



Mission Statement: Meeting the challenge of protecting the environment and providing quality sewer service to the community.

**MINUTES OF
COMMISSIONER MEETING
October 8, 2020 at 9:00 AM**

Attendees: By Remote Participation via GoToMeeting Commissioners Mariah Low, Dan Lorentzen and Kevin Kosche. District Staff: Tonya Christoffersen, Johnathan Dix and Tara Bighouse. District Engineers: Barry Baker and Leigh Nelson, G&O. Legal Counsel: Brad Cattle. City Mayor Brett Gailey, City Administrator Gene Brazel. City Council Member Gary Petershagen.

1. **CALL TO ORDER** – At 9:00 AM, Commissioner Low called the meeting to order and read a prepared statement regarding our virtual meeting and public comment.
2. **PLEDGE OF ALLEGIANCE** – Commissioner Low led those present in the Flag Salute.
3. **AGENDA APPROVAL** – Commissioner Lorentzen asked to add one item new business B, General Manager Position and response with the City’s recommendation under Utility Committee letter from the City of Lake Stevens. Commissioner Lorentzen moved to approve the agenda with the addition. Commissioner Kosche seconded the Motion. The Motion passed unanimously.
4. **CONSENT ITEMS** (The Commissioners have previously reviewed these in detail) – Commissioner Lorentzen moved to approve the Consent Items A through I as recommended. Commissioner Kosche seconded the Motion. The Motion passed unanimously.

	AMOUNT	CHECK #'s
A. Minutes:		
B. Lien Placements (23)	NA	
Lien Releases (28)	NA	
C. Investments	\$89,097.31	
Withdrawals	\$318,668.19	
Transfers	NA	
D. Payroll	\$201,832.28	
E. 40 – Maintenance	\$311,877.60	7957-8004 & EFT 140
F. 48 – SRF Principle & Interest Payment	NA	
G. 58 – Capital Expenditures	NA	
H. 58 – Capital Expenditures	\$318,668.19	8005-8010
I. 60 – PWTF Principle & Interest Payment	NA	

5. **PUBLIC FORUM – Non-action Items** (please limit comments to 3 minutes) Commissioner Low asked if there were any public form comments or questions submitted. Tara Bighouse replied there were none.

6. OLD BUSINESS

- A. Resolution No. 984: Batcheldor Annexation Public Hearing and Certificate of Petition – Johnathan Dix explained this resolution gives approval the District is willing to entertain a petition for annexation. These two properties would be included in the City’s Southeast Interlocal annexation and the owners would like to continue on with this process in case something happens with the annexation. The resolution also sets a date for public hearing at 9:00 AM on the November 12th and gives outlines on how it’s posted publicly. Commissioner Lorentzen

moved to approve Resolution No. 984: Batchelder Annexation Public Hearing and Certificate of Petition. Commissioner Kosche seconded the Motion. The Motion passed unanimously.

7. NEW BUSINESS

- A. PACE Engineering Odor Control Proposal – Johnathan Dix explained this was previously discussed with the Commission about the odor control issue at the new Lift Station 22, several odor complaints have come in from neighbors. He asked PACE to take a look at how the existing odor control can be modified to make it more suitable for the needs. PACE provided a scope and fee and an alternatives analysis to do that work. For PACE's portion it would be an amendment to the on-call contract at approximately \$18,639; including design, construction management, permitting help and electrical engineer services to complete the project. Johnathan noted District staff recommends approval to an amendment to their on-call agreement contract and would like to discuss some of the alternatives that were proposed. Commissioner Low noted PACE is asking for just over \$18,000 to study why the current design is inadequate, and in that design, there are three proposals ranging from \$39,000 to \$130,000 with varying replacement schedules, do we have an idea why the initial design was inadequate? Johnathan explained at the other three lift stations there isn't an extensive odor control and he didn't believe this lift station would be different. The original design was modified to upsize the size of the fans and the amount of cubic feet of minute passing through the wet well. There wasn't a solution so one was customized knowing it could be interim. Commissioner Low appreciated Johnathan taking responsibility but as a professional the hope would be PACE would have included some sort of odor control from their experience that would be adequate. Johnathan would like a discussion on approving the agreement to get a study on the odor they need to treat. The agreement would be the first step, then the pros and cons of the three. Commissioner Low would like to see this taken care of sooner rather than later. Commissioner Kosche would like to see further discussion on the final solution in a workshop to understand where and how this happened. Johnathan planned on putting together an after-action review on each capital project that was completed this year. Commissioner Lorentzen agreed it needs to be fixed and made right. Commissioner Lorentzen moved to approve the PACE Engineering's Odor Control Proposal. Commissioner Kosche seconded the Motion. The Motion passed unanimously.

Johnathan Dix gave a brief description of the three options and costs.

- B. General Manager Position and the City of Lake Stevens Recommendation Response – Commissioner Low recused herself. Commissioner Lorentzen explained the Utility Committee met last month and had some discussion in regard to the direction the District is moving and asked for the City to give feedback, which they did in a timely manner. Reading the letter and proposals he appreciates the time and effort in the two plans they put forward for the District to take a look at. Commissioner Lorentzen explained the process that lead to this and looked at everything that comes into play as the District moves forward. Commissioner Kosche noted since this centers around the Utility Committee specific to the Districts direction of Mariah Low as interim General Manager (GM) so he asked for more information about how this came to be. Commissioner Lorentzen replied as an organization looking internally and how does the District move forward in a cost-effective way. He brought it to the GM that Commissioner Low would be an option for the GM with her extensive background and with the experience and knowledge she brings as a Board President. It would be an easy move for her with the least amount of disruption to the District. Commissioner Kosche noted as he shared in the Utility Committee for the GM

position there was consistency through the thought process. He looks at it as the fourth GM in the last eight years and as the time narrows down in the ILA with the City looking out less than a decade, there's a good chance Mariah may not be in the seat of GM; with no guarantees. He has read the City's recommendation letter more than a few times, met as a Commission and has put in a lot of time and thought on it with talks to the Mayor and Councilmember. In his corporate life it's very common to have a Board member take over a CEO role. Looking at the legality it seems very common and understood, he asked for Brad Cattle's input. Brad Cattle replied there is no obligation on the part of the Commission to go through an RFQ process to appoint a GM. Looking at other jurisdictions hiring within to fill positions, also the City of Lake Stevens hiring the former Chief of police Dan Lorentzen internally. You have to exercise your best judgement to fill the position with what you believe is someone who can perform to the standards. He noted the City of Mill Creek went out for RFQ and spent a lot of money, which didn't work out and was quite expensive. The requirement is to fill the position with a person appropriate to fill the job. For example, the GM prior to Tonya, Michael was a hire from a search, and it resulted in 3 years of employment. Hiring based upon someone who is used to the culture of the District and understands how things have developed and performed well can substantially increase the probability that the individual will continue the performance and assure continuity in not only their performance but their longevity; the short answer is no the process is not required. Commissioner Kosche added the goal is to fill the position with less disruption, culture, flow, continuity and not to lose momentum. Commissioner Lorentzen added the City of Mill Creek had a council member stepped down to take a position within the City, these things do happen. He noted there is a little over 12 years until the unification. The people taking the leads don't generally make it more than the average of three to five years this day and age. He has given it a lot of thought. Tonya Christoffersen added when the recommendation was brought to her, she thought of the knowledge she has and already brings. It's a more seamless transition, she has the knowledge and baseline. The difference of bringing someone up on the ILA and District working, Mariah Low already has that baseline, you hire good people to work with you with the knowledge and skill set it's not about knowing everything. Johnathan Dix added a Commissioner and a General Manager are executive of the District, so it's essentially a lateral move being a largely political role and doesn't see much difference with the time constraint. Brad Cattle added Commissioners are different than the average level of elected officials, more hands on in terms of your roles. The knowledge with respect to the District business is significantly more in depth in his opinion. So, the transition for Mariah from Commissioner to GM is significantly different than the transition of councilmember to a City administrator or county council to county executive. The focus of the District is narrower and in depth and is a fairly natural transition to make. Johnathan made an interesting point; Commissioners are different from other elected officials as they are more hands on. The knowledge a Commissioner brings is significantly in-depth so the transition from Commissioner to GM is different from say a City Council member to a City Administrator. Commissioner Lorentzen noted after reviewing the letter, looking at the possibility of an ILA in the future may be a good topic for the Utility Committee later this month. Commissioner Lorentzen would like to have staff work with Legal to draft a contract for interim GM with Mariah Low to bring back to the Commissioners for final approval. Commissioner Kosche seconded the Motion. Commissioner Low abstained and the Motion passed. Commissioner Kosche would like to draw this to conclusion. He would like to finalize any discussion and take action on the GM position on October 13th prior to the WASWD Section 3 meeting at 6:30 PM. The Commissioner agreed.

8. MANAGERS' REPORTS

- A. General Manager – Tonya Christoffersen reported the parking lot is paved and can now be parked in.
- B. Assistant General Manager – Johnathan Dix reported there are 273.42 connection fees and 338 permits year to date. Angeline has been working with the City on the Residential Permit application to include the City for all infill connections. The District will not approve unless the City authorizes the approval for these permits with a maximum of 10-day permit approval process from the City. The parking lot is paved, and the next step is striping next Wednesday, and landscaping will be going in now. The contractor is doing a great job on staying ahead of schedule. Grace Lane overlay had a preconstruction meeting on site with the City staff and should be moving forward soon, weather permitting.
- C. Treatment Plant Update – Jim Heitzman reported 2.3 MPG flows and prepping for the wet weather that's coming. They ran a performance test on NBR, the results are excellent, so they are confident in what they are doing to be ready for winter.

9. CITY REPORT – Gene Brazel reported the new festival street is finalized and official letter have gone out to let the library, historic society and the rowing club they will need to be moved by May 30th of next year. They are moving forward with the Riley group at the old treatment plant to do the borings. Decant facility is on schedule. 20th street road widening phase one is nearly complete, the BAT Lane phase two will be next. Frontier Heights park has been hydro seeded. North Cove park phase 2 is under construction, there is a capping permit that will be coming in for the new restroom.

10. COMMISSIONERS' REPORT – Commissioner Lorentzen thanked everyone, the parking lot looks great and has been done very well. Commissioner Kosche noted regarding the Civic Center, he knows it early stages but wants to make sure from the District point of view it is very clear as the approach to this project; via a letter, a resolution, etc. He would like to have staff draft a clear statement of the District financial contribution to the project as rate payer value. In his view on the current building is capital dollars, capital money stays with capital projects and goes back into capital to retain rate payer value. He would like to have no misunderstandings. Tonya agreed. Commissioner Low agreed it a good approach to make it clear, as it was done with the Decant Facility and the Costco project.

Patrick McCourt added if Commissioner Low is exiting would there be a Commissioner be filled. Commissioner Low stated the Commissioner has 90 days to fill the seat and just as it has been done in the past applications and interviews would be done.

11. EXECUTIVE SESSION – none.


12. CONCLUDE – Commissioner Low adjourned the Board Meeting at 10:00 AM.

Signed at a regular open public meeting this 22nd day of October 2020





Dan Lorentzen, Commissioner

Commissioner


Kevin Kosche, Secretary and Commissioner