2019 Non-mandatory prebid meeting at 1pm.
- 3/5/2019 Bid opening at 105pm.

09 Services During Construction

- 3/20/2019 Staff working with BHC to develop scope of work for service during construction.
- 5/8/2019 Board authorizes Amendment 5 to AE Agreement. This work includes services during construction, geotechnical inspection, and construction surveying.

10 Construction

- 3/13/2019 Board awards contract to Colacurcio Brothers, Inc.
- 4/8/2019 Contracts have been executed and Notice to Proceed given to contractor. Contract time is 150 days.
- 5/22/2019 Contractor providing submittals for District/BHC approvals. Pre-construction meeting date not set yet, but Contractor talking about mobilizing in June.
- 6/12/2019 Pre-construction meeting held with contractor, county, and BHC.
- 6/17/2019 Contractor onsite preparing for HDD. HDD will begin 6/24 and last about two weeks. Pump station demolition and tie-ins to existing sewer will occur after HDD.
- 7/23/2019 HDD portion of project successfully complete. Contractor working on new tie-in manhole at Ranch House. New manhole near Country Club Pump Station installed.
- 8/12/2019 Started using new gravity HDD sewer main from Country Club PS to Ranch House PS. Country Club PS removed from service.
- 9/5/2019 Substantial Completion date (150 days from Notice to Proceed). Final Completion is 30 days after Substantial Completion.
- 9/18/2019 Contractor working on site restoration and mitigation.
- 10/14/2019 Contractor reached final completion. Staff and contractor preparing documents to close out project.

C1705-G Geneva Sewer Pump Station - Construction

Construction of Geneva Sewer Pump Station Improvements project.

06 Bidding

- 1/29/2019 Advertisement for Bids published in Bellingham Herald and Seattle Daily Journal of Commerce.
- 2/19/2019 Non-mandatory prebid meeting at 2pm.

2/27/2019 Bid opening at 205pm.

09 Services During Construction

3/20/2019 Staff working with RH2 to develop scope of work for services during construction.

5/8/2019 Board authorizes Amendment 5 to AE Agreement. Work includes services during construction.

10 Construction

3/13/2019 Board awards contract to Equity Builders LLC.

4/8/2019 Construction contract has been executed. Notice to Proceed has been given to contractor. Contract time is 190 days.

5/22/2019 Contractor providing submittals to District/RH2 for approval. No pre-construction meeting date set yet. Contractor talking about mobilizing in July.

6/10/2019 Pre-construction meeting held with contractor, county, and RH2.

7/8/2019 Contractor scheduled to mobilize onsite and begin work.

7/23/2019 Contractor installed new force main sleeve on Geneva St and working to pull new force main through.

8/19/2019 Contractor working on mechanical piping and electrical items.

9/18/2019 Contractor working on wet well, check valve vault piping, electrical, site restoration and mitigation. Bypass pumps in operation during this work.

10/8/2019 New pump station commissioned and in operation.

10/15/2019 Substantial Completion date (190 days after Notice to Proceed). Final Completion is 20 days after Substantial Completion.

10/22/2019 Contractor working on punch list items.

C1708 Ball Check Valves at Austin and Beaver Sewer Pump Stations.

Install 2 ball check valves at Austin and 1 ball check valve at Beaver.

1/18/2017 District crew verified measurements of existing swing check valves. Proposed ball check valves will fit. Staff will order new ball check valves.

01 Administration

6/22/2017 District solicited quotes from 3 vendors. A purchase order has been issued for the ball check valves. They should arrive soon.

7/20/2017 District received ball check valves. District crews to install valves.

10/23/2018 Check valve position switches have been ordered that were needed. Valves will be installed and in service by end of 2018.

9/9/2019 Crews doing preliminary wiring checks to get ready for installation of one ball check valve at Beaver Sewer Pump Station.

10 Construction

8/20/2019 Both ball checks were installed at Austin PS today and tested working great. Jason

C1716A Dead End Blowoffs

Installing new blowoffs on dead end mains

01 Administration

1/19/2017 Staff researching each site to determine detailed scope of work for each location.

5/25/2017 Crews continue to pick away at blow-off installation. 8 of 41 done.

6/22/2017 Crews installed a few more. 12 of 41 done.

7/20/2017 14 done.

11/20/2017 15 of 41 done.

12/18/2017 16 done.

3/21/2018 19 done.

4/19/2018 22 done.

5/21/2018 25 done.

6/19/2018 32 done.
 7/17/2018 32 done.
 9/19/2018 33 done.
 2/19/2019 34 done.
 3/20/2019 37 done.
 4/16/2019 39 done out of 54 on the current list.
 6/18/2019 42 done.
 7/23/2019 44 done.
 8/19/2019 45 done.
 9/18/2019 46 done.

C1716B Geneva Booster Station - PRV's and Backflow Assembly

Replace pumps at Geneva Booster Station at Scenic Ave with pressure reducing valves following hydraulic modeling verification. Replace old backflow assembly at City intertie. Replace building roof.

01 Administration

2/27/2017 Wilson prepared engineer's brief sheet that includes details PRV sizing and configuration. Staff will begin preparing a bill of materials and order parts. It is anticipated District crews will perform the work.
 6/22/2017 Staff coordinating with City on what they need for a backflow assembly.
 7/20/2017 Staff considering COB suggestion to move intertie to top of ridge on Parkstone at COB/District boundary.
 9/20/2017 District considered moving PRV station per City suggestion. There are more benefits to the District to keep the Geneva Booster building and infrastructure. District staff is preparing the design report and construction drawings for submittal to DOH for installation of a PRV. Project will be coordinated with the water comp plan update in progress. We still need to coordinate with the City before going too much further in design/planning.
 10/23/2018 Staff asking Wilson for Task Order proposal to submit DOH design report for approval and to assist in coordination with COB.
 6/12/2019 Met with City of Bellingham staff and Wilson to go over coordination details. Wilson working on DOH project report which will be submitted to DOH for review and approval.
 7/8/2019 Project report submitted to DOH for review and approval.
 8/27/2019 DOH approves design / project report. Staff will begin procurement of parts.
 8/30/2019 Roofing contractor finishes roof replacement.
 10/17/2019 New coat of paint applied to exterior walls, trim, and door.
 10/22/2019 Staff obtaining quotes for mechanical piping materials and will issue purchase order soon.

C1802 Edgewater, Dellesta, Euclid Sewer Pump Station Improvements

Replace/renew Edgewater and Dellesta sewer pump stations that were installed in the 1970's. Replace/renew electrical controls and install permanent standby generator at Euclid sewer pump station.

01 Administration

1/25/2018 Staff developing RFP for selection of engineering consultant. 1st phase will include predesign and shorelines permitting in 2018.
 2/10/2018 Request for Proposals published Bellingham Herald.
 3/7/2018 RFP submittals due at 1pm. Distribute RFP's to selection committee by end of week.
 3/22/2018 Consultant selection committee meets to review and rank consultant proposals.
 3/29/2018 Board selects RH2 as the most qualified consultant for projects to board. Staff will begin scope/fee negotiations with the consultant.

- 5/21/2018 Staff working with RH2 on initial scope of work. Intent is to have board authorize scope/fee at 5/30/2018 board meeting.
- 6/14/2018 Agreement executed with RH2.

02 Predesign

- 6/18/2018 Surveyors beginning site survey at Euclid.
- 7/17/2018 Survey of Euclid 80-percent complete. Flow testing of Dellesta and Edgewater complete.
- 8/20/2018 RH2 prepared 3 alternatives for generator and pump station control panel placement. Engineering staff is reviewing with District field crews.
- 9/19/2018 Staff reviewed conceptual design layouts for Edgewater and Dellesta stations. RH2 making a few minor revisions before preparing pre-application meeting packet for County. RH2 finalizing permit application package for Euclid sewer pump station.
- 10/24/2018 Dellesta & Edgewater PS. Design criteria review with District staff and RH2.

03 Permitting

- 10/25/2018 Euclid PS. Pre-application meeting scheduled with County, District staff, and RH2.
- 11/20/2018 RH2 preparing permit applications based on information from pre-application meeting with County.
- 12/18/2018 Euclid PS. Whatcom County is requiring an Environmental Site Assessment. Staff will be discussion options with RH2.
- 1/3/2019 Whatcom County pre-application meeting for both Dellesta and Edgewater pump stations.
- 2/19/2019 Shoreline development permit applications submitted to Whatcom County for Edgewater and Dellesta.
- 2/20/2019 Euclid PS. Staff and RH2 trying to setup meeting with County regarding critical areas assessment and mitigation options.
- 3/20/2019 Euclid PS. District staff and RH2 still actively pursuing County for critical areas meeting - County staff has been non-responsive.
- 4/16/2019 Euclid PS. District staff and RH2 received confirmation from County staff that a critical areas assessment can be waived by assuming all areas are buffer areas. This will save the expense of doing an assessment. Staff is preparing documents for submittal to County.
- 5/21/2019 Euclid PS. Early May 2019 crews performed routine maintenance and wet well cleaning with the vac truck. The vac truck got stuck due to wet grass growing through gravel access road and soft muddy area near the pump station. District staff working with RH2 to include access road improvements to project scope for an all season traction surface for routine maintenance and emergency response readiness. This will result in a larger mitigation area and construction cost. Construction costs will be updated in worked into the 2020 capital improvement planning process.
- 6/11/2019 Euclid PS. Several design options were investigated with cost estimates for access road improvements. All the options were extremely expensive. District staff and management all agreed to try and re-establish the existing access road. RH2 is proceeding with the final permit application documents to be submitted to County soon.
- 7/29/2019 Euclid PS. Substantial shoreline development permit application submitted to Whatcom County.
- 8/21/2019 Dellesta and Edgewater Shoreline Development Permit Hearing at 130pm at Whatcom County Courthouse.

05 Design

- 9/12/2019 District reviewed 90% plans and returned comments to consultant.

C1814 Agate Heights WTP and Opal Booster Upgrades

Increase treatment and pumping capacity from 30gpm to 60 gpm.

01 Administration

- 2/12/2018 Staff asked Wilson to prepare Task Order to assist with preliminary design and permitting.

- 3/28/2018 Staff and Wilson toured two treatment plants that have "Atec" iron/manganese removal package treatment plant systems at Pole Road Water Association. Tour facilitated project scope development with staff and Wilson.
- 4/19/2018 Task order scope of work is being developed by staff and Wilson. Once a draft is complete it will be presented to the Board for authorization.
- 7/25/2018 Wilson task order reviewed and authorized by board.
- 7/26/2018 Task order executed. Wilson is beginning work.

02 Predesign

- 1/15/2019 District staff met with Wilson Engineering to review several different package treatment plant and package booster station vendors. Preliminary layouts indicate the existing building footprint is sufficient to install the larger capacity equipment - this significantly reduces the permitting requirements and overall project costs. Wilson will develop a pre-selection criteria to advertise, evaluate, and select specific equipment to be used to complete the design and reports to be submitted to DOH for review and approval. Selection criteria will be presented to the board for input prior to advertisement.
- 2/21/2019 Staff meeting with Wilson to explore and discuss new option of increasing capacity of existing Filtronics system.
- 5/29/2019 Wilson completed predesign report. Wilson will be presenting findings and recommendations at 5/29/2019 Board meeting.
- 6/18/2019 Future board discussion will be scheduled to determine where funding for this project will come from (i.e. existing rate payers, special benefit area, etc).
- 9/18/2019 Wilson preparing final tech memo with new alternatives based on board comments.
- 10/9/2019 Board presentation of phased approach to treatment plant and booster station upgrades. Wilson preparing DOH project report for 1st phase of project (to increase package treatment system from 30 to 60 gpm).

04 Predesign and Permitting

- 9/19/2018 ATEC treatment system pilot testing scheduled for October 2018.
- 10/18/2018 Pilot testing of ATEC treatment system finished.

C1903 District Office Misc Facility Improvements

District administrative office facility repairs and improvements located at 1220 Lakeway Drive. Work includes: Installing an irrigation system, upper parking lot asphalt patching (approx. 16-ft x 75-ft = 1,200 sf area), front entrance parking lot surface drainage grading / asphalt patching (approx. 40-ft x 30-ft = 1,200 sf area), and replacing front entrance garden stepping pavers with concrete steps/walkway.

01 Administration

- 4/9/2019 Irrigation installed and ready for service this summer.
- 8/14/2019 Concrete path installed at front entrance.

06 Bidding

- 7/3/2019 2019 Asphalt Patching Advertisement sent to Small Works Roster Contractors
- 7/15/2019 2019 Asphalt Patching prebid meeting.
- 7/23/2019 2019 Asphalt Patching bid opening.

10 Construction

- 8/8/2019 Contract executed and notice to proceed given to WRS. It is a 90-day contract and plan to start in October +/-.
- 10/22/2019 WRS scheduled to mobilize and start asphalt patching work.

C1904 Comprehensive Sewer Plan Update

The current plan was approved by Washington State Department of Ecology on June 6, 2014. The District updates the plan every 6-years. The purpose of the sewer comprehensive plan is to provide an overview of the existing sewage installations and treatment facilities operated and maintained by Lake Whatcom Water and Sewer District. In addition, it addresses potential future facilities development and projected population growth.

01 Administration

3/29/2019 District received draft task order proposal. District staff is reviewing.

4/24/2019 Board authorized Wilson task order. Task order executed and Wilson beginning work.

9/18/2019 Wilson working on plan update.

C1905 Sewer Rehabilitation and Replacement Projects

Annual project to find and reduce inflow and infiltration (I&I) of surface and ground water entering the public sewer system. Work includes: sewer main slip lining (spot repairs and full lengths), pressure grouting service tees, pressure grouting manhole leaks/voids, rebuild/seal manholes, smoke testing, and other efforts to reduce I&I.

01 Administration

2/19/2019 District crews begin video inspection of sewer pipe and manholes in Flat Car sub-basin. Sections identified as high infiltration risk are being prioritized.

6/18/2019 All the allocated project funding was utilized for rebuilding the broken sewer service at 10 Sunnyside Lane.

C1905A - CABLE ST BASIN System I&I Investigation & Repairs

Investigate sewer mains to identify repairs to reduce/eliminate system I&I. Project includes camera and physical inspections to develop permanent repair tasks.

C1905A - FLAT CAR BASIN System I&I Investigation & Repairs

Investigate sewer mains to identify repairs to reduce/eliminate system I&I. Project includes camera and physical inspections to develop permanent repair tasks.

C1907 Fire Flow Improvements - Remove FH #22-112

This project removes a fire hydrant identified in the 2018 Water System Plan as having deficient fire flow. It is the only hydrant where sufficient fire flow cannot be reasonably achieved, and it is not needed. The District standard spacing for hydrants is 600 feet, and all parcels in this vicinity are within 600 feet of other hydrants. Hydrant #22-112 is located at the upper end of Kinglet Court. Project is to remove the hydrant and install a blow-off assembly used for flushing the main.

C1908 Fire Flow Improvements - Hydraulic Model Calibration

Project includes additional field testing for hydraulic model calibration to determine the appropriate friction factor (C factor) to use in the model. The C factor was reduced globally based on limited field tests which had a significant negative impact on available fire flow in the higher elevation areas. If the current C factor is correct and these are "real" (not modeling) deficiencies, the District will explore options to eliminate the deficiencies. 4 to 8 areas will be analyzed in the water system.

01 Administration

- 5/20/2019 Wilson task order executed.
- 5/23/2019 Coordination meeting scheduled with Wilson and crews. Goal is to perform flow tests and data collection 1st week of June.
- 6/18/2019 Testing was delayed to pressure data recorder equipment failure. Rescheduling flow testing for later in June.
- 7/31/2019 3 flow test were conducted this summer that indicate District water mains are in good condition. More flow testing is being planned this fall in a few more areas to confirm these good results.

C1910 SVWTP and AHWTP Misc Component Replacement

Replace worn out components at Sudden Valley Water Treatment Plant (SVWTP) and Agate Height Water Treatment Plant (AHWTP). Replacements include: SVWTP Raw Water pH Probe, SVWTP Transmission Pump Control Valves (4 valves), SVWTP Transmission Pipeline Surge Valves (2 valves), SVWTP Raw Water Flow Meter, SVWTP CL2 Contact Tank Pressure Transmitter (used to measure tank level), SVWTP Spare Transfer Pump, and AHWTP Finish Water Flow Meter.

01 Administration

- 4/23/2019 Purchase order issued for 4 pump control valves at SVWTP. Delivery time is around 8 weeks.
- 9/9/2019 Procured spare SVWTP pH probe.
- 9/18/2019 Staff working with vendors and obtaining quotes for remaining components.

C1911 Field CL2 Injection System

Procure chlorine injection system for use in the field to chlorinate water mains after depressurization.

01 Administration

- 9/18/2019 Crews obtaining quotes for equipment.

C1913 SVWTP 20-Year Facility Plan

The purpose of this project is to: Identify and document specific operational, maintenance, renewal, and replacement needs for the next 20-years which includes everything (concrete building structure, underground vaults, motors, pumps, piping, valves, electrical, controls, heating and ventilation, chemical handling, lab space, etc.), prioritize the improvements, analyze physical space requirements for identified improvements, develop several conceptual plans that could accommodate all the components (it is likely that additional floor space is needed).

01 Administration

- 2/20/2019 Staff pulling together background information in preparation for RFQ.
- 9/18/2019 Staff finalizing request for qualifications documents and background information. Tentative publication date for Seattle DJC and Bellingham Herald is September 30th.
- 9/30/2019 RFQ advertisement in Seattle DJC and Bellingham Herald.

10/28/2019 Submittal due date.

11/13/2019 Tentative interviews (if needed) and selection committee recommendation to board.

C1914 Water Rehabilitation and Replacement Projects

Miscellaneous water system rehab and replacement projects identified for 2019 include installing PRV vault drains at 5 PRV sites (Cascade, Rock Ridge, Hillside, Dutch Harbor, & Fremont).

01 Administration

1/3/2019 Slip lining Sanwick Court water main added to this project list. This will re-establish a looped system in this area. Recall that this water main had a break and that the main had to be shut down and is no longer looped. Wilson did a hydraulic analysis that indicates fire flows requirements are still met even when not looped. However, staff recommends that the loop be re-established to maintain system redundancy and resiliency.

1/16/2019 District staff is coordinating with SWFA on old hydrants in the Geneva area that have smaller 3.5", 4", or 4.5" threaded front ports, and several that have 4" stortz adapters. SWFA has standardized on the 5" stortz. These smaller font ports and 4" stortz adapters need to be fitted with 5" stortz. SWFA requested that the 4.5" National Hose thread (Dresser brand hydrants) and 4" stortz are the priority for conversion to 5" stortz.

C1914C SVWTP Raw Water Intake Check Valve

Replace check valve on SVWTP raw water intake line.

01 Administration

9/11/2019 Insert-A-Valve and Insert-A-Tee install on raw water intake.

9/18/2019 Staff working on the 2nd phase this project - to replace faulty check valve and install new knife valve. Staff procuring hardware and piping components. Work will be scheduled once all the materials are on-hand and a detailed action plan is developed.

10/22/2019 Crews have all check valve assembly parts on hand. Replacement tentatively scheduled this week.

M1916 Flat Car Impellers, Volutes, and Wear Rings

Replace worn volute, impeller, and wear rings on pumps #1 and #3 at Flat Car Sewer Pump Station. Parts will have a ceramic coating that should extend their service life compared to the originals. Note pump #2 had these parts replaced in 2018.

01 Administration

9/9/2019 Purchase order issued for parts.

M1917 AB PLC-5 Replacements and UPS Improvements

The District has several sites that use these older style PLC's: Sudden Valley Sewer Pump Station, Flat Car Sewer Pump Station, Beaver Sewer Pump Station, and Division 30 Booster Station.

This project is intended to begin the replacement process of discontinued PLC's as well as make uninterruptable power supply (UPS) improvements for better facility reliability. The scope of work and budget to complete the project is not known at this time. A budget amount of \$100k was approved to select a general electrical/control engineering consultant through the Request for Qualifications (RFQ) selection process and to develop an initial scope to plan the migration at each site to the new PLC's and determine what UPS improvements can be made to increase facility reliability. With the remaining 2019 budget, prepare bid documents, bid the work, contract with a contractor to begin the migration, and lastly to develop future CIP budgets to finish the work.

01 Administration

9/18/2019 Staff decided to utilize MRSC consultant roster to select qualified firm. Once firm is selected scope of work and fee estimate will be developed.



**AGENDA
BILL
Item 7.C**

**Finance Department
Report**

DATE SUBMITTED:	October 23, 2019	MEETING DATE:	October 30, 2019
TO: BOARD OF COMMISSIONERS		FROM: Debi Denton	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. Quarter 3 Financial Report	
		2. 2019 Debt Service Calendar	
		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

Information only.

FISCAL IMPACT

N/A

RECOMMENDED BOARD ACTION

N/A

PROPOSED MOTION

N/A



Quarterly Financial Report Third Quarter 2019

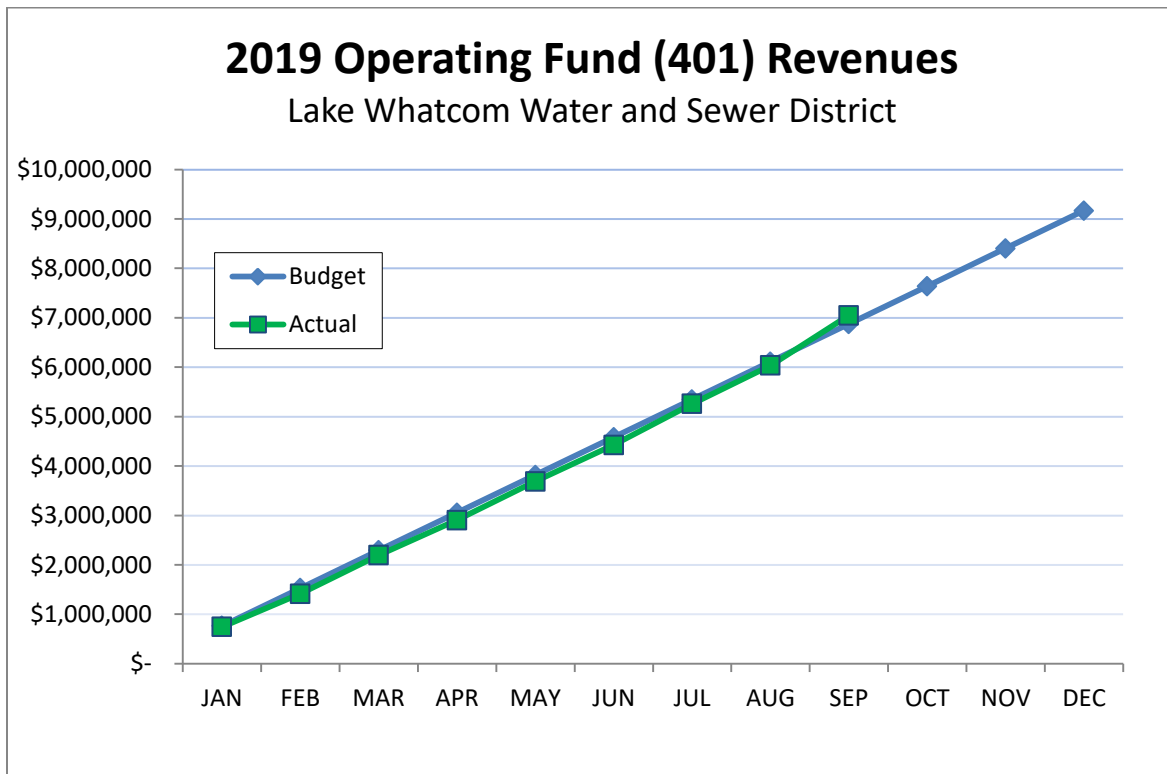
Lake Whatcom Water and Sewer District
Bellingham, Washington

Summary

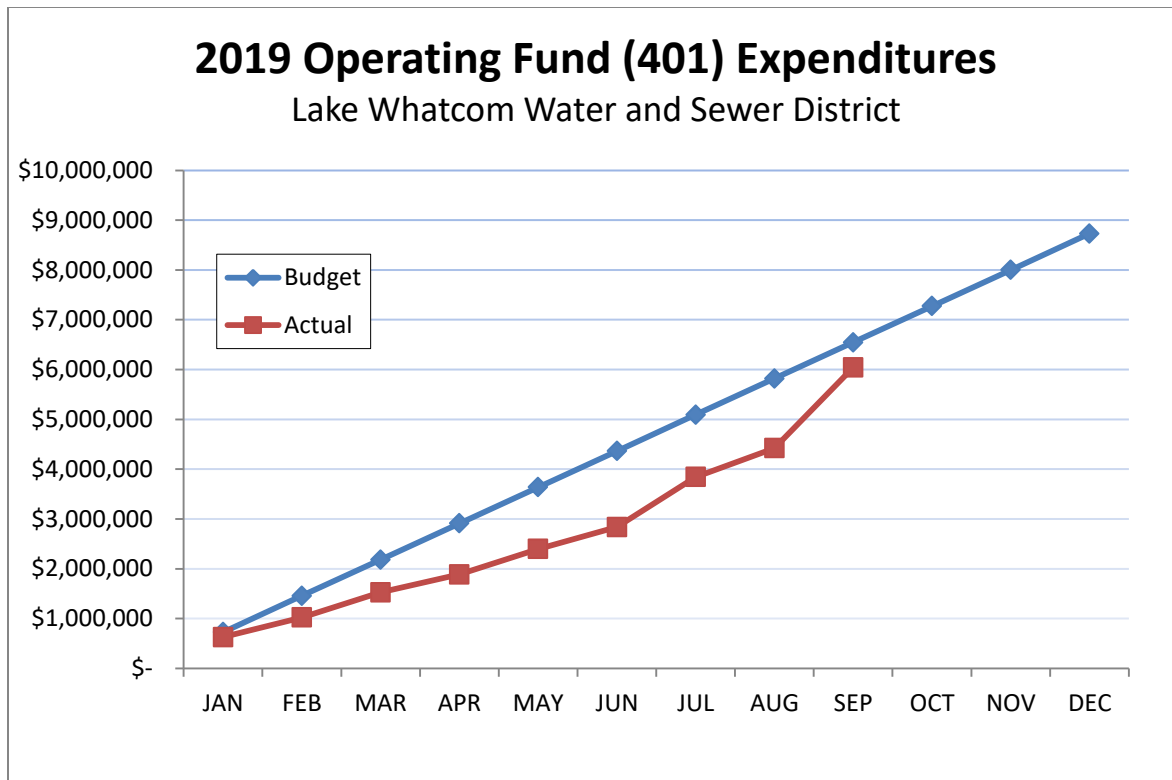
Through the first three quarters of 2019, expenditures and revenues associated with the Lake Whatcom Water and Sewer District's (District) Operating Fund (Fund 401), which serves as the primary operational fund for the District, continue to follow financial projections reflected in the 2019 Budget. Despite the mild summer, revenues from water sales during the third quarter, combined with greater than projected development-related permit revenues, allowed for actual revenues year-to-date to exceed 2019 Budget projections. That said, with the summer months now behind us and the Lake Whatcom land disturbance (i.e., development) window closed, the District anticipates that revenues will follow historic trends and taper through the remainder of the year. Expenditures increased significantly during the third quarter, which can be largely attributed to costs associated with District capital construction projects that were on hold until the Lake Whatcom land disturbance window opened. In general, revenues and expenditures are anticipated to largely continue to follow the 2019 Budget through year-end.

Of note, a budget amendment was approved by the Board of Commissioners in March to transfer funds from the Sewer/Stormwater Contingency Fund to the System Reinvestment Fund to fully fund construction contract award costs (Country Club HDD Gravity Sewer and Geneva Lift Station Renovation projects) that were above funding allocated in the 2019 Budget. Due to the diligence of Engineering Department staff and less than projected costs, actual construction costs are anticipated to fall in-line with original estimates, thus negating the need for the transfer, which was returned to the contingency fund in August.

Operating Fund (Fund 401)



Through September 30, 2019, Operating Fund revenues were \$7,049,538, which are slightly above revenues projected through the first three quarters of the year in the 2019 Budget (\$6,873,867). Historically, revenues increase significantly during the third quarter due to increased water sales. While this was again the case in 2019, the mild summer resulted in less than anticipated revenues. As a result, the District anticipates actual revenues to taper in the coming months and possibly finish slightly below 2019 Budget projections. Staff will adjust expenditures relative to revenues, if necessary, to ensure a positive cash position at year end.



Operating Fund expenditures increased significantly during the third quarter relative to the first six months. This increase is largely attributed to costs associated with a number of large capital construction projects being incurred once the Lake Whatcom land disturbance window opened (once costs are incurred, Operating Fund monies are transferred to the System Reinvestment Fund). In regards to day-to-day operational costs of the District (personnel salary and benefits, professional services, utilities, etc.), these costs are directly in line with budget projections (75% expended of the overall budget).

District Fund Balances

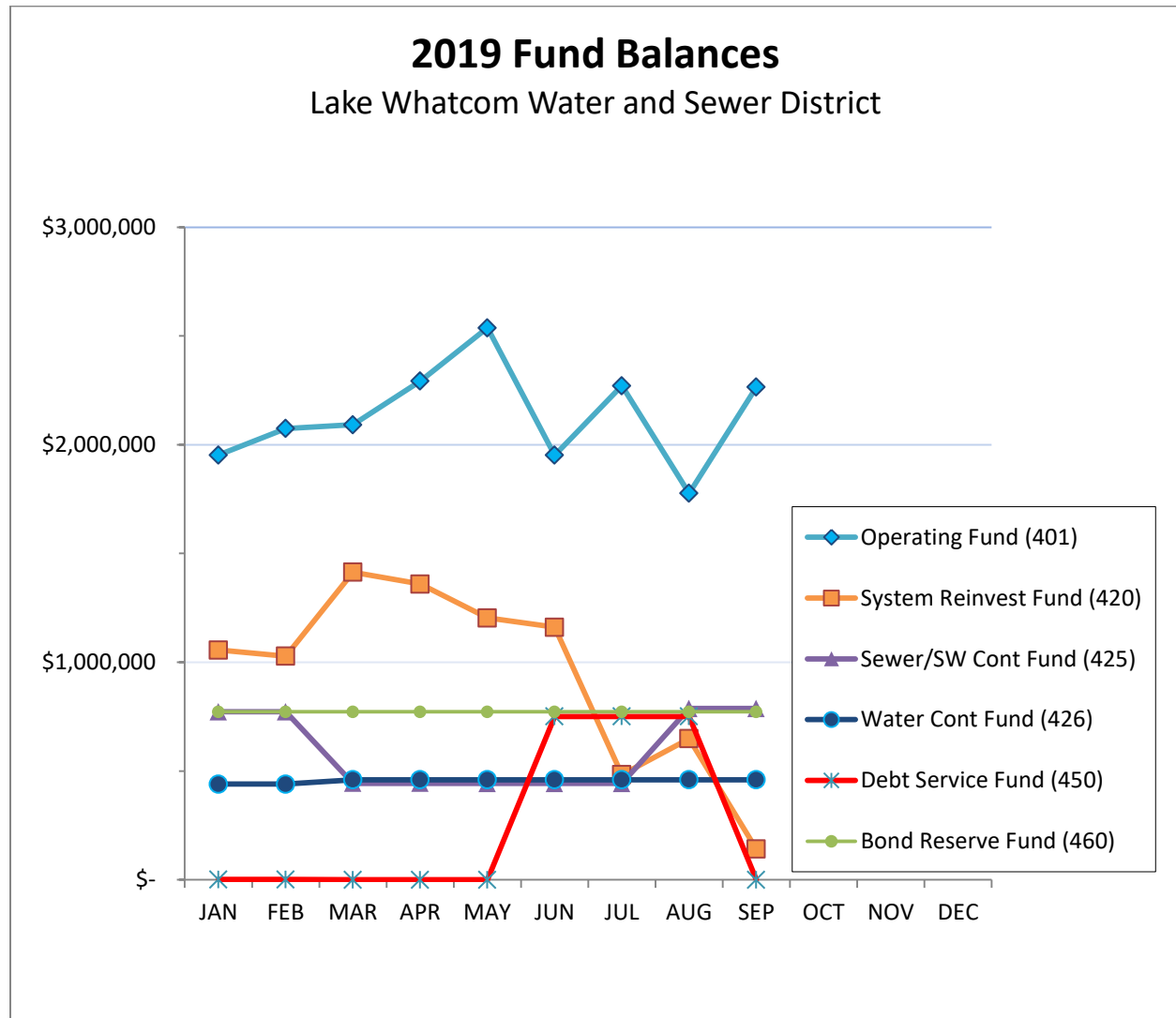
Operating Fund (Fund 401)

Operating Fund revenues have outpaced expenditures year-to-date, increasing the overall fund balance by approximately \$300,000. However, there has been significant variability in the fund balance since May, which can be attributed to timing transfers to the System Reinvestment Fund and the Debt Service Fund during this period to finance capital construction projects and existing bond payments, respectively.

System Reinvestment Fund (Fund 420)

This fund, which largely receives income through transfers from the Operating Fund, is used to finance capital construction projects. The fund balance was initially established through adoption of the 2019 Budget, and subsequently received a relatively large transfer from the Sewer/Stormwater

Contingency Fund in March through the Board's approval of a budget amendment to cover the costs of the Country Club Horizontal Directional Drill Gravity Sewer Main and Geneva Sanitary Sewer Lift Station Renovation projects that were awarded at prices above those anticipated in the 2019 Budget (this money was returned to the Sewer/Stormwater Contingency Fund in August when it became apparent that those funds would not be needed). Consistent with its intended use, the fund balance has been drawn down as the District has paid for its 2019 capital projects.



Sewer/Stormwater Contingency Fund (Fund 425)

This fund provides for paying for unanticipated costs that may be incurred by the District's sewer system. A transfer of \$15,000 from the Operating Fund to this fund was completed in March, bringing the fund to its fully funded amount (\$785,000, which reflects one percent of the sewer infrastructure replacement cost). As mentioned earlier, a transfer in March to the System Reinvestment Fund through an approved budget amendment brought the balance to \$440,592;

however, actual construction costs have been in-line with original estimates, thus allowing for reimbursement of the fund to its full amount in August.

Water Contingency Fund (Fund 426)

This fund provides for paying for unanticipated costs that may be incurred by the District's water system. A transfer of \$20,000 from the Operating Fund to this fund was completed in March, bringing the fund to its fully funded amount (\$460,000, which reflects one percent of the water infrastructure replacement cost).

Debt Service Fund (Fund 450)

This fund provides for payment of outstanding debt and is typically maintained with no balance until the months in which annual debt payments are due. At that point, a transfer from the Operating Fund to the Debt Service Fund is made, and payment of debt is made, returning the fund balance to zero. However, in anticipation for 2019 debt payments, District staff transferred the total debt obligation amount from the Operating Fund to the Debt Service Fund in June and made the payments (totaling \$750,898) in September.

Bond Reserve Fund (Fund 460)

This is a restricted fund associated with covenants of the 2016 bond sale. It is fully funded at \$772,334 with no change anticipated through yearend.

District Investments

See attached Investment/Cash Summary as of September 30, 2019.

LAKE WHATCOM WATER AND SEWER

INVESTMENTS/CASH AS OF 9/30/2019

Petty Cash	\$	1,600	
Cash	\$	377,933	0.45%
Public Funds Account	\$	200,659	1.75%
LGIP	\$	1,024,791	2.20%

\$	1,604,983
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		PAR VALUE		YIELD
FFCB - ProEquity	Callable	\$ 500,000	Oct-19	1.44%
FHLB - ProEquity	Callable	\$ 500,000	Feb-20	2.48%
FFCB - ProEquity	Callable	\$ 750,000	Aug-20	1.10%
RFCO-ProEquity	Non-callable	\$ 1,070,364	Jan-21	2.71%

US Bank	\$	2,820,364
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TOTAL	\$	4,425,347
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USE OF FUNDS:

Reserved	\$	772,334
Contingency	\$	1,247,088
Unrestricted	\$	2,405,925

\$	4,425,347
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Debt Service Calender 2019

	<u>Loan Number</u>	<u>Funding Source</u>	<u>Principal</u>	<u>Interest</u>	<u>Maturity</u>	12/31/2019 <u>Payoff Amount</u>
<u>May</u>						
Bank of New York	Bond 2016	Rates & Charges		\$ 111,037.50		see below
Bank of New York	Bond 2009	Rates & Charges		\$ 5,165.63		see below
<u>October</u>						
DWSRF Res 22	DM13-952-136	Rates & Charges	\$ 65,474.71	\$ 18,660.29	2037	\$ 1,178,544.74
DWSRF Geneva Mains	DM13-952-137	Rates & Charges	\$ 119,937.51	\$ 30,584.06	2035	\$ 1,919,000.00
<u>November</u>						
Bank of New York	Bond 2016	Rates & Charges	\$ 130,000.00	\$ 111,037.50	2035	\$ 6,030,000.00
Bank of New York	Bond 2009	Rates & Charges	\$ 285,000.00	\$ 5,165.63	2019	\$ -
			\$ 600,412.22	\$ 281,650.61		\$ 9,127,544.74
TOTAL ANNUAL DEBT LEVEL			\$ 882,062.83			



**AGENDA
BILL
Item 7.D**

**Operations Department
Report**

DATE SUBMITTED:	October 23, 2019	MEETING DATE:	October 30, 2019
TO: BOARD OF COMMISSIONERS		FROM: Brent Winters	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		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

Placeholder for the Operations & Maintenance manager to give a departmental update.

FISCAL IMPACT

Not applicable at this time.

RECOMMENDED BOARD ACTION

Review and discuss.


PROPOSED MOTION

Not applicable at this time.



**AGENDA
BILL
Item 9**

**Executive Session
General Manager Annual
Performance Evaluation**

DATE SUBMITTED:	October 15, 2019	MEETING DATE:	October 30, 2019
TO: BOARD OF COMMISSIONERS		FROM: Justin Clary, General Manager	
GENERAL MANAGER APPROVAL			
ATTACHED DOCUMENTS		1. none	
TYPE OF ACTION REQUESTED	RESOLUTION <input type="checkbox"/>	FORMAL ACTION/ MOTION <input type="checkbox"/>	INFORMATIONAL /OTHER <input checked="" type="checkbox"/>

BACKGROUND / EXPLANATION OF IMPACT

The District entered into an employment agreement on August 29, 2018, with Justin Clary to serve as the District's general manager. Mr. Clary's first day of employment with the District was October 1, 2018. Per Section 10, Performance Evaluation, of the agreement, the Board of Commissioners is to evaluate Mr. Clary's performance annually, on or about the anniversary of appointment. During its September 25 meeting, the Board defined an approach and schedule for conducting the performance evaluation. The Board also requested that Mr. Clary submit an annual report summarizing District achievements over the past year, as well as proposed initiatives for 2020. The requested document was included in the packet of the Board's October 9th regularly scheduled meeting.

This Executive Session is for the purposes of evaluating the performance of a public employee per RCW 42.30.110(1)(g) and is expected to last 30 minutes.

FISCAL IMPACT

No impact is anticipated.

RECOMMENDED BOARD ACTION

No action is recommended at this time.

PROPOSED MOTION

Not applicable.