

SACHEEN LAKE WATER & SEWER DISTRICT

November 4, 2015

Location: Sacheen Fire Station

Commissioner Garrett called the meeting to order at 3:00 pm with the pledge. Commissioners Johnsen and Pearman were in attendance but C/Pearman was called out for a medical emergency and returned at 3:10. DM/Pearman and Kevin Koesel from Sewell Engineering were also in attendance. C/Garrett reviewed the meeting agenda.

C/Garrett MM to approve the minutes of October 30 meeting, C/Johnsen seconded and the motion was unanimously approved.

C/Johnsen MM to approve the minutes of October 7 and 12, C/Pearman seconded the motion and the motion was approved. C/Garrett abstained as he was not in attendance at either meeting.

PUBLIC HEARING/RATE SETTING

-The hearing began at 3:05 with description of process

-Kevin presented costs for the project. Noting rates are being based on PWTF obligation being paid for once a year with an assessment based on the 20 year term at ½% interest and the ECY loan repayment to be made through fees and charges on a monthly basis over 20 years at 0% interest.

-4 Rate Classifications

1. Developed residential lot

Annual LID Assessment	\$490.86
Monthly Fees & Charges	\$123.41
ECY Backbone	\$ 71.88/mo.
Onsite Improvements	\$ 26.53/mo.
O&M Fee	\$ 25.00/mo.

2. Vacant lot with stub

Annual LID Assessment	\$371.56
Monthly Fees & Charges	\$ 86.49
ECY Backbone	\$ 71.88
Stub Fee	\$ 2.61
O&M Fixed Costs	\$ 12.00

3. Cedar Creek Resort/commercial

Annual LID Assessment	\$1409.72
Monthly Fees & Charges	\$ 332.61
ECY Backbone	\$143.76
Onsite Improvements	\$138.85
O&M	\$ 50.00

4. Old Sacheen Resort/commercial

Annual LID Assessment	\$1,186.91
Monthly Fees & Charges	\$ 287.95
ECY Backbone	\$143.76
Onsite Improvements	\$ 94.19
O&M	\$50.00

For those who would wish to pay off PWTF Assessment within 30 days of Assessment Roll:

Developed Residential	\$9,314.30 (saving \$502.97 over the 20 years)
Vacant Lot	\$7,050.43 (saving \$380.72 over the 20 years)
Cedar Creek	\$26,749.98 (saving \$1,444.50 over 20 years)
Old Sacheen	\$22,522.08 (saving \$1,216.19 over 20 years)

Call for Public Comment....no response

Board Comments/Questions

-Assessment Roll is determined at the closeout of the project. Once roll is set, property owner would have 30 days to pay in full.

-C/Garrett notes that we are still knocking on doors for debt relief, how would that effect those who paid their assessment off? Property owner might be at risk as we could not "repay" those funds.

Call for Public Comment

-Al Pool he understands that he would have 30 days to pay off assessment, what if the property sells, could it be paid in full at a later date?

-Jerry Johnsen asks if we received some form of debt relief would it reduce payments in the future. Yes, it could reduce the monthly payments.

-Richard Prange when he looks at the DOE loan, he does not understand why it cannot be paid off in full just like the PWTF loan.

-C/Garrett inquired whether we can reduce the principal to ECY by paying off defined amounts. We can check with ECY on that.

Call for Public Comment

-Karen White asks if the assessment would follow the new owner if you sold your house. Yes

-C/Garrett MM that the O&M rate of \$25.00 per month be approved and to start billing back to when each home was hooked up. C/Pearman seconded the motion.

-C/Pearman noted that there was another public comment

-Kathy Newcomb noted that they have been hooked up for awhile

-C/Pearman asks to amend the motion to say as soon as possible.

-C/Johnsen thinks it will take a couple weeks to get the billing up and running and asks how it is different than beginning to bill for both O&M and other charges at the same time.

-Vote was called on for motion on the table. All voted against.

-Discussion was had that the consideration is to get the O&M collected back to when each residence was hooked up as there is a wide range of dates and amounts due, then everyone will be at the same place. This would also ease everyone into the monthly payments without a big hit for the retroactive O&M.

-C/Garrett MM that we approve the \$123.40 rate one cycle after O&M catch up billing. 1st bill being the retroactive O&M the next bill regular rates for all classifications. C/Pearman seconded the motion for developed residential lots. Vote was called on for motion and motion was unanimously defeated.

-C/Garrett MM to approve rates for each classification as follows:

Developed Residential Lot	\$123.40
Undeveloped Residential Lot	\$86.19
Cedar Creek Resort (comm)	\$332.61
Old Sacheen Resort (comm)	\$297.95

C/Pearman seconded the motion and the motion was unanimously approved.

-C/Garrett MM to accept the plan submitted by our engineer for PWTF annual assessments for each classification as follows:

Developed Residential Lot	\$490.86
Undeveloped Residential Lot	\$371.56
Cedar Creek Resort (comm)	\$1,409.72
Old Sacheen Resort (comm)	\$1,186.91

C/Pearman seconded the motion and the motion was unanimously approved.

-C/Johnsen MM that the first billing would be only for retroactive O&M and the second billing will be for the appropriate billing rates for each classification.

C/Pearman amended the motion to include that billing would begin as soon as the billing system is implemented. The motion as amended was unanimously approved.

Rate hearing was closed at 4:16

ENGINEERING REPORT/PROJECT UPDATE: Kevin Koesel

Construction Progress Update

Bid Schedule A 96% Complete

- All fencing is complete
- Gravel placement and grading is complete
- Headworks channels and gates are done and in
- MCC electrical installation being worked on, but still lots to do.
- Anticipate 12/15 completion
- Major tasks remaining are site rehab and hydro seeding, start-up training of equipment the week of the 16th, finalize access road, remove crushed rock, irrigation laterals and well completion.
- As of 9/2/15 75% of Sched. A is substantially complete.

Bid Schedule B 98% Complete

-Electrical work still needed to be done at the lift station. Panel has arrived and will take a couple of weeks to install, test and have inspected.

-Substantially complete

Bid Schedule C 100% Complete

- No one is left to start up. All lots on the map are now yellow. Installation of 275 pumps and service lines as well as site rehab is complete.
- There are minor punch list items, some lot clean ups, but mostly paper items.
- Less than half of those with electrical issues are still on the list. Electrical connections on our side are complete, homeowner connections are at issue. Those that are left will be listed and the list given to NETCH
- Sched. C determined substantially complete 10/16/15. Warranty is good for one year 10/16/16. Sewell checks on things at 11 months. Pumps have a 2 year warranty, this may go with the shipping dates, but will verify when the warranty begins on the pumps.

Construction Schedule Upcoming

Bid Schedule A

- Continue work on Headworks building
- Grade and gravel top of dikes
- Complete access road grading and fine tuning
- Site rehab with seeding

Bid Schedule B

- Anticipate electrical panel's arrival and installation to finish out lift station

Change Orders

CO 13-B Reflects final install quantities of pipe and deletion of corp stops in the amount of \$1,463.35
C/Garrett MM to approve CO 13-B, C/Pearman seconded the motion and the motion was unanimously approved.

CO 10-C Main element in this change order was extension of contract time to mitigate contractor coordination of pump station startup with completion of homeowner provided electrical connections. This change order also included various modifications from bid plans. Amount \$12,970.05

C/Pearman MM to approve CO 10-C in the amount of \$12,970.05. C/Garrett seconded the motion and the motion was unanimously approved.

CO 11-C Final accounting for piping installation as well as additional abandonment and decommissioning of systems and outhouses, additional pump installations in the amount of \$61,934.56.

C/Pearman MM to approve CO 11-C in the amount of \$61,934.56. C/Garrett seconded the motion and the motion was unanimously approved.

CO 3-EONE Final accounting for additions and changes to the EONE contract the bulk of which is the additional purchase of 6 pump units and 9 risers as well as freight costs. Amount of change order is \$27,312.90.

C/Pearman MM to approve CO 3-EONE in the amount of \$27,312.90. C/Garrett seconded the motion and the motion was unanimously approved.

Certificates of Substantial Completion were presented for approval.

-Schedule A Partial Substantial Completion. This encompasses the lagoons and mainline but not the headworks building or electrical.

C/Pearman MM to approve, C/Garrett seconded and the motion was unanimously approved.

-Schedule C Substantial Completion

C/Pearman MM to approve, C/Garrett seconded and the motion was unanimously approved.

DISTRICT MANAGER'S REPORT:

-Salary Clearing for July & August and September presented for signature.

General Fund for October

Hours for October

District Manager 131

3 vouchers were presented for payment from the General Fund totaling \$1,408.97

15-31 Newport Miner	\$279.23
15-32 K&L Gates	\$315.00
15-33 Sheila Pearman	\$814.74

5 vouchers were presented for payment from the LID totaling \$704,542.75

LID 15-56	CNI (Sched. A)	\$ 170,277.91
LID 15-57	S&L Underground (Sched. B)	\$ 144,709.54
LID 15-58	S&L Underground (Sched. C)	\$ 319,148.45
LID 15-59	Sewell Engineering	\$ 70,202.08
LID 15-60	DOT	\$ 204.77

-DM/Pearman introduced Nathan Johnson as the District's wastewater treatment operator and maintenance tech. C/Pearman proposed that his official hire date be November 9 and the other commissioners agreed.

-C/Garrett MM that DM/Pearman be authorized to open needed funding accounts with the County to accommodate separation of funds required by funding agencies. C/Johnsen seconded the motion and the motion was unanimously passed.

-C/Pearman discussed that as the District has no vehicle, that Nathan would be willing to use his truck as our service vehicle, using the federal mileage rate of 57.5 cents per mile while using it for work. This will not include from home to work. DM will provide a log book that he will submit monthly for reimbursement.

-Service building was discussed. In lieu of anyone offering up a building for service, Shem Johnson said he would consider renting the garage at his property but asks if we would pay electricity. The headworks building is not appropriate for office or shop. C/Pearman suggested possibly \$200 per month. DM will continue working with Shem.

-We will work with Nathan to develop a list of tools and equipment needed for servicing the District.

-Thanks to Jerry Johnsen for his investigation into using QuickBooks for our billing system.

-Our District Counsel, Laura McAloon has moved to another law firm as KL Gates has left Spokane. She is now working for Workland Witherspoon.

C/Johnsen MM that we continue to work with Laura as our counsel. C/Pearman seconded the motion and the motion was unanimously approved.

COMMUNICATIONS:

-DM/Pearman notes that she still has not received the signed waiver from the Kanyers for the repurposing of their septic tank. Mr. Kanyer says that he will bring it over tomorrow.

-No inquiries have been received regarding filling C/Garrett's seat.

PUBLIC COMMENT/QUESTIONS:

-None

-C/Garrett reviewed the Action Register

The next regular board meeting will be December 2 at 3 pm

Meeting was adjourned at 5:11

Sheila Pearman, District Manager