



LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229

REGULAR SESSION OF THE BOARD OF COMMISSIONERS

Minutes

October 12, 2022

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 Bruce Ford Finance Manager/Treasurer Jenny Signs
Commissioner Jeff Knakal Operations Manager Brent Winters

Absent: Commissioner John Carter

Also in attendance was District employee Jason Dahlstrom.

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

Ford moved, Citron seconded, approval of:

- Minutes for the 09/14/22 Regular Board Meeting
- Minutes for the 09/28/22 Regular Board Meeting
- Payroll for Pay Period #20 (09/17/2022 through 09/30/2022) totaling \$47,119.39
- Payroll Benefits for Pay Period #20 totaling \$53,333.22
- Accounts Payable Vouchers totaling \$173,633.51

Motion passed.

2022-23 Sanitary Sewer Misc. I&I Repair Unit Price Contract Award

Hunter explained that the scope and focus of annual miscellaneous inflow & infiltration repair work vary based on the type of high priority items discovered during the previous wet season, excluding projects identified as separate capital improvement projects. To efficiently execute an undefined quantity and undefined frequency

of work, the District is utilizing a contracting tool authorized by the State Legislature for use by water-sewer districts and other local governments called a “Unit Price Contract.”

The District has successfully used this contracting tool for several contracts since 2020. The District estimated the work under this unit price contract to be less than \$350,000 the project was advertised in accordance with the District’s small works roster policies. Bids were due September 21, 2022, and one bid was received from Olson Brothers Pro-Vac, LLC. Bid item unit prices for the new 2022-23 contract were compared against the previous 2020 contract. Increases and decreases in the bid item unit prices generally align with staff expectations considering contractor feedback during the previous contract and the rise in construction costs.

Staff has verified mandatory and supplemental bidder responsibility criteria. Olson Brothers Pro-Vac, LLC has demonstrated its experience to the District with the successful completion of the previous 2020 I&I Unit Price Contract. Based on bidder responsibility criteria and previous contract success, staff recommended awarding the new 2022-23 Misc. I&I Repair contract to Olson Brothers Pro-Vac, LLC. Discussion followed.

Action Taken

Citron moved, Knakal seconded to award the 2022-23 Sanitary Sewer Misc. I&I Repair Unit Price Contract to Olson Brothers Pro-Vac LLC and authorize the general manager to execute the contract by which work will be defined and authorized by individual work orders executed in compliance with the District’s administrative code. Motion passed.

General Facilities Charges Analysis Recommendations

Signs recalled that during the July 27, 2022, Board meeting, staff was directed to provide an analysis of methodology and data provided to FCS Group as a result of significant proposed increases to the sewer General Facilities Charges (GFCs). Staff provided for Board discussion a detailed report of methodology and revised asset valuations to provide a more accurate reporting of system costs going forward during the September 14, 2022, Board meeting, at which time the Board directed staff to proceed with working with FCS Group to develop updated water and sewer GFCs based upon the methodology presented during the meeting.

As a result, FCS Group updated their model and provided staff with a revised recommendation for the GFC rates to the sewer. FCS Group is recommending that the sewer GFC be increased from the current rate of \$8,528 to \$11,934. This is much lower than the initial proposal of increasing the sewer GFC to \$16,501. They also maintain their recommendation from initial presentation that the water GFC should be increased to \$7,832 from current rate of \$6,338. It would then be at the Board’s discretion to determine future escalations to account for construction cost inflation in the coming years. Discussion followed.

Preliminary Draft 2023-2024 Biennial Budget Presentation

Signs presented the commissioners with a preliminary draft budget for 2023-24 using projected revenues based upon rate increases established in the Master Fees & Charges Schedule 28 (4.5% water and 3.75% sewer) and projected 2022 operating expenses and projects defined in the District’s water and sewer capital improvement plans. The preliminary budget, for the biennium 2023 – 2024, proposed a budget of approximately \$8.6 million for the water utility and a budget of approximately \$9.6 million for the sewer utility, resulting in a total budget of approximately \$18.2 million. Hunter provided an overview of several items from the capital improvements section of the proposed budget. Discussion followed.

General Manager’s Report


Clary updated the Board on several topics, including ongoing follow-up from the November 2021 Flood Event, staff work on exposed pipes in Beaver Creek, and mapping of manholes with GPS data showing the

relationship of specific manholes and sewer lift stations to assist in wet weather response. Clary recognized the operations crew for their diligent work in preparing for another rainy season.

Executive Session Per RCW 42.30.140(4) General Manager Performance Evaluation – 30 Minutes

Abele recessed the Regular Session to Executive Session at 8:30 p.m. It was estimated that the Executive Session would take about 30 minutes. The purpose of the Executive Session was to discuss the General Manager’s Performance Evaluation. Abele recessed the Executive Session and reconvened the Regular Session at 8:54 p.m.

With no further business, Abele adjourned the Regular Session 8:54 p.m.



Board President, Laura Abele

Attest: 

Recording Secretary, Rachael Hope

Minutes approved by motion at Regular Special Board Meeting on Nov 9, 2022
Date Minutes Approved