



Mukilteo Water and Wastewater District
7824 Mukilteo Speedway • PO Box 260
Mukilteo, WA 98275-0260
Ph: 425-355-3355 • Fax: 425-348-0645

BOARD OF COMMISSIONERS
REGULAR MEETING
December 3, 2014 • 7:00 PM
PRELIMINARY AGENDA

Call Meeting to Order

Roll Call

Approval of Agenda

Visitors and Comments from the Audience

Minutes

1. Approve the Minutes of the Regular Meeting of November 19, 2014

Consent Agenda

2. *The following items have either been previously discussed or are routine in nature. Any item may be removed at the request of a Commissioner for further discussion. The Board may approve all of these items with a single motion.*
 - 2.1 Approve Vouchers
 - 2.2 Approve Payroll
 - 2.3 Receive Investment Funds Report

Business Items

3. Bid Award: Lift Station #8 Generator Transfer Switch and Quick Connect (Project #62-14)
Resolution No. 334-14
4. Consideration of Rate Increases for Legal Services
5. Engineering Services Agreement
6. Accepting and Approving the Proposed 2015 Operations and Maintenance Budget and 2015 Capital Budget
7. Other Business

Additional Reports

8. Management
 - 8.1 General Manager's Report
 - 8.2 Customer Notice Tracking Report
 - 8.3 VERBAL REPORTS: Department Head Updates
 - Legal
 - Engineering
 - Commissioners
 - General Manager's Goals/Objectives

Conclude

SCHEDULE OF UPCOMING MEETINGS

Regular Meetings are held the **1st and 3rd Wednesdays** of each month at **7:00 p.m.** at the **District Office**
December 17, 2014

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

Minutes of November 19, 2014

The Regular Meeting of the Board of Commissioners of November 19, 2014, was called to order at the District office by President Johnson at 7:00 p.m.

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

Engineering:
Eric Delfel (Gray & Osborne)

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

**APPROVAL OF
AGENDA** General Manager Voetberg announced the final agenda reflected the Back Billed Sewer Charges item and the General Manager's Report were distributed.

Motion by Commissioner Rainville, second by Commissioner McGrath, to approve the agenda as presented. The motion passed unanimously.

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

MINUTES Motion by Commissioner McGrath, second by Commissioner Rainville, to approve the minutes of the regular meeting of the Board of Commissioners of November 5, 2014. The motion passed unanimously.

**CONSENT
AGENDA** Motion by Commissioner Rainville, second by Commissioner McGrath, to approve the Consent Agenda as revised. The motion passed unanimously.
Tr, mcg

Vouchers Approved Vouchers in the amount of \$414,750.12.

<u>Fund</u>	<u>SubFund No.</u>	<u>Voucher No.</u>	<u>Amount</u>
Water Maintenance	740	3388-3497	\$229,705.66
		EFT	6,701.32
Wastewater Maintenance	840	3388-3497	129,973.66
		EFT	496.37
East Wastewater Maintenance	941	3388-3497	10,592.13
		EFT	4,417.86
Water Capital Improvement	745	3386	5,762.44
Wastewater Capital Improvement	846	3387	27,100.68

BUSINESS ITEMS

Back Billed Sewer Charges Finance Manager Parks gave a report on the item, requesting Board approval of modifying previous Board direction for accounts #8940 and #7428.

Brief discussion ensued regarding MWWD's efforts to work closely with accountholders to resolve the back billed sewer charges.

Motion by Commissioner McGrath, second by Commissioner Rainville, to authorize 48 month payment plans for back billed sewer charges on Account #8940 in the amount of \$4,823.70, and Account #7428 in the amount of \$8,212.70. The motion passed unanimously.

Distribution of 2015 Budgets The proposed 2015 Operations and Maintenance Budget and the proposed 2015 Capital Budget were distributed to the Commissioners for discussion and consideration at the next regular meeting.

Other Business None.

ADDITIONAL REPORTS

Management

General Manager's Report

General Manager Voetberg reported on the Sno-King Legislative Agenda adopted at the last Sno-King Water District Coalition meeting, attended by Commissioner Rainville; legislative briefing at Alderwood Water and Wastewater District in conjunction with Pierce County's regional water group on December 8; and status of completed trainings required per the recently enacted Open Government Training Act (ESB 5964).

Capital Projects Status Report

The Board received the Capital Projects Status Report. General Manager Voetberg also reported on work being performed at Arnie's Restaurant.

Monthly Water Consumption Report

The Board received the Monthly Water Consumption Report. Commissioner McGrath requested the Board include information regarding purchase from the City of Everett and Alderwood Water and Wastewater District.

Discharge Monitoring Report

The Board received the Discharge Monitoring Report.

Vector Attraction Reduction (VAR) Test Results

The Board received the Vector Attraction Reduction (VAR) Test Results.

Verbal Reports

Finance Manager Parks reported on the US Securities and Exchange Commission's Municipalities Continuing Disclosure Cooperation (MCDC) Initiative. Since the deadline to respond is December 1, staff has recommended scheduling a special meeting with the District's bond counsel to discuss the Initiative.

Brief discussion ensued. Staff will confirm bond counsel's and Commissioners' availability, and schedule and publicly notice a special meeting.

Wastewater Treatment Facility Manager Bridges reported on the DMR and VAR reports in the agenda packet.

Legal

None.

Engineering

District Engineer Delfel reported staff will conduct a bid opening for the Lift Station #8 manual transfer switch project on November 25. Five electrical contractors were invited to submit bids for the Small Works project.

Commissioners

Commissioner Rainville spoke about the recent Sno-King Water District Coalition's alliance with the Pierce County regional water group and the PowerPoint to be presented at the December 8 legislative briefing.

President Johnson reported on an article in the Woodinville newspaper regarding a violation of the Open Public Meetings Act when a quorum of councilmembers attended the Sno-King meeting.

CONCLUDE

There being no further business, the President of the Board concluded the meeting at 7:34 p.m.

President/Commissioner Johnson

Secretary/Commissioner Rainville

Vice President/Commissioner McGrath

**MUKILTEO WATER DISTRICT
INVESTMENT FUNDS REPORT
10/31/2014**

Sub-Fund ID #	Fund Description	Invstmt Type	Maturity Date	10/31/2014		10/31/2013	
				Amount	Rate	Amount	Rate
Unrestricted Investments:							
740	Water Maintenance Fund	State Pool	N/A	591,379.44	0.097%	\$ 1,001,596.86	0.124%
840	Wastewater Maintenance Fund	State Pool	N/A	662,412.74	0.097%	871,318.56	0.124%
941	East Wastewater Maintenance Fund	State Pool	N/A	295,117.42	0.097%	282,919.34	0.124%
745	Water Capital Improvement Fund	State Pool	N/A	315,272.97	0.097%	350,033.19	0.124%
747	Water Capital Replacement Fund	State Pool	N/A	5,050,724.71	0.097%	3,925,554.26	0.124%
846	Wastewater Capital Fund	State Pool	N/A	1,742,124.69	0.097%	961,087.74	0.124%
952	East Wastewater Cap Improve Fund	State Pool	N/A	3,946,363.70	0.097%	3,553,301.49	0.124%
Total Unrestricted Investments				\$ 12,603,395.67		\$ 10,945,811.44	
Restricted Investments:							
848	2008 Revenue Bond Fund	State Pool	N/A	51,143.88	0.097%	\$ 51,292.21	0.124%
851	ULID #11 Revenue Bond Fund	State Pool	N/A	80,125.99	0.097%	51,468.32	0.124%
852	SRF Loan Reserve Fund-Big Gulch	State Pool	N/A	67,631.49	0.097%	54,124.64	0.124%
853	SRF Loan Reserve Fund-UV System	State Pool	N/A	39,611.30	0.097%	39,572.36	0.124%
855	PWTF Loan Fund	State Pool	N/A	294,939.85	0.097%	296,314.74	0.124%
857	Bond Reserve Fund	State Pool	N/A	700,107.26	0.097%	613,608.31	0.124%
858	2012 Revenue Bond Fund	State Pool	N/A	19,449.09	0.097%	19,546.84	0.124%
Total Restricted Investments				\$ 1,253,008.86		\$ 1,125,927.42	
Total Investments				\$ 13,856,404.53		\$ 12,071,738.86	

Investment Type	Amount	%	Amount	%
State Pool	\$ 13,856,404.53	100.00%	\$ 12,071,738.86	100.00%
Other	-	0.00%	-	0.00%
Total Investments	\$ 13,856,404.53		\$ 12,071,738.86	

*FHLB - Federal Home Loan Bank, Federal Agency Coupon Securities

BUSINESS OF THE MUKILTEO WATER AND WASTEWATER DISTRICT
BOARD OF COMMISSIONERS

SUBJECT: Bid Award: Lift Station #8 Generator Transfer Switch and Quick Connect (Project #62-14)

MEETING DATE: December 3, 2014

FROM: Rick Matthews, Operations/Engineering Manager *RM*

APPROVAL: Jim Voetberg, General Manager *JV*

CURRENT YEAR			MULTI-YR. PROJ.	Expenditure Requested
Amount Budgeted	Amount Committed	Amount Available	Spent to Date	

EXHIBITS ATTACHED:

- Correspondence and bid tabulation from Gray & Osborne, dated November 25, 2014
- Resolution No. 334-14

SUMMARY STATEMENT/ISSUES:

Included in the 2014 Capital budget is \$30,700 for the Lift Station #8 generator transfer switch and quick connect project. It is the third and final component of CIP #62-14. The other two components of project were the purchase of a new 150 kW trailer-mounted generator and the repair and return to service of the existing 100 kW trailer-mounted generator.

Gray & Osborne developed the bid documents and advertised the generator receptacle/manual transfer switch project through the MRSC Rosters small works process. Two bids were received and opened on November 25, 2014 with the following results:

- | | | |
|----|----------------------------|-------------|
| 1. | Seven Sisters, Inc. | \$27,035.42 |
| 2. | Bainbridge Island Electric | \$40,151.46 |

District staff and Eric Delfel, at Gray & Osborne, have reviewed the bids. Eric has verified that Seven Sisters has met all of the bidder's responsibility criteria for the project. Included is correspondence from Gray & Osborne, dated November 25, 2014, recommending award to Seven Sisters, Inc as the lowest responsive, responsible bidder, in the amount of \$27,035.42, including sales tax.

RECOMMENDED/SUGGESTED MOTION:

Adopt Resolution No. 334-14 to award the Lift Station #8 Generator Transfer Switch and Quick Connect Project to the lowest responsible bidder, Seven Sisters, for a cost not to exceed \$27,035.42, including sales tax.



Gray & Osborne, Inc.
CONSULTING ENGINEERS

November 25, 2014

Mr. Jim Voetberg, P.E.
General Manager
Mukilteo Water & Wastewater District
P.O. Box 260
Mukilteo, Washington 98275

**SUBJECT: REVIEW OF BIDS, LIFT STATION 8 GENERATOR RECEPTACLE
MUKILTEO WATER & WASTEWATER DISTRICT,
SNOHOMISH COUNTY, WASHINGTON
G&O #14523.00**

Dear Mr. Voetberg:

On November 25, 2014, the District received two bids for the Lift Station 8 Generator Receptacle project. The bids ranged from \$27,035.43 to \$40,151.46. The Engineer's Estimate was \$37,558.50. Each proposal was checked for correctness of extensions of the prices per unit and the total price. One correction was made; however, this correction did not change the position of the low bidder. The bidders and their respective bid amounts, including sales tax where applicable, are as follows:

- | | | |
|----|---|--------------------|
| 1. | Seven Sisters, Inc., (Sedro Woolley, Washington)..... | \$27,035.43 |
| | Engineer's Estimate..... | \$37,558.50 |
| 2. | Bainbridge Island Electric (Bainbridge, Washington) | \$40,151.46 |

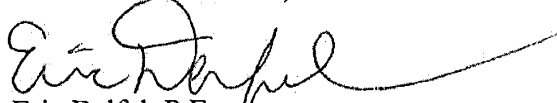
The low responsive bidder, Seven Sisters, Inc. of Sedro Woolley, Washington, is currently a Washington State registered and licensed contractor and appears to have the relevant qualifications and experience to successfully perform the work the project will require. To our knowledge, the low bidder has not claimed bid error and no formal bidding protests have been recorded. In accordance with RCW 39.04, we have verified the low bidder, Seven Sisters, Inc. of Sedro Woolley, Washington, has met the responsibility criteria.

Based on our evaluation, we recommend that the project be awarded to the lowest responsive, responsible bidder, Seven Sisters, Inc., 613 Sunset Park Drive, Sedro Woolley, Washington 98284.

Please contact us if you have any questions and/or require additional information.

Sincerely,

GRAY & OSBORNE, INC.


Eric Delfel, P.E.

ED/hhj
Encl.

BIDDER
BIDDER ADDRESS

ENGINEER'S ESTIMATE

SEVEN SISTERS, INC.
613 Sunset Park Drive
Sedro Woolley, WA 98284
435, 663, 000
SEVENSI199JT
5% BID BOND

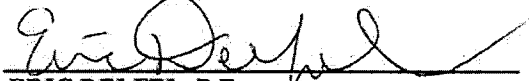
BAINBRIDGE
ISLAND ELECTRIC
110 Bjune Drive SE
Bainbridge, WA 98110
345 508 00
BAINBIE256JA
5% BID BOND

WASHINGTON STATE WORKMAN'S COMP. ACCT. NO.
WASHINGTON STATE CONTRACTOR'S REG. NUMBER
BID BOND OR OTHER GOOD FAITH TOKEN

NO.	ITEM	QUANTITY	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
1	Mobilization/Demobilization	1 LS	\$4,000.00	\$4,000.00	\$2,500.00	\$2,500.00	\$2,000.00	\$2,000.00
2	Electrical	1 LS	\$30,300.00	\$30,300.00	\$22,189.89	\$22,189.89	\$34,668.00	\$34,668.00
	Subtotal:			\$34,300.00		\$24,689.89		\$36,668.00
	Sales Tax @ 9.5%			\$3,258.50		\$2,345.54		\$3,483.46
	TOTAL CONSTRUCTION COST			\$37,558.50		\$27,035.43		\$40,151.46

Sealed bids were opened at the 7824 Mukilteo Speedway, Mukilteo, Washington 98275 on Tuesday, November 25, 2014, at 10:00 a.m. (local time).

I hereby certify that, to the best of my knowledge, the above tabulations are true and correct transcriptions of the unit prices and total amounts bid.


ERIC DELFEL, P.E.

**DENOTES
MATHEMATICAL OR
ROUNDING ERROR**

MUKILTEO WATER & WASTEWATER DIST., WA.
LIFT STATION #8 GENERATOR RECEPTACLE
G&O #14523

DATE: 11/2014
DRAWN: SC
CHECKED: ED
APPROVED: ED

Page 1 of 1

GRAY & OSBORNE
CONSULTING ENGINEERS
SEATTLE, OLYMPIA, YAKIMA,
VANCOUVER & ARLINGTON, WA.

**MUKILTEO WATER AND WASTEWATER DISTRICT
SNOHOMISH COUNTY, WASHINGTON**

RESOLUTION NO. 334-14

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE MUKILTEO WATER AND WASTEWATER DISTRICT, SNOHOMISH COUNTY, WASHINGTON, AWARDING A CONTRACT FOR LIFT STATION #8 GENERATOR TRANSFER SWITCH AND QUICK CONNECT (PROJECT #62-14)

WHEREAS, at the Board of Commissioners adopted the 2014 Capital budget that included \$30,700 for the Lift Station #8 generator transfer switch and quick connect project; and

WHEREAS, Gray & Osborne, the District's consulting engineer, issued a call for bids through the MRSC Rosters small works bidding process; and

WHEREAS, the bid opening was conducted November 25, 2014 at 10:00 a.m. Two bidders submitted bids to furnish labor, materials, equipment and tools to perform the work. Bidders and their respective bids (including tax) are as follows:

1. Seven Sisters, Inc.	\$27,035.42
2. Bainbridge Island Electric	\$40,151.46

WHEREAS, the apparent lowest responsible bidder is Seven Sisters with a total construction cost of \$27,035.42, including state sales tax; and

WHEREAS, the District's General Manager and staff have recommended the District award the project contract to Seven Sisters as the lowest responsible bidder; now, therefore,

BE IT RESOLVED by the Board of Commissioners of the Mukilteo Water and Wastewater District, Snohomish County, Washington as follows:

1. The recitals set forth above are incorporated herein by this reference.
2. The Lift Station #8 generator transfer switch and quick connect project is hereby awarded to Seven Sisters as the lowest responsible bidder for the amount of \$27,035.42, including state sales tax, subject to Seven Sisters' execution of the project contract and providing the performance and payment bonds and insurance as required by the project bid; and
3. The General Manager is hereby authorized to execute the contract on behalf of the District; and
4. District staff is directed to notify the contractor of the award, have the necessary documents executed, and then issue to the contractor a notice to proceed and follow through with supervision and inspection of the work and/or equipment to its completion.

ADOPTED by the Board of Commissioners of the Mukilteo Water and Wastewater District, Snohomish County, Washington, at the open public meeting thereof held on the 25th day of November 2014.

President/Commissioner Johnson


Secretary/Commissioner Rainville

Vice President/Commissioner McGrath

BUSINESS OF THE MUKILTEO WATER AND WASTEWATER DISTRICT
BOARD OF COMMISSIONERS

SUBJECT: Consideration of Rate Increases for Legal Services

MEETING DATE: December 3, 2014

FROM: Jim Voetberg, General Manager 

CURRENT YEAR			MULTI-YR. PROJ.	Expenditure Requested
Amount Budgeted	Amount Committed	Amount Available	Spent to Date	N/A
N/A				

EXHIBITS ATTACHED

- Memo from John Milne, dated November 25, 2014
- Agreement for Legal Services

SUMMARY STATEMENT/ISSUES:

Attached for consideration is a request by Legal Counsel John Milne to increase rates and charges for legal services effective January 1, 2015 and running through December 31, 2016. The request is self explanatory and need no elaboration by staff, other than to recognize Mr. Mile and his firm for providing timely and quality legal services to the District. Mr. Milne will be at the meeting of December 3, 2014, and available to address any questions the Board may have.

RECOMMENDATION/SUGGESTED MOTION:

Approve the Agreement for Legal Services with Inslee Best Doezie & Ryder, P.S.

Memo to: Mukilteo Water and Wastewater District Board of Commissioners; Jim Voetberg, General Manager

Subject: Proposal to increase Rates & Charges for Legal Services effective January 1, 2015

Date: November 25, 2014

From: John Milne, General Counsel

BACKGROUND:

We have served as general counsel to the District pursuant to an Agreement to Provide Legal Services dated December 21, 2011. I serve as the designated attorney to provide legal services as directed by the District. Our present schedule of rates for legal services is as follows:

1. Senior Municipal Group Partners (John Milne, Rod Kaseguma, William Linton) - **\$275** per hour.
2. Junior Municipal Group Partners (Rosemary Larson, Dawn Findlay Reitan, Eric Frimodt) - **\$260** per hour.
3. Associates – regular hourly rates.
4. Non Municipal Group Partners – 10% less than regular hourly rates rounded to the next lowest \$5.00 increment.

FEE AND RATE PROPOSAL FOR 2015-2016:

Our present rate schedule approved by the Board in 2011 was effective for the term of 2012 through 2013, but we did not request a rate adjustment for 2014. However, in the past three years, the cost of living index has increased and the firm has experienced significant increases in overhead including rent, staff salaries, health care costs and other benefits. Therefore, we respectfully request the Board approve the following rates and charges commencing January 1, 2015:

1. Senior Municipal Group Partners (John Milne, Rod Kaseguma, William Linton) - **\$295** per hour.
2. Junior Municipal Group Partners (Rosemary Larson, Dawn Findlay Reitan, Eric Frimodt) - **\$275** per hour.
3. Associates – regular hourly rates.

4. Non Municipal Group Partners – 10% less than regular hourly rates rounded to the next lowest \$5.00 increment.

These rates would remain in effect through the year 2016, would be used for all legal services requested from Inslee, Best and would not be changed without prior mutual written agreement. Inslee, Best would continue to bill on a monthly basis for legal services rendered and for the out-of-pocket expenses incurred on the District's behalf as referenced above.

AGREEMENT FOR LEGAL SERVICES

If this proposal is acceptable to the District, please have an authorized representative sign the attached Agreement for Legal Services in duplicate. The District should then retain one fully signed agreement for its records and return one of the fully signed agreements to us for our records.

AGREEMENT FOR LEGAL SERVICES

I. PARTIES

This Agreement is made as of this _____ day of _____, 2014, between Mukilteo Water and Wastewater District ("District") and Inslee, Best, Doezie & Ryder, P.S. ("Firm").

II. SERVICES PROVIDED

The Firm shall perform legal services on a continuing basis as general legal counsel on matters and litigation assigned by the Board of Commissioners or the General Manager. **John Milne**, or an attorney of the Firm approved by the General Manager, will serve as the lead legal counsel and will direct the services of the Firm consistent with this Agreement.

III. QUALITY OF SERVICES

The Firm shall use its best efforts to perform the District's legal services promptly, efficiently and effectively, according to the rules of professional conduct of the Washington State Bar Association.

IV. DESCRIPTION OF SERVICES

At the request of the Board of Commissioners or the General Manager, the Firm shall perform legal services for the District, including but not limited to the following:

- (1) Review or draft District agreements, resolutions, real property documents and other legal documents;
- (2) Represent the District in lawsuits and contested administrative proceedings commenced by or against the District;
- (3) Consult with and advise the General Manager, Commissioners, employees and consultants regarding District legal matters;
- (4) Attend Board meetings and work sessions as invited; and
- (5) Perform such other duties and services as are necessary and appropriate in order to provide the District with legal representation.

V. FEES AND COSTS

The District shall pay for legal services at the hourly rates set forth on **Exhibit A** to this Agreement. The District shall reimburse the Firm for all out-of-pocket expenses incurred on the District's behalf, including but not limited to court fees, witness fees, deposition costs, special mailing or courier fees, copying costs, long distance telephone charges, travel expenses,

computerized legal research and other charges that the Firm advances on the District's behalf. Except for unusual cases, the Firm will not advance funds to pay third party costs (e.g., expert witness fees), and invoices for those costs will be forwarded to the District for payment. The Firm will not charge the District for mileage costs incurred for trips to and from the District.

VI. PAYMENT TERMS; TIME RECORDS

The Firm will bill the District monthly for services and out-of-pocket expenses. The monthly invoice will summarize the date and extent of legal services performed and the charge for such services, and will itemize the expenses. Fees and costs are due in full from the District upon billing by the Firm. A service charge shall accrue at the rate of 12% per annum, but shall only be added to any balance remaining unpaid sixty (60) days after the invoice date.

VII. TERM

This Agreement shall be in effect from January 1, 2015 through December 31, 2016; provided, the District may terminate the Firm's services at any time by delivery of written notice to the Firm. The Firm shall have the right to withdraw for any reason in accordance with the rules of professional conduct of the Washington State Bar Association.

VIII. INSURANCE

The Firm shall maintain for the protection of the District a professional errors and omissions insurance policy with minimum coverage of four million dollars (\$4,000,000) per claim and four million dollars (\$4,000,000) annual aggregate.

DISTRICT

By _____
General Manager

INSLEE, BEST, DOEZIE & RYDER, P.S.

By _____
John W. Milne, Shareholder

Exhibit A


INSLEE, BEST, DOEZIE & RYDER, P.S.
2015-2016 Attorney Billing Rates

Municipal Partners	RATES
Milne, John W.	\$295
Kaseguma, Rod P.	\$295
Linton, William A.	\$295
Larson, Rosemary A.	\$275
Reitan, Dawn F.	\$275
Frimodt, Eric C.	\$275
Associates, paralegals and law clerks	Regular firm rates or special municipal rates if applicable
Other firm partners	10% less than regular firm rates, rounded to next lowest \$5 increment

BUSINESS OF THE MUKILTEO WATER AND WASTEWATER DISTRICT
BOARD OF COMMISSIONERS

SUBJECT: Engineering Services Agreement – Gray & Osborne Inc.

MEETING DATE: December 3, 2014

FROM: Jim Voetberg, General Manager 

CURRENT YEAR			MULTI-YR. PROJ.	Expenditure Requested
Amount Budgeted	Amount Committed	Amount Available	Spent to Date	N/A
N/A				

EXHIBITS ATTACHED

- Agreement for Engineering Services - 2015

SUMMARY STATEMENT/ISSUES:

Gray & Osborne is the District's engineer providing excellent design, construction management, and day to day engineering services. The current agreement with Gray & Osborne has expired and a new agreement is necessary.

Attached for Board consideration is a new engineering services agreement with Gray & Osborne through December 31, 2016 with two one-year extension options thereafter.

The new engineering services agreement and scope of services is similar to the existing agreement which has worked well for the District. With Gray & Osborne's intimate knowledge of the District's water and wastewater systems and the great working relationship between Gray & Osborne, the Board, and Staff, it is recommended that the new agreement be approved.

Eric Delfel of Gray & Osborne will be at the meeting of December 3, 2014 and available to address any question the Board may have.

RECOMMENDATION/SUGGESTED MOTION:

Approve the Agreement for Engineering Services – 2015 with Gray & Osborne, Inc.

AGREEMENT FOR ENGINEERING SERVICES

This Agreement (“Agreement”) is made and entered into by and between Mukilteo Water and Wastewater District, a Washington municipal corporation (“District”), and Gray & Osborne, Inc., a Washington corporation providing professional engineering services with offices at 701 Dexter Avenue North, Seattle, Washington, 98109 (“Engineer”), (Individually a “Party” and collectively the “Parties”) for the purposes set forth below.

WHEREAS, the District is special purpose municipal corporation which provides water and sewer service to its constituents; and

WHEREAS, construction projects and other projects are necessary to provide public services for existing customers and for future growth; and

WHEREAS, public convenience and necessity require the services of a consulting engineer to accomplish the planning, design and construction management for District projects; and

WHEREAS, the District is a member of MRSC and the Engineer is listed as a participating consultant on the MRSC Roster; and

WHEREAS, the District has previously retained Engineer as its consulting engineer; and

WHEREAS, the District finds that Engineer is qualified and experienced in developing plans and designs and providing construction management relating to sewer and water systems and improvements.

NOW, THEREFORE, the Parties, in consideration of the terms and conditions set forth herein, mutually agree as follows:

ARTICLE 1. TERM OF AGREEMENT

This Agreement shall be effective as of the date of execution by both parties and continued until December 31, 2016, or until terminated in accordance with this contract, whichever is earlier. Upon written mutual agreement by both parties, this Agreement may be extended two additional one-year terms, until December 31, 2018.

ARTICLE 2. EMPLOYMENT

District hereby retains the Engineer to perform engineering work as requested for the planning, review, design and construction of District improvements, to act on behalf of the District as a consulting engineer on various projects and administration, and to perform such other services as requested by the District. The engineering services are more specifically described on **Exhibit A** attached hereto and incorporated herein by this

reference. All engineering services provided shall be done at the direction of the District Board of Commissioners and the District General Manager.

Engineer hereby agrees to perform the professional services as set forth herein, and to furnish or procure the use of incidental services, equipment and facilities necessary for the completion of those engineering services. The Engineer shall furnish competent and experienced personnel who shall work under the supervision of a primary consulting engineer. The District reserves the right to approve project staff. The Engineer hereby assigns Eric Delfel as the District's primary consulting engineer. Designation of a new primary consulting engineer shall require prior approval by the District.

Engineer is an independent contractor and not an employee of the District. Engineer shall be responsible in full for payment of its employees, including insurance and deductions, and for payment to any subcontractors. No personnel employed by the Engineer shall acquire any rights or status regarding the District. All of the services required hereunder shall be performed by Engineer or under its direction and all personnel engaged herein shall be fully qualified under applicable state, federal and local laws to undertake the work performed by them.

ARTICLE 3. ATTACHMENTS

The following attachments are incorporated by reference into this Agreement: Exhibit A – Scope of Services and Exhibit B – Fully Burdened Billing Rates.

ARTICLE 4. SCOPE OF SERVICES

Engineer shall act as the Engineer for District on such projects as the District shall from time to time direct; provided that District may use the service of other engineering firms for specific projects at District's sole discretion.

Engineers' services pursuant to this Agreement shall be divided into tasks as identified on Exhibit A attached hereto and incorporated by reference herein.

ARTICLE 5. COMPENSATION

Payment for the engineering services identified in **Exhibit A** shall be made by the District to the Engineer and shall be considered as full compensation for all personnel, materials, supplies and equipment used in performing the services.

A. The compensation for these services to be paid to Engineer shall be on the cost reimbursement method. Compensation to Engineer shall be on the basis of actual cost plus a net fee (profit). "Fully Burdened Billing Rates" are included as **Exhibit B**; provided, however, Engineer may, on a yearly basis, request modification of compensation to be paid for services performed pursuant to this Agreement. Any modification in compensation agreed to by the Parties shall be effective at the beginning of District's fiscal

year as described in **Exhibit B** and shall be contained in a written addendum signed by the Parties and attached to this Agreement. Said addendum shall be approved by the District Board of Commissioners.

B. Payments for engineering services provided are due upon receipt of invoices with complete documentation acceptable to the District for processing including, but not limited to, identification of employee, services performed, hours worked, hourly rate, and a detail of direct expenses, except for any disputed amounts. If payment is not made within sixty (60) days of receipt of correct and complete invoice, interest shall accrue and be paid in addition to the invoice amount, except on any disputed amounts. Interest shall accrue on said charges at the rate of one percent (1%) per month from the 61st day to the date of payment. Interest shall be payable at the same time as said charges are paid.

ARTICLE 6. OWNERSHIP OF DOCUMENTS

Drawings, designs, specifications, Mylars, surveys, survey data, reports, plans, and other work product of the Engineer for District's projects (collectively "Work Product") shall become the property of the District upon payment in full of all sums due to the Engineer for such Work Product. District shall own all copyrights to such Work Product, and Engineer agrees to assign all ownership and use rights to such Work Product to District. Reuse of any of the Work Product by the District for other than a specific project or modification in use by the District of any Work Product connected with a specific project, without the written permission of the Engineer, shall be at the District's sole risk.

The Engineer shall provide to the District original reproducible designs and record ("as-built") drawings at the conclusion of a project or upon the suspension or termination of the project or the engineering services related thereto, whichever event occurs first. Computer-ready data shall be provided to the District if requested on a data disk compatible with the District's computer equipment and programs. Engineer shall be compensated accordingly for such services provided to the District. Engineer may not use Work Product specifically developed for and paid for by the District without the prior written authorization of the District upon such terms and conditions imposed by the District.

All computer programs, software and other like data developed during the course of a project, unless specifically developed for District, are and shall remain the sole property of Engineer; provided, that specific input data and final program products specific to a project (if any) are the property of District and shall be provided to the District on a data disk compatible with District's computer equipment and programs.

ARTICLE 7. ASSIGNMENT OF CONTRACT-SUBCONTRACTORS

The Engineer shall not assign this Agreement or assign or subcontract all or any portion of the work of any project without prior written approval of the District.

ARTICLE 8. INDEMNIFICATION

Engineer shall defend, indemnify and hold harmless the District, its elected and appointed officers, employees, agents and volunteers from and against, all claims, damages, injuries, damages, liabilities, losses, suits, expenses and judgments, including attorneys' fees and costs (collectively referred to as "Damages"), to the extent caused by Engineer's negligent performance under this Agreement, except to the extent injuries or damages are caused by the negligence of the District. The Parties agree that Engineer's duty to defend shall not arise unless Damages at issue involve a specific claim or allegation of negligent acts, errors or omissions by Engineer and/or its employees, agents and subcontractors. For the purposes of this indemnification, Engineer specifically and expressly waives any immunity granted under the Washington Industrial Insurance Act, Title 51 RCW. This waiver has been mutually negotiated and agreed to by the Parties. If a court of competent jurisdiction determines that this contract is subject to RCW 4.24.115, Engineer's obligation to defend, indemnify and hold harmless the District, its officers, employees, agents and volunteers shall be limited to the extent of Engineer's negligence. The provisions of the Section shall survive the expiration of termination of this Agreement.

ARTICLE 9. INSURANCE

The Engineer shall maintain throughout the performance of this Agreement the following types and amounts of insurance.

a. Comprehensive vehicle liability insurance covering personal injury and property damage claims arising from the use of motor vehicles with combined single limits of Two Million Dollars (\$2,000,000).

b. Commercial General Liability Insurance written on an occurrence basis with limits no less than Two Million Dollars (\$2,000,000) combined single limit per occurrence and Two Million Dollars (\$2,000,000) aggregate for personal injury, bodily injury and property damage. Coverage shall include, but not be limited to: blanket contractual; products/completed operations; broad form property damage; explosion, collapse and underground (XCU if applicable); and employer's liability; and

c. Professional liability insurance (Errors and Omissions insurance) with limits no less than Two Million Dollars (\$2,000,000).

The insurance policies shall: (1) state that coverage shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability; (2) be primary to any insurance maintained by the District, except as respects losses attributable to the sole negligence of the District; and (3) shall state that the District will be given thirty (30) days prior written notice of any cancellation, suspension, non-renewal or material change in coverage.

The District shall be named as an additional insured on the Commercial General Liability Insurance policy with regard to work and services performed by or on the behalf of the Engineer and a copy of the endorsement naming the District as an additional insured shall be attached to the Certificate of Insurance.

Before commencing work and services, Engineer shall provide to the District a Certificate of Insurance and required endorsements evidencing the insurance described above. The District reserves the right to request and receive a certified copy of all required insurance policies.

The above insurance limits do not constitute a limit on Engineer's liability to the District. Any payment of deductible or self-insurance retention shall be the sole responsibility of the Engineer.

Engineer shall be solely responsible for the safety of its employees and subcontractors at the Project work site, and shall comply with all applicable federal, state and local statutes, regulations and ordinances regarding safety.

ARTICLE 10. LITIGATION

This Agreement does not require either the Engineer or the District to prepare for or appear in litigation on behalf of the other, or as agent of the other, except as hereinbefore set forth, and except in consideration of additional reasonable compensation.

ARTICLE 11. TERMINATION OF WORK

The District, by notifying Engineer in writing, may terminate any or all of the work covered by this Agreement or this Agreement by written notice to the Engineer. In the event of such termination, the Engineer shall have the right to expend additional time to assemble work in progress for the purpose of proper filing and closing the job. Such additional time shall not exceed ten percent (10%) of the total time expended to the date of notice of termination. All charges thus incurred, together with associated expenses reasonably incurred by Engineer and charges for any other commitments outstanding at the time of termination (such as for termination for subcontractors, rental agreements, orders for printing, etc.), shall be payable by District within sixty (60) days following submission of a final statement by Engineer.

ARTICLE 12. STANDARD OF CARE

Engineer warrants that its services shall be performed with the care, skill and competence ordinarily exercised by members of the profession practicing under similar conditions at the same time and the same or similar locality.

ARTICLE 13. RIGHTS OF ENGINEER AND EMPLOYEES

No personnel employed by Engineer shall acquire any rights or status regarding the District, and the Engineer shall be responsible in full for payment of its employees, including insurance and deductions.

ARTICLE 14. SPECIAL SERVICES

Special services may be required in conjunction with services contemplated within this agreement, which are outside the professional expertise of the Engineer, such as soils investigations, test borings and analyses, reports and recommendations, groundwater analyses, wetland evaluation, environmental analyses, and laboratory testing. When, in the opinion of the District or the Engineer, such expertise is required for a project, the Engineer shall advise the District. The District may employ the special professional expertise and pay the cost thereof, or, the District at its option, may direct the Engineer to employ the special expertise and pay the cost thereof, plus 10% for administration, taxes and insurance.

ARTICLE 15. TERMINATION

Either Party may terminate this Agreement at any time without cause upon ten (10) days written notice to the other Party to that effect by certified mail, return receipt requested, to the Party's office address. Notice of termination shall be effective upon mailing.

ARTICLE 16. MISCELLANEOUS

(a) Attorneys Fees. In the event a Party commences or files any litigation against the other Party relating to the performance, enforcement or breach of this Agreement, the prevailing party in such action shall be entitled to all costs, including attorneys' fees and costs, and any such fees and costs incurred on appeal.

(b) Entire Agreement. This Agreement, and its attachments, sets forth the entire understanding between District and Engineer relating to professional engineering services. Any prior or contemporaneous agreements, promises, negotiations, or representations not expressly set forth herein are of no force or effect. Subsequent modifications or amendments to this Agreement shall be in writing and signed by the Parties. Services to be performed by Engineer for District outside the scope of services of this Agreement shall be performed pursuant to written agreements separately negotiated.

(c) Compliance with Law. Engineer shall comply with all applicable Federal, State and Local laws in the performance of this Agreement.

(d) Law/Venue. This Agreement shall be interpreted and enforced according to the laws of the State of Washington. Any suit to enforce the provisions of this

Agreement shall be brought in Snohomish County Superior Court, Snohomish County, Washington; provided, all claims, disputes, and other matters in controversy between District and Engineer arising out of or in any way related to this Agreement, will be submitted to mediation or another mutually agreed to alternative dispute resolution procedure before, and as a condition precedent to, judicial action or other remedies provided by law. The indemnification as set forth in Article 8 herein shall also be effective in such mediation or other alternative dispute resolution procedure.

(e) Savings Clause. If any provision of this Agreement is declared invalid, illegal, or incapable of being enforced by any court of competent jurisdiction, all of the remaining provisions of this Agreement shall nevertheless continue in full force and effect, and no provision shall be deemed to depend upon any other provision unless so expressed herein.

(f) Effective Date. This Agreement and the terms and conditions contained herein shall be effective as set forth in Article 15 herein upon the approval and execution of this Agreement by authorized representatives of both Parties.

ENGINEER: Gray & Osborne, Inc.

AGENCY: Mukilteo Water and Wastewater District

By: _____
(Signature)

By: _____
(Signature)

Name/Title: Thomas M. Zerkel, P.E., President

Name/Title: _____
(Print)

Date: _____

Date: _____

“Equal Opportunity/Affirmative Action Employer”

EXHIBIT A

SCOPE OF SERVICES

MUKILTEO WATER & WASTEWATER DISTRICT ON-CALL ENGINEERING

The scope of services for the Mukilteo Water & Wastewater District (District) for On-Call Engineering Services may include but is not limited to the following. All work will be performed at the direction of the District. Proposed projects shall be in accordance with the District's approved Capital Improvement Plan or as otherwise directed by the General Manager.

A. PRELIMINARY ENGINEERING STUDIES AND REPORTS

1. Undertake preliminary investigations and provide a preliminary plan and layout sufficient for accurate cost estimating of the proposed project.
2. Prepare preliminary cost estimates for construction and operation of the proposed project.
3. Furnish District's Fiscal Agent with project construction and operational cost estimates and assist the Fiscal Agent with the development of the financial feasibility of a proposed project.
4. Furnish District's Bond Counsel with a description of the proposed project as needed for preparation of procedural and financing resolutions.
5. Assist the District in making application to governmental agencies which will advance loans or grants to aid in financing the proposed project.
6. Prepare any special reports and investigations which may be requested by District.
7. Prepare, when requested by District, petitions for annexation and evaluate the percentage of property signed on petitions for annexation and on petitions for withdrawal from the District.

B. FORMATION OF UTILITY LOCAL IMPROVEMENT DISTRICTS

1. Formation of District:
 - a. Review with District the boundaries of the proposed Utility Local Improvement District (ULID).

- b. Prepare a preliminary plan and cost estimate for the area within the boundaries of the proposed ULID.
 - c. Furnish to District's Attorney or Bond Counsel a description of boundaries, improvements, total costs, and divisions therefore.
 - d. Prepare assessment maps showing the general plan of improvements, and individual lots and parcels, with ownerships and assessments for each.
 - e. Prepare assessment roll and prepare and mail individual notices to property owners affected.
 - f. Attend and participate in the hearing on preliminary assessment roll and evaluate and advise District on protests received.
2. Final Assessment Rolls and Records:
- a. Prepare final assessment rolls and assessment maps showing ownership of properties and final cost to each property described.
 - b. Prepare and mail final assessment notices to each property owner within the ULID.
 - c. Attend and participate in the final hearing and evaluate and advise District on protests received.
 - d. Revise assessment roll to comply with any changes directed by District at the final hearing.
 - e. Prepare the County Treasurer's collection records.
 - f. Furnish such additional advice as may be required by District's Attorney or Bond Counsel and Fiscal Agent in furtherance of the project.

C. FINAL DESIGN ENGINEERING SERVICES

- 1. Undertake final design and prepare construction plans and specifications and contract documents for the construction of the proposed project, including but not limited to, instrument surveys and office calculations of such surveys as may be required. The final plans and specifications shall be of a standard that will ensure intelligent and competitive bidding by prospective bidders. The number of final plans and specifications shall be sufficient to meet the demands of prospective bidders and suppliers.

2. Prepare estimated quantities and cost estimates for the proposed project.
3. Submit copies of the construction plans and specifications to the appropriate regulatory agencies for approval.
4. Furnish additional information requested by the bidders in their review of the plans and specifications prior to bid opening, attend the bid opening, analyze the bids, and prepare a recommendation to District for contract award.
5. Assist District in securing government approvals and permits necessary for the performance of the construction contract, including but not limited to, the County franchise, the County construction permit, and State Departments of Fish & Wildlife and Natural Resources permits, Corps of Engineer's permits, building permits, and State, City, and County street/highway use permits.
6. Provide surveys, maps, and legal descriptions required for obtaining easements and prepare easement documents for the acquisition of easements.
7. Prepare parity certificates, including any house counts, which may be required for the proposed project.
8. Provide the District with design parameters and operating set points for projects including reservoirs, water booster stations, pressure reducing vaults, and sewer lift stations.

D. CONSTRUCTION SERVICES

1. Engineer shall include in the construction services for projects designed under this Contract the following:
 - a. Field staking for construction.
 - b. Construction inspection to protect the best interest of District and to ensure that all contract work is performed in accordance with District's plans and specifications.
 - c. Review of shop drawings.
 - d. Prepare daily construction progress reports.

- e. Prepare weekly reports to District and the contractor on construction time consumed on each project, and advising all parties of time limits and overruns.
 - f. Prepare monthly construction progress estimates for pay to the contractor and make the final reports to the State taxing agencies.
 - g. Provide record drawings, consisting of the original plans, revised to conform to construction records, including side sewer stub locations.
2. Prepare change orders, as required, during the course of construction.
 3. Provide engineering surveys necessary to project design and construction.
 4. Advise District regarding anticipated cash flow requirements for each project in order to permit investment of unexpended portions of the construction fund.
 5. Instruct the operator or superintendent selected by District in the operation of the completed work. Furnish District with professional advice on the operation and maintenance of the completed work for a period of 1 year from date of acceptance.

E. REVIEWS, SPECIAL INVESTIGATIONS, AND MISCELLANEOUS GENERAL ENGINEERING SERVICES

1. Where requested by District, the Engineer shall investigate, evaluate, and report upon plat reviews, plat improvements by land developers, improvements or proposed construction by another governmental agency, and such other projects as District may designate.
2. Shoreline Management Act and Wetland Permits and Environmental Assessment Statement:
 - a. Provide information, file application, and represent District at public meetings and hearings for any required Shoreline Management Act and wetland permits.
 - b. Prepare and submit an Environmental Checklist where required and directed.
 - c. Where required and when directed, prepare an environmental assessment of the proposed action to District for review, in

compliance with the State Department of Ecology, and attend public hearings on the assessment.

- d. Assist in furnishing environmental impact statements.
3. When requested by the District, the Engineer will provide GIS services in support of the District's mapping and asset management programs. Services may include mapping, archiving, and GIS database development.
 4. Provide engineering support for regulatory issues such as the District's NPDES permit, Washington State Department of Ecology regulations, and Washington State Department of Health drinking water regulations.

EXHIBIT B

GRAY & OSBORNE

FULLY BURDENED BILLING RATES*

THROUGH DECEMBER 31, 2015**

<u>Employee Classification</u>	<u>Fully Burdened Billing Rates</u>		
AutoCAD/GIS Technician/Engineering Intern	\$ 45.00	to	\$ 90.00
AutoCAD/GIS Manager/Graphic Artist	\$ 92.00	to	\$ 115.00
Senior Electrical Engineer	\$ 140.00	to	\$ 172.00
Senior Structural Engineer	\$ 114.00	to	\$ 158.00
Electrical Engineer	\$ 102.00	to	\$ 139.00
Structural Engineer	\$ 98.00	to	\$ 128.00
Environmental Technician/Specialist	\$ 80.00	to	\$ 105.00
Geomorphologist/Geologist	\$ 116.00	to	\$ 125.00
Civil Engineer	\$ 75.00	to	\$ 114.00
Project Engineer	\$ 110.00	to	\$ 139.00
Project Manager	\$ 115.00	to	\$ 178.00
Principal-in-Charge	\$ 112.00	to	\$ 182.00
Resident Engineer	\$ 123.00	to	\$ 156.00
Field Inspector	\$ 82.00	to	\$ 129.00
Field Survey (2 Person)***	\$ 144.00	to	\$ 210.00
Field Survey (3 Person)***	\$ 219.00	to	\$ 274.00
Professional Land Surveyor	\$ 109.00	to	\$ 123.00
Secretary/Word Processor***	N/A		

* Fully Burdened Billing Rates include overhead and profit.

** Updated annually, together with the overhead.


All actual out-of-pocket expenses incurred directly on the project are added to the billing. The billing is based on direct out-of-pocket expenses; for example, laboratory testing and transportation. The transportation rate is \$0.56 per mile or the current maximum IRS rate without receipt IRS Section 162(a).

*** Administration expenses include secretarial and clerical work; GIS, CADD, and computer equipment; owned survey equipment and tools (stakes, hubs, lath, etc. – Note: mileage billed separately at rate noted); miscellaneous administration tasks; facsimiles; telephone; postage; and printing costs, which are less than \$150.

BUSINESS OF THE MUKILTEO WATER AND WASTEWATER DISTRICT
BOARD OF COMMISSIONERS

SUBJECT: Accepting and Approving the Proposed 2015 Budget

MEETING DATE: December 3, 2014

FROM: Jim Voetberg, General Manager 

CURRENT YEAR			MULTI-YR. PROJ.	Expenditure Requested
Amount Budgeted	Amount Committed	Amount Available	Spent to Date	

EXHIBITS ATTACHED:

- Proposed 2015 Budget (distributed at 11/19 Board meeting)
-

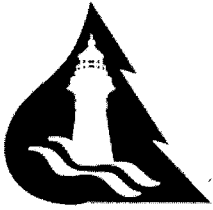
SUMMARY STATEMENT/ISSUES:

Attached for discussion and consideration is the 2015 Operating & Maintenance and Capital Budget. The proposed budget is consistent with the District's philosophy of providing high quality and reliable water and wastewater services in a cost-effective manner.

Recognition goes to all staff for their professionalism and dedicated commitment to our customers, and for their assistance in putting the budget together. Staff members who played a key role in putting the budget together will be at the meeting of December 3rd and available to respond to any questions the Board may have.


RECOMMENDATION/SUGGESTED MOTION:

- Approve the Mukilteo Water and Wastewater District 2015 Operation and Maintenance Budget.
 - Approve the Mukilteo Water and Wastewater District 2015 Capital Budget.
-



Mukilteo Water and Wastewater District
7824 Mukilteo Speedway
P O Box 260
Mukilteo, WA 98275-0260
Phone 425 355-3355 Fax 425-348-0645

MEMORANDUM

To: Board of Commissioners
From: Jim Voetberg, General Manager 
Date: November 26, 2014
Subject: Manager's report for the meeting of December 3, 2014

WWTF Open Position Job Offer: Staff has completed the selection process for the open WWTF Operator I position and has made a tentative offer to Colson Crim. Colson is a younger individual; however, in his interview it was clear this was the profession he has chosen to enter, he demonstrated an eagerness to learn, he has the raw skill set to be a treatment plant operator, and his personality will fit well with the other employees. Colson is currently working for City of Lynden at their WWTF. Contingent upon positive background and reference checks, we hope to have Colson on board after the first of the year.

Operations' Work Hours: The work hours for the Operations crew have been switched from 4x10s to 5x8s. While 4x10 is a workable schedule, it takes a little extra effort by the employees to ensure Mondays and Fridays have adequate coverage, which after a period of one year was hard to consistently maintain. Other options were discussed with the crew and their unanimous decision was to go back to a 5x8 work schedule.

December 8th Legislative Water System Informational Briefing at AWWD: I had previously invited Senator Liias and Representative Ortiz-Self to attend the Water System Legislative Briefing on December 8th, put on the Pierce County Water Cooperative group and supported by Sno-King. Both have responded that they will be out of town and unable to attend. I have notified Steve Lindstrom accordingly.

Clean Water State Revolving Fund Loan for Design of Improvements to the Wastewater Treatment Facility: I have received the next draft of the SRF loan agreement for design services associated with improvements to the WWTF. While we have yet to get to interest rates and payback period, the administrative and other tasks associated with accepting the loan (industrial grade efficiency audit and cross-cutter report) is likely to exceed \$15,000. With our ability to fund this design work without borrowing money, it may be in the best interest of the District to discontinue pursuing this loan. A formal recommendation to the Board on how to proceed will likely be made next month.

Drain Reservoir #1: We plan to drain and inspect Reservoir #1 the week of December 8th. This will allow the District and G&O access to the tank's interior to begin pre-design of work scheduled for next year.

Customer Notice Tracking

Billing Period	Reminder Notices		Delinquency Notices		Door Tags		Turn-Offs	
	Number of Notices	Total Past Due	Number of Notices	Total Past Due	Number of Notices	Total Past Due	Number of Notices	Total Past Due
Dec '07-Jan '08	440	\$117,931.00	137	\$80,297.00	73	\$24,900.00	6	\$5,020.00
Feb '08-Mar '08	523	\$104,783.00	180	\$91,384.00	73	\$22,061.00	17	\$4,246.00
April '08-May '08	486	\$113,386.00	224	\$40,814.00	61	\$17,678.00	17	\$4,511.00
June '08-July '08	484	\$114,907.00	172	\$59,082.00	79	\$20,127.00	15	\$3,241.00
Aug '08-Sept '08	505	\$93,451.00	193	\$34,885.00	73	\$18,141.00	8	\$2,389.00
Oct '08-Nov '08	576	\$124,765.00	220	\$34,711.00	98	\$22,423.00	15	\$4,559.00
Dec '08-Jan '09	453	\$90,345.98	184	\$57,018.76	112	\$39,232.75	22	\$7,436.04
Feb '09-Mar '09	533	\$98,928.30	221	\$38,759.47	96	\$35,557.33	14	\$3,372.71
April '09-May '09	535	\$87,546.50	198	\$34,718.05	88	\$27,770.61	18	\$6,426.42
June '09-July '09	560	\$122,103.18	222	\$47,308.15	75	\$25,756.35	17	\$4,261.69
Aug '09-Sept '09	425	\$114,195.19	203	\$41,785.39	77	\$24,847.81	11	\$3,075.20
Oct '09-Nov '09	692	\$125,273.03	225	\$39,365.85	96	\$31,731.59	17	\$4,385.80
Dec '09-Jan '10	554	\$125,458.35	179	\$34,121.58	83	\$31,111.38	8	\$1,878.63
Feb '10-Mar '10	494	\$93,124.95	214	\$33,400.63	83	\$29,380.76	16	\$4,299.39
April '10-May '10	556	\$116,747.30	211	\$38,177.31	66	\$23,278.25	14	\$3,719.71
June '10-July '10	614	\$127,659.12	193	\$36,089.42	63	\$24,381.32	13	\$4,249.91
Aug '10-Sept '10	531	\$128,871.02	203	\$40,907.55	103	\$34,756.48	17	\$5,614.83
Oct '10-Nov '10	711	\$153,851.93	246	\$46,303.23	104	\$35,029.06	10	\$3,254.36
Dec '10-Jan '11	575	\$149,417.75	207	\$40,446.14	80	\$28,518.59	9	\$3,135.62
Feb '11-Mar '11	556	\$114,502.47	213	\$44,326.52	130	\$49,049.39	20	\$5,670.13
April '11-May '11	604	\$143,343.14	235	\$48,461.90	104	\$37,444.02	9	\$2,788.45
June '11-July '11	594	\$127,329.07	246	\$51,174.65	105	\$37,824.75	17	\$5,268.37
Aug '11-Sept '11	667	\$168,276.08	250	\$58,443.88	64	\$26,508.52	15	\$5,073.26
Oct '11-Nov '11	642	\$135,146.26	235	\$49,868.78	91	\$31,629.33	14	\$5,245.05
Dec '11-Jan '12	567	\$137,678.78	206	\$45,435.93	105	\$29,426.99	19	\$5,984.56
Feb '12-Mar '12	605	\$126,272.86	228	\$44,947.79	95	\$24,479.45	13	\$3,596.81
April '12-May '12	630	\$190,702.95	217	\$46,455.53	116	\$26,725.73	10	\$1,168.65
June '12-July '12	786	\$226,993.45	215	\$57,403.38	90	\$20,875.15	15	\$2,481.20
Aug '12-Sept '12	638	\$217,301.49	212	\$47,705.31	80	\$15,192.57	11	\$1,869.95
Oct '12-Nov '12	721	\$214,030.34	222	\$46,589.87	87	\$25,980.81	16	\$2,405.45
Dec '12-Jan '13	567	\$186,940.04	220	\$46,400.71	101	\$28,951.30	9	\$1,249.87
Feb '13-Mar '13	523	\$120,308.37	210	\$48,170.92	81	\$27,199.57	15	\$2,703.74
Apr '13-May '13	637	\$162,281.35	203	\$55,360.89	61	\$28,294.14	9	\$1,797.74
Jun '13-July '13	703	\$294,928.18	269	\$127,592.27	121	\$29,572.51	18	\$3,833.84
Aug '13 - Sept '13	645	\$246,568.17	191	\$52,330.38	92	\$36,076.71	9	\$2,058.03
Oct '13 - Nov '13	557	\$135,197.37	251	\$59,741.30	93	\$34,817.09	14	\$2,793.91
Dec '13 - Jan '14	661	\$194,343.18	201	\$38,137.73	78	\$36,307.25	31	\$7,461.21
Feb '14 - Mar '14	576	\$147,994.88	216	\$53,872.84	68	\$13,001.18	15	\$3,324.41
Apr '14 - May '14	556	\$141,495.17	233	\$56,146.19	89	\$16,236.90	16	\$3,205.29
Jun '14 - July '14	560	\$222,946.96	253	\$65,701.00	109	\$43,966.52	16	\$3,630.95
Aug'14 - Sept '14	594	\$162,746.93	217	\$40,055.59				

Customer Notice Tracking

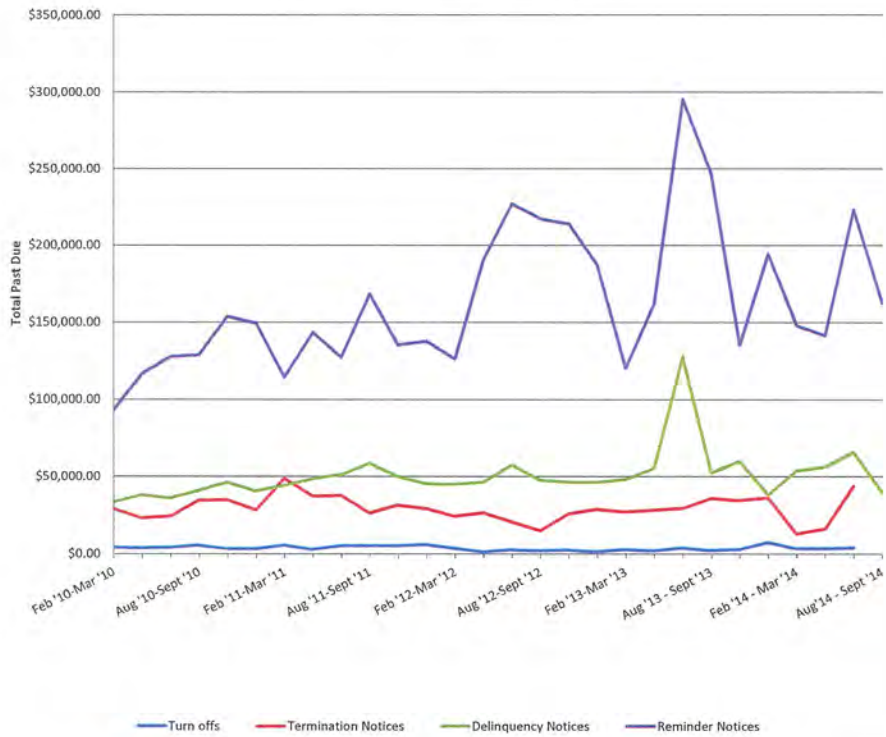
Billing Period	Reminder Notices		Delinquency Notices		Termination Notices		Turn-Offs	
	Number of Notices	Total Past Due	Number of Notices	Total Past Due	Number of Notices	Total Past Due	Number of Notices	Total Past Due
Jan '08-Feb '08	360	\$65,276.00	159	\$27,128.00	70	\$20,243.00	13	\$2,482.00
Mar '08-April '08	386	\$68,915.00	193	\$18,659.00	78	\$18,225.00	20	\$2,961.00
May '08-June '08	373	\$52,226.00	176	\$24,092.00	72	\$16,418.00	18	\$4,048.00
July '08-Aug '08	344	\$51,323.00	166	\$21,237.00	68	\$15,878.00	14	\$3,013.00
Sept '08-Oct '08	397	\$58,657.00	288	\$33,793.00	106	\$24,850.00	28	\$5,584.00
Nov '08-Dec '08	438	\$65,890.00	189	\$24,967.00	86	\$20,603.98	14	\$2,970.58
Jan '09-Feb '09	355	\$48,450.98	187	\$22,552.53	97	\$23,472.99	19	\$4,593.98
Mar '09-April '09	414	\$55,905.86	205	\$25,146.81	108	\$25,881.85	11	\$2,528.33
May '09-June '09	421	\$58,735.50	218	\$27,126.67	105	\$26,073.86	19	\$4,391.09
July '09-Aug '09	340	\$80,444.00	198	\$27,449.28	99	\$27,992.92	14	\$3,140.85
Sept '09-Oct '09	369	\$55,016.10	288	\$38,225.95	130	\$35,044.99	20	\$4,768.20
Nov '09-Dec '09	506	\$84,590.83	193	\$25,396.05	93	\$22,360.24	11	\$2,014.47
Jan '10-Feb '10	405	\$56,808.59	186	\$25,080.53	130	\$28,015.52	19	\$4,256.02
Mar '10-April '10	379	\$62,083.83	193	\$26,875.68	92	\$24,229.98	16	\$3,915.20
May '10-June '10	430	\$68,866.26	232	\$37,206.37	106	\$29,127.21	26	\$6,026.90
July '10-Aug '10	451	\$75,563.94	206	\$31,888.16	85	\$21,182.54	16	\$3,896.68
Sept '10-Oct '10	431	\$70,722.88	256	\$37,994.36	109	\$29,712.29	8	\$1,717.31
Nov '10-Dec '10	394	\$65,471.66	196	\$29,116.02	47	\$15,996.95	8	\$2,090.36
*Jan '11-Feb '11	331	\$45,585.26	193	\$25,665.99	44	\$11,475.91	8	\$1,519.79
Mar '11-April '11	480	\$66,207.95	228	\$34,213.58	55	\$17,283.66	8	\$1,065.58
May '11-June '11	494	\$77,770.15	246	\$34,822.27	52	\$14,284.21	10	\$2,808.04
July '11-Aug '11	426	\$69,670.59	237	\$37,682.32	53	\$13,833.43	4	\$749.26
Sept '11-Oct '11	433	\$76,886.46	246	\$47,402.18	49	\$11,578.66	5	\$537.61
Nov '11-Dec '11	419	\$74,357.77	220	\$42,376.26	47	\$15,437.70	7	\$2,046.93
Jan '12-Feb '12	410	\$77,756.22	235	\$45,572.83	42	\$10,593.44	6	\$1,305.82
Mar '12-April '12	440	\$76,726.81	219	\$45,915.67	56	\$14,373.29	6	\$649.93
May '12-June '12	424	\$79,255.98	239	\$48,121.61	49	\$14,953.18	10	\$1,423.62
July '12-Aug '12	448	\$84,893.12	231	\$52,553.65	43	\$17,403.34	8	\$973.63
Sept '12-Oct '12	494	\$92,562.76	241	\$55,853.96	49	\$17,493.51	7	\$865.11
Nov '12-Dec '12	399	\$79,591.87	208	\$49,054.90	39	\$15,944.35	10	\$1,299.07
Jan '13-Feb '13	387	\$81,047.79	204	\$48,301.23	44	\$16,832.65	3	\$380.21
Mar '13-Apr '13	428	\$85,887.86	210	\$51,636.03	49	\$14,174.76	10	\$1,614.28
May '13-June '13	397	\$86,308.69	224	\$54,586.92	38	\$15,690.87	5	\$746.15
July '13 - Aug '13	407	\$92,002.08	222	\$58,653.72	44	\$21,258.22	10	\$1,772.46
Sept '13 - Oct '13	406	\$93,229.97	218	\$69,917.28	28	\$21,515.19	1	\$151.19
Nov '13 - Dec '13	416	\$85,833.38	177	\$44,898.51	39	\$18,486.97	18	\$2,831.06
Jan '14 - Feb '14	344	\$71,788.68	179	\$46,223.16	33	\$18,024.91	9	\$1,329.16
Mar '14 - Apr '14	405	\$87,835.47	191	\$46,522.90	37	\$6,697.32	10	\$1,624.81
May '14 - June '14	412	\$96,603.34	216	\$51,816.44	31	\$5,625.92	6	\$919.80
July '14 - Aug '14	406	\$103,308.25	199	\$52,952.66	42	\$7,366.21	10	\$1,387.73

Current Liens:

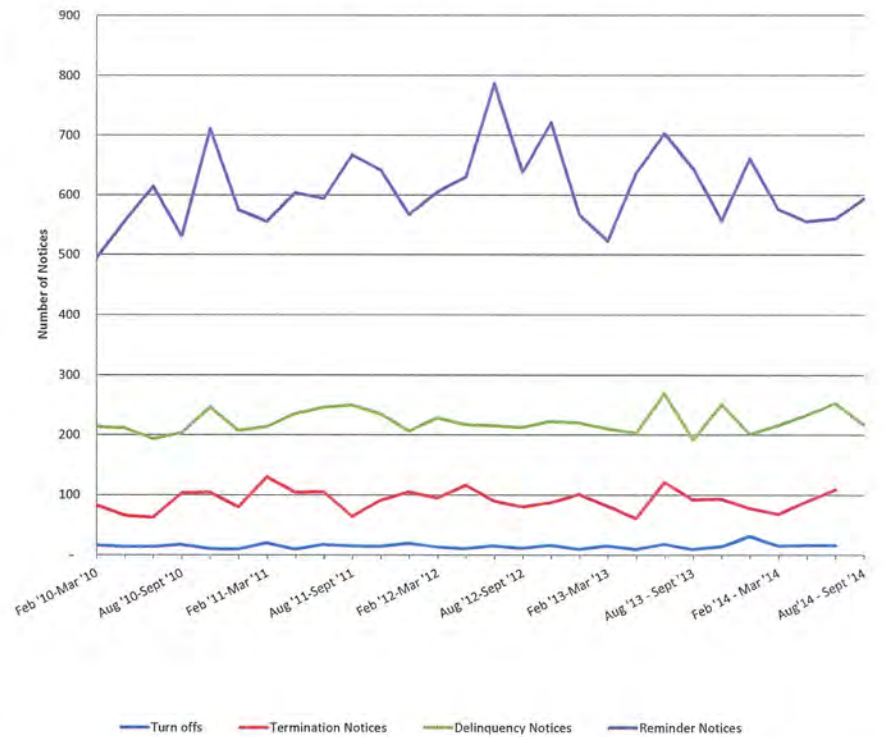
	Number	Total Due
Westside	10	\$17,249.94
Eastside	35	\$63,113.50
TOTAL	45	\$80,363.44

*Billing Period Jan '11 - Feb '11: Eastside area annexed
 **changed to mailed-out Termination Notices

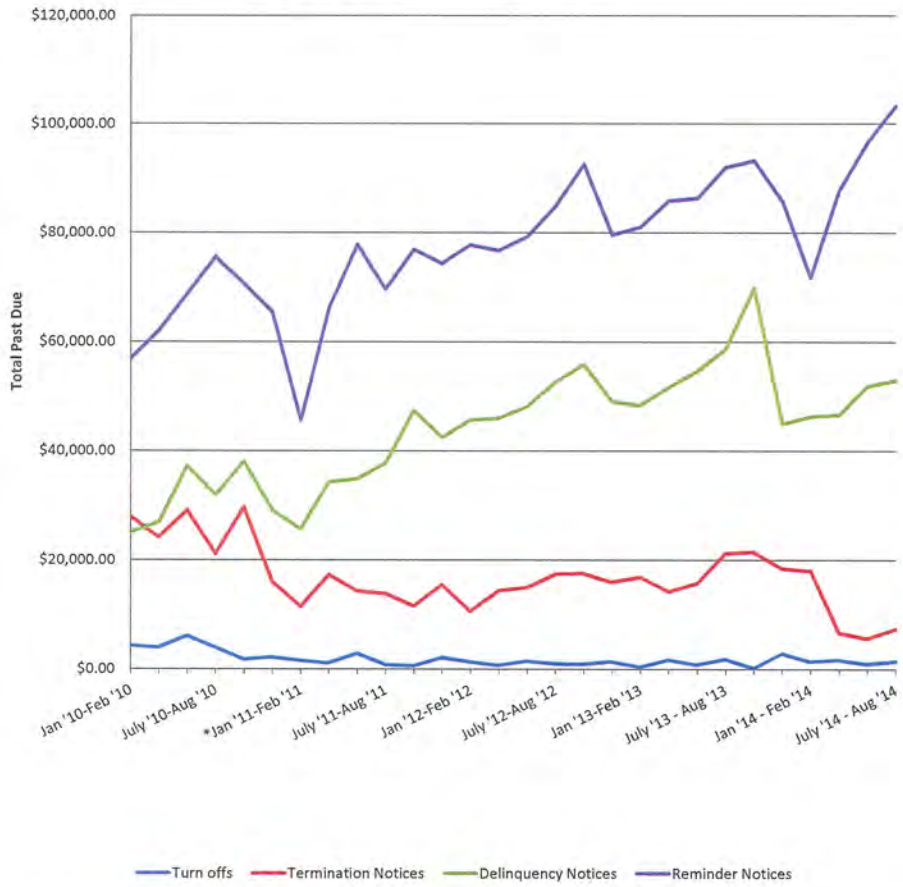
Past Due Amount - Westside



Number of Past Due Notices - Westside



Past Due Amount - Eastside



Number of Past Due Notices - Eastside

