

**MUKILTEO WATER AND WASTEWATER DISTRICT
BOARD OF COMMISSIONERS MEETING**

Minutes of January 7, 2009

The January 7, 2009 Meeting of the Board of Commissioners was called to order at 7:00 PM in the District office.

PRESENT

Commissioners -- Dick Andrews, Mike Johnson, Thomas McGrath,
Thomas Rainville and Joan Thomasson
Attorney -- John Milne
Engineer -- Ken Enns
Staff -- Dan Hammer, Patrick Sorensen, Sue Parks, Gil Bridges and
Mary Merriam
Audience -- Mr. Truc Le

Commissioner Caine's absence was excused by the Board.

**APPROVAL OF
AGENDA**

A revised Agenda was presented to the Board.

Commissioner Thomasson made a motion to approve the Agenda as presented. Commissioner Andrews seconded the motion. The motion passed unanimously.

**MINUTES
APPROVED**

Commissioner Andrews made a motion to accept the Minutes from the December 17, 2008 Board Meetings. Commissioner McGrath seconded the motion. The motion passed unanimously.

**DELINQUENT
ACCOUNT**

Mr. Truc Le who is the owner of rental property at 220 105th Street SW #2, Everett WA, was present to discuss the delinquent account. He had a previous tenant who had a past due balance. That tenant had come into the office and made payment arrangements with the District but moved out before the past due amount had been paid. A new tenant moved in. District staff had contacted the owner about the past due portion that needed to be paid to avoid the water service being turned off. Mr. Le wanted the District to collect the money from the previous tenant.

Mr. John Milne explained Washington laws regarding water bills and how the balance stays with the property.

Mr. Le was asked to contact the District on the next business day and make arrangement if needed for the past due portion to avoid the service being turned off.

CONSENT AGENDA

After review of the Consent Agenda Items, Commissioner Andrews made a motion to approve the items listed. Commissioner Johnson seconded the motion. The motion passed unanimously.

Delinquent Accounts

The Board reviewed the accounts listed as being delinquent and authorized staff to collect, disconnect or file a lien on accounts listed as delinquent in accordance with the District's policy.

Election of Officers

Resolution 079-09

As approved at the December 17, 2008 Meeting staff provided a resolution for the Board's approval and signing certifying to the election of officers for 2009. Resolution 079-09 was signed by the Board.

Approve Developer Extension Agreement

The owner submitted a Developer Extension Agreement for Board approval and signing. The Pre-Application and information provided were sent to the attorney for review to make sure it conforms to District requirements. The Developer is not requesting reimbursement. A deposit was estimated and paid to cover District expenses including engineering, inspection, legal, permits and administration fees.

NAME:	Slavic Christian Church Awakening, X-#471
DEVELOPER/OWNER:	Slavic Church Members
ADDRESS:	4223 78 th Street SW, Mukilteo
DEPOSIT AMOUNT:	\$7,500

The Developer will be making water and sewer improvements to provide domestic water service, sewer service and fire protection to the new structure. Staff requested the President of the Board to be authorized to sign the Developer Extension Agreement on behalf of the District and the engineer or General Manager to sign the plans once they meet district specifications and requirements.

BUSINESS ITEMS

**2009 MEETING
DATES**

The 2009 Calendar was reviewed to determine if any conferences Board members plan to attend would conflict with normal Wednesday meeting dates. Meetings to be changed are:

May 6, 2009 to Tuesday, May 5, 2009

September 16, 2009 to Tuesday, September 15, 2009

Staff will advertise the meeting date changes.

**112th STREET
WATER SUPPLY
PIPELINE AND
BOOSTER STATION
PRE-DESIGN**

Mr. Hammer reviewed his January 7, 2009 Memo and Gray & Osborne's Pre-Design Report and Design Scope of Work for the 112th Street Booster Station Pre-Design Report Update and Design Scope of Work. The schedule proposes that the final draft pre-design report would be completed by June 1, 2009 at an estimated cost of \$77,311.

Commissioner Johnson made a motion to authorize the General Manager to authorize Gray & Osborne, Inc. to prepare the 112th Street Water Supply Pipe Line and Booster Station Pre-Design Report at a cost not to exceed \$77,311. Commissioner McGrath seconded the motion. The motion passed unanimously.

**BIG GULCH
SEGMENT #2,
ACCEPT AS
COMPLETE**

Mr. Sorensen reviewed his January 7, 2009 Memo stating that the improvements within Big Gulch known as Segment #3 have been completed by KLB Construction. Hammond Collier Wade Livingstone (HCWL), the engineer for the project, has recommended that the work be accepted as complete.

RESOLUTION 081-09

Commissioner McGrath made a motion to authorize the approval of Resolution #081-09, accepting the Big Gulch Segment #2 improvements as complete, approve the Final Progress Payment Estimate and Closeout Change Orders #9 and 10A and initiate the 45-day claims period. Commissioner Andrews seconded the motion. The motion passed unanimously.

VOUCHERS

Commissioner Johnson made a motion to approve the Mukilteo Water and Wastewater District Vouchers as presented. Commissioner Thomasson seconded the motion. The motion passed unanimously.

Water Maintenance Fund (741-5408666)

Beginning with 965 through 998 in the amount of \$29,823.01.

Water Maintenance Fund (746-5408666)

Beginning with 776 through 776 in the amount of \$88,833.54.

Water Maintenance Fund (746-5408666)

Beginning with 777 through 790 in the amount of \$15,777.66.

Water Capital Improvement Fund (741-5458666)

Beginning with 962 through 962 in the amount of \$8,812.84.

Water Capital Replacement Fund (741-5478666)

Beginning with 963 through 963 in the amount of \$8,803.32.

East Wastewater Maintenance Fund (741-5418666)

Beginning with 126 through 128 in the amount of \$2,010.81.

Wastewater Capital Improvement Fund (746-5468666)

Beginning with 770 through 773 in the amount of \$26,380.67.

East Wastewater Capital Improvement Fund (741-5528666)

Beginning with 125 through 125 in the amount of \$161.65.

Wastewater Public Work Trust Fund (746-5588666)

Beginning with 774 through 774 in the amount of \$45.61.

Wastewater Public Work Trust Fund (746-5588666)

Beginning with 775 through 775 in the amount of \$135,839.35.

**OUTSOURCING OF
BILLING PRINTING
AND MAILING**

Ms. Parks requested authorization to utilize an outsourcing service for the District's printing and mailing process in an effort to reduce costs and increase productivity. Staff has researched some companies and four provided quotes and information on other services they provide. Staff recommended AFTS because of their comparable rate and other services that they offer that may be of use to the District in the future.

By consensus the Board authorized staff to proceed with preparing a contract with AFTS and bring it back to the Board for review and approval.

**ALTERNATE FEMA
FUNDING – 2008 BIG
GULCH
EMERGENCY
REPAIRS**

Mr. Sorensen reviewed his memo regarding the 2008 FEMA reimbursement for the emergency repair work in Big Gulch following the December 2007 storm event. This included funding Schedule A, the streambed repair work in the upper reaches of Big Gulch. The District also applied for reimbursement for Schedule C, the stabilizing of the existing sewer trunk line in Segment #3 but the District will not be reimbursed for this schedule. However, the State Emergency Management will allow the District to seek reimbursement of FEMA funds for either an alternate project or purchase equipment that could be utilized in the Big Gulch project area and within the west side sewer utility in lieu of the project. The equipment could also be used throughout the District. Staff requested authorization to submit a letter to the State Emergency Management to receive and utilize FEMA funds to replace the existing "Camel" a sewer manhole and line cleaning truck. Discussion was held. The expenditure for this vehicle in 2009 will be dependent on the District receiving a commitment by FEMA for partial reimbursement.

Commissioner Thomasson made a motion authorizing staff to proceed by sending the necessary letter to the State Emergency Management by January 11, 2008 requesting the reimbursement as discussed. Commissioner McGrath seconded the motion. The motion passed unanimously.

**BIG GULCH STATUS
REPORT**

Mr. Sorenson reported that Big Gulch Segment #1 should be ready for close-out at the next meeting. An updated Opinion of Costs for Big Gulch Sanitary Sewer Repair and Restoration Project dated January 7, 2009 was provided from HCWL.

A letter was sent to approximately 500 customers advising them of the construction of Big Gulch Segment #3 and inviting them to attend a public information meeting to be held January 14, 2009, 6:30 PM to 8:30 PM at the District office. To prepare the Segment #3 Plans and Specifications to go to bid they will be reviewed with staff on January 14, 2009 and are proposed to be ready for staff to request authority to go to bid from the Board at the February 4, 2009 Meeting.

A meeting is scheduled for January 13, 2009 with airport staff, city staff, Washington Department of Fish and Wildlife and District staff regarding stream mitigation trades for wetland credits in the Paine Field wetland bank.

Mr. Hammer discussed his concerns over the last year with HCWL and the Big Gulch projects. Mr. Sorensen and Mr. Hammer talked with HCWL last spring about changing construction management firms; HCWL requested a chance to improve. Mr. Hammer stated it is very important to have trust in the engineering firm and that construction projects need to be a partnership between the contractor, District and engineer. Communication from HCWL has been a big problem, along with the lack of advising Mr. Hammer about Change Orders, providing Daily Construction Reports, the sags and bellies installed in lines and the bend found in Segment #1. Mr. Hammer stated that he believes the District is currently at a point where HCWL needs to improve or the District needs to hire a new construction management firm to finish the project.

The Board concurred with Mr. Hammer's concerns and agreed that management should meet with HCWL to resolve these issues.

**CIC VALUATION
GROUP CONTRACT**

Mr. Sorensen reviewed his memo regarding the District's Professional Services Agreement with CIC Valuation Group for appraisal services associated with Lift Station #5 and Smugglers Gulch. The work was for an amount not to exceed \$17,500. The work has been completed but there were follow up meetings associated with this project which resulted in an additional \$1,000 worth of the consultants time. Staff believes that the consultant's expertise and time may be required further on a limited basis. Staff requested a supplement to the existing contract of \$3,000 to cover the expenses.

Commissioner Johnson made a motion authorizing the General Manager to supplement the existing contract with CIC on behalf of the District, increasing the existing not to exceed value from \$17,500 to \$20,500, for a total increase of \$3,000. Commissioner Thomasson seconded the motion. The motion passed unanimously.

ENGINEERING REPORTS

Mr. Enns reported that due to his retirement at the end of June 2009 he will be having a person shadowing him on projects and meetings with the District to work on the transition process.

MANAGEMENT REPORTS

Mr. Hammer reported that the District made it through the storm without any major damage. There were a few customers who had frozen pipes but it appears that no major damage occurred.

The Washington State Auditor's Office Exit Conference was held on January 6, 2009. There were no audit findings. The Board thanked Sue Parks and Bev Templin for the good job they perform.

BOARD OF COMMISSIONERS MEETING

January 7, 2009

Page 6

Mr. Sorensen stated that the City of Mukilteo is having an appraisal performed on the Olympus Terrace Sewer District Building.

ADJOURN

There being no further business the President of the Board adjourned the meeting at 8:30 PM and the Board signed documents.

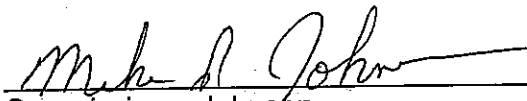


President/Commissioner Rainville

Commissioner Andrews




Vice-President/Commissioner Caine



Commissioner Johnson



Secretary/Commissioner McGrath



Commissioner Thomasson