



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

**MINUTES OF  
COMMISSIONER MEETING  
January 14, 2021 at 9:00 AM**

**Attendees:** By Remote Participation via GoToMeeting Commissioners Dan Lorentzen, Jennifer Stevenson and Kevin Kosche. District Staff: Mariah Low, Johnathan Dix, Tara Bighouse, Bryan Steen, and Jim Heitzman. District Engineers: Barry Baker and Leigh Nelson, G&O. Legal Counsel: Brad Cattle and Kinnon Williams. City: Gene Brazel, Administrator.

1. **CALL TO ORDER** – At 9:00 AM, Commissioner Lorentzen called the meeting to order and read a prepared statement regarding our virtual meeting and public comment.
2. **PLEDGE OF ALLEGIANCE** – Commissioner Lorentzen led those present in the Flag Salute.
3. **AGENDA APPROVAL** – Commissioner Kosche moved to approve the agenda as written. Commissioner Stevenson seconded the Motion. The Motion passed unanimously.
4. **CONSENT ITEMS** (The Commissioners have previously reviewed these in detail) – Commissioner Kosche moved to approve the Consent Items A through I. Commissioner Stevenson seconded the Motion. The Motion passed unanimously.

	<b>AMOUNT</b>	<b>CHECK #'s</b>
A. Minutes: Dec 11, 17, 22 & 23		
B. Lien Placements (25)	NA	
Lien Releases (29)	NA	
C. Investments	\$643,754.69	
Withdrawals	\$43,056.86	
Transfers	\$281,630.38	
D. Payroll	\$229,890.13	
E. 40 – Maintenance	\$225,302.60	Checks 8238-8297
F. 48 – SRF Principle & Interest Payment	NA	
G. 58 – Capital Expenditures	NA	
H. 58 – Capital Expenditures	\$43,056.86	Checks 8298-8299
I. 60 – PWTF Principle & Interest Payment	NA	

5. **PUBLIC FORUM – Non-action Items** (please limit comments to 3 minutes) Commissioner Lorentzen asked if there were any public form comments or questions submitted. Tara Bighouse replied we have not received any comments or emails.

**6. OLD BUSINESS**

- A. 2021 Board Positions – Commissioner Kosche moved to appoint Commissioner Lorentzen to continue as Commission President. Commissioner Stevenson seconded the Motion. The Motion passed unanimously. Commissioner Lorentzen moved to appoint Commissioner Kosche as Commission Secretary. Commissioner Stevenson seconded the Motion. The Motion passed unanimously.
- B. Financial Options Discussion – Mariah Low noted Mickie Cooper will report on what can be done with the rate stabilization fund. Mickie Cooper showed a power point on the comparison of paying off the SRF loan from the rate stabilization fund. By paying off this loan the District would be able

to reduce the rate to \$85.00 for one year, transfer one dollar of the rate to put to the capital. It would also delay the rate increases by a year. She noted there has been an increase in permits so far for January. She shows the debt service ratio, which doesn't change coverage much keeping us in compliance. Mickie showed the capital spreadsheet, paying off the loan the District wouldn't go negative until 2026, compared to the 2024 if we put the \$1.00 into capitol. Commissioner Kosche would like to see a scenario without dropping the rate to see keeping at \$86.00 as long as possible. He would like to better understand the options expanding the plant or rerating the plant, etc. He would like to see options and plans around upgrading or expanding the plant to shrink the cost expansion of the plant down. He would like to see the possibility to move OpEx into capital and what that looks like. Mariah Low noted as part of the comp plan, G&O is taking a look at the plant and what can be done about the cost to upgrade as well as options for incorporating more capital funds into the rates.

- C. Agenda Packet/Website Discussion – Mariah Low noted there was an inquiry from a citizen to include the entire packet on the website. The impact to the District is minimal. Commissioner Kosche replied more information is better since it's not a lot of work. Commissioner Lorentzen and Stevenson agreed.

## **7. NEW BUSINESS**

- A. Sole Source Justification for JWC to Rebuild Headworks Band Screen – Johnathan Dix reported many of the components at the treatment plant are showing wear and tear. The headworks screen is one needing replaced. JWC is the sole source for the headworks screen and it cannot be outsourced. He would like to get approval for JWC to rebuild the headworks band screen. Commissioner Kosche moved to approve Sole Source Justification for JWC to Rebuild Headworks Band Screen. Commissioner Stevenson seconded the Motion. The Motion passed unanimously.
- B. Authorize the General or Assistant Manager to Sign the JWC Maintenance Agreement not to Exceed \$90,000 – Commissioner Kosche moved to approve authorizing the Assistant or General Manager to Sign the JWC Maintenance Agreement not to Exceed \$90,000. Commissioner Stevenson seconded the Motion. The Motion passed unanimously.

## **8. MANAGERS' REPORTS**

- A. General Manager – Mariah Low reported the generator was picked up by the City yesterday. Customer service worked hard to reduce the number of liens by 53% from last year and 702 less delinquent accounts in 2020 compared to 2019 which saved the District \$41,680. The District updated the emergency plan for the Treatment Plant and the Coronavirus Virus Preparedness Plan, the county set the Southeast Interlocal Annexation Agreement Joint Public Hearing for 3/9/21 at 6pm. The District is a party to this ILA between the City and County but will need to pursue one of the other methods of annexation under RCW 57.247 for annexation in the future. She noted staff jumping in to help where needed from storm drain cleaning, moving sandbags and helping commercial business. The Staff is the most valuable asset the District has and is very proud of the team.
- B. Assistant General Manager – Johnathan Dix reported there are 2020 320.21 GFC's and 438 permits issued and starting January with zero GFC's and 4 permits year to date. He commended both the field and treatment plant with their reaction to the weather. Due to their hard work and reaction there was not a single spill. He noted the 2035 treatment plant upgrade discussion to rerate the plant part of the information is what department of ecology for nutrients. With several lawsuits file it may delay the results and what the limits will be and may not have all the answers

as soon as the District was hoping. Commissioner Kosche asked about the INI downtown with the water level being so high. Johnathan replied smoke testing was intended to be done but staff has been booked; they installed six flow meters at strategic point to give data over time. This will help to identify where the biggest INI contributors are.

C. Treatment Plant Update – Jim Heitzman reported the plant had a good time at the Christmas party. He noted there has been quite a bit of INI and good job to staff for all their hard work and communication. There are 5 continuous improvement goals for the year, one of which is SCADA security and it is has been implemented. Commissioner Lorentzen asked what the flows have been. Jim replied it has been from 5.8 to 6 MGD lately with the weather.

**9. CITY REPORT** – Gene Brazel the outlet channel from the lake received an emergency permit to remove vegetation and other debris causing a blockage is still plugged 99<sup>th</sup> covert blockage is till plugged and trying to find the solution, hoping for resolution soon. 20<sup>th</sup> street SE widening project is shut down for winter. The 91<sup>st</sup> street road extension is underway at future Costco site. Public works shop will be getting an overhaul starting Monday. The decant site should get it steel building about mid-February. Festival street downtown will be constructed this summer.

**10. COMMISSIONERS' REPORT** – Commissioner Kosche noted he is excited to look at financial options to use for the rate stabilization fund to utilize those funds for what they were intended for. He noted to staff that he wonders how things are going but he never worries. He has confidence in staff after seeing the results over the years. He noted the unification agreement continues to provide steadfast District support on annexations as it has in the past and he sees the value in the agreement. Commissioner Lorentzen agreed staff does an excellent job and frees up the Board to not worry.

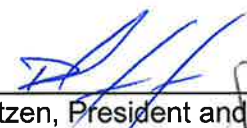
**11. EXECUTIVE SESSION** – Brad Cattle stated the Commission will now recess into Executive Session at 9:48 AM and excused the general public; it is estimated the executive session will last until 10:05 AM. The purpose of the Executive Session, under RCW 42.30.110.i, is to discuss with legal the prospect of litigation. 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 without an announcement.


The executive session was formally extended for 25 more minutes.

**12. CONCLUDE** – Commissioner Kosche moved to adjourn the Board Meeting. Commissioner Stevenson seconded the Motion. The Motion passed unanimously at 10:32 AM.

Signed at a regular open public meeting this 11<sup>th</sup> day of March 2021



  
Dan Lorentzen, President and Commissioner

  
Jennifer Stevenson, Commissioner

  
Kevin Kosche, Secretary and Commissioner

# Regular Board Meetings Attendees

## GoToMeeting Summary

<b>Meeting Date</b>	<b>Meeting Duration</b>	<b>Number of Attendees</b>	<b>Meeting ID</b>
January 14, 2021 8:52 AM PST	100 minutes	18	646-704-685

### Details

Name	Email Address	Join Time	Leave Time	Minutes in Session
+13609135043		8:57 AM	9:47 AM	50
+14255018034		8:58 AM	10:32 AM	94
Barry Baker		8:57 AM	9:49 AM	51
Brett Gailey	bgailey@lakestevenswa.gov	9:35 AM	9:48 AM	13
Dan Lorentzen		8:53 AM	10:32 AM	99
Gary Petershagen		8:53 AM	9:49 AM	56
Gene Brazel	gbrazel@lakestevenswa.gov	8:59 AM	9:49 AM	49
Heitzman, James		8:58 AM	9:47 AM	49
Johnathan Dix	conference@lkssd.org	8:53 AM	10:33 AM	99
Kevin Kosche		8:55 AM	10:32 AM	97
Kinnon Williams		9:18 AM	10:32 AM	74
Leigh Nelson		8:58 AM	9:49 AM	50
Mariah Low	conference@lkssd.org	8:52 AM	10:33 AM	100
Mickie Cooper	mickie.cooper@lkssd.org	9:02 AM	9:49 AM	46
Steen, Bryan		8:56 AM	9:47 AM	50
Stevenson, Jennifer		8:57 AM	10:33 AM	95
Tara Bighouse	conference@lkssd.org	8:58 AM	10:33 AM	94
Tonya	tonya.christoffersen@lkssd.org	8:56 AM	9:21 AM	25