

LAKEHAVEN WATER AND SEWER DISTRICT
King County, Washington

REGULAR BUSINESS MEETING
September 8, 2022

A regular meeting of the Board of Commissioners of the Lakehaven Water and Sewer District, King County, Washington, was held on September 8 2022 at Lakehaven Center, 31531 First Avenue South, Federal Way, Washington 98003 and via Zoom.

President Englund 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:

Leonard Englund	President
Donald Miller	Vice President
Laura Belvin	Secretary
Peter Sanchez	Commissioner
Jeremy DelMar	Commissioner
John Bowman	General Manager
Steve Pritchett	General Counsel
Tom Drake	Director of Finance/Information Services
Ken Miller	Engineering Manager

APPROVAL OF AGENDA

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

PUBLIC COMMENTS

Quinn Closson, of Pape Group, approached the Board to discuss the possibility of cost sharing on a sewer project on 320th/32nd Avenue with Schneider Family Homes. The Board asked Mr. Closson to continue discussions with District staff on this matter.

CONSENT ITEMS

Upon motion of Commissioner DelMar, which was duly seconded by Commissioner Belvin, 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 \$5,199,682.53.

ACTION ITEMS

#1, 2022 Lakota Digester Building Roof Replacement – Rebid (22-1575) Bid Award:
Fei Tang reported that at the July 14, 2022 Board meeting, the Board rejected the single bid for

the 2022 Lakota Digester Building Roof Replacement project in the amount of \$722,257.10 and directed staff to reevaluate the contract provisions and resolicit bids. The project was re-advertised for bid and the District received three bids.

Mr. Tang informed the Board that staff reviewed the bids and identified Krueger Sheet Metal Co. as the responsive and responsible bidder with the lowest bid of \$509,199.29, including tax. Mr. Tang added that the engineers estimate for this project was \$526,498.20.

Upon motion of Commissioner Belvin, which was duly seconded by Commissioner Miller, the Board unanimously **approved** Krueger Sheet Metal Co. as the lowest responsible and responsive bidder and authorized the General Manager to execute the 2022 Lakota Digester Building Roof Replacement project contract with Krueger Sheet Metal Co. in an amount not to exceed \$509,199.29, including sales tax.

INFORMATION ITEMS

#1, Mueller Proposed Price Increase for AMR Contract: Devin Hopper reported that the District is currently under contract with Mueller Systems, LLC for purchasing meters, transmitters and components for upgrading the District's meter infrastructure to an AMR system. The current Producer Price Index (PPI) for the manufacture of "Totalizing Fluid Meters and Counting Devices", shows a 16.47% annual increase. Mr. Hopper informed the Board that Mueller is proposing an 8.2% price increase on meters, transmitters and components for the remainder of the contract due to the unusual cost increases. Based on this proposal, staff estimates that it would result in adding \$245,951.44 to the cost of the existing \$5.8 million contract over the remaining term. Mr. Hopper reported that the next PPI is set to come out in the next couple of days and staff is waiting to review it. Mr. Pritchett informed the Board that the contract specifies that there is a fixed price and that staff would like direction from the Board moving forward on this matter. Mr. Pritchett reported that staff will be negotiating with Mueller over the proposed price increase and will bring this matter back before the Board for further review.

#2, Share Point Upgrade Recommendations and Estimate: Tom Drake reported that Lakehaven currently utilizes an on-premises SharePoint 2007 environment and that the 2007 version of SharePoint is no longer supported by Microsoft, causing a potential security risk. Mr. Drake informed the Board that he was present to review the attached SharePoint recommendations and estimates from the District's consultant.

The Board asked staff to continue to work with the consultant on the SharePoint upgrade and return to the Board with IT staff's recommendations.

#3, 023-2025 Customer Billing Services (22-1574): Tom Drake reported that the current contract for customer billing services (bill printing and mailing, shutoff notices, processing main flushing notices, customer newsletter printing services and related services) is set to expire at the

end of this year. He informed the Board that requests for proposals will be sent out shortly and that staff will return with a recommendation for award of a three-year contract at the first Board meeting in November.

#4, Broker Services Contract: Steve Pritchett reported that the contract with Brown and Brown for broker services was extended last year for one year, rather than for the three-year contract period, due to the impending retirement of Kim Wilson. The current broker services contract will expire at the end of this year, and it is necessary at this time to determine whether to go out for a Request for Proposals (RFP) for broker services, or renew the contract with Brown and Brown. He informed the Board that Brown and Brown has offered to extend the contract at \$36k for one year, \$34K per year for two years, or \$32K per year for three years (not including normal commissions on coverage). Discussion followed and the Board asked Mr. Pritchett to check on coverage with Enduris for a comparison on pricing and coverage.

COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner Belvin reported that she attended the Chamber Luncheon.

Commissioner Sanchez reported that he attended the Chamber Luncheon and that he will be attending the PNWWA conference in Spokane next week.

Commissioner Miller reported that he attended the monthly General Manager's meeting and the Chamber Luncheon.

Commissioner DelMar had nothing to report.

Commissioner Englund reported that he attended the Chamber Luncheon and the monthly General Manager's meeting.

STAFF REPORTS

General Counsel: Mr. Pritchett reported on delinquent account collections now that the District is back to its normal collection practices.

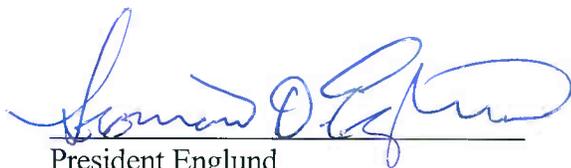
Director of Finance/Information Systems: Mr. Drake had nothing to report.

Engineering Manager: Mr. Miller commented on the District's Comp Plan and how it would be affected by the Pape and Schneider matter.

General Manager: Mr. Bowman informed the Board that he declared a small emergency for a sewer pipe that was drilled through by a contractor on S 336th St near the I-5 freeway. He reported on the press conference at Howard Hanson Dam with Senator Patty Murray and

Representative Kim Schrier. Mr. Bowman mentioned that he spoke with a reporter from the Federal Way Mirror about the shellfish harvest being closed at Redondo.

The meeting concluded at 8:24 p.m.



President Englund

Yea Nay Abstain

ATTEST:



Vice President Miller

Yea Nay Abstain

Secretary Belvin

Yea Nay Abstain



Commissioner Sanchez

Yea Nay Abstain



Commissioner DelMar

Yea Nay Abstain