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 Website: www.lkstevenssewer.org

Mission Statement: Meeting the challenge of protecting the environment and providing quality sewer service to the community.

**MINUTES
 COMMISSIONER SPECIAL MEETING
 November 22, 2016 9:00 AM**

Attendees: Commissioners Pam Stevens, Frank McDaniel and Brent Kirk. Staff: Michael Bowers, Tonya Christoffersen, Johnathan Dix, Caitlin Hubbard and Mary Coonrod. Engineering Consultant: Leigh Nelson, G & O. Legal Counsel: Brad Cattle and Jordan Wallace.

1. **CALL TO ORDER** - At 9:00 AM, Commissioner Stevens called the Meeting to order.
2. **PLEDGE OF ALLEGIANCE** – Commissioner Stevens led those present at the Meeting in the Flag Salute.
3. **CONSENT ITEMS** (The Commissioners have previously reviewed these in detail). Commissioner Kirk moved to approve the Consent Items A through I. Commissioner McDaniel seconded the Motion. The Motion passed unanimously.

	AMOUNT	CHECK #'s
A. Minutes: Nov 10		
B. Lien Placements (0) Lien Releases (0)		
C. Investments – (see fund balance sheet)	\$182,589.06	
Withdrawals	\$1,524,603.34	
Transfers	NA	
D. Payroll		
E. 40 – Maintenance	\$79,208.81	3794-3820
F. 48 – SRF Principle & Interest Payment	\$1,646,365.84	3821
G. 50 – City of Lake Stevens Bond Payment	NA	
H. 58 – Capital Expenditures	NA	
I. 60 – P WTF Principle & Interest Payment	NA	

J. Vine Maple Plat Developer Extension Agreement – Leigh Nelson pointed out the project area on the District map. She stated it will be 5 ERU's and recommended the agreement for approval. Commissioner Kirk moved to approve the Vine Maple Plat Developer Extension Agreement; Commissioner McDaniel seconded the Motion. The Motion passed unanimously.

4. **PUBLIC FORUM** – None

5. **OLD BUSINESS**

A. Resolution No. 922: GFC Rates Increase – Michael Bowers summarized that based on the 2016 Comprehensive Plan update and the associate financial analysis for rates and fees, he is recommending an increase of the District's General Facility Fee from \$8,500 to \$8,750 effective March 1, 2017, and then to \$9,000 effective January 1, 2018. Commissioner Kirk moved to approve Resolution 922, which increases the District connection fee to \$8,750 per ERU effective March 1, 2017, and then to \$9,000 per ERU effective on January 1, 2018. Commissioner McDaniel seconded the Motion. The Motion passed unanimously.

6. **NEW BUSINESS**

A. CCTV Truck Lessons Learned Presentation – Michael Bowers provided a handout to the Commissioners and stated that now that staff completed training approximately six months ago,

it would be good to update the Commissioners on the District's deployment of the CCTV truck and system. Johnathan Dix provided a progress report, stating that they have had about 4 months of active CCTV-ing within about 9 miles of pipe. They have responded to 6 customer service trouble-shooting requests; located 4 manholes previously buried, and 2 sewer mains were discovered that were not showing in our records. He said we started with the oldest infrastructure and trouble areas. Mr. Dix stated that the software was amazing and it will be incorporated into our GIS system which will be extremely helpful. He also referred to a plug that was found in a manhole, and he complimented the field staff for their creative solutions in removing the plug without having to bring in outside help. This event alone probably saved the District about \$2,000. He summarized that with this CCTV equipment the District has faster, more reliable information, can see trouble areas before they become real problems, and can be much more responsive to customer requests. Also, we are better able to direct maintenance and identify needed repairs or replacements rather than waiting until a failure occurs. We are also able to locate and verify unidentified assets. The equipment allows for partnerships with outside agencies, especially with storm water, and reduces the potential for insurance claims. The software does have an extensive learning curve, however, staff is learning it quickly. Overall, we should see a positive return on our investment. Michael Bowers inquired about the rock that was located in a pipe. Mr. Dix said that rock took up 70% of the line capacity. A brief discussion of some history the District has had with insurance claims followed on prior occasions when a major back-up could end up impacting a home or business.

- B. Potential Grant Applications by District – Michael Bowers stated that as part of the feasibility study to determine what should be done with the former treatment plant site, he and Caitlin Hubbard are researching several EPA grants that the District may be able to qualify for. He summarized there is an Assessment grant, an Area-wide grant, and a Cleanup grant. The first opportunity to apply has a deadline of Dec. 22nd. The difficulty is that the District can't be the Grant Applicant because we are the responsible party for clean-up. Therefore, we need a partner to sponsor the grant such as the City, County or Diking District. To get the entire grant application in place could take 3 to 4 weeks. It might be a tight deadline to achieve that. However, there are a couple of other opportunities to apply in 2017. Commissioner Kirk suggested looking at a couple of DOE grants that have recently come out (especially if the end use would be for storm water).

Commissioner McDaniel inquired if another agency is the grant applicant, would they also take the lead on the cleanup. Mr. Bowers explained that we would do the clean-up work ourselves, as well as prepare the application. However, we would have a partner for the grant application, such as the County if the end use would be a park. Mr. McDaniel expressed concern about spending to clean up the site and then the County not wanting to utilize it for a park. Caitlin Hubbard stated that if we get the DOE stamp of approval that this can be a public site, then they are interested. However, we would need to look and an easement from the neighboring property for a driveway. Mr. Bowers said that up until now our only option has been to dig up the remaining bio-solids and haul it to eastern Washington. That still leaves an unknown as to what to do with the site. With a team approach to the grant, we would bring in the interested partner along with the DOE. There is an advantage in showing that we want to take an abandoned infrastructure site and turn it into a positive use for the community. Under EPA's brownfield re-use program, turning an abandoned industrial area into a positive re-use could reduce the quantity of off-site hauling we may need to achieve. One option may be to fill and cover some of the remaining biosolids.

Mr. Bowers said that he and Caitlin Hubbard spoke with a representative in San Francisco from the Center for Creative Land Reuse, who thinks we may be eligible for any of the three grant

applications and offered to review those for us. This representative also informed us that there have not been any applicant's from the State of Washington yet, so we may have a good chance.

7. MANAGERS' REPORTS

A. General Manager – Michael Bowers stated we are looking at a revision on the Pay As You Pull Fee to make it less than the current 5.3% of the GFC, suggesting that Tonya and Mickie desire a fixed fee at \$400 each. This will be a separate resolution for the next Board Meeting, and he and Mickie are working on options to bring back to the Board. Also, he is working with the Public Works Board on our loan payback. He, Tonya and Mickie have a conference call scheduled with the Public Works Board on December 13th. They will address the 1-2% index that the EPA uses for affordability. Also, they need to look at how much more infrastructure the City/District can afford to build under the current tax chart. The challenge is to bring that forward to the PWTF Board in a way that meets the various concerns of the officials who will be reviewing it.

Michael also informed the Board that union negotiations are scheduled for next Thursday.

B. Manager of Administration – Tonya Christoffersen provided the Commissioners with a copy of the newsletter on the rate increase that will be inserted in our billing statements. This will also be an article for the Ledger and available at the front counter. The customers will have at least two months notices to remind them of the rate change. She added that on Nov. 29th & 30th she will be attending an emergency preparedness class with Caitlin Hubbard.

C. Treatment Plant – Caitlin Hubbard reported that they have installed a new sodium hydroxide pump. She also reported the filterability is exceptionally good at the membranes.

D. Maintenance and Collections Supervisor – Johnathan Dix reported there were 285.57 GFC's paid to date and 24 inspections this month. He just returned from Ohio, where he did a pre-inspection of our truck, which is looking very good. They only had 4 or 5 changes required before delivery. The salesman is coordinating transport and we should be doing our pre-delivery inspection next week.

8. CITY REPORT – None


9. COMMISSIONERS' REPORT – Commissioner Kirk said he was looking at standards to audit school counts. Tonya Christoffersen said we have changed ours over to metered accounts.

10. EXECUTIVE SESSION – None

11. CONCLUSION - There being no further business, the Board Meeting was concluded at 9:50 AM.

Signed at a regular open public meeting this 8th day of December, 2016





Pam Stevens, President and Commissioner



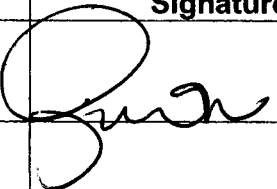
Frank McDaniel, Secretary and Commissioner



Brent Kirk, Commissioner

VISITOR SIGN-IN

If you would like to address the Board of Commissioners, it will be necessary for you to sign in. Thank you.

Print Name	Signature	Address	Phone	Purpose
Rauchel McDaniel			41231-5723	<hr/>