



## LAKE WHATCOM WATER AND SEWER DISTRICT

1220 Lakeway Drive  
Bellingham, WA 98229

### REGULAR SESSION OF THE BOARD OF COMMISSIONERS Minutes

*March 8, 2023*

Board President Todd Citron called the Regular Session to order at 6:30 p.m.

**Attendees:** Commissioner Todd Citron                      General Manager Justin Clary  
                  Commissioner Bruce Ford                      Finance Manager/Treasurer Jenny Signs  
                  Commissioner Jeff Knakal                      Operations & Maintenance Manager Jason Dahlstrom  
                  Recording Secretary Rachael Hope              District Legal Counsel Bob Carmichael

**Excused Absences:**      Commissioner Laura Abele  
   Commissioner John Carter

Also in attendance were Curt Schoenfelder and Melanie Mankamyer of Wilson Engineering, and two members of the public. Attendees noted with (v) attended the meeting virtually.

#### Consent Agenda

##### **Action Taken**

**Ford moved, Knakal seconded, approval of:**

- **Minutes for the 02.22.23 Regular Board Meeting**
- **Payroll for Pay Period #05 (02.17.2023 through 03.02.23) totaling \$45,621.33**
- **Payroll Benefits for Pay Period #05 totaling \$52,201.49**
- **Accounts Payable Vouchers totaling \$87,446.97**

**Motion passed.**

#### Resolution No. 889 Revision to the Capital Improvement Plan Policy

Signs summarized that historically, District policy (Title 2 of the District's administrative code) has not formally defined how funds generated in support of the capital surplus are to be managed and ultimately used. On January 25, 2023, the District's Investment Committee discussed potential revisions to the administrative code to incorporate a capital surplus policy, which was subsequently discussed by the Board during its February 8, 2023, meeting. Based upon Board direction, staff prepared Resolution No. 889 for the Board's consideration, adding text to Title 2 Section 3 of the District's Administrative Code.

##### Action Taken

**Knakal moved, Ford seconded, to adopt Resolution No. 889 as presented. Motion passed.**

### **Division 7 Reservoir Replacement Project Funding Commitment**

Clary recalled that a 2016 structural analysis by BHC of the Lake Whatcom Water and Sewer District Division 7 Water Reservoir found significant deficiencies in its ability to meet existing earthquake code requirements. The 2017 Water System Plan also analyzed the capacity of the Division 7 reservoir and found it to be significantly oversized. Technical memoranda prepared by Wilson Engineering LLC in 2018 and 2020 provided alternatives analyses that investigated several options associated with future use of the reservoir or replacement. The recommended alternative replaces the existing welded steel 1-million gallon reservoir with two smaller concrete 185,000 gallon reservoirs.

In 2018, the District submitted a FEMA Hazard Mitigation Grant application to replace the Division 7 Reservoir with two new reservoirs constructed to meet seismic standards, and to implement ShakeAlert (earthquake early warning system) on the new reservoirs. Though the grant application was submitted in 2018, the project did not proceed for a few years due to varying circumstances (e.g., grant administrator staffing issues, the COVID-19 pandemic). At the time of approval of Phase I in 2022, the total project cost was estimated at \$2,281,000.

With design and permitting progressing, and recognizing significant escalations in the construction industry over the past year, a more current cost estimate for the entire project was recently prepared. The October 2022 estimate is \$2,950,000 (\$669,000 beyond the FEMA-approved grant agreement). Staff presented several options for project funding. Discussion followed.

#### **Action Taken**

**Ford moved, Knakal seconded, to affirm the District's commitment to fund any financial obligations associated with the Division 7 Reservoir Replacement Project beyond the \$1,995,875 provided through federal hazard mitigation grant funding and direct staff to continue pursuit of other external funding opportunities. Motion passed.**

### **Electrical On-Call Unit Price Public Works Contact Award**

Clary explained that the District maintains and operates a substantial number of sewer lift stations, water booster stations, reservoirs, treatment plants, and building facilities which have electrical and control systems that need routine maintenance and repair. The District has one licensed electrician on staff, but with the continuous and increasing amount of electrical and control maintenance, troubleshooting, and repair tasks, additional contracted support is recommended to assist in keeping up with the workload.

Per the District's administrative code and as allowed by state law, staff solicited bids from five local electrical contractors. Two bids were received, and staff verified that the lowest bidder, Elite Electrical Contractors, Inc., meets mandatory and supplemental bidder responsibility criteria. It is anticipated that most of the work using work orders will be for regular maintenance and repair and be funded by the operations and maintenance budget. Discussion followed.

#### **Action Taken**

**Knakal moved, Ford seconded, to award the Electrical On-Call Unit Price Contract to Elite Electrical Contractors, Inc. 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.**

### **Interlocal Agreement with Whatcom Conservation District for Water Conservation Public Outreach Support Services**

Clary recalled that to help meet the needs of growing communities, agriculture, industry, and focus on conserving water for fish, the Washington State Legislature passed the Municipal Water Law in 2003,

which includes requirements for municipal water suppliers to adopt water supply efficiency measures. Subsequently, in 2007 the Water Use Efficiency rule became effective, requiring municipal water suppliers to develop and implement water conservation measures in their water system comprehensive plans. The District's Water Use Efficiency Plan was most recently updated and adopted by the Board in December 2021.

Recognizing that greater success can be achieved through common messaging and economies of scale, coupled with the significant focus on water use and rights in Water Resource Inventory Area (WRIA) No. 1, Whatcom County reconvened the Whatcom Water Alliance (WWA) in 2019 and hired the Whatcom Conservation District to facilitate development of an enhanced countywide water conservation program. The Board formerly approved submittal of a letter in September 2020 to the Whatcom County executive supporting the multi-year program, which includes development of a website, media kit and water conservation how-to videos, and new in 2022, a voluntary rebate program. Though Whatcom County continues to finance the bulk of the Whatcom Conservation District's WWA support efforts, this interlocal agreement commits the District to \$2,132 (\$0.40 per connection, plus a \$492 administrative charge) in 2023. Discussion followed.


**Action Taken**

**Knakal moved, Ford seconded, to authorize the general manager to execute the Interlocal Agreement with the Whatcom Conservation District for water conservation public outreach support services, as presented. Motion passed.**

**Manager's Report**

Clary updated the Board on several topics, including interviews for the open Maintenance Worker I position, advertising and applications for the upcoming Commissioner Position 1 vacancy, and Washington State Department of Health sanitary surveys completed on the District's South Shore and Eagleridge water systems. Discussion followed.

With no further business, Citron adjourned the Regular Session at 7:22 p.m.



Board President, Todd Citron

Attest: 

Recording Secretary, Rachael Hope

Minutes approved by motion at  Regular  Special Board Meeting on March 29, 2023  
Date Minutes Approved