

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

Minutes of December 17, 2014

The Regular Meeting of the Board of Commissioners of December 17, 2014, was called to order at the District office by President Johnson at 7:05 p.m.

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

Engineering:
Eric Delfel (Gray & Osborne)

Staff:
Rick Matthews, Operations/Engineering Manager; Sue Parks,
Finance Manager; Jim Voetberg, General Manager; Lisa Wolfson,
Management/Project Assistant

**APPROVAL OF
AGENDA** 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 Rainville, second by Commissioner Johnson, to
approve the minutes of the special meeting of the Board of Commissioners
of November 26, 2014. The motion passed by a vote of 2-0, with
Commissioner McGrath abstaining due to his absence from that meeting.

Motion by Commissioner McGrath, second Commissioner Rainville, to
approve the minutes of the regular meeting of the Board of Commissioners
of December 3, 2014. The motion passed unanimously.

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

Vouchers Approved Vouchers in the amount of \$225,478.53.

<u>Fund</u>	<u>SubFund No.</u>	<u>Voucher No.</u>	<u>Amount</u>
Water Maintenance	740	3486-3533	\$82,665.32
		3534	802.13
		EFT	21,720.02
Wastewater Maintenance	840	3486-3533	43,316.22
		3534	819.86
		EFT	307.60

East Wastewater Maintenance	941	3486-3533	53,149.31
		3534	1,440.17
		EFT	18,158.04
Water Capital Improvement	745	3479-3481	2,917.67
East Wastewater Capital Improvement	952	3482	182.19
Wastewater Capital Improvement	846	3483-3485	6,250.76

Investment Funds Report Received the Investment Funds Report dated November 30, 2014.

BUSINESS ITEMS

2015 COLA and Salary Adjustments General Manager Voetberg gave a report on the item.
 Brief discussion ensued regarding the 2015 COLA and salary adjustments.

Resolution No. 335-14 General Manager Voetberg noted the total 3.3% salary rate increase represents a CPI increase of 2.1% and an employee PERS contribution rate increase of 1.2%. General Manager Voetberg further clarified that adoption of the resolution would increase the District's employee pay scale by 3.3% with no contemplation of reducing it in the future.

Motion by Commissioner Rainville, second by Commissioner McGrath, to adopt Resolution No. 335-14, adjusting salaries for District employees and repealing Resolution Nos. 297-13 and 308-14. The motion passed unanimously.

Revising Water Rates, Westside and Eastside Sewer Rates, and Miscellaneous Fees Schedule A revised resolution was distributed, with revisions made to Section 2.

Resolution No. 336-14 Finance Manager Parks gave a report on the item.

Brief discussion ensued regarding the 2015 and 2016 utility rate increases. Finance Manager Parks noted the increases follow the 2012 rate study prepared by FCS Group. It was clarified the 2012 rate study provided rates through 2016, and that a new rate study would be scheduled in 2016 for future rates. Finance Manager Parks noted that unlike rate resolutions in previous years, all the utility rates had been combined into one resolution, making it easier to administer. The new utility rates take effect January 1st of 2015.

General Manager Voetberg noted that Section 2, Responsibility for Charges and Services, had been modified per recommendations by District Legal Counsel Milne. Section 2 makes clear the District will only open a utility account under the name of the owner of the real property being serviced.

Motion by Commissioner McGrath, second by Commissioner Rainville, to adopt revised Resolution No. 336-14, revising and approving monthly charges for water and wastewater services and miscellaneous fees, and

repealing Resolution Nos. 170-10, 215-12, 218-12, 266-13, and 298-13.
The motion passed unanimously.

***Election of
Officers for 2015***

Motion by Commissioner Rainville, second by Commissioner McGrath, to adopt Resolution No. 337-14, certifying the election of officers with Commissioner Johnson as President, Commissioner McGrath as Vice President, and Commissioner Rainville as Secretary. The motion passed unanimously.

***Resolution No.
337-14***

***2014 Christmas
Paid Holiday***

General Manager Voetberg gave a report on the item.

Motion by Commissioner Rainville, second by Commissioner McGrath, to authorize regular employees of the District to have the afternoon half of December 24, and the entire days of December 25 and December 26, 2014, off as paid holidays. The motion passed unanimously.

***2015 Calendar of
Meetings***

Commissioner Johnson announced he would not be in attendance at the July 1, 2015 Board meeting.

There was consensus of the Board to approve the 2015 Calendar of Meetings as presented.

Other Business

None.

***ADDITIONAL
REPORTS***

Management

General Manager's Report

General Manager Voetberg reported on a project coordination meeting with the City of Mukilteo; WASWD Section III meeting featuring discussion on open public meetings act and public records act requirements by MRSC's legal consultant; and the WASWD Commissioners Workshop scheduled for January 31, 2015.

Commissioner McGrath and Commissioner Rainville commented on the MRSC legal consultant's presentation at the Section III meeting.

General Manager Voetberg distributed a copy the "Adopted 2015 Operations & Maintenance Budget Comparative Summary by Utility and Department" spreadsheet included in the 2015 Operations and Maintenance Budget. General Manager Voetberg stated he did not feel staff adequately addressed a question Commissioner Rainville asked during budget deliberations regarding the differences between the 2014 estimated net income and the 2015 budgeted net income. A more detailed analysis was provided.

Capital Projects Status Report

The Board received the Capital Projects Status Report.

Water Consumption Report

A revised Water Consumption Report was distributed for the Board's review.

Vector Attraction Reduction (VAR) Test Results

The Board received the VAR test results.

Discharge Monitoring Report

The Board received the Discharge Monitoring Report.

Verbal Reports

Finance Manager Parks reported she is working with the State Auditor to schedule the exit conference. Commissioner McGrath will confirm his availability so he may attend. Finance Manager Parks also reported rates for L&I and AWC medical coverage will be lower than anticipated in the 2015 budget. It was noted the District has a relatively low L&I experience factor, indicating the District's actual loss is lower than average pool loss.

Operations/Engineering Manager Matthews reported Reservoir #1 was drained last week for inspection and cleaning, and was put back online today. The reservoir is showing minor paint loss in the hatch area. District Engineer Delfel, General Manager Voetberg, Operations/Engineering Manager Matthews and Commissioner McGrath were in attendance at the reservoir inspection. Operations/Engineering Manager Matthews also discussed the vehicle replacement list provided in the agenda packet.

Legal

None.

Engineering

District Engineer Delfel reported the pre-construction meeting for the Lift Station #8 generator transfer switch project was held Monday.

Commissioners

Commissioner McGrath spoke about an article that appeared in the Herald newspaper regarding Snohomish County cities' support of the Public Works Trust Fund (PWTF).

Commissioner Rainville reported the Governor did not include funding of the PWTF in his first proposed budget, which was discussed at the last Sno-King meeting.

The Commissioners requested the newspaper article be forwarded to the Sno-King lobbyist and WASWD.

President Johnson called a recess at 7:41 p.m. and reconvened the meeting at 7:45 p.m. The General Manager's Goals/Objectives were discussed at

this time, and was attended by the Commissioners and General Manager Voetberg.

**General
Manager's
Goals/Objectives**

Motion by Commissioner McGrath, second by Commissioner Rainville, to authorize a COLA increase for the General Manager in accordance with Resolution No. 335-14, and authorize an additional five days of annual vacation effective upon his 2015 anniversary date. The motion passed unanimously.

CONCLUDE

There being no further business, the President of the Board concluded the meeting at 8:05 p.m.



President/Commissioner Johnson



Secretary/Commissioner Rainville



Vice President/Commissioner McGrath