



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

Held June 8<sup>th</sup>, 2020

A meeting of the Board of Commissioners of Snoqualmie Pass Utility District was held remotely on June 8<sup>th</sup>, 2020. The meeting was called to order by President Powers at 6:03 PM. Commissioners Powers, Holman, Harja and General Manager Hastings were present telephonically.

**Announcement:**

This meeting is being called as a REMOTE meeting due to the Governor's proclamation 20-28.4. The District will continue to hold meetings remotely due to the COVID-19 emergency. Once proclamation 20-28.4 is no longer in effect, the District meetings will return to their normal location.

Public attendance at District meetings will be done telephonically, or through other virtual means, through at least June 17, 2020, or longer if the Governor extends his order. We appreciate your understanding during these times."

**Call to Order:** Introductions & Roll Call. *Note that there was 2 people present on the phone call.*

**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

*Commissioner Harja (board secretary) confirmed with Commissioner Powers and Holman that he met with the GM and reviewed all of the above issues prior to the meeting and confirmed the GM's requests and actions.*

Motion to approve made by Commissioner Harja, seconded by Commissioner Powers. Motion Passed

**PUBLIC ANNOUNCEMENTS:**

- Office is closed, encourage customers to make online payments or use the drop box at the office.
- Future Allocation of water and sewer connections- this will not occur until the District is able to meet in person and discuss the rates. Continues to be delayed.
- Future Hearing on Rates- this will not occur until the District is able to meet in person and discuss the monthly rates and connection fees.
- Sewer Inspections- the District staff is working with a contractor throughout the District cleaning and inspecting the sewer collection system. There will be intermittent lane and/or road closers for safety.

## Continue the meeting:

- Public Appearance – none
- Public Comment on agenda items only- limited to five minutes. *Questions from the public were in reference to the increase in fees for water and sewer connections. The public asked why are the proposed fees double the current fees. They asked if the District would consider financing the connection fees and allow customers to make monthly payments. Other questions were about the cost of the water and wastewater projects and if the District could delay the projects until the District received grant money to pay for the projects. The public also questioned the proposed calculations of how many connections would be sold during the life of the loan. Currently the District is using 500 ERU's as the basis of the connection fee calculation. The public comment was that there could be nearly 1,400 ERU's purchased in the next 40 years. If that number was used, then the connection fees would be more affordable.*
- Public Comment on non-agenda items- limited to five minutes
- Commissioner Reports- none

## OLD BUSINESS

- COVID-19 updates- District business and operations move at a slower pace for many reasons.
- USDA funding for wastewater plant- continue to work on the application with engineers from HLA. Working on financials and asset list with accountant.
- Rate Study- In the near future, the District will have public hearing on rates, but the hearing cannot be held until the County Health Department states the COVID-19 health issues are decreased and allow larger groups to meet. District staff has been working with HLA Engineering to develop new connection fees and monthly rates. If the prohibition on in person gatherings continues, the District may need to consider holding a public hearing on the issue telephonically.
- The wastewater system is experiencing high flows due to Inflow and infiltration (I & I) of ground water making its way into the sewer collection system. The District has been working with a contractor to make emergency repairs to concrete person holes/access points and broken lines. District staff will be working with the contractor to clean and inspect the sewer system and make emergent repairs as needed. It is vital to reduce the I & I so it does not cause a lift station to overflow and to also reduce the flows so that the proper treatment can occur at the wastewater plant.

## General Manager Report

### Water Usage

- Well 5 is in the lead and Well 4 is not being called to run due to low demand. Well 5 has a better water quality than well 4. Arsenic levels last month were 0.006 mg/L.
- Review current water usage. For 2020 the District pumped 45-acre feet (14,508,556 gallons) of the 168-acre feet (54,742,968 gallons) available.
- May water reports shows missing water at approx. 13 gpm annual average. For 2020, the missing water is 2,748,433 gallons. Production is 14,508,556 gallons pumped from the wells. Sales are 11,760,123 gallons sold to customers.

### Sales and Finances

- May- water sales are up slightly compared to April, but less than this time last year. Most likely due to COVID-19 and the Ski Area closing early.
- Review finances- At the county the balance is \$1,591,200.96 At the bank, as of 6/8 the balance is \$192,647.89 total in all three accounts. Total funds available is \$1,783,848.85 Sales are down and could continue. Uncertain how many water/sewer connection fees could be sold. GM is reviewing the budget as we may have to delay some projects.

- Customer Payment Portal. As of today, 357 accounts have registered their accounts. There are 206 auto pays and 260 paperless. The District continues to notify customers about high usage on their side of the meter and encourage them to inspect toilets and register with the water meter portal.
- Customer Water meter Portal- only 66 meters registered by 36 different customers. I suggest that we adjust the water leak credit policy to say you can only apply if costs are greater than \$100 and you have to have registered for a customer water meter portal. The District has invested money in a system help the customers conserve water and be notified of leaks.

## GENERAL MANAGER UPDATE ON PROJECTS

### **Water – Sewer – Admin Projects**

- Staff is working on updating the GIS and paper maps with a contractor. Doing this remotely due to COVID-19. Updating sewer system as staff works with contractor on sewer inspections.
- Staff is working on updating the asset list. This include all equipment and all above ground and below ground assets for the water and sewer system. Very important list for insurance, USDA application, and state auditors to review. This list is being updated to indicate life expectancy of the assets.
- Our insurance company will be on site in the next few months to inspect our assets and property schedule. Delayed due to COIVD-19
- Staff is auditing the current customers accounts and rates to ensure they are equitable across all classifications. This is the first step as the District and HLA engineering begin to work on the water and sewer rate study. Due to the capital projects being developed it is anticipated the monthly rates and connection fees will have to be increased. Staff is also working to develop and demand charge. This is due to the fact that the water and sewer system have to be built to handle each customer's peak day of the year. Staff is also looking at a tiered rate charge for commercial, multi-family, hotel, and ski clubs. This tiered rate would bring these classifications into line with the single-family rate structure. Staff is also reviewing the water and sewer capital charge. This was initially set at \$10 for water and \$10 for sewer per account. However, as we review these accounts, we believe we should charge \$10 per ERU. Some commercial or multifamily accounts may have up to 50 ERU's but currently only pay for one. AS the District moves forward, we are looking at the cost of an ERU to be fair and equitable across all billing classification. Currently a equivalent residential unit (ERU) is 21,000 gallons per year. We currently bill single family at 300 cu ft per month, thus we will adjust an ERU value to 26,928 gallons per year. Multi-family and motels will be considered 2/3 of a single family. We have 630 accounts but over 1,300 ERU's
- Review the spreadsheet staff created to view occupancy across the District. This indicates which lots have home built, or paid for a connection but have not built, and empty lots with no homes and have yet to apply for a connection. This is being uploaded into GIS online. Staff also notes if the home is advertised as a short-term rental and also if it has a hot tub or pool. This is an indication as to why the water usage may be elevated.

### **Sewer System Projects:**

- HLA and District staff are surveying all 280 sewer collection system access hatches and vaults. We are collecting data such as rim elevation, invert depths, and conditions. Staff is seeing significant leaks around the pipe joints. Once completed a sewer system elevation profile will be created. Staff has started this survey in April. Contractor has been on site repairing person holes.
- Pro Vac has been on site cleaning and inspecting the sewer system. Documenting person holes and lines that need to be repaired. Also suspect there may be some bad service lines to customers homes and/or they have footing drains or sump pumps tied into the sewer system. Leaks will need to be

fixed. Sump pumps and footing drains are not allowed to discharge into the sewer system, will need removed.

- Emergency repair of sewer line on Tanner way. 10 gpm leak repaired internally by Pro Vac. The road did not have to be torn up.
- GM discussing the costs to rehab both wastewater lift stations with contractors. Will complete in 2020. Project will have to go out to bid due to cost.

#### **Wastewater Plant Construction**

- Working with HLA wastewater engineer on designs and plans for new wastewater plant. The plans for the new plant continue as we have meet with architect, structural, and electrical engineers. Costs for phase one in 2020 is approx. \$6 million. Total cost for water and sewer projects estimated at \$24.5 million.
- HLA and staff are working with Kittitas County of the SEPA review. The grading permit application has been submitted. Delay due to COVID-19.

#### **Funding Opportunities:**

- The GM and HLA Engineering staff have meet with Kittitas County FEMA staff. They will work on setting up a meeting with use and invite King County. We need to develop shovel ready projects for FEMA and other funding opportunities. Delayed due to covid.
- Kittitas County awarded the District a grant for \$250,000 from the county distressed tax fund. This award will be used on the phase one wastewater plant project. District signed the agreement and waiting to receive a completed copy back from the County. Received signed agreement from county. Will work on the reimbursement paperwork- submitted.
- HLA Engineering and District staff are working on the USDA funding application. This is a very detailed and lengthy application.
- the DOE 2020 Stream Restoration grant application has been submitted. Hope to know the results in Oct 2020.
- Have met with Kittitas County Conservation to discuss funding and helping them add water to Gold Creek Pond.

#### **NEW BUSINESS**

- a. Discuss the fact that the Governor has extended Proclamation 20-28.4 not allowing in person meetings. This proclamation ends on June 17<sup>th</sup>. District meeting will continue to be held remotely/telephonically until this proclamation is lifted.
- b. The governor has extended Proclamation 20-23.4 prohibiting late fees and termination of water service through July 28<sup>th</sup>, 2020. I would ask that the Commissioners extend Resolution 2020-03 until July 31<sup>st</sup>.
- c. Per Proclamation 20-23.4 the District is required to have a policy for ratepayer assistance. The GM is working on a Resolution to bring to a vote at the June 22<sup>nd</sup> meeting. The District will have a policy in place for those customers struggling to make payments. The rate assistance policy must be posted on the District's website by July 10, 2020.
- d. Discuss plans for the future June and July meetings. Customers are asking if or when the rates will be increased and if or when will the District open the allocation to sell connections. Discuss a plan as if the proclamation ends and the District can have in person meetings and discuss a date for a public hearing on rates.
- e. Discuss possible future rate increases to include monthly water and sewer increases and connection fees. Staff has been working on a rate study focused on the connection fee increased need to pay for the capital infrastructure plan of \$24.5 million over the next five years. GM to present data and discuss and seek guidance from the Commissioners.

## Board Action

- Approval of the May 26<sup>th</sup> meeting minutes. Motion to approve made by Commissioner Harja, seconded by Commissioners Powers. Motion passed
- Approval of vouchers including reviewing the OPUS bank payroll, revolving, and operations funds. Vouchers \$96,800.32 Motion to approve made by Commissioner Harja, seconded by Commissioners Hollman. Motion passed
- Motion to extend Resolution 2020-03. Suspend ate fees and termination of service until July 31<sup>st</sup>. Motion to approve made by Commissioner Harja, seconded by Commissioners Holman. Motion passed

## Commissioner Comment

All three Commissioners discussed the future need to meet twice per month as capital projects begin. The GM will work on a resolution to be ready to make this change when needed.

## Adjourn

Commissioner Powers made a motion to adjourn, seconded by Commissioner Harja to adjourn the meeting at 7:30 PM. Motion Passed

  
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William Powers, Commissioner

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Lloyd Holman, Commissioner

  
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David Harja, Commissioner