

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

Minutes of May 6, 2009

The May 6, 2009 Meeting of the Board of Commissioners was called to order at 7:00 PM in the District office.

PRESENT

Commissioners -- Dick Andrews, Ed Caine, Mike Johnson, Thomas McGrath and Thomas Rainville

Attorney – John Milne

Engineer – Ken Enns and Mike Jauhola

Staff -- Dan Hammer Sue Parks, Gil Bridges and Mary Merriam

Audience – Mr. & Mrs. Ken Wolfe

The Board excused the absence of Commissioner Thomasson.

***APPROVAL OF
AGENDA***

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

***VISITOR
COMMENTS***

Mr. & Mrs. Kenneth Wolfe who live at 955 3rd Street, Mukilteo attended the meeting to discuss a storm drain pipe that is connected into their side sewer line. They have lived in the house for 32 years; the situation existed before they purchased the home. In February 2009 the District was dispatched to the house to investigate the report of a sewer backup. Staff cleared the blockage and televised the line and found an unauthorized connection into the sewer system from a catch basin located in the driveway. A letter was sent to the owners requesting that the connection be removed within 90-days.

Mr. John Milne explained that these types of connections are prohibited by the Sewer Administrative Code.

Discussion was held.

The owners requested an extension of time to resolve the problem.

Commissioner Caine made a motion to allow an additional 90-day extension for the owners to remove the connection. Commissioner McGrath seconded the motion. The motion passed unanimously.

Staff will send a letter to the owners stating the time extension. Mr. Hammer will contact the City of Mukilteo to discuss the connection.

***MINUTES
APPROVED***

Commissioner Johnson made a motion to accept the Minutes from the April 6, 2009 Board Meetings. Commissioner Andrews seconded the motion. Commissioner McGrath abstained from voting as he didn't attend that meeting. The motion passed with four Commissioners voting to approve the minutes.

Commissioner Johnson made a motion to accept the Minutes from the April 15, 2009 Board Meetings. Commissioner McGrath seconded the motion. The motion passed unanimously.

CONSENT AGENDA

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

Vouchers

Water Maintenance Fund (741-5408666)

Beginning with 1227 through 1250 in the amount of \$30,467.65.

Water Capital Improvement Fund (741-5458666)

Beginning with 1239 through 1239 in the amount of \$10,841.53.

Water Capital Replacement Fund (741-5478666)

Beginning with 1240 through 1240 in the amount of \$681.56.

Wastewater PWTF Fund (741-58558666)

Beginning with 1222 through 1224 in the amount of \$10,014.44.

Wastewater Maintenance Fund (741-5418666)

Beginning with 1227 through 1250 in the amount of \$30,467.65.

Wastewater Capital Improvement Fund (746-5468666)

Beginning with 1225 through 1226 in the amount of \$23,782.07.

East Wastewater Maintenance Fund (741-59418666)

Beginning with 0174 through 0177 in the amount of \$36,367.11.

East Wastewater Capital Improvement Fund (741-59528666)

Beginning with 0178 through 0178 in the amount of \$831.56.

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.

Tracking of Past Due Accounts

Staff provided the list tracking the number of customer notices sent out each month for Board review.

BUSINESS ITEMS

PUBLIC HEARING

**SURPLUS OTSD
BUILDING**

Commissioner Rainville stated a Public Hearing was being held on the proposed sale of real property owned by the District and located at 4902 76th Street SW, Mukilteo (the previous Olympus Terrace Sewer District Office) to the City of Mukilteo. The District scheduled the hearing pursuant to the requirements of RCW 39.33.020 to provide all parties who may be interested in the proposed sale of the property to the City to appear before the District Board of Commissioners to be heard on the proposed sale.

Mr. Milne stated he had drafted the sales agreement.

The Public Hearing was advertised in the Everett Herald and the Mukilteo Beacon.

Mr. Hammer provided the Board an inventory list of personal property items that will remain in the building and have no value.

The Hearing was opened at 7:30 PM.

No written or verbal comments were received.

The hearing closed at 7:31 PM.

Commissioner Caine made a motion to continue with the sale of the former Olympus Terrace Sewer District Office and listed personal property to the City of Mukilteo. Commissioner McGrath seconded the motion. The motion passed unanimously.

***ANCIENT RIGHT-
OF-WAYS
ACQUISITION***

Mr. Hammer reviewed his memo regarding right-of-ways that were platted before 1904, but unopened. In the early 1900's there was legislative action that vacated the right-of-ways to adjoining property owners. In some areas water and sewer utilities had been installed in the right-of-ways. Mr. Hammer is proposing to work with Fullerton & Associates to acquire easements needed; Mr. Grant Weed's office to do title researches and prepare the easements; and PACE Engineering to develop individual legal descriptions and maps for each easement. The 2009 Budget provides \$27,000 for this project. Mr. Hammer stated the cost of acquiring the easement could go a little higher than the budgeted amount.

Discussion was held.

Commissioner Caine made a motion to authorize staff to acquire the easements with the use of the consultants as recommended by the General Manager. Commissioner Andrews seconded the motion. The motion passed unanimously.

SUMMER HELPERS

Mr. Hammer requested hiring two summer helpers; one person for three months and one person for one month. The person for the one-month position is a previous summer helper who is familiar with the job and could train the other summer helper. The Budget allocated funds for one person for three months. The estimated additional expense would be \$2,338.

The Board approved by consensus the General Managers request.

***PROCEED WITH
PURCHASE
REQUEST***

The 2009 Budget approved the purchase of an easement cleaning machine for an estimated cost of \$41,300. The District has many sewer mains that are located in easements that are unreachable by conventional methods. This machine would allow staff to perform maintenance of the easements and obtain access to the sewer or water facilities. Staff requested authorization to develop plans and specifications to go to bid for the purchase of the machine.

Commissioner Johnson made a motion to authorize staff to proceed with the plans, specifications and to go to bid. Commissioner Andrews seconded the motion. The motion passed unanimously.

REQUEST TO BID

***AERATION DITCH
"B" PROJECT***

Gray & Osborne was authorized by the District to develop plans and specifications for the Wastewater Treatment Plant Aeration Ditch "B" and Paine Field Construction Project Related to Commando Drive.

AND

***PAINÉ FIELD
COMMANDO
DRIVE PROJECT #1
AND #2***

To expedite construction in the street right-of-way at Paine Field it was decided to split that project into two separate projects. Project #1 will be the water and sewer main construction. Project #2 will be the lift station and force main. Project #1 improvements in Commando Road need to be completed by July 24, 2009 in order for the remainder of the road improvements to begin.

Mr. Hammer requested authorization for the projects to go to bid. After the bids are opened staff will present a bid summary to the Board for the award of the contracts.

Commissioner Johnson made a motion to authorize Gray & Osborne to advertize for bids for the three projects as discussed.

Commissioner Andrews seconded the motion. The motion passed unanimously.

***BIG GULCH
HISTORICAL
OVERVIEW***

The Big Gulch Historical Overview was reviewed and discussed. Some changes were suggested. Staff will make the final revisions and complete the document.

Commissioner McGrath suggested customers would be more likely to read a smaller, more precise document.

***LEAK
ADJUSTMENT
POLICY
INFORMATION***

Staff surveyed eight utilities to determine what types of leak adjustment policies are currently utilized within the industry and provided the information to the Board for review.

Mr. Hammer recommended the District's policy be updated to be more understandable. Suggested components of the new policy include:

Customers would be eligible for adjustments to water and sewer accounts from documented water leaks subject to the following procedure:

- A customer's actual metered water consumption must exceed the customer's average consumption for the prior two years for the same months the leak occurred by at least 150% to qualify for a water billing adjustment.
- Any adjustment in a water/sewer billing shall be for no more than one billing period.
- A water customer account adjustment will be granted only once during a 24-month period.
- To be eligible for a credit adjustment, leak repairs must be made within 60-days of discovery or notification of the leakage.
- A written leak adjustment request shall be submitted to the District providing the following information:
 - a) The customer's account number and the bill to be adjusted
 - b) Facts sufficient to establish a leak in the water line on the customer's property; and
 - c) Facts explaining the discovery of the leak and the actions taken to repair the leak.

The adjusted water service billing will be calculated based on:

- 1) The current water service base rate
- 2) Plus the average consumption as determined by the average of the same billing period from the prior 2-years will be billed at the current charge.
- 3) Plus the excess consumption billed at the current City of Everett wholesale water rate.

Adjustments for sewer charges due to water leaks that do not flow to the sewer system will be considered using the same criteria used for water leak adjustments, with the exception that there will be no billing for excess sewage over the two year average.

An eligible application which results in an adjustment of \$150.00 or less may be authorized by the General Manager; otherwise the application shall be referred to the Board of Commissioners for decision.

Commissioner Caine made a motion authorizing the General Manager to develop a revised leak adjustment policy for Board consideration in accordance with the suggestions listed in his memo. Commissioner Johnson seconded the motion. The motion passed unanimously.

***BOARD PROTOCOL
MANUAL***

The Olympus Terrace Sewer District Protocol Manual was reviewed by the Board and attorney. Mr. Milne discussed items that should be included in a manual for District commissioners.

The Board authorized Mr. Milne to revise the document and bring back a Commissioner Manual for the Board's review.

***DISTRICT'S
CONSULTING
ENGINEER***

Due to Mr. Ken Enns retiring on June 30, 2009, Mr. Hammer recommended that Mr. Mike Jauhola, who is a principal at Gray & Osborne, be appointed as the District's consulting engineer. Mr. Eric Delfel will continue to work on District projects as he has with Mr. Enns.

Commissioner Caine made a motion to revise the Agreement with Gray & Osborne to name Mike Jauhola as the District's primary consulting engineer. Commissioner Andrews seconded the motion. The motion passed unanimously.

MANAGEMENT REPORTS

Mr. Hammer reported the clearing and grading of the Big Gulch HDD Project started on April 27, 2009. Dirt was removed to the staging area and covered for erosion control. Installation of the conductor casing will start tomorrow and next week the contractor should set up the drilling equipment.

Meetings have been held to discuss connection locations and the contract for receiving water from Alderwood Water and Wastewater District. Effort is being made to schedule a meeting with District's and their attorneys to discuss legal issues.

Last night the Sno-Isle Skill Center had a fire. The District received a telephone call regarding water pressure. Staff reduced the draw from the Everett line to increase flow and pressure to the fire.

Since Mr. John Rodda is still ill Mr. Hammer stated he may have Kathy Weber at Inslee Best review the Employee Manual for the District.

COMMISSIONER REPORTS

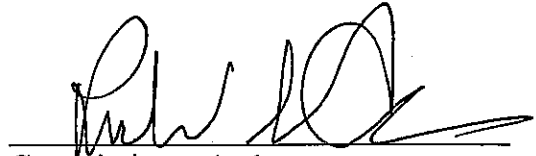
Commissioner Rainville reported on the WASWD Conference he attended in Yakima. At the Business Meeting the Bylaws were changed so Managers could be on the Board

ADJOURN

There being no further business the President of the Board adjourned the meeting at 8:55 PM.



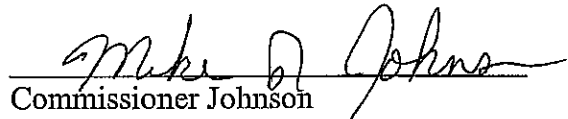
President/Commissioner Rainville



Commissioner Andrews



Vice-President/Commissioner Caine



Commissioner Johnson



Secretary/Commissioner McGrath

Commissioner Thomasson