



MINUTES OF THE MEETING
OF THE BOARD OF COMMISSIONERS OF
SNOQUALMIE PASS UTILITY DISTRICT
OF KING AND KITTITAS COUNTIES, WASHINGTON

Held September 9th, 2019

A Meeting of the Board of Commissioners of Snoqualmie Pass Utility District was held at the Snoqualmie Pass Fire & Rescue Department at 1211 SR 906, Snoqualmie Pass, Washington, on September 9th, 2019. The meeting was called to order by President Powers at 6:01 PM. Commissioners Powers, Holman, Harja and General Manager Hastings were present.

Call to Order: Introductions & Roll Call. Introduced legal counsel Mr. Dan Mallove. *The attorney is present to ensure we conduct the public hearing process correctly and to answer any question the Commissioners and GM may have. Note: that there were approx. 20 people in the audience.*

Approval of Agenda

Motion was made by Commissioner Harja and seconded by Commissioner Holman to approve the agenda with no changes. Motion Passed

Approval of Consent Agenda: *items listed have been distributed to the Commissioners in advance for study and will be enacted by one motion. If a separate discussion is desired on an item, that item may be removed from the Consent Agenda and placed on a regular Agenda at the request of a Commissioner:*

- Signature and confirmation of the GM time sheet, bank deposits, payroll and taxes, and transfer of funds from the bank to the County.

Commissioner Harja (board secretary) confirmed with Commissioner Powers and Holman that he met with the GM and reviewed all the above issues prior to the meeting and confirmed the GM's requests and actions. Motion to approve made by Commissioner Harja and seconded by Commissioner Holman. Motion passed

PUBLIC ANNOUNCEMENTS:

Moratorium update:

- The DOE has approved and posted the District's King County Water Rights Consolidation application for the final (last step) 30-day public appeal period on August 5th. The process is scheduled to end Sep 13th. The District will follow up with the DOE on September 16th to see if any appeals were filed with the Environmental and Land Use Hearing Office.
- The board will schedule a special meeting on Monday September 16th at 5:00 pm at the Snoqualmie Pass Fire Station to discuss the status of the water rights transfer and consider Resolution 2019-17.

PUBLIC HEARING

The Public Hearing on Proposed Revisions and Adoption of District Water and Sewer General and Local Facility Connection charges

- The hearing was called to order by President Powers at 6:15 pm.
- The GM announced the purpose of the hearing. The GM stated that the District needs to borrow approx. \$5.5 million dollars to construct water and sewer capital projects in 2020. These projects are vital to producing, treating, and storing more water so that the District has more ERU's and can sell more water connections.
- The GM reminded the public that they need to fill out the sign-up sheet if this wish to be called during the public comment period.
- The GM introduced Commissioner Powers, Hollman, and Harja. Also introduced legal counsel Mr. Mallove.
- The GM presented the worksheets that he and the engineers completed together which show the costs of the water and sewer capital projects and breaks down the calculation of how the District will collect revenues from the public through capital charges and monthly water and sewer utility fees.
- At 6:30 the President Powers opened the public comment period. Janice Anderson of 4 Ober Strasse was called to address the Commissioners. *In her comments she asked the Commissioners to make all efforts in finding grants and low-cost loans to pay for the projects. She asked that they keep the fees for customers as low as possible.* Next Dianne Summer of 731 Hyak Drive was called to address the Commissioners. *She asked the Commissioners charge an appropriate Capital fee to avoid and large special assessments in the future. Asked that they look ahead and do their best to avoid large balloon payments.*
- At 6:43 pm Commissioner Powers closed the public comments portion of the hearing.
- The Commissioners then discussed the questions raised by the public and asked the GM to address their questions. *The GM stated that he has spoken with the grant writers at our engineering firm and spoke to a financial advisor and will be meeting with him soon and hopes to have him address the Commissioners in the future. The directive given to the GM was to find a way for the District to end the moratorium as soon as possible. To do so, he explained that the District must invest in capital projects to improve the infrastructure. There is not time to develop these projects and seek free to low cost money. It can take approximately two years to be awarded projects that are shovel ready and the District's projects are not shovel ready. The District needs to fund these projects with traditional sources with the goal of completing these projects in 2020.*
- President Powers closed the public hearing at 7:05 pm
- Commissioner Harja motioned to approve Resolution 2019-15. Seconded by Commissioner Holman. Motion passed

PUBLIC HEARING

The Public Hearing on the Proposed Revision and Adoption of the District Establishing Policies and Procedures Relating to the Issuance of Water Availability Certifications and Water Service Connections (End the Moratorium)

- The public hearing was called to order by President Powers at 7:05 pm
- The GM announced the purpose of the hearing is to review Resolution 2019-17 that would end the moratorium and move the District into a quarterly allocation process.
- The GM reminded the public that they need to fill out the sign-up sheet if this wish to be called during the public comment period.
- The GM introduced Commissioner Powers, Hollman, and Harja. Also introduced legal counsel Mr. Mallove.

- The GM presented information from the District's water and sewer engineering firm in support of the District lifting the moratorium which included the data used to calculate that the District has enough water to supply 209 ERU's as calculated by the 2013 Water Comprehensive Plan. The District will offer 150 ERU's for sale and keep 59 in an emergency reserve. The GM discussed the procedures by which an applicant will apply, be awarded and pay the connection fees.
- At 7:37 pm President Powers opened the public comment period of the hearing. Louise McAllister of 592 Yellowstone Road was called to address the Commissioners. *She thanked the District for the efforts. She stated she is in need of a connection but will have to think about the costs. She asked for further explanation of how the allocation will work if more than 150 applicants applied for a connection.* Next Scott Burbidge of 74 Erste Strasse was called to address the board. *He asked the board to define how it chose to place 59 ERU's in reserve and to further explain the process of how applicants apply and are chosen.*
- At 7:40 pm President Powers closed the public comment period of the hearing.
- Next the Commissioners discussed the questions raised and asked the GM to address their questions.
- The GM explained that the resolution was posted online on last Friday the 6th and that emails went out to all known email addresses Saturday the 7th at 8am containing the link to the newly create page on the District web site "how to apply for a connection". The GM explained in greater detail how the District's proposed application and allocation process will work.
- After deliberating, the Commissioners decided to take no action as the District is waiting for the DOE appeal process to end before lifting the moratorium.
- President Powers closed the public hearing at 7:05 pm.

The public hearings concluded at 8:17 pm. At this time legal counsel was excused and the Commissioners carried on with the meeting agenda.

Continue the meeting:

- Public Appearance – none
- Public Comment on agenda items only- 1 person in the audience that asked clarifying questions about the cost of the District connection charges and how they compare to other cities. *The GM responded that it is difficult to compare as each city has a different system and their capital loans would be for different amounts. The connection charge increase is due to the funding needed for capital project to maintain and expand the Districts infrastructure.*
- Public Comment on non-agenda items- none
- Commissioner Reports- none

OLD BUSINESS

- **Vision Municipal software and Invoice Cloud Payment Portal.** *The District encourages all customers to register their account and pick a payment option. Credit card fee is \$3.95. Bank ACH fee is \$0 and your personal bank "bill pay" fee is \$0. The District's goals are for all customers to register for an account and take advantage of all the options that invoice cloud offers. As of today, 46% of the customers have registered their accounts.*
- **Staff worked with a contractor on leak detection.** Staff repaired a leak on lower loop road in Alpentel leaking approx. 8-10 gpm. Staff believes that all known leaks have been repaired. Staff will be out listening to all of the fire hydrants and schedule a contractor to rebuild them as needed.

- **Review current water usage.** For the first 8 months of this year the District has used/pumped approx. 6 MG less (out of the ground) than the first 8 months of 2018. At the same time, there has been 1.5 MG more in sales. Currently pumped 74-acre feet of the 112 acre feet available at wells 4/5. *Installing new water meters and repairing the leaks is working to reduce our overall water production.*
- **Staff continue to monitor the water system for leaks and missing water.** In August a contractor was on site to check the calibration of the large water meters (1.5" and larger). All of the meters tested passed the calibration tests. The District has approx. two dozen meters left to change/install. Our goal is to have 100% of the meters changed and/or calibrated before winter. Since July 2018 the District has fixed leaks in 20 locations that equates to 110 gpm total. 11 new complete water service lines have been installed, serving 17 homes. Other repairs were minor such as a fitting and rebuilding a hydrant. WUE/missing water at 22% for the year. The missing water is at the lowest volume in several years.
- **HLA has been on site surveying property** where capital projects proposed.

General Manager Report

- I have engaged in discussion with our engineers about their staff writing grants.
- I have engaged a financial consulting firm recommended to us by our attorney. They make a presentation in the future about how they can help us navigate the financial choices for funding options.
- Staff continues to work with Sensus on the new fixed radio read system. Some radios are not connecting to the main tower. Sensus will be installing some smaller local data collectors in 1-2 areas across the District in the weak signal areas. Staff will be out inspecting and working on meters.
- Customer portal to their water meter. I have begun working with Sensus to get the portal set up that will allow customers the ability to dial in and see their water use.
- I am talking with a contractor about the costs to rehab both wastewater lift stations. DOT \$63,700 parts, plus labor. Alpentel \$124,700 parts, plus labor. Alpentel cost higher due to the need of installing a new wet well. We may be able to complete this year if we move quickly and pay for it out of reserves.
- I am talking to a contractor about replacing four pumps at the WWTP. Replace the two spray field pumps and the two lagoon transfer pumps. approx. \$37,500 parts, plus labor. Goal is to complete before Nov and pay for it out of reserves.
- The cost to improve our District's water and sewer system continue to be significant. I continue to work with a water engineering firm, a wastewater engineering firm, a consultant to help with water issues, a water rights attorney, the District's general counsel attorney, and an attorney on a pending legal issue. I just want the Commissioners and public to be aware that the District is doing everything it can and exploring all options to end the moratorium as soon as possible.
- Chlorine- at this time 75% of the cross-connection control surveys have been completed. The District job is to ensure that the water is safe to drink, to do so we must ensure that there are absolutely no cross connections in the system or at someone's home.
- I am working with our engineers in writing a plan to stop chlorination. This plan will have to be approved by the DOH. Staff has already begun collecting more coliform and HPC samples that the DOH requires before granting approval.
- Well 5 is in the lead and well 4 is in the lag. Well 5 has a better water quality than well 4. Arsenic levels last month were 0.006 mg/L

- Review finances- At the county there is \$1,705,818.64 At the bank, as of 9/9 there is \$193,321.33 total in all three accounts. Total funds available is \$1,899,139.97
- Aug- water sales are down compared to July.
- July water reports shows missing water at approx. 10 gpm annual average.
- Staff has begun working on installing the Alpentel-Summit inner tie valve. Contractor was on site and installed the two 8" hot taps which resulted in no interruption of water flow. Staff will continue installing the vault, pipes, flow meter, and inner tie valve.
- The District is working with contractor on quote for asphalt patching as we added more locations this past month after making leak repairs.

GENERAL MANAGER UPDATE ON PROJECTS

- Staff has been building and replacing hydrant houses.
- Staff is working on raising those hydrants that sit too low in the ground.
- Staff is working on fixing the approaches to the hydrant houses by adding gravel and leveling the approach. This will aid in quicker snow removal.
- Staff continues replacing and installing new water meters and radios District wide.
- Staff will be working on replacing approx. two dozen water system blow offs. These are used to flush dead end areas and collect samples.
- With the building season comes customer request for locates. This can really add up so staff is tracking time spent on this task.
- Staff is working on the GIS and paper maps and locating water valves and manholes that are buried District wide.

NEW BUSINESS

- Staff is working with HLA wastewater engineer on sewer system profile. Continue to work on designs and plans for new wastewater plant.
- Staff is working with HLA water engineer on water system tasks. Priorities are to install the Alpentel-Summit inner tie valve. Also, to work on the stop chlorine plan and seek approval from DOH.
- **Moratorium discussion-** GM is working with the attorney on a resolution in anticipation that the moratorium will be lifted and that the District will move into a quarterly allotment of connections in the future. Present resolution 2019-07 at the Sep 9th meeting and schedule a special meeting and vote on Sep 16th.
- **Discuss Resolution 2019-16 Water Moratorium Extension.** The current moratorium is due to end on September 13th. I recommend we extend the moratorium until September 20th. This will allow time for the DOE appeal process to conclude and for the Commissioners to meet again on the 16th of September.

Board Action

- Approval of the September 3rd meeting minutes. Motion to approve made by Commissioner Harja, seconded by Commissioners Holman. Motion passed
- Approval of vouchers including reviewing the OPUS bank payroll fund and includes customer refunds. Vouchers \$105,940.54. Motion to approve made by Commissioner Harja, seconded by Commissioners Holman. Motion passed
- Approval Resolution 2019-15 connection charges. Motion to approve made by Commissioner Harja, seconded by Commissioners Holman. Motion passed
- Approval Resolution 2019-16 Moratorium Extension. Motion to approve made by Commissioner Harja, seconded by Commissioners Holman. Motion passed

Commissioner Comment

None

Adjourn

Commissioner Powers made a motion to adjourn, seconded by Commissioner Harja to adjourn the meeting at 8:30 PM. Motion Passed



William Powers, Commissioner



Lloyd Holman, Commissioner



David Harja, Commissioner