

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

Minutes of November 4, 2009

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The November 4, 2009 Regular 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, Thomas Rainville and Joan Thomasson  
Attorney – John Milne  
Engineer – Mike Jauhola  
Staff -- Dan Hammer, Sue Parks and Mary Merriam

***APPROVAL OF  
AGENDA***

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

***MINUTES  
APPROVED***

Commissioner Caine made a motion to accept the Minutes from the October 14, 2009 Board Meetings. Commissioner Johnson seconded the motion. The motion passed unanimously.

***CONSENT AGENDA***

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

***Vouchers***

- Water Maintenance Fund (741-5408666)  
Beginning with 1721 through 1759 in the amount of \$35,172.57.
- Water Capital Improvement Fund (741-5458666)  
Beginning with 1719 through 1720 in the amount of \$6,798.62.
- Wastewater PWTF Fund (741-58558666)  
Beginning with 1693 through 1693 in the amount of \$3,075.00.
- Wastewater Maintenance Fund (741-58408666)  
Beginning with 1699 through 1716 in the amount of \$30,032.71.
- Wastewater Capital Improvement Fund (741-58468666)  
Beginning with 1694 through 1698 in the amount of \$185,624.97.
- East Wastewater Maintenance Fund (741-59418666)  
Beginning with 0230 through 0231 in the amount of \$2,878.55.
- East Wastewater Capital Improvement Fund (741-59528666)  
Beginning with 0232 through 0232 in the amount of \$517.50.

***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 updated Customer Notices Tracking List which indicates the number of customer notices sent out each month for Board review.

**Third Quarter Budget Update**

Ms. Parks provided the Period Budget Analysis, the Summary Statement of Revenues and Expenses, the Manual Checks Report and the Depository Wire Transfers/ACH Report for Board review.

**Investment Report**

The September 30, 2009 Investment Funds Report was reviewed by the Board of Commissioners.

**BUSINESS ITEMS**

**SMUGGLERS  
GULCH EASEMENT  
ACQUISITION**

Craig Fullerton and Associates were hired by the District to facilitate the purchase of easements for access to Lift Station #5. The original budget for easement acquisition was \$10,000. The negotiations ended up going through attorneys and additional visits with property owners than originally envisioned. To-date \$16,000 has been spent. Staff believes the easement acquisitions are close to being concluded but recommended the Board extend the contract for an additional \$11,000 for a total contract of \$21,000 for the acquisition of the easements as outlined in Supplemental Agreement #1.

Commissioner Caine made a motion to authorize the General Manager to sign the Fullerton and Associates Supplemental Agreement #1 which increases the total contract to \$21,000. Commissioner Thomasson seconded the motion. The motion passed unanimously.

**EASEMENT  
ENCROACHMENT  
STAYBRIDGE  
SUITES**

During the inspection of the Staybridge Suites site for preparation of the final punch list it was discovered that the footings, support posts and roof structure for the porte-cochere had been constructed within the existing recorded 15-foot water main easement. Staff discussed several options with the owners and their engineers. The owners requested entering into an Easement Encroachment Agreement with the District. Staff provided pictures of the encroachment area and a draft agreement that Mr. Milne would critique if the Board approved the use of the agreement.

Discussion was held.

The Board was not inclined to allow an encroachment on the easement and requested staff and the developer provide more information on the situation.

Mr. Milne advised that the developer/owners need to be advised of the decision verbally and in writing to make sure they understand that any improvements that they continue to make within the easement area are at their own risk and expense and may need to be removed.

***BIG GULCH  
UPDATE***

Mr. Hammer reported that the HDD Company has moved the majority of their equipment off-site, connections are being made to the District's system and discussed other items that have been completed since the last Board meeting. He advised the Board that there may be a Change Order to import some structural fill dirt because the existing stockpiled soils are too saturated for use. The stockpiled soils will still be used in areas where compaction is not required.

***AERATION  
DITCH "B"  
UPDATE***

Mr. Hammer reported that "B" Ditch is on-line and the diffusers were tested before the ditch was filled. The PUD 2009 Energy Services Work Authorization was signed and returned to the PUD in order for the District to receive an incentive check. The estimated annual power cost savings is \$11,204.

A Change Order for the installation of additional handrails and a canopy roof over the electrical panel will be presented to the Board once the costs have been determined.

***CLAIMS AGENT  
FOR DISTRICT***

***RESOLUTION 119-09***

In accordance with Chapter 4.96 RCW, Mr. Milne prepared Resolution 119-09 appointing an agent to receive claims for damages against the District. The District's previous resolution needed to be updated. The General Manager is named to serve as the claims agent and the Finance Manager is designated as the alternate agent in the absence of the General Manager.

Commissioner Caine made a motion to approve Resolution 119-09, appointing an agent to receive claims for damages against the District and rescinding Resolution A-1404. Commissioner McGrath seconded the motion. The motion passed unanimously.

***WASWD BYLAWS  
AMENDMENT***

In an effort to have the WASWD change their bylaws, Section III General Managers agreed if the interested Districts in Section III passed a resolution petitioning the Association to change the bylaws to allow District General Managers to vote at Association business meetings the general managers would be more involved in how the

Association is operated. Mr. Patrick Curran, the General Manager for Silver Lake Water and Sewer District, developed a draft resolution for districts to take to their Boards for review and consideration. Discussion was held.

Mr. Milne will review the draft resolution and this topic will be put on the next agenda to discuss further.

***WWUC 2010  
MEMBERSHIP***

Washington Water Utilities Council (WWUC) is an organization that represents water utility interests in the State of Washington. While Mukilteo Water and Wastewater District does not have any water rights, the District depends on the city of Everett's water rights to supply the Districts' expanding water needs. In the past the District has participated in the WWUC through the Sno-King Coalition membership. Participating as a member in the WWUC would help protect Everett water rights and allow the District to actively participate in WWUC Meetings. A letter from WWUC was received requesting the District join the council. Membership dues for 2010 are \$750.

Discussion was held.

Mr. Hammer will request a copy of the WWUC's By-Laws and bring this issue back on the next agenda.

***COMPUTER  
SERVER UPGRADE***

In 2009 staff budgeted for a new computer server. From the time of budgeting to the time of install changes in technology impact the scope and cost of the server. The new server will be a 64 bit operating system allowing for faster processing, but causes additional install work since all software on the server has to be checked for compatibility. The Small Business Server version being installed was not available at the time of budgeting so the number of hours for installation was unknown. The budget amount of \$10,000. The actual cost will be \$11,000 to \$15,900. Ms. Parks stated that she had received three quotes for the project. Discussion was held.

Commissioner Thomasson made a motion to authorize staff to shift the server budget from the O & M Budget to the Capital Budget and increase the budget from \$10,000 to an amount not to exceed \$15,900 with staff utilizing a contract/service agreement for the project.

***HOTEL SEWER  
RATES***

Discussion was held regarding the District's monthly sewer rate for west-side customers and if a separate rate class for hotels should be established at 50% of the current single family rate as an interim rate until the Rate Study is completed.

The Rate Study is expected to be completed in January or February; therefore the Board of Commissioners decided to not change the rate for such a short period when it is likely that it would be changed again at the completion of the study.

**MANAGEMENT REPORTS**

Mr. Hammer reported that two minor accidents occurred last month in the Grumman. No one was hurt.

The Paine Field Sewer and Water Project main installations have been completed. The Airport asked the District to suspend work on upgrading the lift station. A close-out resolution will be prepared and presented to the Board soon.

The next Sno-King Meeting will be held on Monday November 9<sup>th</sup> at Coal Creek Utility District in Newcastle.

The WASWD Section III meeting will be held on Tuesday, November 10, 2009 in Tulalip.

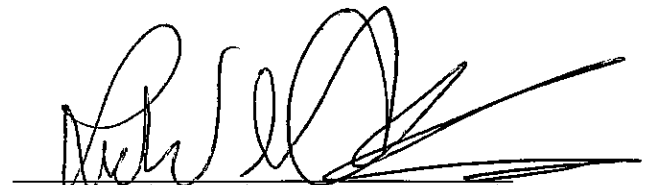
**COMMISSIONER REPORTS**

Commissioner Thomasson stated she will not be at the next meeting and asked to be excused.


**ADJOURN**

There being no further business the President of the Board adjourned the meeting at 8:33 PM.


  
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President/Commissioner Rainville

  
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Commissioner Andrews

  
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Vice-President/Commissioner Caine

  
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Commissioner Johnson

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Secretary/Commissioner McGrath

  
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Commissioner Thomasson