



1106 Vernon Road, Suite A  
 Lake Stevens, WA 98258  
 (425) 334-8588 Fax (425) 335-5947  
 Website: www.lkstevenssewer.org

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

**MINUTES  
 COMMISSIONER MEETING  
 March 22, 2018 9:00 AM**

**Attendees:** Commissioners Pam Stevens and Kevin Kosche. District Staff: Tonya Christoffersen, Johnathan Dix, Tara Bighthouse, Caitlin Hubbard, Casey Mullins and Mickie Cooper. District Engineers: Leigh Nelson, Legal Counsel: Brad Cattle. City of Lake Stevens: Gene Brazel and Eric Durpos.

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. **MOMENT OF SILENCE FOR COMMISSION FRANK MCDANIEL** – Commissioner Stevens led a moment of silence for Commissioner McDaniel.
4. **CONSENT ITEMS** (The Commissioners have previously reviewed these in detail). Commissioner Kosche moved to approve the Consent Items A through I with one change to the March 8<sup>th</sup> minutes adding new police station at Chapel Hill upgrade to the City report. Commissioner Stevens seconded the Motion. The Motion passed unanimously.

	<b>AMOUNT</b>	<b>CHECK #'s</b>
A. Minutes: March 8		
B. Lien Placements (0)	NA	
Lien Releases (0)	NA	
C. Investments	\$254,160.59	
Withdrawals	NA	
Transfers	\$14,479.14	
D. Payroll	NA	
E. 40 – Maintenance	\$179,257.92	5196-5230 & EFT107
F. 48 – SRF Principle & Interest Payment	NA	
G. 50 – City of Lake Stevens Bond Payment	NA	
H. 58 – Capital Expenditures	\$1,458.84	5231
I. 60 – PWTF Principle & Interest Payment	NA	

- J. Lake Stevens Mixed Use – Leigh Nelson explained this is for a feasibility study in the amount of \$7,000, which Ridgeline has agreed to pay. This is recommended for approval. Commissioner Kosche moved to approve the Lake Stevens Mixed Use feasibility study. Commissioner Stevens seconded the Motion. The Motion passed unanimously.
- K. Wagner Hills DEA Addendum – Leigh Nelson explained this addendum is to add a late comer of one lot and is recommended for approval. Commissioner Kosche moved to approve the Wagner Hills DEA Addendum. Commissioner Stevens seconded the Motion. The Motion passed unanimously.
- L. Stevens Ridge Estates DEA Addendum – Leigh Nelson stated this addendum is to add a late comer for two units and is recommended for approval. Commissioner Kosche moved to approve Stevens Ridge Estates DEA Addendum. Commissioner Stevens seconded the Motion. The Motion passed unanimously.
- M. Kane DEA – Leigh Nelson explained this is a new project not on the map yet. This is for 35 ERUs and will be extending sewer main through the Glenwood elementary school to the Pasadera and would allow connection for Glenwood elementary. It is recommended for approval. Commissioner

Kosche moved to approve Kane DEA. Commissioner Stevens seconded the Motion. The Motion passed unanimously.

**5. PUBLIC FORUM – none.**

**6. OLD BUSINESS**

- A. Evaluation of Merger – Tonya Christoffersen reported there is no update at this time. Grant Taylor is out of town so there are no new updates. She noted there are some areas not in the District boundaries. Leigh Nelson added it is odd since it has been connected since the 1960 and isn't sure how this is possible. They will be working on cleaning this up. Gene Brazel added there is a meeting scheduled for April 17. He added they didn't want to get ahead of things, the assumption agreement isn't quit complete.
- B. Pellerin Annexation Public Hearing – Commissioner Stevens opened the public hearing on the Pellerin Annexation. Patrick McCourt spoke up on behalf of the developer on the property located at the NE corner of the intersection. He added the property is located in the UGA and not in the City limits and is working with the City to get this annexed; the project is approximately 155 lots and would recommend the annexation move forward. Commissioner Stevens closed the public hearing.
- C. Resolution No. 942: Pellerin Annexation and Referring it to the Boundary Review Board – The public hearing being closed Commissioner Kosche moved to approve Resolution No. 942: Pellerin Annexation and Referring it to the Boundary Review Board. Commissioner Stevens seconded the Motion. The Motion passed unanimously.
- D. Rate Revision Updates – Mickie Cooper reported on the different scenarios of the accelerated debt payments and the corresponding rate increases. Mickie explained at 130 ERU's per year at a rate increase of \$2.00 per year the overall seven-year interest savings is \$974,000 and at a rate increase of \$5.00 every three years the overall seven-year interest savings is \$1.17 million. Mickie noted at the \$2.00 per year increase customers would pay an additional \$336.00 over the seven years and at the \$5.00 every three years customers would pay an additional \$384.00 over the seven years. Commissioner Kosche asked if the District used any more from the rate stabilization fund over the last three years of being in the black. Mickie will look at what was used, but for 2016-2018, yes, the District is in the black. Commissioner Kosche would like to see the top items that made the District move from red to black.  
Tonya Christoffersen answered a few questions; What is the recommended rate increase and when. She explained based on non-audited financials for year end 2017 the District had a cash balance of approximately \$2.3 million. The finance team recommends no rate increase until 2020 until more is known about the BABS refinance and how it will work for us. If it can be refinanced it will save even more money.
- E. Bio-Solids Final Removal – Caitlin Hubbard noted due to work load changes her original recommendation of having her work on this project has changed and is recommending the scope of work to be completed by G&O for \$32,420. Tonya added this item is a priority and with staff changes; Kim Jones has given notice and she had been a big help to Caitlin with the pre-treatment program. Tonya explained with the final removal of the bio-solids being a priority it needs to be started now. Commissioner Kosche asked if the District believes this is a \$1 million problem. Caitlin and Tonya replied yes. Tonya added Caitlin has built a good relationship with the Department of Ecology and they have given us more than enough extensions to get this project completed. Commissioner Kosche moved to approve G&O to begin the scope of work for the Bio-Solids removal in the amount of \$32,420. Commissioner Stevens seconded the Motion. The Motion unanimously.

**7. NEW BUSINESS**

- A. Appoint a Commission Secretary – Commissioner Stevens nominated Commissioner Kosche as Commission Secretary. Commissioner Kosche seconded the Motion. The Motion passed unanimously.
- B. Selection Process for Commissioner Potion #2 – Brad Cattle explained there is a statute for the Commission to appoint this position and they have 90 days to do so. If it is not done the County Council will do so. He explained the Commissioners need to decide on the process in which they will do this. Letting the public know they will be accepting applications and from those you will make a decision defining the time period for each. Tonya added this would be a short term position and they would need to run in November. Commissioner Stevens stated she would like to have in person meetings for these and with scheduling conflicts discussion ensued. The application will be due no later than Friday April 13<sup>th</sup>. The meeting will be on April 20<sup>th</sup> at 8:30AM for interviewing potential Commissioner Candidates. There will also be moving the April 12<sup>th</sup> board meeting to April 16<sup>th</sup> at 9am. Patrick McCourt asked if a person holding a City Council position also be able to be a Commissioner. Brad Cattle explained no, that would be a conflict of interest.

**8. MANAGERS' REPORTS**

- A. General Manager – see item B.
- B. Manager of Administration – Tonya Christoffersen had nothing more to report.
- C. Treatment Plant – Casey Mullins reported plant flows are averaging 3. He added the treatment plant staff shared condolences from Commissioner McDaniel.
- D. Manager of Collections – Johnathan Dix reported year to day there are 147 GFC paid and 42 new rate payers. John spoke to Rodney Langer about the buildable lots and they have a good road map to try to track down the difference. They also discussed moving some capital project around. He hopes to have a scope of work soon on the Comp Plan and having a better idea of the number of buildable lots. He is trying to get more quotes on the Oxygen tank. He thanked staff for their work with the CCTV truck.

**9. CITY REPORT – None.**

**10. COMMISSIONERS' REPORT –** Commissioner Kosche noted the grade of the gravel parking lot is quite steep and difficult he would like to see this graded soon without all the expense of vegetation and sidewalk, etc. Tonya added this is in the budget this year to get this completed.

**11. EXECUTIVE SESSION – none.**

**12. CONCLUSION –** The Board Meeting was concluded at 9:52 AM.

Signed at a regular open public meeting this 16<sup>th</sup> day of April 2018





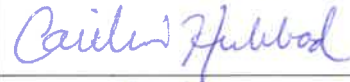

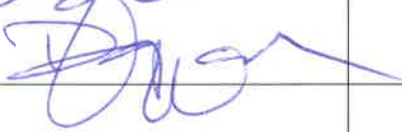
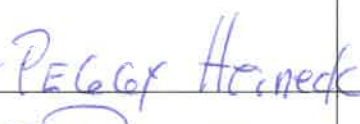

  
\_\_\_\_\_  
Pam Stevens, President and Commissioner

\_\_\_\_\_  
Commissioner

  
\_\_\_\_\_  
Kevin Kosche, Secretary 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				LSSD
Matt Bennett				-LSSD-
Caitlin Hubbard				-LSSD-
Patrick McBreen				LAND PRO.
DAVID TOYER				PETERLIN / TOYER.
Eric Durr				
Jenny Hurd		930 Sunnyside		
GARY PETERS		Lk. Stevens		425 418-1248