



LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

April 27, 2022

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

Attendees:

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

Also in Attendance:

- Rich Munson, District Engineering Technician & Safety Officer
- Seth Fleetwood, Mayor of Bellingham
- Stephen Day, City of Bellingham
- Chad Schulhauser, City of Bellingham Engineering
- Eric Johnston, City of Bellingham Public Works
- Hannah Stone, City of Bellingham Council President
- Michael Lilliquist, Bellingham City Council
- Mike Thorstenson, Brown & Caldwell
- Tadd Giesbrecht, Carollo Engineers
- Shelby Smith, Attorney, City of Bellingham
- John Ghilarducci, FCS GROUP
- Tage Aaker, FCS GROUP
- Brian Smith, Wilson Engineering

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

Action Taken

McRoberts moved, Ford seconded, approval of:

- Meeting Minutes for the March 30, 2022 Regular Board Meeting
- Minutes for the April 13, 2022 Regular Board Meeting
- Payroll for Pay Period #08 (04/02/2022 through 04/15/2022) totaling \$48,993.99

- **Payroll Benefits for Pay Period #08 totaling \$53,285.08**
- **First Quarter 2022 Payroll Taxes totaling \$8,554.13**
- **Accounts Payable Vouchers totaling \$132,794.64**

Motion passed.

City of Bellingham Resource Recovery Project Status Presentation

Clary recalled that the City of Bellingham owns and operates the Post Point Wastewater Treatment Plant, which receives and treats the District's wastewater through an interlocal agreement. The solids handling process equipment at the facility are reaching the end of their useful lives and require replacement. Based upon the City's policy for climate action and community feedback on various replacement options, a digestion process with energy recovery was identified as the preferred solution. Since the last presentation to the Board in April 2021, the City and its consultant have been proceeding with design, permitting, and cost estimating associated with this project (referred to as the Resource Recovery Project).

Since the 2021 presentation, the City has received a number of comments from the community pertaining to consideration of the presence (and associated risk) of per- and polyfluoroalkyl substances (PFAS) within the compostable end product of the proposed digestion process. Based upon the community's concern with the potential for PFAS, the City has held significant discussion pertaining to the current Resource Recovery Project, and if any additional processes should be considered to address PFAS.

With the potential for any additional processes to increase project costs significantly relative to the already historically costly project, several staff and consultants from the City attended the meeting to provide a project update, receive input, and answer questions from the Board. Extensive discussion followed, including comments from Bellingham Mayor Seth Fleetwood.

General Facilities Charges Update Presentation

Signs explained that under Revised Code of Washington 57.08.005 (11), the Lake Whatcom Water and Sewer District is allowed to fix rates and charges to property owners seeking to connect to the District's water and sewer systems using reasonable connection charges so that property owners bear their equitable share of the cost of the system. For purposes of calculating a connection charge, the Board determines the share of the cost of existing facilities and facilities planned for construction over the next ten years.

The most recent review of District General Facilities Charges (GFC) was conducted in 2017, with an annual escalation of 2.5% applied since. Recognizing that much has changed regarding the water and sewer capital improvement programs over the past five years, the District contracted with FCS Group to perform an update to the current GFC rates through a comprehensive, and to make recommendations to the Board for GFC rates in the coming years. Tage Aaker of FCS Group provided a presentation on their approach to conducting this update, the scope of their work, and a timeline for project completion. Discussion followed.

Division 7 Reservoir Seismic Upgrade and Shake Alert Implementation Project Professional Service Agreement Amendment 1

Hunter outlined that a structural analysis of the Lake Whatcom Water and Sewer District Division 7 Water Reservoir performed by BHC Consultants found significant deficiencies in its ability to meet existing earthquake code requirements. Following analysis from the 2017 Water System Plan and preparation of technical memoranda by Wilson Engineering in 2018 and 2020, District staff recommended replacing the existing steel 1-million gallon Division 7 reservoir with two smaller concrete 185,000 gallon reservoirs.

In 2018, the District submitted a FEMA Hazard Mitigation Grant application for the reservoir replacement and implementation of the ShakeAlert (earthquake early warning system) on the new reservoirs. On

December 20, 2021 the District executed a Professional Services Agreement with Wilson Engineering LLC for Phase1 permitting and design. The agreement authorized the full scope of work defined in the original agreement, but limited the initial Total Price to \$47,000, until FEMA grant funding was secured.

On March 8, 2022, the Hazard Mitigation Grant Agreement with the Washington State Military Department was executed for Phase 1 preliminary and final design, permitting, easement acquisition, and required actions to complete those elements. Now that FEMA grant funding is secured, the Professional Services Agreement was presented to the Board by Staff in order to amend it to include the total cost estimate to complete the full scope of Phase 1 design and permitting as defined in the original agreement. Discussion followed.

Action Taken

Ford moved, McRoberts seconded, to authorize the General Manager execute Amendment No. 1 to the Professional Services Agreement for Division 7 Reservoir Seismic Upgrade and Shake Alert Implementation Project with Wilson Engineering, LLC as presented. Motion passed.

Commissioner Ford recognized District staff for ongoing commitment and effort in pursuing grants and other outside funding for District projects.

Interlocal Agreement with Whatcom County for Licensed Pictometry Imagery and Software

Hunter summarized that the District manages its water and sewer infrastructure through a GIS-based asset management system (Cartegraph). Up-to-date imagery of ground and built conditions around District infrastructure can play an important role in effective and efficient facility maintenance. With the cost of regularly obtaining current imagery extremely high, Whatcom County has taken the lead in developing a partnership of multiple cities and special purpose districts to provide a cost-effective means of obtaining current imagery. Staff presented the proposed interlocal agreement for Board approval. Discussion followed.

Action Taken

McRoberts moved, Ford seconded, to authorize the general manager to execute the interlocal agreement with Whatcom County to establish a cost sharing partnership for licensed pictometry imagery and software, as presented. Motion passed.

General Manager's Report

Clary updated the Board on several topics including ongoing work with the Sudden Valley Community Association and Whatcom County to remove trees with potential negative impact from around the Division 30 reservoir, scheduling of an upcoming pressure test day with Eagleridge neighborhood residents, and an update on the Public Works Assistance Account. In honor of Administrative Professionals Day, Clary also recognized Recording Secretary Rachael Hope for work done for and on behalf of the Board and District management.

Engineering Department Report

Hunter highlighted several ongoing projects, including development activity increases, Division 7 reservoir design and field testing, progress on the Rocky Ridge and Lakewood Lift Stations, and the Lake Whatcom Boulevard sewer interceptor CIPP(cure-in-place pipe) project.

Finance Department Report

Signs reported that revenues for first quarter were tracking on trend with budget, and expenditures were lagging slightly as expected, with a pickup as building season commences and permit sales increase. She

highlighted the development of a working relationship with the Opportunity Council for customer assistance, and drops in overall arrearages since first quarter of 2021. Discussion followed.

Operations & Maintenance Department Report

Winters gave a report on field crew operations, including the crew's ongoing commitment to safety in the field, water treatment plant activity, main flushing and fire hydrant inspections and repair.

With no further business, Citron adjourned the Regular Session 10:29 a.m.



Board President, Laura Abele

Attest: 

Recording Secretary, Rachael Hope

Minutes approved by motion at Regular Special Board Meeting on May 11, 2022
Date Minutes Approved