

WEST SOUND UTILITY DISTRICT
Minutes of Meeting of the Board of Commissioners
2924 SE Lund Avenue, Port Orchard, WA 98366
Monday July 18, 2022 at 3:00 p.m.

Chairperson: Jerry Lundberg
Vice Chairperson: Susan Way
Commissioner: James J. Hart

Attending: Randy Screws, General Manager
John Tapia, Operation Manager
Marty Grabill, Plant Manger
Ken Bagwell, Attorney
Michaela Horishige, Accounting/Office Assistant

The meeting was called to order by Commissioner Lundberg at 3:00 p.m.

PUBLIC COMMENTS

CONSENT AGENDA

1. Approval of the Regular Board Meeting Minutes of July 5, 2022
2. Approval of Vouchers WSUD #30673 through #30713 in the amount of \$1,154,495.09
3. Approval of Vouchers SKWRF #17034 through #17062 in the amount of \$58,699.59
4. Approval of July Payroll in the amount of \$197,302.75

Commissioner Hart moved to approve items in the Consent Agenda. The motion was seconded by Commissioner Way; motion approved 3-0.

BOARD DISCUSSION/ACTION ITEM

Resolution 1028-22, DEC, Payseno Lane Multifamily Apartments, Phase II
Passed 3-0

STAFF REPORTS

PLANT MANAGER'S REPORT

Plant Manager Marty Grabill Reported:

PSE Conservation Grant Agreement (2021-2023)

- Continuous work with PSE on Conservation Grant Agreement.

Rotary Drum Thickener-ESCO (2022)

- Continued work with Trane (ESCO) on Sharples replacement.

- Beginning to see longer lead times on supplies for this project. Now projected to go into July of 2023.
- Had a GMAX meeting July 15th. Project costs now exceed initial costs by \$118,000.00 additional dollars.
- With current inflation, lead times, and a fixed budget, I'm currently undecided on direction. More to come.

Nutrient General Permit (2022)

- Currently sampling per General Nutrient Permit.
- Ecology is preparing to move the Nutrient Reduction grants into the agreement development phase over the month of July, as they continue to recruit for the grant manager position.
- "We will be reaching out soon on getting that process moving."

NPDES Reports

- Outfall inspection in the works. No hard date yet for this inspection.
- Submitted both June Discharge Monitoring Reports again (due to missing data) to the Dept. of Ecology. This is the second month in a row I will need to resubmit both reports due to late laboratory results.
- Currently, we are attempting to get accredited to run these tests in-house instead of relying on the outside lab.

Miscellaneous Updates

- Waste Management began discharging leachate on July 11th.
- Primary skimmer replacement near completion with only some clean up and fine tuning left for full completion.

OPERATIONS MANAGER'S REPORT

Operations Manager John Tapia Reported:

CIP - South Park Main Replacement

- Locate and survey completed for the site.
- WSE is working on the recommended easement.

Powell Booster Station Engineering

- Addendum for project received. This is for offsite pipe abandonment and upsizing, no update.

Sedgwick Water Main/Culvert Project

- We have been notified by WSDOT and Fisheries that the water main is in conflict with a new fish stream crossing culvert.
- Low bid came in at \$1,600,455.00 by Ceccanti.
- Project is making good progress.

Eisenhower Main Replacement

- Engineers estimate is \$390,000.00.
- Low bid came in at \$401,455.00 by Pape and Sons.
- Project has started.

Fircrest/Mile Hill Main Replacement

- 2" galvanized to be replaced.
- Possible development going in, no update.

Olney Sewer Replacement

- HDR engineering estimate came back high.
- Engineering contract has been signed with WSE.
- Looking at both open cut and pipe bursting.
- WSE is working on the survey schedule.

Well 21 Pump and Motor Replacement

- Hokaido is on site pulling the pump today and tomorrow.

Pipe Line Project - Madrona

- Iron Horse has completed the liner and manhole rehabs. Video inspection looks good.

Crew:

- St. Vincent DePaul project will happen after the rain late march, no update.
- Water meter replacements continue.
- Flush and TV sewer work orders.

FINANCE MANAGER'S REPORT

Accounting/Office Assistant, Michaela Horishige reported:

- Consumption was billed at 37m gallons which is a 26% drop compared to June 2021.
- May revenue for sewer was \$415k, an increase of 6%, and we added 2 new connections. Water revenue was \$313k, a decrease of 8.5%, and we added 4 new connections.
- We final billed 38 accounts, had 15 shut offs and 81 past due accounts totaling \$45k.
- 2nd Quarter employer taxes were filed.
- Continuing testing on the new version of Springbrook. We are planning to go live on August 5, 2022.

GENERAL MANAGER'S REPORT

General Manager Randy Screws reported:

- Work continues on restructuring of the District Developer permitting process. Currently working on unit pricing for construction cost and bonding requirements.
- Work continues on reviewing and updating the website.
- We continue the process of working towards finalizing the Water System Plan. The District received the draft plan from HDR Engineering and has commented. Currently we

have scheduled to provide the Board with a final draft of the Water System Plan and discussion at the August 15, 2022 meeting.

- Reclassification of some of the risk class employees to reduce L&I Costs. Awaiting L&I response.
- On Friday July 1st, WSUD received a letter from the City of Port Orchard informing the District that it will be imposing a Utility Tax on WSUD for gross revenues received for water and sewer within the incorporated areas of the City in which the District provides services. The tax will begin on January 1, 2023 and is currently at a rate of 5% per the City's Municipal Code Section 5.84.010. Staff are nearing completion of an assessment of charges and I will be providing a letter to the Mayor outlining these items we believe that are taxable. Once the District and City are in concurrence, the District can then explore how and what will need to be completed to setup our software and systems to accommodate the tax imposed.
- The Bureau of Labor Statistics has released the June CPI-U for Western United States. The rate is at 10.1% Seattle Tacoma Bellevue with a western CPI-U at 8.8% with a core inflation rate of 6.2%. I would recommend that the Board and I meet to discuss the Districts direction and how this will be potentially addressed at the Sewer Advisory Meeting scheduled for August 17th.

COMMISSIONERS' REPORTS

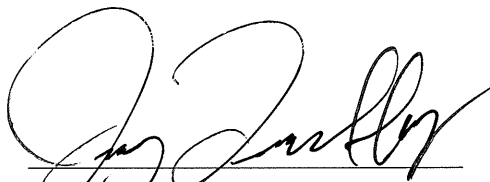
Commissioner Hart reported that he will not be attending the WEFTEC conference in October. Commissioner Lundberg and Commissioner Way had nothing to report.

EXECUTIVE SESSION

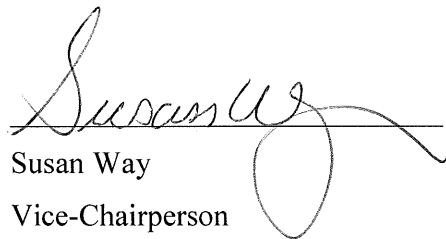
No Executive Session was requested.

ADJOURN

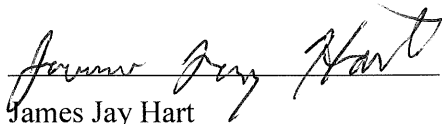
Commissioner Lundberg moved to adjourn the meeting at 3:31 p.m. The motion was seconded by Commissioner Way; motion approved 3-0.



Jerry Lundberg
Chairperson



Susan Way
Vice-Chairperson



James Jay Hart
Secretary