

WOODINVILLE WATER DISTRICT
1424th Regular Meeting
June 1, 2021

ATTENDANCE

Commissioners: Chuck Clarke, Aleksandra Kachakov, Pamela J. Maloney, Tim Schriever, and Karen Steeb
Staff: Patrick Sorensen, Darcie McAlister, Ken McDowell, Sandra Tachibana, and Jane Nicholls
General Counsel: William Linton

CALL TO ORDER

Commissioner Clarke called the meeting to order at 5:00 p.m.

ROLL CALL

Commissioners Clarke, Kachakov, Maloney, Schriever, and Steeb along with Attorney William Linton were all present via Microsoft Teams video conference. Dial-in information was posted with the agenda on the District's website.

ITEMS FROM THE PUBLIC: None.

ADDITIONS OR DELETIONS TO THE AGENDA: None.

MEETING AGENDA APPROVAL

It was moved by Commissioner Steeb and seconded by Commissioner Schriever to approve the Meeting Agenda. Vote 5-0-0. Motion carried. So ordered.

MINUTES APPROVAL

7 (a) May 18, 2021 Regular Meeting Minutes

It was moved by Commissioner Maloney and seconded by Commissioner Steeb to approve the May 18, 2021 Regular Meeting Minutes. Vote 5-0-0. Motion carried. So ordered.

CONSENT AGENDA

8 (a) Sign Monthly Vouchers

- Water Maintenance Fund (09-104-0010), Vouchers #99053 through #99098 and Payroll Advice #9248 through #9282 in the amount of \$365,451.27
- Sewer Maintenance Fund (09-104-0510), Vouchers #27217 through #27218 in the amount of \$317,777.30
- Water Construction Fund (09-104-3010), Vouchers #35446 through #35448 in the amount of \$281,531.40

6/7/2021 A/P and 5/24/2021 Payroll A/P

It was moved by Commissioner Maloney and seconded by Commissioner Steeb to approve the Consent Agenda. Vote 5-0-0. Motion carried. So ordered.

ITEMS REMOVED FROM THE CONSENT AGENDA: None.

OLD BUSINESS: None.

NEW BUSINESS:

11 (a) Revisions to WWD Code Section 4.28 Converting Temporary Water Service to Permanent Water Service

Staff suggested changes to the Woodinville Water District (WWD) Code, Section 4.28 *Converting Temporary Water Service to Permanent Water Service*. This section of the Code establishes the procedures for dealing with Extended Service Agreement (ESA) properties. These are properties that were allowed to utilize long backside service lines, (from the back of the meter to the home), that exceeded 300 feet in length. The acceptance of these long backside service lines ended in 1985. The current Water Supply Plan (WSP) section 4.2.4.4 discusses the District policy on ESA's.

Early in the District's development, Utility Local Improvement Districts (ULID's), were the most common means of extending the District's infrastructure. Properties that were just outside a ULID were allowed to extend long backside service lines or "spaghetti lines" to temporarily serve these properties until the next ULID came along and allowed a connection along their frontage. At this time, the ESA property would pay their share of the ULID assessment and pay an ESA connection charge. All the ESA agreements had language in them that prevented them from protesting a future ULID. So, there was an understanding that eventually the ESA properties that had "spaghetti lines" would be part of a ULID and pay their fair share of the system improvements.

Then in the mid 1980's, King County no longer allowed backside service lines within the right-of-way and looked to eliminate the long "spaghetti lines". These lines were prone to leaks, crossed other neighboring properties, provided low pressures, and had water quality issues. While the water system was still expanding through ULID's, in the 1990's WWD was sued because of ULID issues and the District has not initiated another one since. Then in 1994 growth management was implemented which stopped the urban growth. Now there was no longer developers looking to subdivide property in unincorporated King County and extend the water system as the zoning did not allow for this type of growth. As a consequence, many of the ESA properties that were created have never had an opportunity to connect to a water main and to do so now would be very expensive.

Talking with Ed Cebon, a former commissioner during the days of ESA connections, reaffirmed that it was the intent of the District not to burden ESA properties with large future latecomer fees. Upon connection, the ESA customers paid a nominal fee to have a meter installed and paid their monthly bill, but they never paid a System Development Charge (SDC), which all new customers must pay. Upon their conversion to permanent service, they paid an ESA Connection Charge, that was equal to the current SDC for the size of meter they have, minus the Seattle Public Utilities

(SPU) charges. Developers were then stuck with the additional costs that were not passed on to ESA properties.

Over the years there have been several edits to this section of Code, and there are sections that appear to conflict with other sections of the Code. Per RCW 57.22 developers are entitled to recoup a portion of their costs that benefit other properties. The reimbursement shall be a pro rata share of construction and contract administration costs of the project, and shall include, but not be limited to, design, engineering, installation, and restoration. The existing WWD Code indicates that the developer must negotiate with the District, and the developer shall accept, a negotiated latecomer fee that shall not exceed that of the current ESA charge for that lot. But a couple of paragraphs down the code states that; "...nothing shall preclude application of the District's latecomer policies where otherwise applicable."

In reviewing the past Resolutions that have been written for Section 4.28 of the WWD Code, it appears the District made it clear that if a developer was extending a water main close to an ESA property, the District could participate in the developer's project and extend the main so that an ESA could be eliminated and the property could be served by a permanent main. The Code was not clear regarding how latecomer assessments were to be handled.

Beginning in 2008 an ESA Removals line item was added to the Water Construction Fund Budget in the amount of \$25,000 per year, to cover the cost of participation to eliminate ESAs.

The District also has an Equity Charge that is assessed to developers that do not extend the system for various reasons. The developer must provide an easement for the future extension, but do not physically install the main. In this case we charge the developer not to install a main. This policy goes together with the proposed ESA policy by then using these funds to cover the latecomer payment assessed to an ESA property for a main that was installed.

There are currently 225 ESA connections remaining in the District, with the majority being in the unincorporated area. District staff are not actively looking for ESA properties to eliminate but are dealing with them as they are affected by development. At this time, we have three different developments that will be implementing this section of the Code and staff would like to make sure we get this right.

After reviewing the history of our system staff recommends that in selected situations it may be in the best interest of the District to financially participate in eliminating some of these ESA connections. As described previously there are circumstances that can contribute to the overall risk and safety of the system. In some circumstances it financially does not make sense for the District to participate in contributing to their elimination. As proposed in the revised Resolution each situation should be evaluated individually as they are presented. When there is a determined safety or operational risk to the system, District participation should be considered. When there is no such risk or benefit to the District participation should not be considered. In such circumstances the property owner should be responsible for properly connecting to the system.

Looking at the GIS mapping, there appear to be a number of ESA properties that currently front an existing water main. The Board may want to establish policy on what to do with these, either

leave as is, or to send out a notice that their temporary connection is to be eliminated and they will have a designated number of days to either install a new backside service line or find another source of water.

As ESA properties are eliminated through the extension of future water mains, the District could decide to participate in the project or not, and whether a portion, all or none of an ESA latecomer assessment or water main extension to eliminate ESA customers should be paid for by the District

It was moved by Commissioner Steeb and seconded by Commissioner Kachakov to approve Resolution No. 3984 regarding proposed changes to WWD Code Section 4.28, which will allow for the means to eliminate ESA properties. Vote 5-0-0. Motion carried. So ordered.

11 (b) Resolution No. 3985 Central Business District CBD-CIC Policy

The Board of Commissioners requested this item be deferred to a July 2021 Regular Board meeting.

11 (c) Award PSA to the Blueline Group for the 168th Ave NE & NE 145th St Water Main Replacement Project

The Woodinville Water District has identified a project to upgrade the water system along 168th Ave NE & NE 145th St in the Hollywood area of Woodinville. This project was identified as project D-24, in the Capital Improvement Program under the March 2019 Comprehensive Water System Plan. It is listed as a high priority project and its objective is to eliminate Asbestos Concrete (AC) pipe from the Woodinville Water District's distribution system. The Blueline Group has been chosen to be the consultant for this project. This project will consist of replacing about 2,000 linear feet of existing 12-inch Asbestos Concrete existing water mains with 12-inch diameter ductile iron pipe along 168th AVE NE and about 2,300 linear feet of 6-inch Asbestos Concrete and 6-inch Cast Iron existing water mains with 8-inch diameter ductile iron pipe along NE 145th St. The scope of work provided by the Blueline Group has a fee of \$312,950. This proposed fee is consistent with recent projects of a similar size and scope. The D-24 project has an estimated construction cost of \$1,550,727.00 and a fee of \$312,950.00 for the scope of work. The engineering costs are approximately 20% of the estimated total construction costs and are within the acceptable range for a project of this magnitude. The design work will include plans for the water main, fire hydrants, connections to existing mains, water services, other appurtenances, a half street asphalt overlay and surface restoration. Blueline will also provide topographic base mapping, design drawings, specifications, engineer's estimates, bidding and construction administration services.

It was moved by Commissioner Maloney and seconded by Commissioner Schriever to award the Blueline Group a Professional Services Agreement for the design and construction management of the 168th Ave NE & NE 145th St Water Main Replacement Project in an amount not to exceed \$312,950. Vote 5-0-0. Motion carried. So ordered.

REPORTS

- (a) General Manager's Report - Mr. Sorensen reviewed the report with the Board. The Risk & Resilience Assessment has been submitted to the proper Federal Authorities. The new Juneteenth Holiday recently approved by Governor Inslee will be observed June 19, 2022. Mr. Sorensen will plan for another discussion regarding the details of observing this holiday at a future meeting.
- (b) Engineering Report - Mr. McDowell reviewed the report with the Board.
- (c) Finance Report - No Report
- (d) Operations & Maintenance Report - No Report
- (e) Metropolitan Water Pollution Abatement Advisory Committee (MWPAAC) - Mr. Sorensen will have Mr. Broyles report on the May 26, 2021 meeting at the July 6, 2021 Board Meeting.
- (f) Seattle System Operating Board - No Report.
- (g) Sno-King Water District Coalition - No Report, the June 14, 2021 meeting has been cancelled.
- (h) Snohomish River Regional Water Authority (SRRWA) - No Report.
- (i) Washington Association of Sewer and Water Districts (WASWD) - Commissioner Clarke reported on the meeting of all the Section Leaders which featured discussion on the Long-Term Care Bill recently passed by the State which will affect all Public Employees.
- (j) Wellness Committee - No Report.
- (k) Attorney's Report - No Report.

COMMISSIONER'S COMMENTS:

Commissioner Steeb reminded the Board the District will be hosting a lunch at the District campus on Wednesday June 9, 2021 at 11:30 am for staff recognition.

Commissioner Kachakov thanked staff for the excellent District facilities tour on May 25, 2021. Staff mentioned a new District map was available to all Board members. Ms. McAlister will get it sent to all the Board members.

Commissioner Steeb mentioned the recent discussion on scheduling a Commissioner group photo. It was decided to work toward picking one of the July meeting dates. Ms. Tachibana will follow up with more details.

COMMISSIONER CALENDARS:

All Board members expect to be available for the June 15, 2021 and July 6, 2021 Board meetings.

ITEMS FROM THE PUBLIC: None.

EXECUTIVE SESSIONS

The Board of Commissioners convened an Executive Session pursuant to RCW 42.30.110(1)(l)(c) at 6:05 pm for 30 minutes to discuss potential litigation. The Board of Commissioners, Mr. Linton, Mr. Sorensen, Mr. McDowell and Jason Mumm attended the meeting.

The Executive Session was extended for 15 minutes which was publicly announced.

The Executive Session was extended for another 10 minutes which was publicly announced.

The Executive Session concluded at 7:00 pm. No formal action was taken.

The Board of Commissioners convened an Executive Session pursuant to RCW 42.30.110(1)(l)(c) at 7:00 pm for 15 minutes to discuss potential litigation. The Board of Commissioners, Mr. Sorensen and Mr. Linton attended the meeting.

The Executive Session concluded at 7:14 pm. No formal action was taken.

The Board of Commissioners convened an Executive Session pursuant to RCW 42.30.110(1)(l)(g) at 7:15 pm for 15 minutes to discuss the General Manager's Performance. The Board of Commissioners and Mr. Linton attended the meeting.

The Executive Session concluded at 7:27 p.m. and the open public meeting was reconvened. No formal action was taken.

ADJOURNMENT

Commissioner Clarke adjourned the meeting at 7:28 p.m.



Chuck Clarke – President



Pamela J. Maloney - Vice President

ATTEST:



Tim Schriever - Secretary



Tim Schriever – Secretary



Aleksandra Kachakov- Commissioner



Karen Steeb - Commissioner

Minutes: Jane Nicholls