

LAKEHAVEN WATER AND SEWER DISTRICT
King County, Washington

REGULAR BUSINESS MEETING
February 9, 2023

A regular meeting of the Board of Commissioners of the Lakehaven Water and Sewer District, King County, Washington, was held on February 9, 2023 at Lakehaven Center, 31531 First Avenue South, Federal Way, Washington 98003 and via Zoom.

President Miller called the meeting to order at 6:00 p.m. and asked Commissioner DelMar to lead the flag salute. Members/officials present were as follows:

Donald Miller	President
Laura Belvin	Vice President
Peter Sanchez	Secretary
Jeremy DelMar	Commissioner
Len Englund	Commissioner
John Bowman <i>1/30/23 JPM SD RE</i>	General Manager
Steve Pritchett	General Counsel
Tom Drake	Director of Finance/Information Services
Ken Miller	Engineering Manager

APPROVAL OF MINUTES

Upon motion of Commissioner Sanchez, which was duly seconded by Commissioner Belvin, the Board unanimously **approved** the Board minutes of January 26, 2023, as presented.

APPROVAL OF AGENDA

Ken Miller requested to add Action Item #2, 2020 Lakota WWTP Solids System Improvements Phase I Project - Amendment 10 for Additional Final Design Services.

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

PUBLIC COMMENTS

There were no public comments.

CORRESPONDENCE

Commissioners DelMar and Miller commented on emails they received from a customer regarding late charges on a bill.

CONSENT ITEMS

Upon motion of Commissioner Englund, which was duly seconded by Commissioner Sanchez, the Board unanimously **approved** the Consent Items as presented below.

1. Payment of the accounts payable, ACH transaction fees and payroll transactions as listed in the consent item in the total amount of \$1,815,225.19.

ACTION ITEMS

#1, Addendum No. 2 to 2018-2023 Automatic Meter Reading (AMR) System Purchase Contract (17-1332): Devin Hopper reported that this matter was presented to the Board at the January 26th, 2023 Board meeting. Mueller is proposing that the District pay half (8%) of the inflationary increase in costs on all meters, transmitters and components for the remainder of the contract due. These increases are associated with extremely high increases in the cost of these components over the past couple of years. Based on this request and with about half of the contract completed, staff estimates that it would add approximately \$195,052.67 to the cost of the existing \$5.8 million contract over the remaining term.

Staff presented the additional products and services that Mueller is offering in exchange for the price increase at the last meeting. One new item of significant added value to the District is that Mueller has also agreed to let the District purchase additional meters and related items, in quantities at the District's discretion, before the new full deployment date, at the prices agreed upon with this change. Without this, the District would have to pay new prices for these items, which is anticipated to be significantly higher due to the inflation experienced over the life of the Agreement.

Upon motion of Commissioner DelMar, which was duly seconded by Commissioner Englund, the Board unanimously **authorized** the General Manager to execute Addendum No. 2 to the "2018-2023 Automatic Meter Reading (AMR) System Purchase" contract (17-1332) with Mueller Systems, LLC in the amount not to exceed \$195,052.67, including tax.

#2, 2020 Lakota WWTP Solids System Improvements Phase I Project - Amendment 10 for Additional Final Design Services: Molly Du reported that this matter was presented to the Board at the January 26, 2023 Board meeting. Staff is recommending that the Board approve the contract with HDR in the amount of \$532,830.00 for the additional design services.

Upon motion of Commissioner DelMar, which was duly seconded by Commissioner Sanchez, the Board unanimously **authorized** the General Manager to execute Amendment 10 to the "2020 Lakota Solids System Improvements" contract with HDR, in the amount of \$532,830.00, for the additional design engineering services.

INFORMATION ITEMS

#1, 2019-2022 Aluminum Chlorohydrate (ACH/PAC) Purchase- 2023-2024 Renewal: Randy Martinez reported that in May of 2019, the Board approved the “2019-2022 Aluminum Chlorohydrate (ACH-PAC) Purchase” contract in the amount of \$239,580.00. The original contract expired on March 31, 2022, however, it included the option for three (3) additional annual renewals.

Mr. Martinez informed the Board that Change Order No. 4 implements the option for the second one-year extension to the contract with an increase based on the local CPI-U. The CPI-U rate for this second renewal period is 8.1%; however, the vendor has proposed a unit price increase to \$0.6136 (4.0%), which is less than the allowed increase. Mr. Martinez reported that the estimated quantity of product for April 2023 through March 2024 is 450,000 pounds, which is an increase from the prior contract quantity of 390,000 pounds, for a total cost of \$304,008.12 for the renewal period.

The Board asked Mr. Martinez to bring this matter back as a consent item at the next regular Board meeting.

COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Englund reported on the Federal Way Chamber of Commerce luncheon and the General Manager’s meeting that he attended. He mentioned that he also attended the ground breaking ceremony for the Federal Way City memorial.

Commissioner DelMar reported that he attended the EMAC meeting.

Commissioner Miller reported on the Safety and EMAC meetings that he attended.

Commissioner Belvin mentioned that the downtown Focus Group meeting that she attended wasn’t reflected in the January 26, 2023 minutes. She reported that she attended the Federal Way Chamber luncheon and WASWD Commissioners Workshop.

Commissioner Sanchez reported on Chamber Luncheon, Safety meeting and WASWD Commissioners Workshop that he attended.

STAFF REPORTS

General Counsel: Mr. Pritchett reported on the Legislative committee meeting that he attended today. He informed the Board that a billing insert will be sent out to Auburn customers informing them of a correction to the utility tax amount stated in the last newsletter. He mentioned that Tom Drake is working with the City of Auburn to take over Auburn customers’

street lights. He informed the Board that he will be bringing a resolution before the Board to surplus office items not being used in the New Headquarters building.

Director of Finance/Information Systems: Mr. Drake reported on a letter he sent to the City of Auburn on the street lights transfer and on the bond balance included in his summary in the Board packet.

Engineering Manager: Mr. Miller gave an update on the New Headquarters building. He mentioned that he is sending out a letter informing customers in the Alderwood area that there isn't enough interest to continue with the ULID for sewers to their homes. Mr. Miller informed the Board that Pump Station 33B connection is scheduled for next Wednesday and once it is fully connected, Pump Station 33A will be disconnected.

The meeting concluded at 7:16 p.m.

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

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