



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

REGULAR SESSION OF THE BOARD OF COMMISSIONERS
Minutes
December 26, 2019

Board Secretary Todd Citron called the Regular Session to order at 8:02 a.m.

Attendees: Commissioner Todd Citron
Commissioner John Carter
Commissioner Bruce Ford
Recording Secretary Rachael Hope
General Manager Justin Clary
Finance Manager/Treasurer Debi Denton

Excused Absences: Commissioner Laura Abele
Commissioner Leslie McRoberts

No public were in attendance.

Changes to Agenda

Clary requested the addition of item 5.D. 2020 Non-represented Staff Cost-of-Living Adjustment. The board agreed.

Consent Agenda

Action Taken

Carter moved, Ford seconded, approval of:

- Minutes for the December 11, 2019 Special Board Meeting
- Minutes for the December 11, 2019 Regular Board Meeting
- Accounts Payable Vouchers totaling \$42,995.22
- Payroll for Pay Period #25 (11/30/2019 through 12/13/2019) totaling \$46,410.76
- Payroll Benefits for Pay Period #25 totaling \$52,658.87
- Payroll correction for Pay Period #25 totaling \$423.88
- Quarterly Payroll Tax adjustment totaling \$70.24

Motion passed.

Adoption of the 2020 Budget

Denton explained that revisions were made to the proposed 2020 budget based on Board feedback from regular meetings in October and November 2019. The most significant change for the 2020 budget is the

allocation of the reserve fund dollars to separate water and sewer funds rather than one operating fund. Discussion followed.

Action Taken

Carter moved, Ford seconded, to adopt the fiscal year 2020 budget with the addition of \$50,000 allocated towards commissioner insurance coverage subject to the findings of a committee recommendation made to the board in early February. Motion passed.

Sudden Valley Water Treatment Plant Facility Improvement Plan Architectural/Engineering Agreement

Clary introduced a scope of work and fee estimate for the initial phase of work on the Sudden Valley Water Treatment Plant Facility Improvement Plan from Gray & Osborne, Inc. (G&O). The work will be divided into phases. Phase 1 is a detailed conditions assessment of all components and systems by the G&O project manager, project engineer, electrical engineer, architectural/HVAC engineer, and structural engineer. At the conclusion of the assessment, G&O will make a presentation to the Board of the overall methodology, findings, and recommendations on what alternatives and ideas to explore in Phase 2. Future Phase 2 will include alternatives analysis, cost estimates, sequencing and scheduling to develop a 20-year Facility Improvement Plan. The scope of work and fee estimate will be developed towards the end of Phase 1 and be brought to the Board for discussion and approval. In late 2020, the District plans to begin a rate study that will consider operations, maintenance, and capital improvement needs over the next decade. The goal is to have a 20-year Facility Improvement Plan for Sudden Valley Water Treatment Plant completed for use as the rate study begins. Discussion followed.

Action Taken

Carter moved, Ford seconded, to authorize the General Manager to execute an Architecture/Engineering Professional Services Agreement for the Sudden Valley Water Treatment Plant Facility Improvement Plan with Gray and Osborne, Inc. for Task 1 - Water Treatment Plant Conditions Assessment for time and materials not to exceed \$45,360 as presented. Motion passed.

2020 Wilson Engineering Rates

Clary recalled that Wilson Engineering provides on-call engineering services to the District through a professional services agreement executed on August 8, 2016, and effective through June 31, 2021. Per Section 7.4 of the agreement, Wilson Engineering may annually request revision to the approved rates to accommodate inflation and market conditions. Included in the meeting packet was a letter from Wilson Engineering dated December 17, 2019, requesting revision to its rates and fees for 2020. Discussion followed.

Action Taken

Ford moved, Carter seconded, to approve rates and fees to be effective January 1, 2020, for professional services performed by Wilson Engineering under the existing on-call professional services contract with the District, as presented in the December 17, 2019 letter from Wilson Engineering. Motion passed.

2020 Non-represented Staff Cost-of-Living Adjustment

Clary detailed that traditionally the non-represented employees have received the same annual cost-of-living-adjustment (COLA) increase as the represented (union) employees. Non-union employees include the General Manager, District Engineer/Assistant General Manager, Finance Manager/Treasurer, Operations & Maintenance Manager, and Administrative Assistant. For 2020 the represented employee's COLA will be 2.2%, which is equal to the Consumer Price Index for all urban consumers (CPI-U) for the

Seattle metropolitan area (the Seattle area is the closest region to which the District is located), as reported in October 2019 for the prior year.

Action Taken

Ford moved, Carter seconded, to approve a salary adjustment for all non-represented District staff that is equal to an increase of 2.2% and effective January 1, 2020. Motion passed.

General Manager's Report

Clary updated the Board on several topics, including cyber-security training platform kick-off, the success of the District's first legislative breakfast, which was attended by the two representatives from the 40th district and staff of reps from the 42nd, and the On-site Sewer Impact Assessment scope of work being developed in collaboration with Whatcom County, the City of Bellingham, and Herrera Consulting. Discussion followed.

Engineering Department Report

Clary presented the Board with the December summary of existing district projects.

Finance Department Report

Denton highlighted upcoming activity in the Finance Department, including quarterlies to be presented at the January 29 Board meeting, 2020 rate increase letters, and an upcoming finance committee meeting. Discussion followed.

Operations Department Report

No Operations Department report was presented as the Operations & Maintenance Manager was not present.

Citron requested to table Item 10, Executive Session, until the next regular board meeting as the board is still working on the General Manager performance appraisal. The board agreed.

With no further business, Citron adjourned the Regular Session at 9:33 a.m.



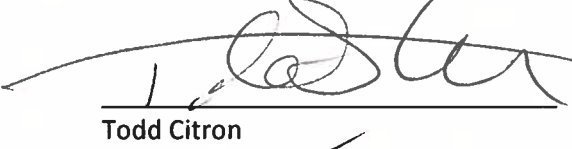
Recording Secretary, Rachael Hope

Jan 29, 2020

Date Minutes Approved



Laura Abele



Todd Citron

Bruce R. Ford



Leslie McRoberts



John Carter

