



**LAKE STEVENS  
SEWER DISTRICT**  
Serving You Since 1957

1106 Vernon Road, Suite A  
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*Mission Statement: Meeting the challenge of protecting the environment and providing quality sewer service to the community.*

**MINUTES  
OF SPECIAL MEETING  
BOARD OF COMMISSIONERS**

**October 22, 2019  
Utility Committee**

**Attendees:** Commissioners Dan Lorentzen, Mariah Low and Kevin Kosche; Staff: Tonya Christoffersen, Johnathan Dix and Tara Bighouse.

**Guests from the City of Lake Stevens:** Mayor John Spencer, Councilmembers Gary Petershagen and Marcus Tageant. Staff: Gene Brazel

1. **Called to Order** at 4:00 pm by Commissioner Kosche. He moved into the meeting agenda item "Utility Committee Meeting".
2. **Utility Committee Meeting** – The Committee discussed mutual projects and planning for the Lake Stevens UGA and study areas.
3. **Conclude** – There being no further business, the meeting was concluded at 4:19 pm.

Signed at a regular open public meeting this 22<sup>nd</sup> day of October 2019



  
\_\_\_\_\_  
Dan Lorentzen, Commissioner

  
\_\_\_\_\_  
Mariah Low, Secretary and Commissioner

\_\_\_\_\_  
Kevin Kosche, 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
Mickie Coupa	Mae	LSSD		



**LAKE STEVENS  
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**Utility Committee Meeting Minutes  
October 22, 2019 4:00 pm**

City of Lake Stevens / Lake Stevens Sewer District  
1106 Vernon Road, Suite A, Lake Stevens, Washington

1. **Called to Order:** 4:03 PM by Commissioner Kevin Kosche
2. **Roll Call:**

Attendees Representing the District: Commissioners Dan Lorentzen, Mariah Low and Kevin Kosche; Staff: Tonya Christoffersen, Johnathan Dix and Tara Bighouse.

Attendees Representing the City of Lake Stevens: Councilmember Gary Petershagen and Marcus Tageant, Mayor John Spencer and City Administrator Gene Brazel.
3. **Action Items:**
  - a. **Approval of Meeting Minutes of September 17, 2019** – Gary Petershagen asked if it's a possibility to have the meetings recorded. Kevin Kosche replied he doesn't mind having them recorded for the purpose of the minute taker. John Spencer noted it might be a good idea to check with Legal Counsel since there are different requirements for open public meetings. Marcus Tageant moved to approve the September 17, 2019 minutes. John Spencer seconded the motion. The Motion passed unanimously.
4. **Public Forum:**
5. **Information Sharing – New Legal Counsel:**
  - a. **Review of City's Proposed Consideration/Plans for Surplus WWTP** – Gene Brazel noted there has been some discussion in house and the City believes the property should be retained. It comes back to language that the properties should be maintained and given back to the City at the time of a merger. The City believes at this time the District should maintain the property until such time. Kevin Kosche asked what the City's stance is on the Tribe's proposal. Marcus Tageant replied he isn't for this; their plans could change and it's hard to know what it would be used for. John Spencer added the Tribe could be a partner in the future and keep the conversation going. Kevin asked what is the reluctance of it being transferred to the City. John Spencer replied there are two issues; (1) there is no plan or defined use and (2) the maintenance and upkeep. Kevin noted that is the same for the District. John Spencer added there is a chance here for a collaboration with the tribe, etc. Kevin stated he does not want it on the District books and not have it become something. One option would be to have the City propose a tentative plan and then the City is in control of that; even if the plan changes. A second option is adding it to the list of mediation topics and see what comes of it. Marcus Tageant stated if it wants to be done through mediation, he is good with it. John Spencer stated he doesn't disagree with Kevin at all. Kevin wanted to be consistent with his interpretation of the language for items for mediation.

- b. **Review of Legal Fees YTD Related to City/Districts Interaction** – Gene Brazel reported \$30,850 is where the City is at year to date in legal expenses. The District is at \$37,180 year to date in legal expenses.
- c. **WEFTEC Review – Notes attached from Gene** – John Spencer added they spoke to one person on algae growth being effectively treated with radio wave frequency; how it knocks the algae down. Mariah Low asked if anyone attended any of the innovative talks. Gene replied no courses were attended. Marcus Tageant added the courses were quite expensive. Gary Petershagen added the biggest take away that came out of the 100's of vendors is to not be tunnel visioned as technology is changing all the time. Mariah Low asked if they felt it was beneficial and would they go next year. John Spencer highly recommends a few staff attend; there is a ton of technical information. This conference was interesting and included a whole section on both stormwater and wastewater. Marcus Tageant commented there were a lot of set ups for pump stations to see the differences in pump stations. Gary added everything is getting smaller with better capability and replied to Mariah, he wouldn't recommend elected officials attend every year. John Spencer noted they went looking for centrifuges and they weren't there.

**6. Utility Agreement:**

- a. **Review Mediation Topics/Remedies** – Kevin Kosche confirmed the date selected for mediation is January 30, 2020. John Spencer reminded mediation items are required by January 23<sup>rd</sup>. Gene handed out a letter dated October 22<sup>nd</sup>, 2019 he received from Terrence Carroll, Consulting and Resolution Services, addressed to Kinnon Williams, Inslee Best and Greg Rubstello, Ogden Murphy Wallace.
- b. **Review of Interest Rate Risk Exposure (assuming Bond Refinance is locked in). Interest rate for first week of September vs Interest Rate Secured. Impact on Rate Payer Savings** – Kevin Kosche reported they had a conversation with Christi Jacobsen at Bond Counsel and there is a hold up on the Bond certificates. John Spencer noted they wanted to include all of the City's financials and the City's bond financial advisor believes it's over kill. Gary asked why it's coming up. Tonya Christoffersen replied it's due to the redlined letter from Greg Rubstello. Kevin Kosche noted the District is out approximately \$380,000 to date and would like to get it complete. John Spencer asked if Christi works in Gottlieb's office, Tonya replied yes. She explained Nancy Neraas with Foster Garvey is interpreting this as the City saying they don't need to tell them what the dispute is for mediation. Tonya Christoffersen asked for them to get together and have this worked out. John Spencer stated the City supports the bond refinance and hopes the District will get it done; he will talk to Greg Rubstello.

**7. Project Review:**

- a. **DEA List of Developments: Provided by both LSSD and LSC** – Tonya Christoffersen asked if the City Councilmembers get the list of developments. Gene Brazel stated they do not. John Spencer stated apartments are new and all about affordable housing. Gary Petershagen added they are attainable housing. John added there are some subdivisions coming where the houses are not for sale, just for rent. It's a practice migrating up from the southwest. John Spencer asked what has the District heard about Soper Hill. Johnathan Dix replied nothing new, the developer has some items to fix. John Spencer noted what's not on the list is Costco. The City is moving forward with it and will need to firm up the commitments. Johnathan Dix noted if the lift station isn't being built

then the boring won't matter. Gene Brazel explained there is currently a lift station on the south side, it will pump back up.

Kevin Kosche asked who owns the performa plan on the decant facility; what it will cost from an op-x perspective, etc., does it make sense or not. Gene replied it is still being developed and designed. Information should be in a document in the next couple days to see where they are at and how to move forward as a unified group. Gary Petershagen asked is the plan that the four entities would potentially have ownership. Gene Brazel replied the City would own the land and everyone else would have ownership in the constructed facility and pay annual dues. Kevin replied he is good with however it works out for everyone. Gene noted it's a fair arrangement; the City has put in a fence and there will be some substantial grading needed which will be built into the cost for each party. He noted the PUD owns the 5 acres across the street and the big picture is to use both sides of the road.

8. **Schedule the Next Meeting** – The next meeting will be calendared after discussions and mediation, not necessarily in that order.
9. **Adjourn** – Kevin Kosche adjourned the meeting at 4:41 pm.

2020 Utility Committee Chair:

  
City of Lake Stevens