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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 MEETING
 September 25, 2017 9:00 AM**

Attendees: Commissioners Pam Stevens, Frank McDaniel and Brent Kirk. Staff: Tonya Christoffersen, Kim Jones, Johnathan Dix, Caitlyn Hubbard, Paul Knight, Chris Grissom, Casey Mullins, Caitlin Hubbard. District Engineers: Barry Baker and Leigh Nelson Legal Counsel: Jordan Wallace. City Council: Gary Petershagen

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

| | AMOUNT | CHECK #'s |
|---|---------------|------------------|
| A. Minutes: Sept 14 | | |
| B. Lien Placements (0) | NA | |
| Lien Releases (0) | NA | |
| C. Investments | \$199,725.32 | |
| Withdrawals | \$360,463.99 | |
| Transfers | \$47,828.26 | |
| D. Payroll | NA | |
| E. 40 – Maintenance | \$75,438.08 | 4659-4688 |
| F. 48 – SRF Principle & Interest Payment | NA | |
| G. 50 – City of Lake Stevens Bond Payment | NA | |
| H. 58 – Capital Expenditures | \$610.00 | 4689 |
| I. 60 – PWTF Principle & Interest Payment | NA | |

J. The Refuge DEA – Leigh Nelson stated this is not ready

4. **PUBLIC FORUM** – Patrick McCourt asked about the status of Norse phase 3 & 4. Johnathan Dix responded they are working out the policy and how we are going to handle the phasing, stated we should have an answer this week. Patrick asked if we could bring it back on the 12th. Tonya stated she will add it to the 12th.

Paul Knight with the Lake Stevens Sewer District stated he has been attending the meetings for a while now and is concerned with the merger and asked how the merger would affect the rate payers and financial stability of the rate payers and the employees and that he would like the commissioner's thoughts. Commissioner Kirk stated we passed a resolution specifically for this. He explained this has been ongoing for the past 7 years regarding the city/district merging and that it's not going to change. Paul asked the commissioners why it's a better solution. Commissioner Kirk recommended he look at the utility meeting minutes for the history of why we are where we are today. Commissioner Kirk stated it's not just as simple as stating we are for or against unification. He explained the time frame and how unification works, and that it's not about anything but governance. Commissioner Stevens stated the unification agreement is in place, and explained that it is concerning to her as well, her biggest concern is due diligence and that the resolution is to make sure that due diligence is done, and that the merge is going to eventually come. It could be 5-7 years but both the city and district are

working on due diligence. Commissioner Kirk explained this is not the right forum and that their union will represent them in a merger, and that the employees will get a fair wage. Tonya explained there is an RCW that protects the employee's employment in a merger. She also explained there is no time limit on retention of employees; rather it only outlines vacation accrual in the event of a merger. Tonya also discussed the inter local agreement, and the entire process is very public and all employees will be kept informed of the process. Tonya again explained to Paul that he and the employees of the district are protected under the RCW. Tonya stated we need to focus on what we are doing now, knowing the process can take years to complete. Commissioner Stevens stated she appreciates Paul for bringing his concern to the commissioner's attention and that her priorities are with the district employees and thanked them for all their hard work. Commissioner Stevens also explained that she felt Tonya and Michael have been transparent with the District employees regarding what a merger would look like.

5. OLD BUSINESS

- A. Pre-Treatment Program Update – Caitlin Hubbard provided the pretreatment update stating the initial letter and survey/application was mailed Aug 3rd, the second round was mailed August 23rd, and on August 30th a FOG open house was held, where several commercial accounts and pumper companies attended as well as representatives from Greasezilla. On September 19th the third round of surveys/applications were mailed. So far roughly 40 completed surveys have been returned. The next steps include mailing notification letters to commercial accounts that will need a FOG permit then scheduling initial inspections. The goal with the FOG program is to ultimately protect our sewers and public investment through education of proper fog disposal, resources and tools for FOG management.
- B. Lift Station 17 Force Main – Tonya Christoffersen explained the change order for the force main connection at 99th street and 20th. Barry recommended the commissioners to authorize change order first. Leigh explained the change order was due to quantities changed by the contractor. Commissioner Stevens motioned to approve lift station change order and authorize the Commission president to sign. Commissioner McDaniel seconded the Motion. The Motion passed unanimously.
 - 1) Change Order #1 approval
 - 2) Final Pay Estimate Approval ((\$359,853.99 ck# 4690 not included in line H)
 - 3) Project Acceptance

6. NEW BUSINESS –

- A. Resolution 933: Amend & Restate Res 885 regarding COLA – Tonya Christoffersen explained it was discovered during union negotiations the original Resolution was stated incorrectly and needs to be corrected accordingly. Previous resolution regarding pay increases for cost of living (COLA). Tonya made an amendment on cost of living when it fits within the grade. Amendment to resolution 885 removed the sentence that the cost of living section be removed as it was stated COLA incorrectly. The employees that are topped out and have exceeded salary will not receive it however those within their range will still qualify for COLA. Commissioner McDaniel asked how often we do a salary survey, which Tonya replied we do every four years; the employees that are topped out and have exceeded salary will not receive it. Commissioner Stevens moved to amend Resolution No. 933. Commissioner McDaniel seconded the Motion. The Motion passed unanimously.

7. MANAGERS' REPORTS

- A. General Manager – see item B.

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- B. Manager of Administration – Tonya Christoffersen reported that at the last meeting a motion was made to add John Dix as a signer at the county, the paperwork will need signed and initialed by the commissioners in order for John to pick up payroll from the county. She spoke with Dave Trageser and Dan Goetlib from bond council and they will present on Dec 7th- regarding restructuring debt. Tonya stated an Anti-Harassment training will be held on September 26th at 9am- recommends commissioners attend. The training will be an hour long for district employees, and 1.5 hours for management and commissioners. She also stated we do not have a utility meeting for September and asked if we should cancel October, as well as move the meetings to quarterly.
- C. Treatment Plant – Casey Mullins stated flows at the plant are averaging 2+MGD and that is normal for fall and the plant performance is good. Casey said he received his certificate for completing APWA 90-hour PW super and management training and thanked Tonya and the commissioners for sending him to the training. The old treatment plant has the contractor on site and work is in progress on the bio solids consolidation project.

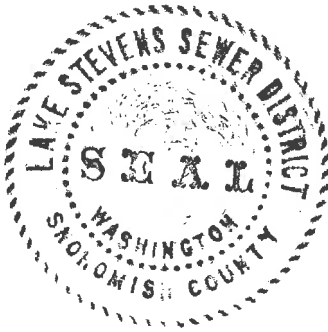
Caitlin Hubbard provided an Energy efficiency update for the plant, explaining that our rates are going to increase from Bonneville from 1.6% to 1.8 % increase. She noted we are participating in the W.E.C and learning how to reduce our demand change and that we are working with energy coaches that have modeled our electric demand for the years prior to our participation in the cohort. We will receive incentive money based on how much energy we save. Whatever kilowatt hours we save from coaching we will get another incentive refund. So, we will save energy, in addition we will get another incentive amount. We currently pay about \$400,000 year for energy.

- D. Manager of Collections – Jonathan Dix reported holding firm 103 gfcs paid.

- 8. **CITY REPORT** – Eric Dupros stated the city has moved into the new building, all except the front counter staff. They are working on storm water projects. As they move forward they are in negotiations with diking district #2 and the old waste water treatment plant. Eric stated he would like to keep the option open to help with diking district- they have an interlocal agreement with the diking district
- 9. **COMMISSIONERS' REPORT** – Commissioner Stevens stated they are leaving for conference on Wednesday. Neither Commissioner McDaniel nor Commissioner Kirk had any items to report.
- 10. **EXECUTIVE SESSION** – The Commissioners will now recess into Executive Session at 9:23 AM to allow a 2-minute recess to excuse the general public; it is estimated that executive session will last 15 minutes. The purpose of the Executive Session is to discuss review of performance of public employee. At the conclusion of the Executive Session, there will not be action taken by the Board of Commissioners and there will not be any announcements made. The Commission Meeting will be adjourned at the conclusion of the Executive Session. The executive session ended at 9:40 AM.
At 9:40 AM the Executive Session was formally extended for an additional 15 minutes
- 11. **CONCLUSION** – There being no further business, the Board Meeting was concluded at 9:55 AM.

Minutes

Signed at a regular open public meeting this 25th day of September, 2017



Pam Stevens, Secretary and Commissioner

Frank McDaniel, Commissioner

Brent Kirk, President and 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 |
|------------------|------------------------|----------------------------|-----------------|-----------------|
| Paul Knight | <i>Paul Knight</i> | | | |
| Chris Grissom | <i>Chris Grissom</i> | | | |
| GARY PETERSHAGEN | <i>[Signature]</i> | 9932 VERNON RD. | 425 415.1245 | CITY |
| PATRICK McNEIL | <i>[Signature]</i> | 10525 207 th ST | 425 388-5701 | MEET WITH NOUNS |
| Caitlin Hubbard | <i>Caitlin Hubbard</i> | | | FOR update |
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