



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

**MINUTES OF
COMMISSIONER MEETING
MARCH 24, 2022, at 9:00 AM**

Attendees: Commissioners Dan Lorentzen, Andrea Wright and Kevin Kosche, District Staff: Mariah Low, Johnathan Dix, and Melonie Grieser. District Engineers: Leigh Nelson, G&O. Legal Counsel: Jack Follis, City Councilman Gary Petershagen, City Administrator Gene Brazel

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

	AMOUNT	CHECK #'s
A. Minutes: Mar 10, 15 & 22		
B. Lien Placements (0) Lien Releases (0) Lien Foreclosure Lawsuit (0)		
C. Investments	\$434,477.91	
Withdrawals	\$66,818.42	
Transfers	7,087.99	
D. Payroll	NA	
E. 40 – Maintenance	\$122,786.95	9623-9662, EFT157
F. 48 – SRF Principle & Interest Payment	NA	
G. 50 – City of Lake Stevens Bond Payment	NA	
H. 58 – Capital Expenditures	\$68,413.42	9663 - 9664
I. 60 – PWTF Principle & Interest Payment	NA	
J. Housekeeping Items –	NA	

5. **PUBLIC FORUM – Non-action Items** (please limit comments to 3 minutes) Commissioner Lorentzen asked if there were any public comments or questions submitted. No comments submitted and no one in attendance had comments.
6. **OLD BUSINESS** –

- A. WWTP Permeate Pipe Replacement Contract – Johnathan Dix stated this request is for the approval of the Contract for this project and to authorize the General Manager or the Assistant General Manager to execute signing of the contract. Approval is needed to award the project

contract to Accord Contractors for \$54,017.13. Legal has reviewed and staff recommends approval. Commissioner Kosche made a Motion to approve the awarding of the contract to Accord Contractors and to allow the General Manager or the Assistant General Manager to sign it. Commissioner Wright seconded the Motion. The Motion passed.

7. NEW BUSINESS -

- A. 915 S Lake Stevens Rd Variance Request – Johnathan Dix stated that the property owner of 915 S Lake Stevens Rd is asking for a variance to District code which would allow the owners accessory structure to be categorized as a cabana instead of an ADU. This was determined by the City of Lake Stevens according to City Code. The approval would stop the flat monthly sewer charge for that structure. The property owner is also asking for reimbursement for prior monthly sewer charges. Commissioner Kosche agreed with suspending the monthly charge but does not feel compelled to reimburse charges paid to date. Commissioners Wright and Lorentzen agreed. Commissioner Kosche made a Motion to approve this variance which will stop billing as of April 1st but not reimburse previous charges. Commissioner Wright seconded the Motion. The Motion passed.
- B. Resolution No. 1024 - Adopting an Interim GFC – Mariah Low stated that the Comp Plan would normally set the new General Facilities Charge but it is not complete to date. This resolution would change the rate until the Comp Plan is finalized and will change the GFC to \$13,500. Staff is asking to delay the effective date of April 1st until May 1st. Staff recommends approval of Resolution No 1024 with a change of start date to May 1, 2022. Legal has reviewed the resolution. Commissioner Kosche made a Motion to approve Resolution No 1024 with a start date of May 1st. Commissioner Wright seconded the Motion. The Motion was passed.
- C. Resolution No. 1025 – Increasing Rates for 2022 – Mariah Low stated that this resolution will increase the monthly sewer flat rate from \$86 to \$99. The effective date will be June 1st, 2022. Staff and legal have reviewed and recommend approval of the rate increase. Commissioner Wright would like to see an open house, public information meeting prior to the new rate taking effect. The meeting should be held after 6pm to allow more rate payers to attend. Commissioner Kosche thinks a full communication plan is very important but does not think the District should have a public opinion meeting because the rate cannot realistically be less than \$99. Commissioner Lorentzen would like the community communication meeting held prior to approving this Resolution. Commissioner Lorentzen suggested the Resolution be tabled until the April 28th board meeting. Commissioners Kosche and Wright agreed.
- D. Resolution No. 1026 – Revising Reduced Rate Program – Mariah Low stated that this program was started in 2009. The new resolution would extend the amount of reduction and would change the qualification guidelines. Qualifications would fall in line with the property tax reduction program which qualifies single households making less than \$40,000 and two or more household members making less than \$49,000. The percentage of savings would be 25%, bringing the new monthly rate, after the increased monthly rate, to approximately, the same amount they are currently paying. Yearly resubmission would stay the same. This has been reviewed by legal and recommended by staff. Commissioner Kosche made a Motion to approve Resolution No 1026. Commissioner Wright seconded the Motion. The Motion passed.

8. MANAGERS' REPORTS

- A. General Manager – Mariah Low stated that work continues with the new CPA for annual financials. A Public Notice Bulletin Board has been placed in the District hallway to improve viewability for the public. All staff have attended Lean 8 Wastes Training. Staff instructions have been updated and a policy for crediting fees and interest has been created. Plant flows are at 3.6 MGD, the Treatment Plant boiler repairs seem to be complete and switched back to digester gas which has reduced call outs. The permeate pump valves have failed and are being repaired. Staff is working on getting service contracts for Centrifuges.
- B. Assistant General Manager – Johnathan Dix stated that the District has collected 39 connection fees and 66 permits have been paid year to date. On March 14th staff discovered an overflow at Lift Station 4. There was a power failure, the generator transfer switch did not register, and the alarm did not notify staff. The Comp Plan will include a new generator for this lift station. The District is moving forward on projects for this year, pre-applications have been filed with the City for lift stations C5 decommissioning, C6 upgrades, and C4 upgrades.

9. CITY REPORT –Gene Brazel stated construction of Mill Spur is moving forward. The Hartford Industrial area was discussed at the last Utility Committee meeting and City members would like to get this project underway. Councilman Gary Petershagen stated that he is happy that the District would like input from the community about the sewer rate increase. There are a lot of Lake Stevens citizens that are financially struggling right now, and the \$13 increase is significant. He would like to listen to the community members who are in need. He’s hoping for a more incremental increase in the future.

10. COMMISSIONERS’ REPORT – Commissioner Kosche responded to the \$99 rate increase and stated that rising prices are difficult, but it is happening all around our community. Recent approvals in Lake Stevens for education levies, fire district levies, and other utilities shows that our rate payers understand the financial climate right now. He appreciates the input about incremental increases as opposed to steady rates long term. Staff should start executing a communication plan. Commissioner Lorentzen appreciates all comments and suggestions given today.

11. EXECUTIVE SESSION – No session

12. CONCLUDE –Commissioner Wright moved to adjourn the Board Meeting. Commissioner Kosche seconded the Motion. The Motion passed at 9:48AM.

Signed at a regular open public meeting this 14th day of April 2022

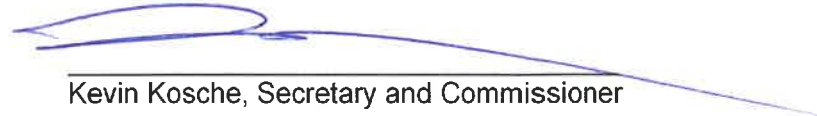




 Dan Lorentzen, President and Commissioner



 Andrea Wright, Commissioner



 Kevin Kosche, Secretary and Commissioner