

LAKEHAVEN WATER AND SEWER DISTRICT
King County, Washington

REGULAR BUSINESS MEETING
January 14, 2021

A regular meeting of the Board of Commissioners of the Lakehaven Water and Sewer District, King County, Washington, was held on January 14, 2021 via Zoom meeting.

President Nowicki called the meeting to order at 6:00 p.m. Members/officials present were as follows:

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| Ron Nowicki | President |
| Leonard Englund | Vice President |
| Donald Miller | Secretary |
| Laura Belvin | Commissioner |
| Peter Sanchez | Commissioner |
| John Bowman | General Manager |
| Steve Pritchett | General Counsel |
| Morgan Dennis | Director of Finance/Information Services |
| Ken Miller | Engineering Manager |

All Commissioners attended the Board meeting remotely.

APPROVAL OF MINUTES

Upon motion of Commissioner Miller, which was duly seconded by Commissioner Sanchez, the Board unanimously **approved** the Board minutes of April 9 2020, April 23 2020, June 25 2020, July 2 2020, and December 10 2020.

APPROVAL OF AGENDA

John Bowman requested to add Information Item #8, Purchase of Rental Generator, as the opportunity to purchase a rental generator is available.

Upon motion of Commissioner Sanchez, which was duly seconded by Commissioner Englund, the Board unanimously **approved** the agenda as amended.

CONSENT ITEMS

Upon motion of Commissioner Sanchez, which was duly seconded by Commissioner Miller, the Board unanimously **approved** the Consent Items as presented below, with edits to Perkins Coie PO #51858 correcting projects that these charges are applied to.

1. Payment of the accounts payable, ACH transaction fees and payroll transactions as listed in the consent item in the total amount of \$5,912,966.46.

2. Verisave Contract for Review of Credit Card Settlement Charges.

ACTION ITEMS

#1, Lakota PLC Processor Upgrade: Howard Moreland reported that at the December 10, 2020 Board meeting, staff presented an information item describing the Lakota PLC Processor Upgrade project. The District's consultant, Systems Interface, completed the Lakota PLC Replacement pre-design work to provide a proof of concept for a method to utilize the existing PLC I/O to communicate with a new Lakota PLC in order to simplify the overall integration and installation of a replacement PLC System at the plant. The recommended approach is to first replace the existing Lakota PLC processor, 34 remote PLC base controllers and power supplies, and upgrade the PLC communications protocol to Profibus.

Based on this work, staff reviewed and concurred with the final design scope developed under its "2019-2021 General Control Systems Engineering Services" contract with Systems Interface. The proposal includes technical support from Advanced PLC, the supplier for the selected automation materials manufactured by Control Technology Inc. (CTI). Staff requested approval of a single source waiver for the selected automation materials because CTI is the only direct hardware replacement for the old Texas Instruments PLC hardware and is only available for purchase in Washington through Advanced PLC LLC. Mr. Moreland related that the costs for this project is estimated at \$521,636.89.

Upon motion of Commissioner Englund, which was duly seconded by Commissioner Sanchez, the Board unanimously **approved** the General Manager to execute the "Lakota PLC Processor Upgrade" project at a cost not to exceed \$521,636.89, including tax, material, labor, freight and contingency, and approved the single source waiver.

#2, Redondo Electrical & Odor Control Design & CM Services SOQ's: Howard Moreland reported that at the November 19, 2020 Board meeting, staff presented an information item regarding the need for engineering services to design and manage two overlapping proposed projects at the Redondo Wastewater Treatment Plant. These projects include upgrading the power distribution and odor control systems. On November 25th and December 2nd advertisements were placed in the Seattle Daily Journal of Commerce requesting Statements of Qualifications (SOQ's) from interested consulting firms qualified to provide engineering design and construction management services for the Redondo WWTP Electrical and Odor Control System Upgrade Project.

Two (2) firms responded with submittals of their SOQ's. An in-house staff evaluation team from Engineering was used to review each SOQ and score each firm based upon predetermined evaluation criteria. If authorized by the Board, staff will start negotiations beginning with the top ranked firm to develop a proposed scope of work and budget for the project. Staff will then bring back a contract proposal to the Board for consideration.

Upon motion of Commissioner Miller, which was duly seconded by Commissioner Belvin, the Board unanimously **approved** the ranking order shown on Exhibit A and authorized the General Manager to negotiate a scope and fee contract using the ranking order for the Redondo WWTP Electrical and Odor Control System Upgrade Project.

#3, 2021 Wastewater Comprehensive Plan Update and Nutrient Removal Evaluations – Consultant Selection: Molly Du reported that at the October 10, 2020 Board meeting, staff presented an information item regarding the need for engineering services to update the wastewater system plan and evaluate nutrient removal opportunities. Advertisements were placed in the Seattle Daily Journal of Commerce in October requesting Statements of Qualifications (SOQ's) from interested consulting firms qualified to provide engineering design services for the Wastewater Comprehensive Plan Update and Nutrient Removal Evaluations.

A total of four (4) firms responded with submittals of their SOQ's by the deadline on November 18, 2020. An in-house staff evaluation team from Wastewater Operations and Engineering was used to review each SOQ and score the firms based upon predetermined evaluation criteria. If the ranking is approved, staff will begin negotiations, starting with the top ranked firm, and bring a complete scope of work and budget back to the Board for consideration.

Upon motion of Commissioner Nowicki, which was duly seconded by Commissioner Englund, the Board unanimously **approved** the ranking order as shown on Exhibit A and authorized the General Manager to negotiate a scope and fee contract using the ranking order for the 2021 Wastewater Comprehensive Plan Update and Nutrient Removal Evaluation project.

#4, New Headquarters Facilities: Ken Miller reported that as the design of the new headquarters facilities moves forward, staff is requesting additional design services for acoustical and audio/visual work for the Board and conference rooms. Staff is also seeking additional design services on the HVAC system to have the ability to enhance air quality in the future for issues similar to COVID and to structurally and electrically prepare the roofing system for future solar panels.

The scope of work and fee, attached to the agenda item as Exhibit A, is \$64,263.00. The work is in two phases, preliminary and final design.

INFORMATION ITEMS

#1, Public Hearing 7:00 PM – Site Lease @ Twin Lakes Golf and Country Club: At 7:00 p.m. Commissioner Nowicki recessed the regular meeting and opened the public hearing for the purpose of hearing testimony from the public on the District's Site Lease @ Twin Lakes Golf and Country Club.

Steve Pritchett reported that the District has maintained a lease of a portion of the Pump Station 10 site to the Twin Lakes Country Club to use for location of the driving range tees. The prior lease has expired and the parties have expressed an interest in executing a new lease for the property. Notice of a public hearing has been published for the hearing at 7:00 during this meeting, with an invitation for public comment. Mary Young answered questions of the Board about the proposed lease. Mr. Pritchett reported that staff will bring this back on the consent agenda for approval of the lease.

Hearing no testimony, Commissioner Nowicki adjourned the public hearing and reconvened the regular meeting.

ACTION ITEMS (Continued)

#4, New Headquarters Facilities: Further discussion was held on the acoustical design and future needs for a production room or area.

Upon motion of Commissioner Sanchez, which was duly seconded by Commissioner Englund, the Board with Commissioners Miller, Sanchez, Englund and Nowicki voting yea, and Commissioner Belvin voting no, **approved** the General Manager to execute an amendment to the design contract with Helix Design Group in the amount of \$64,263.00 for Acoustical, Audio/Visual, HVAC, and Photo Voltaic work as described in Exhibit A.

Ken Miller updated the Board on the building permit status for the New Headquarters building and reported that he will continue to update the Board monthly on this project.

INFORMATION ITEMS (Continued)

#2, 2021 Lakota & Redondo Generators Replacement (20-1524) Bid Advertisement: Howard Moreland reported that on November 14, 2019 the Board approved the District's On-Call Electrical Engineering consultant Parametrix, to design the replacement generators for the Lakota and Redondo WWTP's. Parametrix has completed the design for the Lakota and Redondo Generator Replacements. The project will be advertised in the Daily Journal of Commerce (DJC) on January 20, 2020 and January 27, 2020 with a pre-bid meeting onsite scheduled for January 28, 2020. The bids received will be opened on February 10, 2020 at 10:00AM. The results of the bid opening will be reviewed and brought back to the Board meeting on February 25, 2020 for consideration. The engineer's estimate of probable construction cost is approximately \$1.725 million and the project is expected to take approximately 10 months to complete.

#3, Copier Lease Renewals – Redondo and Accounting: Mary Young reported that the leases for the copiers at Redondo and in the Accounting area of the administration building expire in January 2021, as does the small unit located in process area CP-291 at Lakota.

Ricoh is proposing to replace the MPC3500 machine at Redondo with the new model IMC3000 machine and the MPC8002 in Accounting with the new model IMC8000. The copier in Accounting is also the backup copier for the Admin copier used for agenda preparation. The lease payments and the "per click" service rates will actually be lower than our current costs (see analysis). This lease is offered under WA DES Contract 06619 (NASPO Value Point). The copier at Lakota CP-291 may be replaced with a comparable printer, in line with its minimal usage, and purchased outright versus leasing.

Upon motion of Commissioner Englund, which was duly seconded by Commissioner Miller the Board unanimously **amended** the agenda to add **Action Item #5, Copier Lease Renewals – Redondo and Accounting Approval.**

Action Item #5, Copier Lease Renewals – Redondo and Accounting - Approval:
Upon motion of Commissioner Englund, which was duly seconded by Commissioner Miller, the Board unanimously **approved** the copier lease renewals for Redondo and Accounting.

#4, Water Main Improvements – SW 298th, 9th Ave SW & Vicinity Bid Opening:
Andrew Weygandt reported that at the July 2, 2020 special meeting, the Board approved a task as part of the District's ongoing water main replacement program and its agreement for professional engineering services with KPG to provide surveying, design, preparation of plans, specifications, cost estimates, and related support services for a proposed water main improvement in the vicinity of SW 298th St and 9th Ave SW.

KPG engineers have provided the District with finalized plans and specifications which are currently being prepared for bid by the purchasing department. Bid documents are estimated to be released as early as next week if no issues come up during the review.

#5, Lakota Odor Control Fan EF201 Replacement: Brian Richardson reported that the Lakota Odor Control System (OCS) was first installed in 1987 and modified in 1994 to remediate system issues. The District maintains an air quality permit from the Puget Sound Clean Air Agency that requires all components of the odor control system be kept in good working order at all times.

Exhaust Fan EF 201 is one of two primary exhaust fan within the system. EF 201 has a broken fan housing that cannot be reliably repaired, and staff is recommending replacement of the entire fan unit. The fan sits on an elevated platform with limited access. To replace the fan, the old fan will need to be dismantled and taken out in sections. The new unit will also need to be disassembled in sections and lifted up to the platform for re-assembly. The original manufacturer of the fan is Vanaire. Staff is recommending replacing the fan with a like-in-kind model to ensure the fit and function of the system. Vanaire is the only manufacturer that can provide a direct replacement unit, including installation to maintain warranty.

Vanaire has quoted a cost of approximately \$55,000 to demo the old fan and replace it with the new fan. Staff will bring this back before the Board as an action item to include a Single Source Waiver.

#6, AMR Meters – Customer Concerns Regarding Radio Frequency: Steve Pritchett reported that as mentioned previously, the District has received a request from a property owner that the District not install an AMR meter at their property due to concerns about radio frequency emissions. While the property owner in this case has since approved the installation, it remains likely that this issue will come up again during the multi-year process of converting all meters to the AMR system.

Staff discussed with the Board whether, and on what terms, the District would allow customers to continue to have manual-read meters at their property rather than AMR meters. The Board responded that they do not want to continue to have manual-read meters and would like to educate the District's customers about radio emissions in the home through use of the District's Newsletter and website.

#7, Refund Revolving Petty Cash Fund: Morgan Dennis reported that several times a year customers unintentionally over pay their bills by a significant amount. Sometimes they mistype the decimal point online and overpay their bill by 100 times. Sometimes the District receives their mortgage payment instead. In all cases, the customers are anxious to correct this error and are disappointed to learn that refund of their overpayment can take several weeks. In some cases the District has been able to refund their overpayment through the use of a petty cash check if funds were available in the account.

Staff proposed to create a new petty cash checking account with a \$10,000 balance to be used solely for customer refunds where repayment through the normal King County voucher process would impose an undue hardship on the customer. Mr. Dennis reported that he will bring this matter back before the Board as an action item at the next Board meeting.

#8, Purchase of Rental Generator: John Bowman reported that the District is currently renting a 500 KW Unit generator at the Redondo WWTP that has just become available for purchase. The purchase price of the generator is \$82,575.00, including tax, which the District would be paying in rent in less than eight (8) months. Howard Moreland reported that he believes this is a very good price for this unit, but recommends that it be inspected thoroughly prior to purchase. Mr. Moreland informed the Board that this generator could be used as part of the generator fleet in the future after the new generator is purchased as it has the flexibility to run any of the well sites and pump stations independently. Steve Pritchett mentioned that a waiver of the competitive bidding requirement due to special market conditions would need to be included in the purchase.

Upon motion of Commissioner Nowicki, which was duly seconded by Commissioner Miller, the Board unanimously **amended** the agenda to add **Action Item #6, Purchase of Rental Generator**.

Action Item #6, Purchase of Rental Generator: Upon motion of Commissioner Sanchez, which was duly seconded by Commissioner Miller, the Board unanimously **approved** purchase of the rental generator for a price not to exceed \$82,575.00, including tax, and waived competitive bidding requirement due to special market conditions.

COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Nowicki reported that this will be his last year serving on the District's Board of Commissioners and to inform others they think would be interested in serving on the District's Board. He reported that he attended the Government Entities and EMAC meetings and that he will be presenting on audit reports at the WASWD Workshop next week. Commissioner Nowicki mentioned that the General Manager's and General Counsel's annual evaluations are due soon and that he would like to discuss salary policies going forward in a future executive session. He shared his 3-year window plan that he always found helpful while serving on the Board and encouraged the other Board members to meet with the Finance Department every couple of years to review the process for how bills get paid and monies are managed. He asked that Commissioner Belvin consider taking his place on the MWPAAC Committee as an alternate member. He would like to keep all the other Committee assignments the same unless someone would like to make changes.

Commissioner Belvin reported on the Federal Way Chamber Luncheon meeting she attended remotely, and that she would like the other Board members to consider having a Public Relations Officer for the District.

Commissioner Englund reported that he attended the Personnel Committee meeting, and that Commissioner Miller and he had their monthly meeting with the General Manager.

Commissioner Miller reported that he and Commissioner Englund attended the monthly meeting with the General Manager and that he attended the Safety and EMAC meetings.

Commissioner Sanchez reported that he listened in on the GFWEMC call, and attended the Safety and Personnel Committee meetings. He praised Carrie Peters and Laura Gallez for all the work they have done with COVID 19 precautions and tracking for employees.

STAFF REPORTS

Board Clerk: Mrs. Alexander reported that she will prepare an information item for the next Board meeting to discuss this year's Water Conservation Poster Contest.

General Manager: Mr. Bowman reported on letters he received from the Department of Ecology on the Redondo and Lakota WWTPs regarding operations and maintenance manual approvals. He gave an update on the storm event and how well the District ran throughout the storm.

Director of Finance/Information Systems: Mr. Dennis had nothing to report.

Engineering Manager: Mr. Miller praised Molly Du for the excellent job she did on the O & M project. He provided updates on active projects and mentioned that he thinks it is a great time to be bidding many of these projects.

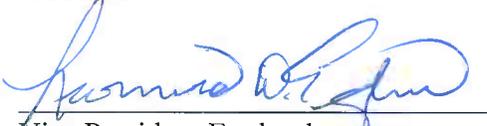
General Counsel: Mr. Pritchett reported on the WASWD Legislative Committee and the Government Entities meetings he attended. He mentioned that he will include an information item on updated financial policies on the next Board agenda.

ADJOURNMENT

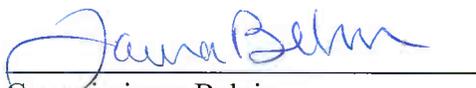
There being no further business to come before the Board, the meeting was adjourned at approximately 9:00 p.m.

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|  _____ President Nowicki | <input checked="" type="checkbox"/> Yea | <input type="checkbox"/> Nay | <input type="checkbox"/> Abstain |
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ATTEST:

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|  _____ Vice President Englund | <input checked="" type="checkbox"/> Yea | <input type="checkbox"/> Nay | <input type="checkbox"/> Abstain |
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|  _____ Secretary Miller | <input checked="" type="checkbox"/> Yea | <input type="checkbox"/> Nay | <input type="checkbox"/> Abstain |
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|  _____ Commissioner Belvin | <input checked="" type="checkbox"/> Yea | <input type="checkbox"/> Nay | <input type="checkbox"/> Abstain |
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|  _____ Commissioner Sanchez | <input checked="" type="checkbox"/> Yea | <input type="checkbox"/> Nay | <input type="checkbox"/> Abstain |
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