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

**MINUTES
 COMMISSIONER MEETING
 July 11, 2019 at 9:00 AM**

Attendees: Commissioners Dan Lorentzen, Mariah Low and Kevin Kosche. District Staff: Johnathan Dix, Tonya Christoffersen, Tara Bighouse and Casey Mullins. District Engineers: Leigh Nelson, G&O. Legal Counsel: Brad Cattle. City: Leah Everett.

1. **CALL TO ORDER** – At 9:00 AM, Commissioner Low called the Meeting to order.
2. **PLEDGE OF ALLEGIANCE** – Commissioner Low led those present in the Flag Salute.
3. **AGENDA APPROVAL** – Commissioner Lorentzen moved to approve the Agenda as presented. Commissioner Low seconded the Motion. The Motion passed unanimously.
4. **CONSENT ITEMS** (The Commissioners have previously reviewed these in detail): Commissioner Low moved to approve the Consent Items A through J. Commissioner Lorentzen seconded the Motion. The Motion passed unanimously.

	AMOUNT	CHECK #'s
A. Minutes:		
B. Lien Placements (36)	NA	
Lien Releases (36)	NA	
C. Investments	\$397,278.65	
Withdrawals	\$135,201.29	
Transfers	NA	
D. Payroll	\$180,727.65	
E. 40 – Maintenance	\$170,670.41	6535-6584
F. 48 – SRF Principle & Interest Payment	\$135,201.29	6585
G. 50 – City of Lake Stevens Bond Payment	NA	
H. 58 – Capital Expenditures	\$19,672.20	6586-6588
I. 60 – PWTF Principle & Interest Payment	NA	

- J. StorQuest DEA – not present
- K. StorQuest DEA Construction Plan Approval – not present
- L. Hewitt Retirement Addendum to DEA - Leigh Nelson explained this is a one-year time extension and it has had council review since it has changed ownership, it is recommended for approval. Commissioner Lorentzen moved to approve Hewitt Retirement Addendum to DEA. Commissioner Low seconded the Motion. The Motion passed unanimously.

5. PUBLIC FORUM – Non-action Items (please limit comments to 3 minutes)

6. OLD BUSINESS

- A. Award Recommendation for the South Lake Regional Lift Station – Robin Nelson explained the District conducted a bid opening on 6/26/19. the bids ranged from \$4.282. To \$5.245 and were significantly over the engineers estimate. The saving grace is the District has budgeted \$6.5 million for this project. He compared line items from the bid package to the actual bids and reached out to Strider Construction for explanation and both agreed its timing and the biggest difference is in labor cost, the contractor is saying they cannot hire enough qualified people. Robin stated it's the west end areas development pace that is driving labor costs up. Since this is a critical Lift Station and the budget is available it is recommended to award the

contract to the lowest responsive bidder; Strider Construction. Johnathan Dix confirmed the cost is not in materials and in staffing and is recommending it for approval. Commissioner Low asked since hiring is an issue will the job be able to get done one time. Robin replied Strider Construction has ensured it isn't a problem there is a job finishing up and it will free up staff. Johnathan noted legal has reviewed preliminary contracts and the bids and there were no objections to the contract. Commissioner Kosche is comfortable with the labor issue, but in traffic it was a miss by 3 times, another item at 10 times, the 10-inch pipe was missed by 100% and air & vac was missed by 6 times the engineers estimate. Some of these are not labor but is asking for clarity. Robin stated they have a bit of culpability and doesn't estimate like bidders. He explained for traffic control it was estimated by engineers for a road closure and Strider bid it as partially closed with flaggers, etc. Commissioner Lorentzen moved to approve the awarding of the bid to Strider Construction in the amount of \$4,282,177.23 as presented. Commissioner Low seconded the Motion. The Motion passed unanimously.

7. NEW BUSINESS

- A. WEF/PUD Contract – Caitlin Hubbard explained the District has participated in the PUD's energy cohort program; the District gives them data and they analyze it for a savings refund. In the last two years the District received \$11,000. There is also a reimbursement for up to \$10,000 on for energy saving parts. The two-year cycle has started over this year and if labor is logged and submitted the potential savings is up to \$250,000. Tonya added Travis has been added to the cohort attendees and Tonya was switched in for Michael Bowers. She explained the entire treatment plant staff is helping and working together on saving energy. She is asking the Commission to authorize Tonya sign the agreement to extend the contract for another two years. Commissioner Lorentzen moved to approve the WEF/PUD Contract.

8. MANAGERS' REPORTS

- A. General Manager – Tonya Christoffersen noted the State Auditor will be here next week to meet with the Tonya, Mickie and Michelle; Michelle is being added as the primary contact this year. Everyone on the Auditors list is new and will be reaching out next week, they are scheduled start the audit on the 29th. The Caring by Sharing account has a balance of over \$2,000. The District vehicle has been entered in the parade and will be wrapped.
- B. Manager of Collections – Johnathan Dix reported there are 325 GFC and 145 permits year to date. Test pits are being potholed Friday and the parking lot paving pre application materials have been received. G&O will be scheduling a pre-application meeting with the City to find out which permits are needed. Johnathan noted District staff will be meeting with G&O to discuss Vernon Business Center improvements. District staff conducted preconstruction meetings with the contractor for Belmark, which is a two-lot short plat, as well as Hewitt Retirement preconstruction meeting was done today, and that development is 190-unit multifamily development.
- C. Treatment Plant Update – Casey Mullins reported flows 2.2 MGD; normal for this month. They have switched over to 1 aeration basing and in suspended mode while the centrifuge is down, they will be checking everything which is at the service center and replacing a baring that was scheduled to be done last time is also being done. The District received the Outstanding Service award for 2018. Summer cleaning and preventative maintenance is continuing. The tour of the plant with Kurt Hilt went well.

Caitlin Hubbard introduced Nathan, the TP intern. He is a student at University of Washington at Bothell and is shadowing to gain on the job knowledge and experience.


9. **CITY REPORT** – Leah Everett reported the contractor at North Cove park has started construction on the pavilion. The Williams property demolition is almost complete. The catch basins on South Lake Stevens Road are being cleaned. The Costco open house is at 6pm at the South Lake Stevens Fire Conference Room. The water service is in at the 20th Street park and the City will be stating irrigation at the ball fields next week. Some of the sidewalks in Catherine Creek are being replaced.
10. **COMMISSIONERS' REPORT** – Commissioner Lorentzen thanked staff and is looking forward to Aquafest. He is happy to see the Centrifuge has made it to Texas.
11. **EXECUTIVE SESSION** – none.
12. **CONCLUDE** – The Board Meeting was concluded at 9:29 AM.

Signed at a regular open public meeting this 25th day of July 2019





Dan Lorentzen, Commissioner



Mariah Low, Secretary and Commissioner



Kevin Kosche, President and Commissioner