

LAKEHAVEN WATER AND SEWER DISTRICT
King County, Washington

REGULAR BUSINESS MEETING
January 12, 2023

A regular meeting of the Board of Commissioners of the Lakehaven Water and Sewer District, King County, Washington, was held on January 12, 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 Sanchez 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	General Manager
Steve Pritchett	General Counsel
Tom Drake	Director of Finance/Information Services
Ken Miller	Engineering Manager

APPROVAL OF MINUTES

Upon motion of Commissioner Belvin, which was duly seconded by Commissioner Englund, the Board unanimously **approved** the Board minutes of October 27, 2022, December 1, 2022 and December 8, 2022, as presented.

APPROVAL OF AGENDA

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

PUBLIC COMMENTS

Dave Harrelson and Ron Walker, Federal Way Public Market Board members, introduced themselves to the Board. They informed the Board about plans they were working on to develop a Public Market in Federal Way. They mentioned that they sent videos to the Board members to view.

CORRESPONDENCE

John Bowman mentioned an email addressed to the Board Members that he received from Rebecca Martin of the Federal Way Chamber of Commerce inviting them to participate in several focus groups.

CONSENT ITEMS

Upon motion of Commissioner Sanchez, which was duly seconded by Commissioner Englund, 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 \$6,161,788.50.

ACTION ITEMS

#1, 2023-2025 Civil Engineering, Land Surveying, and Construction Management Support Services (22-1568): Naveen Chandra reported that staff solicited Statement of Qualifications (SOQ's) from qualified engineering firms, and received proposals from five (5) firms. An in-house staff evaluation team from Engineering reviewed and ranked each firm based upon predetermined evaluation criteria and by interviews conducted virtually on November 30, 2022. Based on the evaluations and interviews, staff compiled the proposed ranking for the Board's consideration and seeks authorization to execute two 3-year contracts for Civil Engineering, Land Surveying, and Construction Management Support Services in the amount of \$1,500,000 for each contract.

Upon motion of Commissioner DelMar, which was duly seconded by Commissioner Englund, the Board unanimously **approved** the ranking of five firms listed in the SOQ Evaluation Summary and authorized the General Manager to negotiate contracts beginning with the two highest ranked firms, (KPG Psomas and Jacobs), for Civil Engineering, Land Surveying, and Construction Management Support Services over a three-year term (2023 thru 2025) and execute contracts in an amount not to exceed \$1,500,000.00 with each firm.

#2, Hiring Nepotism Policy: Steve Pritchett reported that staff has completed the hiring process for the Customer Service Representative I position and is preparing to make an offer to the top-ranked candidate, Yara Ramos. The candidate is the daughter-in law of the Customer Service Manager, who will be retiring at the end of this April. Under the current Nepotism Policy, the hiring of a person in the chain of command of a relative requires Board approval.

Upon motion of Commissioner Englund, which was duly seconded by Commissioner DelMar, the Board unanimously **approved** the hiring of Yara Ramos as a Customer Service Representative I.

INFORMATION ITEMS

#1, Emergency Field Services: Dale Haase reported that Field Operations has routinely maintained an Emergency Field Services contract which allows the District to make emergency repairs to the District's facilities and infrastructure when outside services are immediately

necessary. As the existing contract expired on December 31, 2022, staff has prepared to bid a new 3-year term contract, similar to the prior contract, in the amount of \$450,000. The bids for the proposed new contract will be based on time and material costs with a fixed 15% markup on materials (profit and overhead), Blue Book rates plus 10% for equipment rates, and a bid multiplier on labor rates.

Mr. Haase informed the Board that solicitation for bids is planned for January and that the bid results will be brought back to the Board for award after staff has reviewed them.

#2, Auburn Water Rates; Resolution No. 2023-1379: Steve Pritchett reported that when the current rate resolution was adopted at the December 8th meeting, the rates for water and sewer service in Auburn were adjusted to take into account the imposition of an 11.5% utility tax, set to begin in 2023, by the Auburn City Council. The increase in the water rates was adjusted downward to reflect the assumption that Auburn would, similar to Federal Way, pay the District's Hydrant Charge for the cost of fire suppression in Auburn. Auburn has since indicated that they are not willing to pay the hydrant charge and, accordingly, the Auburn water rates need to be adjusted to reflect the full cost of the utility tax on water service. Areas in Auburn that are subject to the tax will not be billed until February.

Mr. Pritchett informed the Board that the attached Resolution No. 2023-1379 cancels rate Resolution No. 2022-1377 to modify and adjust Auburn water rates to account for the full cost of the Auburn utility tax. Staff is requesting the Board to move this to action.

Upon motion of Commissioner Sanchez, which was duly seconded by Commissioner Englund, the Board unanimously **amended** the agenda to add **Action Item #3, Auburn Water Rates; Resolution No. 2023-1379 - Approval.**

Action Item #3, Auburn Water Rates; Resolution No. 2023-1379: Upon motion of Commissioner Sanchez, which was duly seconded by Commissioner Englund, the Board unanimously **adopted** Resolution No. 2023-1379, canceling rate Resolution No. 2022-1377 to modify and adjust Auburn water rates.

#3, Water Main Improvement: SW 308TH ST (6th Pl SW to 1st Ave S-2023 Overlay) – Bid: Naveen Chandra reported that at the October 27, 2022 Board meeting, Task Order #28 with KPG Psomas, which is to prepare plans, specifications and estimate for the Water Main Improvement along SW 308th Street for the City of Federal Way's 2023 overlay project area, was approved. This replacement is required because the existing water mains are approaching the end of their recommended useful life.

Mr. Chandra reported that KPG Psomas has provided the District with 90% plans and specifications which will be used to prepare the bid by the purchasing department. He informed the Board that bid documents for the project are estimated to be released in February 2023 with a

bid opening in March 2023. The engineer's estimate of probable cost for the subject project is \$1,802,000. Mr. Chandra answered questions from the Board about this project.

COMMITTEE REPORTS/COMMISSIONER COMMENTS

Commissioner DelMar reported on the EMAC meeting that he attended.

Commissioner Englund reported on the Federal Way Chamber of Commerce Luncheon and Government Entities meetings that he attended. He also informed the Board that Lunar New Year is on January 22nd and that the Federal Way Korean Association will be bringing boxed lunches to the District for employees on Friday, January 20th.

Commissioner Belvin reported that she attended the Federal Way Chamber Luncheon and Government Entities meetings. Discussion was held on the City of Federal Way's permitting process. Commissioner Belvin mentioned that she would like to attend the State of the City meeting at the Performing Arts Center that conflicts with the Board meeting on February 9th, 2023. She also inquired about the status of the sidewalk concrete used along 1st Avenue. Ken Miller updated the Board on this matter.

Commissioner Sanchez reported that he attended the Personnel Committee and Safety Committee meetings.

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

STAFF REPORTS

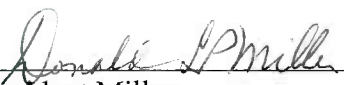
General Counsel: Mr. Pritchett reported on CPI rate trends and informed the Board that he attended WASWD Legislative Committee meetings. He mentioned that he would like to discuss electrical rates for car charging stations at one of the upcoming Board meetings in February. He reported that John Bowman and he will provide their 2022 Summary of Accomplishments to the Board within the next week and that the Board can schedule an executive session for the next regular Board meeting to perform the performance review.

Director of Finance/Information Systems: Mr. Drake mentioned that the Board members were provided with the 2020 Audit Report. He informed the Board that the 2021 and 2022 Audit Reports will be prepared by an independent firm and that these audits are anticipated to be completed before the end of the year.

Engineering Manager: Mr. Miller provided an update on the New Headquarters building and reported that the move-in date is anticipated sometime in February.

General Manager: Mr. Bowman reported on a power surge at Pump Station 10 that created a small spill and a sewer overflow that occurred by Steel Lake and Pump Station 8 that was submerged by the high tides in the month of December. He informed the Board of an emergency that he declared yesterday at Pump Station 33A due to flooding in the dry well. Lastly, he mentioned that pretreatment letters signed by Steve Pritchett were sent to customers who have not been responding to non-compliance notices and that staff were currently working with the Commons Mall.

The meeting concluded at 8:15 p.m.



President Miller

Yea Nay Abstain

ATTEST:



Vice President Belvin

Yea Nay Abstain



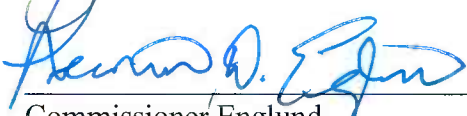
Secretary Sanchez

Yea Nay Abstain



Commissioner DelMar

Yea Nay Abstain



Commissioner Englund

Yea Nay Abstain