



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

## REGULAR SESSION OF THE BOARD OF COMMISSIONERS

### Minutes

*February 24, 2021*

Board President Laura Abele called the Regular Session to order at 8:01 a.m.

**Attendees:** Commissioner Laura Abele                      General Manager Justin Clary  
Commissioner Todd Citron                                      District Engineer/Assistant GM Bill Hunter  
Commissioner John Carter                                      Finance Manager/Treasurer Debi Denton  
Commissioner Bruce Ford                                      Operations Manager Brent Winters  
Commissioner Leslie McRoberts                              Recording Secretary Rachael Hope

Also in attendance were District residents Emma Martin and Stetson Shearer. All attendees participated remotely by phone or video conferencing.

#### Roll Call

General Manager Justin Clary performed a roll call to identify those in attendance, and then verbally confirmed that the meeting was noticed in accordance with Resolution No. 859 allowing remote meeting attendance as well as in compliance with current statutory requirements. It was confirmed that all participants were able to be heard and hear each other clearly.

#### Changes to Agenda

Clary requested the addition of Item 7D, C1802-EUC Request to Reject All Bids Associated with Project. The Board agreed.

#### Consent Agenda

##### Action Taken

**McRoberts moved, Citron seconded, approval of:**

- Minutes from the February 10, 2021 Regular Board Meeting
- Payroll for Pay Period #04 (02/06/2021 through 02/19/2021) totaling \$47,355.76
- Payroll Benefits for Pay Period #04 totaling \$52,540.56
- Accounts Payable Vouchers totaling \$153,322.77

**Motion passed.**

#### Customer Appeal – Water/Sewer Utility Bill – 2591 Lake Whatcom Boulevard

Denton explained that the District received a letter from Emma Martin dated February 8, 2021, requesting an appeal to the Board for relief from a lien filed by the District against property that Ms. Martin recently

purchased (2591 Lake Whatcom Boulevard). The District filed a lien on June 14, 2017 for recovery of outstanding and future sewer bill payments (the property is not served by District water) that ultimately accumulated between November 1, 2016, and January 19, 2021 due to the prior property owner's failure to pay for service.

District Administrative Code Section 2.10.3 defines the District's process for water and sewer service billing. Per Paragraph 5 of this section "All unpaid water and sewer service charges when delinquent 60 days or more shall be a lien against the property being served." Staff has explained to Ms. Martin that the District is a public agency that must consistently administer its policies, as defined in the Administrative Code, and that staff does not have the authority to reduce sewer charges or remove a lien against a property.

Ms. Martin elected to appeal the General Manager's decision to the Board, as allowed under the Administrative Code. Ms. Martin proposed a reduction of the outstanding balance to account for extenuating circumstances specific to the property. This customer request would reduce Ms. Martin's lien obligation by \$2,213.61. Discussion followed, including input from Ms. Martin and Mr. Shearer. The Board requested that the agenda item be brought back at the March 10 Regular Board Meeting to allow Ms. Martin and Mr. Shearer to research further why the lien had not been satisfied during the sale process.

#### **Sudden Valley Community Association Developer Extension Agreement No. D0801 – Area Z Fire Hydrant Extension Final Acceptance**

Hunter summarized that the Sudden Valley Community Association (SVCA) has completed all requirements of Developer Extension Agreement (DEA) No. D1801—Area Z Fire Hydrant Extension authorized by the Board of Commissioners during a regular meeting held on July 25, 2018. The scope of the project included extension of a water main and installation of a new fire hydrant in SVCA's Area Z maintenance yard to comply with fire protection requirements for a new 60-foot x 90-foot fabric storage building for storage of winter emergency supplies (sand, de-icer) and equipment. The fire hydrant was required to be within 400 feet of the structure.

Per the DEA, final acceptance by the District initiates the two (2) year maintenance bond period, which guarantees that the facilities accepted by the District remain free of defects and in proper working order during that period, with any maintenance or repair the responsibility of the SVCA.

#### **Action Taken**

**Citron moved, Carter seconded, to accept Developer Extension Agreement No. D1801—Area Z Fire Hydrant Extension as complete. Motion passed.**

#### **Accessory Dwelling Unit Regulation Policy Discussion**

Clary explained that during recent Commissioner briefings, discussion occurred regarding the District's policy in relation to permitting and billing associated with accessory dwelling units (ADUs), regulated under the District's administrative code. With an increased statewide focus on affordable housing, the Board of Commissioners has indicated a desire to review current policy related to ADU regulation.

There are relatively few existing ADUs within the District's service area, and Whatcom County Code constraints on development of new ADUs within the watershed limit the likelihood of a significant number of additional ADUs being constructed. Of additional note, Sudden Valley Community Association restrictive covenants prohibit ADUs, so the potential for additional ADUs in the District's most-populated area is eliminated. Further, the current water service rate structure is set at a low consumption rate that appropriately accommodates an ADU separately. Therefore, staff recommended that the District maintain

current ADU policies regarding water and sewer rates, and that no changes to the Administrative Code be made. Discussion followed with the Board indicating a desire to revisit this topic during a future meeting.

### **Rejection of all Bids Received Associated with the Euclid Sewer Pump Station Improvements Project**

The Euclid Sewer Pump Station is located along the westerly shore of Lake Whatcom at an approximate address 1700 Euclid Avenue. The pump station and system controls were last upgraded 22 years ago in 1999. This project consists of the replacement of the power service with a 3-phase 480 volt service, refurbishment of existing pumps, temporary bypass pumping, site, stormwater and retaining wall improvements, electrical and automatic control improvements, automatic transfer switch, and stationary generator installation.

Clary explained that two bids were received in response to the District's advertisement for bids. However, the low bid contained a material defect that requires the District to consider the bidder unresponsive. The remaining bid exceeded our Engineer's Estimate (and funding allocated to the project in the 2021 Budget) by approximately \$225,000.

The approved 2021 Budget includes \$455,700 for the construction contract. The sole responsive bid amount was \$679,806.75 (including 8.5% sales tax) if all of the unit price and additive alternate work is performed. As a result, the difference between the 2021 Budget and remaining bid was \$224,106.75 (i.e., approximately 50% over the District's budget).

Due to the significant exceedance of the District's budgeted funds for the project by the one responsive bid received, staff recommended that the Board reject all bids associated with Euclid Sewer Pump Station Improvements project, as allowed under Advertisement for Bids and the Instruction to Bidders Section 0.13, Contract Award, Paragraph B, of the bid documents. Discussion followed.

### **Action Taken**

**Carter moved, McRoberts seconded, to reject all bids received during the February 17, 2021 bid opening for the Euclid Sewer Pump Station Improvements project, as allowed under the Instruction to Bidders Section 0.13, Paragraph B, of the bid documents. Motion passed.**

### **General Manager's Report**

Clary updated the Board on several topics, including the District's continued response to the COVID-19 pandemic, the Puget Sound nutrient general permit public comment period, and recognized District staff for working diligently in response to recent emergency repairs.

### **Engineering Department Report**

Hunter highlighted several areas, including the large number of water and sewer availability forms issued in the past 12 months, the Sudden Valley Water Treatment Plant 20 Year Facility Plan, updates to the SCADA system by the District's on-call consultant, and progress on an update on the District's Emergency Response Plan in accordance with the America's Water Infrastructure Act of 2018. Discussion followed.

### **Finance Department Report**

Denton reported that the Finance Department has been busy facilitating the rate study, getting year end information to the contracted accounting firm, and implementation of the rate increase for 2021, which will appear of the March 1 bills for the Geneva/North Shore service area.

### **Operations & Maintenance Department Report**

Winters gave a brief report on field crew operations, including water plant operations, the Division 30 water main repair status, and upcoming arrival of a new service truck. Discussion followed.

With no further business, Abele adjourned the Regular Session 9:48 a.m.

  
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Board President, Laura Abele

Attest:   
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Recording Secretary, Rachael Hope

Minutes approved by motion at  Regular  Special Board Meeting on March 31, 2021  
Date Minutes Approved