



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

**MINUTES OF  
COMMISSIONER MEETING  
AUGUST 22, 2023, at 9:00 AM**

**Attendees:** Commissioners Dan Lorentzen, Andrea Wright, and Kevin Kosche , District Staff: Mariah Low, Johnathan Dix, Melonie Grieser, and Tracy Sambrano. Legal Counsel: Jordan Stephens, G&O: Keith Stewart

1. **CALL TO ORDER** – At 9:00 AM Commissioner Kosche called the meeting to order.
2. **PUBLIC FORUM** – Non-action Items (please limit comments to 3 minutes) Commissioner Kosche asked if there were any public comments or questions submitted. No questions submitted. No one in attendance. There were no public comments.
3. **AGENDA APPROVAL** – Commissioner Wright moved to approve the agenda as submitted. Commissioner Lorentzen seconded the Motion. The Motion passed.
4. **CONSENT ITEMS** (The Commissioners have previously reviewed these in detail) – Commissioner Wright moved to approve Consent Items A through J. Commissioner Lorentzen seconded the Motion. The Motion passed.

|   | <b>AMOUNT</b> | <b>CHECK #'s</b> |
|---|---------------|------------------|
| A. Minutes: Aug 10 <sup>th</sup>          |               |                  |
| B. Lien Placements (0)                    | NA            |                  |
| Lien Releases (0)                         | NA            |                  |
| Lien Foreclosure Lawsuit (0)              | NA            |                  |
| C. Investments                            | \$313,481.58  |                  |
| Withdrawals                               | \$42,781.22   |                  |
| Transfers                                 | \$6,153.66    |                  |
| D. Payroll                                | NA            |                  |
| E. 40 – Maintenance                       | \$88,370.49   | 11216-11243      |
|   | \$37,361.69   | EFT 174          |
| F. 48 – SRF Principle & Interest Payment  | NA            |                  |
| G. 50 – City of Lake Stevens Bond Payment | NA            |                  |
| H. 58 – Capital Expenditures              | \$42,781.22   |                  |
| I. 60 – PWTF Principle & Interest Payment | NA            |                  |
| J. Housekeeping -                         | NA            |                  |

**5. OLD BUSINESS –**

- A. Vernon Business Center 2nd Floor Upgrades Project Update (G&O) – Keith Stewart shared slides with the VBC second floor design options. G&O will have the final designs finished by November 1, 2023. Costs for all designs are very similar except for the fourth option which is a

20% increase over the rest. Commissioner Lorentzen asked about ADA access if the conference room is located on 2<sup>nd</sup> floor. Keith Stewart said it will be for internal staff meetings only. G&O plans on discussing ADA access first with the City of Lake Stevens once the plans are finalized.

## **6. NEW BUSINESS –**

- A. Second Quarter Financials Review – Tracy Sambrano shared a Power Point about the financials. Residential revenue is up from last year, Commercial revenue is up 58% due to the commercial rate increase, and permit fees are up almost 8% due to fee increases last year. Interest on investments is up by 713%. Connection fees are down, which was expected, and donated facilities are down. The Treatment Plant is operating under budget by \$18,000. Lift Stations maintenance is up and over budget by \$28,000 but Collections, overall, is under budget for the year. Admin expenses are up by 11% but, overall, under budget by \$171,000. Advisor budget is down by 14%. The District budget, overall, is at 43% at end of June.
- B. Mid-year Budget Review – Tracy Sambrano shared a Power Point. At mid-year there were no changes to Debt obligations since beginning of year. Operating expenses have reduced overall. The only increase was the VBC facility maintenance. Legal expenses are still reduced. Field operations has increased overall by about \$49,000. Some projects, like the lift station rekeying project, are being moved into 2024 due to these increases. Treatment Plant operating expenses have decreased overall by \$17,600. The Total Inorganic Nitrogen optimization report was funded by a \$30,000 grant. Cash flow has increased, overall, by \$400,000. 9% of utility revenue is invested in capital projects. O&M expense budgets have decreased more than \$205,000, overall.
- C. Resolution No. 1053 Declaring Emergency Related to the Sewer Leak at Lift Station 8 – Johnathan Dix stated that this is an emergency declaration to allow the General Manager to obtain emergency services without going out to bid. District staff recommends the approval of Resolution No. 1053. Commissioner Wright made a Motion to approve Resolution 1053. Commissioner Lorentzen seconded the Motion. The Motion passed.

## **7. MANAGERS' REPORTS**

- A. General Manager – Mariah Low stated that the daily Plant flows are 2.38 MGD.
- B. Assistant General Manager – Johnathan Dix stated that 108 permits have been issued and collected 66 connection fees. Field staff did a great job finding and fixing the Lift Station 8 emergency. They also helped a rate payer identify a cross bore in their side sewer, going above and beyond to help the customer.

**8. CITY REPORT** – No one in attendance.

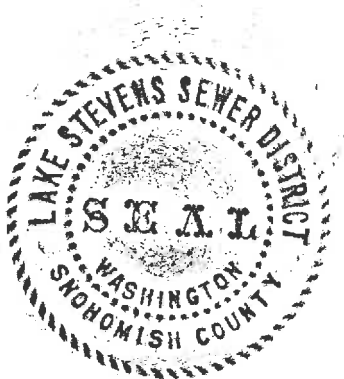
**9. COMMISSIONERS' REPORT** – Commissioners thanked field staff for all their hard work with the lift station emergency and finding the cross bore for a customer.

**10. EXECUTIVE SESSION** – Jordan Stephens stated the Commission will now recess into Executive Session at 9:55 AM and excused the General Public; it is estimated the executive session will last until 10:10 AM. The purpose of the Executive Session, under RCW 42.30.110(1)(i), is to discuss pending litigation. At the conclusion of the Executive Session, there will not be action taken by the

Board of Commissioners and no announcement will be made. At 10:10 AM, Commissioner Kosche closed the executive session.

11. **CONCLUDE** – Commissioner Wright made a Motion to adjourn the Board Meeting. Commissioner Lorentzen seconded the Motion. The Motion passed at 10:10 AM.

Signed at a regular open public meeting this 14th day of September 2023



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Dan Lorentzen, Commissioner

  
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Andrea Wright, Secretary and Commissioner

  
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Kevin Kosche, President, and Commissioner