

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

Minutes of January 15, 2014

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The Regular Meeting of the Board of Commissioners of January 15, 2014, was called to order at the District office by Vice President McGrath at 7:00 p.m.

**ROLL CALL/  
IN ATTENDANCE**      Commissioners:  
Thomas McGrath, Thomas Rainville

Engineers:  
Eric Delfel (Gray & Osborne)

Staff:  
Gil Bridges, Wastewater Treatment Facility Manager; Sue Parks,  
Finance Manager; Jim Voetberg, General Manager; Lisa Wolfson,  
Management/Project Assistant

Commissioner Rainville made a motion to excuse Commissioner Johnson's absence from this meeting. Commissioner McGrath seconded the motion. The motion passed unanimously.

**APPROVAL OF  
AGENDA**      Commissioner Rainville made a motion to approve the agenda as presented. Commissioner McGrath seconded the motion. The motion passed unanimously.

**VISITORS AND  
COMMENTS  
FROM THE  
AUDIENCE**      None.

**MINUTES**      Commissioner Rainville made a motion to approve the minutes of the regular meeting of the Board of Commissioners of January 2, 2014. Commissioner McGrath seconded the motion. The motion passed unanimously.

**CONSENT  
AGENDA**      Commissioner Rainville made a motion to approve the Consent Agenda. Commissioner McGrath seconded the motion. The motion passed unanimously.

**Vouchers**  
Approved Vouchers in the amount of \$456,756.20.

<u>Fund</u>	<u>SubFund No.</u>	<u>Voucher No.</u>	<u>Amount</u>
Water Maintenance	740	2407-2458	\$227,318.87
Wastewater Maintenance	840	2407-2458	\$37,244.93
East Wastewater Maintenance	941	2407-2458	\$13,763.96
Water Capital Improvement	745	2397-2399	\$49,117.96
Wastewater Capital Improvement	846	2402-2404	\$68,026.45
2012 Bond Capital	859	2405-2406	\$13,107.58
East Wastewater Capital Improvement	952	2400-2401	\$48,176.45

## **BUSINESS ITEMS**

### **Establishing Water and Sewer General Facility Charges for 2014**

#### **Resolution No. 301-14**

Sue Parks, Finance Manager, gave a report on the item. At the Board of Commissioners meeting of March 7, 2012, the Board adopted Resolution Nos. 216-12, 219-12, and 221-12 providing for General Facility Charges (GFCs) imposed on connections to the District's water and wastewater facilities. The 2012 resolutions indicate GFCs shall be adjusted to reflect the prior year's inflation per the Engineering News Record Construction Cost Index for the Seattle area, providing the increase does not exceed 5%. The current Engineering News Record Construction Cost Index indicates an inflation rate of 7.76% (Ms. Parks reported the inflation rate mentioned in her memorandum to the Board was incorrect and that the inflation rate is 7.76%); therefore, Resolution No. 301-14 establishes the 2014 GFCs at the maximum 5%. Resolution No. 301-14 also amends Resolution Nos. 216-12, 219-12, and 221-12; as well as repeals Resolution No. 261-13, which established the GFCs for 2013.

Commissioner Rainville made a motion to adopt Resolution No. 301-14, establishing the water and sewer General Facility Charges for the 2014 calendar year; amending Resolution Nos. 216-12, 219-12, 221-12; and repealing Resolution No. 261-13. Commissioner McGrath seconded the motion. The motion passed unanimously.

**Other Business** None.

## **ADDITIONAL REPORTS**

### **Management**

#### State Audit

Sue Parks, Finance Manager, gave a report on the upcoming audit to be conducted by the State of Washington's Department of Revenue. The Department of Revenue has not conducted an audit for the District since 2005, prior to the merger of Mukilteo Water and Olympus Terrace Sewer District. She stated the Department of Revenue will focus on the allocation of revenues between wastewater collection and treatment for the years 2010 through early 2013.

Discussion ensued regarding the District's budget split and how Ronald Wastewater District faced extensive penalties/back-owed taxes following their audit. It was not known, however, the specific reasons Ronald Wastewater incurred the penalties.

Eric Delfel, Engineer, reported there are different tax rates for treatment facilities versus collection facilities, and a sewer pipeline could be considered a treatment system. He added that Ronald Wastewater District may have classified too much of their system as a treatment system instead of a collection system.

Jim Voetberg, General Manager, reminded the Board that MWWD's revenue split was formulated by the Engineer and Legal Counsel prior to MWWD and OTSD merging, and that it has not been changed since.

Commissioner McGrath asked how much of the District's Eastside is considered a treatment system. Both Ms. Parks and Mr. Delfel stated they would research this.

ILA with the City for GIS Services

Mr. Voetberg reported on conversations he has had with the City of Mukilteo regarding GIS systems for both agencies. Each system is in the beginning stages of development. Discussions have been regarding potential interest in cost sharing for the services of a GIS person should they ultimately hire someone. The City would hire a three quarter full-time equivalent (FTE) position, leaving up to one quarter FTE available to the District. An interlocal agreement (ILA) will be considered by the City Council at their meeting of January 21.

Discussion ensued regarding scheduling and payment of the GIS employee should the District enter into an ILA with the City. Mr. Voetberg commented the GIS employee's schedule would most likely be determined after the District has estimated how many hours are needed to perform the work and payment would likely be processed as a work order based on the number of hours actually worked.

Capital Projects Monthly Project Update

The Board reviewed the capital projects update included in the agenda packet. Discussion ensued regarding the Headworks project and how the contractor is performing non-cost, warranty items. Gil Bridges, Wastewater Treatment Facility Manager, added staff has not requested acceptance of the project as a few warranty items have yet to be corrected.

Mr. Voetberg reported that Gray & Osborne will prepare scopes of work for the Webster Street water main and PRV project (#57-14), 3rd Street sewer main replacement project (#58-14), and WWTF road and facility paving project (#59-14). With regard to the WWTF access road, Commissioner McGrath asked how pumps performed after the recent storm. Mr. Bridges responded the pumps performed very well during the storm's rainfall of more than two inches.

Other

Also included in the agenda packet were Vector Attraction Reduction (VAR) test results.

**Legal**

None.

**Engineering**

None.

**Commissioners**

Commissioner McGrath announced he would not be in attendance at the next two meetings of the Board of Commissioners (February 5 and February 19, 2014).

**CONCLUDE**

There being no further business, the Vice President of the Board concluded the meeting at 7:20 p.m.

*Excused*

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President/Commissioner Johnson



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Vice President/Commissioner McGrath



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Secretary/Commissioner Rainville