



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

## REGULAR SESSION OF THE BOARD OF COMMISSIONERS

# Minutes

*April 14, 2021*

Board President Laura Abele called the Regular Session to order at 6:30 p.m.

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

**Excused Absences:**                      Commissioner Leslie McRoberts

Also in attendance:                      Keith Stewart and Russell Porter of Gray & Osborne  
Brian Smith of Wilson Engineering  
District Resident Lee Millner

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.

### Consent Agenda

Commissioner Ford pointed out a correction to be made to the minutes from the February 24, 2021 Regular Board Meeting, and the minutes were excluded from approval of the consent agenda.

### Action Taken

Carter moved, Citron seconded, approval of:

- Minutes for March 31, 2021 Regular Board Meeting
- Payroll for Pay Period #07 (03/20/2021 through 04/02/2021) totaling \$43,146.23
- Payroll Benefits for Pay Period #07 totaling \$50,669.33
- Accounts Payable Vouchers totaling \$475,523.32

Motion passed.

### **Sudden Valley Water Treatment Plant Alternatives Analysis Briefing #6**

Hunter recalled that Gray & Osborne was contracted after an initial condition assessment in July 2020, to perform an alternatives analysis of work to be done at the District's Sudden Valley Water Treatment Plant. The assessment identified high and low priority items that were subsequently broken down by major system.

The major systems as written in the scope of work agreement are:

- Pump Performance Test (Presented to Board 9/30/2020, Briefing #1)
- Chemical Systems Analysis (Presented to Board 11/25/2020, Briefing #2)
- Disinfection Systems Analysis (Presented to Board 2/10/2021, Briefing #4)
- Backwash Systems Analysis (Presented to Board 3/10/2021, Briefing #5)
- Filtration System Analysis (Presented to Board 12/30/2020, Briefing #3)
- Tier 2/3 Seismic and Structural Analysis (Presented to Board 11/25/2020, Briefing #2)
- Structural/Architectural Workspace Analysis
- NACE III Coating Inspection (Presented to Board 9/30/2020, Briefing #1)

For this meeting, Gray & Osborne presented the findings of the Structural/Architectural Workspace Analysis. The presentation focused on the structures that house components rather than specific components of the system. Keith Stewart of Gray & Osborne provided a presentation with visuals to summarize their findings and recommendations and collect Board comments. Discussion followed.

### **Resolution No. 870 Incorporating Clarifying Language in Administrative Code Title 2, Fiscal Management Policies**

Denton explained that District Administrative Code Title 2, Fiscal Management Policies, defines the District's financial management structure and associated policies. Aside from Chapter 2.16, Purchasing Policy, it has been a number of years since the last comprehensive review of Title 2. The Investment Committee identified over the past year a number of independent topics within the Fiscal Management Policies for potential update via policy revision. Work sessions were held on February 10 and March 10 to discuss proposed revisions to the Fiscal Management Policies. As an outcome of Board direction from those work sessions, staff developed a series of resolutions for Board consideration, with each resolution comprised of groups of like-revisions to Title 2 for creating a trackable record of policy revision.

Resolution No. 870, which consists primarily of code language cleanup and revisions to reflect actual processes that are in-place, also includes revisions to the water leak adjustment policy and payment plan policy. Discussion followed.

#### **Action Taken**

**Carter moved, McRoberts seconded, to approve Resolution No. 870 with the amendment that language in section 2.10.8 be clarified to specify one leak adjustment per owner during the life of that metered service. Motion passed.**

### **Resolution No. 871 Amending Utility Reserves and Debt Management Policies in Administrative Code Title 2, Fiscal Management Policies**

Denton presented a second resolution developed through Investment Committee and Board review as explained in the previous agenda item.

Resolution No. 871 adds a new section to the Administrative Code associated with maintaining contingency reserves for each utility consistent with recent annual budgets, and revises sections associated with debt management to provide greater clarity and liability reduction. Discussion followed.

**Action Taken**

**Citron moved, Carter seconded, to approve Resolution No. 871 with the amendment that in section 2.19.1 the debt service ratio be changed to "at least 1.75." Motion passed.**

**Resolution No. 872 Concluding an Emergency Declaration associated with the Division 30 Water Main Leak**

Clary recounted that on January 27, 2021, District operations staff identified a significant leak in the water transmission main that feeds the Division 30 water reservoir, which serves as the sole water supply for a significant portion of Sudden Valley residents. The leak was determined to be in a steep slope adjacent to Lake Whatcom Boulevard, and of a magnitude that it jeopardized the District's ability to maintain water supply in the Division 30 reservoir.

Based upon the location and depth of the leak, it was determined to be beyond the capability of District staff and equipment to safely and effectively perform timely repairs. The General Manager declared an emergency associated with the leak on January 28, 2021, and executed a public works contract with RAM Construction General Contractors the following day to perform the repairs.

During its regularly scheduled meeting on February 10, 2021, the Board adopted Resolution No. 869, which affirmed the General Manager's emergency declaration. Per Section 3, Timing and Effect, of Resolution No. 869, the emergency declaration shall "remain in full force and effect until a subsequent written order of the Board upon determination that the emergency has been adequately abated." Permanent repairs to the water main have been completed under contract with RAM Construction and operations restored to normal conditions. Therefore, it was recommended that the Board conclude the emergency declaration.

**Action Taken**

**Carter moved, Citron seconded, to adopt Resolution 872 as presented. Motion passed.**

**Division 30 Water Transmission Main Emergency Repair Budget Amendment**

Denton explained that this project included the emergency repair of the Division 30 water transmission main that was identified in late January and repaired in February-March. Under the authority provided in RCW 39.04.280 and Administrative Code Section 2.16.3(1), the General Manager approved an emergency public works contract with RAM Construction General Contractors (RAM), Wilson Engineering, and other repair expenses.

Repair Costs totaled \$142,563.97, which were not in the 2021 Budget. Staff recommended funding the work by allocating \$122,063 of the 2020 unallocated water capital funds. The balance of \$20,500.97 would be funded from the existing 2021 water repair and maintenance budget line item. Discussion followed.

**Action Taken**

**Carter motioned, Ford seconded, to allocate \$122,063 from the 2020 unallocated water capital project funds to District Project No. M2118 Division 30 Main Break Repair. Motion passed.**

**Division 30 Water Transmission Main Emergency Repair Contract Closeout**

Hunter reaffirmed the completion of the emergency repair of the Division 30 water transmission main that was identified in late January and repaired in February-March. As work on the project has concluded, staff recommended accepting the Division 30 water transmission main emergency repair public works construction contract as complete.

Clary recognized District Staff, as well as Wilson Engineering and Brian Smith, for quick and efficient work and collaboration and acknowledged RAM Construction's helpful and accommodating participation in the project.

**Action Taken**

Carter motioned, Citron seconded, to accept the Division 30 water transmission main emergency repair construction contract as complete and authorize staff to close-out the public works project. Motion passed.

**Accessory Dwelling Unit Regulation Policy Discussion**

Clary explained that permitting and billing associated with accessory dwelling units (ADUs) within the District is regulated under the District’s administrative code. With an increased statewide focus on affordable housing, the Board of Commissioners previously indicated a desire to review current policy related to ADU regulation.

Clary provided a memorandum developed by staff meant to facilitate Board policy discussion on the topic. The topic was discussed during the Board’s regularly scheduled meeting on February 24; however, the Board indicated a desire to postpone any decisions on whether or not to consider any revision to the existing policy to a future meeting. Considerations raised by the Board during the February 24 meeting included: reducing general facilities charges (connection fees) to 0.5 equivalent residential unit (ERU) and eliminating additional water and/ or sewer rates for ADUs, including allowing water service through one water meter. A brief discussion followed, and the Board expressed a desire to continue discussion at a later date when all commissioners were in attendance.

**General Manager’s Report**

Clary updated the Board on several topics, including the District’s continued response to the COVID-19 pandemic, the Division 30 water transmission repair project, and current job openings. Discussion followed.

With no further business, Abele adjourned the Regular Session 8:24 p.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 May 12, 2021  
Date Minutes Approved