

**MINUTES OF THE November 14, 2011
FREELAND WATER and SEWER DISTRICT
COMMISSIONERS MEETING**

Meeting Place
Freeland Library
5495 South Harbor Avenue
Freeland, WA

In Attendance:

Commissioner – Nolen Knickerbocker
Commissioner – Jim Short

Commissioner – Eric Hansen

Andy Campbell – Certified Operator
Sandy Duncan – Administrative Assistant
Gary Hess-Davido Consulting Group
Chet Ross – Freeland Chamber of Commerce
Sign in sheet of addition attendee attached

CALL TO ORDER: Commissioner Knickerbocker called the meeting to order at 5:45 p.m. followed by the pledge of allegiance.

PUBLIC COMMENT-WATER:

APPROVE AGENDA: A motion was made by Commissioner Short to approve the agenda. Commissioner Hansen requested that the IACC meeting report be moved to the first item under sewers and the agenda was changed. The motion was seconded by Commissioner Hansen and passed.

APPROVE MINUTES: A motion was made by Commissioner Hansen to approve the minutes of the October 10, 2011 meeting as amended per Commissioner Knickerbocker corrections. The motion was seconded by Commissioner Short and passed.

OLD BUSINESS:

1. Joanne Drive & Beauregard-Main Replacement. Andy reviewed that there are no easements on Joanne Drive; it is a private road on private property. Andy reviewed that this is something that should be on the short list of capital improvements. Upon discussion it was agreed that this is something that the new attorney could address.

Andy also reported that the County will require a road bore in lieu of a road cut on larger diameter pipe. Andy estimated the cost of a road bore for the Beauregard replacement of \$18,000 to \$20,000.

Commissioner Knickerbocker suggested we verify with the county their capital improvements in our area annually to incorporate into our capital plans. Andy noted that we receive a list of road paving every spring. Commissioner Hansen suggested

that we send a letter to the County requesting a list in the fall of the prior year so we can incorporate into our capital planning. Sandy agreed to add a reminder to her to do list.

Commissioner Hansen noted that there are items on the agenda that we need to decide if we want to act now or wait until the new board is in place. Commissioner Knickerbocker agreed that unless the items are pressing that we can delay until the new commissioners are in office.

2. Harbor Hills Auto Dialer. Andy reported that the auto dialer will be installed this week at an installed cost of \$745.
3. Legal representation selection-How use legal representative. Commissioner Hansen suggested that we table this item for discussion at the January 2012 meeting. Commissioner Hansen added that he has talked to Al Hendricks' and Al will continue to represent the District until the first of the year and possibly be convinced to serve until a new attorney has been selected.
4. Harbor Hills Engineering certification and submittal to DOH on completion of the Treatment Plant. Andy passed out and reviewed the cost estimate of the items that need to be completed at Harbor Hills, for an estimated cost at \$16,088. A copy of the estimate is attached.

Andy noted that he has been in communication with George Bratton the engineer on the Harbor Hills project regarding the completion of the items for project certification. George is aware of the status and will submit the completion report to DOH upon completion.

Commissioner Hansen suggested that we go ahead and move on completion of the project certification items now rather than later, in that he feels the new board will agree that this needs to be completed along with raising the well casing on well #3.

NEW BUSINESS:

1. 2012 Budget-capital improvement.

Andy reviewed the capital improvement list per the Comprehensive Plan.

Item #2 Beauregard on 2012 budget
Item #3 Hydrant replacement and new main valves – on going.
Item #4 Meter replacement – on going
Item #5 Conservation measures – on going

Item #1 Water Rights, per Gary Hess in process.

Upon discussion it was agreed to table this item for discussion at the January 2012 meeting. Sandy will prepare prior to the next meeting an estimated budget for operations, and capital improvements.

2. St. Augustine's Easement and Facilities Agreement. Sandy reviewed that this is our standard Easement and Facilities Agreement form. Commissioner Hansen reviewed that this conveying and bestowing an easement to the district to maintain the segment of pipe, hydrant and valves between street and vault on the St. Augustine's property.

ACTION: A motion was made by Commissioner Hansen to approve the St. Augustine's Easement and Facilities Agreement. The motion was seconded by Commissioner Short and passed.

3. Letter of consideration Sheppard. Upon discussion it was agreed that Sandy will contact the Sheppard and explain that his note that was submitted was insufficient and that we need a more detailed letter in order to make a consideration.
4. Letter of consideration Community Thrift. Sandy reviewed the letter of consideration from Community Thrift. Sandy noted that they are requesting consideration from July 2010 to August 2011. She also noted that the district was not notified on the leak until after the July/August 2011 billing. Upon discussion.

ACTION: A motion was made by Commissioner Short to allow a 25% reduction for Community Thrift's bill from July 2010 to August 2011 billing on the water consumption portion. The motion was seconded by Commissioner Hansen, Commissioner Knickerbocker added to clarify that the reduction is for a full year in lieu on our standard 50% reduction. The motion and passed.

5. Steve Arnolds letter regarding connections. Sandy reviewed that we had received a letter from Steve Arnold requesting refund of the hook up fees on two lots in Whispering firs from 2007. She noted that we adopted Resolution 08-08 in October 2008 that specifies that if someone has not built within one year that the hook up fee would be refunded. Sandy noted that she also talked to Steve and he would prefer to switch the meter to different lots. Upon discussion it was agreed that the District would refund the Hook up fees in the amount of \$4,700. However, the District will not allow the meters be switched to different lots.
6. 2012 ERU calculations/letters. Sandy reviewed and passed out the list of District customer who exceeded the 1.50 Equivalent Residential Units (ERU's). She noted that there were fewer people and less consumption from last year. She added that the Letter of notification will be mailed this week for an effective date of January 1, 2012.

OTHER REPORTS:

1. Maintenance report. Andy reviewed his report. A copy is attached.

- a. Andy noted that he also repaired a leak at Harbor Hills Well #4 pump house today and will cap the well. Sandy suggested that we need to maintain all the wells currently not in use to maintain our water rights. Gary Hess added that considering the length of time it takes to obtain water rights, he agrees that the wells need to be active. He added that Ecology can go back and look at the well and say that because they have not been in use you lose the water rights. Andy noted that he will need direction for the commissioners on how they want to proceed. Andy noted that he had a bid last year to just remove existing building of \$3,500. It was agreed to table this item for budget discussion at the January 2012 meeting.

Andy also reported that he was contacted by RTWA regarding the Perry Dong extension and Sandy emails a copy of the letter we had sent to Mr. Dong on the list of items need for completion and acceptance by the District.

- b. Commissioner Hansen noted that there are new air pollution regulations on generators. He requested a list of the generators, their horsepower, and installation date so he can investigate possible new regulations that apply. Andy noted that all the District generators are propane. Sandy will follow up with Commissioner Hansen on this item.

2. Administrative report. Sandy reviewed her report. A copy is attached.

- a. Bromate test for Harbor Hills attached
- b. Sandy noted that until we hear from the County on the Audit, no new draws for sewers will be submitted. Sandy will also be contacting Spencer Bright on the audit.

SEWERS:

1. IACC meeting update. Gary reported on the IACC meeting. A copy of his report is attached. Gary noted that an LID would be required to obtain loans from an agency but an LID is not required to obtain grants. The Tech Team lead by Peter McMillan of USDA did request that we meet again in March 2012 for our semi-annual update.

Gary explained that the Tech Team consists of a team from the IACC (the Infrastructure Assistance Coordinating Committee) which is comprised of all the state and federal agencies that fund infrastructure projects in Washington. They have a conference in Wenatchee every October. Each project has a specific tech team; you meet with them and present your project, what your funding challenges are, what the scope of project is. They listen and identify what their programs can offer, and what you have to do to meet the standards of the program. In many cases, it is a continued relationship with them to help with the funding through the life of the project. Agencies include USDA, Public Works Trust fund, Washington Departments of Ecology and Commerce; there are about 10 different agencies on our tech team.

2. Resolution 11-08 Rescind LID. Commissioner Hansen noted that he was the one who delayed the vote to rescind the intend to form an LID last month because he wanted to see

how it would affect future funding from the Tech Team. He is satisfied that rescinding the intent to form the LID will not affect the District's ability to get grants.

ACTION: Commissioner Hansen made a motion to adopt LID Resolution 11-08 rescinding our intent to form an LID for the Freeland Water and Sewer District. The motion was seconded by Commissioner Short and passed.

3. Island County Audit. Commissioner Hansen met with Elaine Morrow after last months district meeting. He reported that the County accepted state auditor's findings and they are passing the conclusions along to us. The implication for the District is that the invoices not be approved and will need to be paid by the water district customers. This is something we have been trying to avoid all along. The commissioners will need to think about how they will pay for some of the costs associated with the sewers efforts.
4. Citizen Advisory Committee (CAC) – Report. Lou Malzone reviewed the CAC report. A copy of the minutes is attached. Gary added that he and Jerry Stonebridge meet with Ecology last Thursday; Shiloh O'Conner and Janice Roderick from USDA also attended. The meeting was to discuss using the option of directing reclaimed water through wetlands and ultimately into Holmes Harbor. Ecology indicated it is feasible to use man-made wetlands but not natural wetlands. Ecology it appears that the 303 list for category 5 for low dissolved oxygen may not be an impediment because of the location of the where it is measured is outside the potential discharge area. The little creek running through Freeland is also on the 303 list for fecal chloroform and might cause an issue if we were to discharge into the creek. A new outfall to Holmes Harbor discharge from the treatment plant would require an Army Core of Engineers permit, which would include review by US Fish and Wildlife and National Marine Fisheries Service. The next step is to present Ecology with a well- considered plan for their review.

Commissioner Hansen asked how the proposed wetland park by the CAC would be used for storm water and if this was addressed at the meeting with Ecology. Gary said Ecology indicated it would not be allowed

5. Hydro-geologic and Hydrologic Study. Sandy reported that the Hydrologic and Hydro-geologic report have been posted on the website. Gary reported that the hydrogeology study looks at the water retention capacity of the property and the Hydrologic study looks at the entire drainage basin, from approximately Classis Road to Mutiny Bay/Shore Meadows. The bottom line is that the hydrogeology at the 80-acre site would accommodate approximately 200,000 gallon per day. This capacity could be verified once the site was in use. Gary confirmed that the 200,000 gallons per day would be sufficient for full build out of all of phase I as it is now, which could be sufficient for the next 10-20 years. Gary added that full build out of the NMUGA area would generate about 500,000 gallon per day.

Lou asked if the off site drainage improvement costs were considered in the proposed sewer cost, and Gary replied they were not. Gary explained that the improvements would consist of building better ditches to control the flow at Shore Meadows area.

Lew Randal noted that the report recommended that we increase the onsite storage for 14 to 30 days. Gary explained that this is based on a 30 day freeze and we seldom get a freezing period that long. Basically when the ground is frozen you cannot disburse the water because it will not infiltrate the soil at all.

Marilyn Abramson stated that the Hydrogeology report recommends that the land needed to accommodate the addition 300,000 gallons per day be from a different area and not the other 600 acres of the trillium woods property. Gary noted that he was not aware of this and would investigate.

6. Ecology Grant Status. Gary Hess reviewed that the 2012 Legislative grant is on hold pending the new board being seated. Gary noted that he did confirm that there was not a timeline as to when the grant would expire.
7. Request by Al Peyser for mapping \$980.00. Gary Hess reviewed that Al's request was for an Auto Cad 2004 file with specific layers to the maps. Gary explained that Tetra Tech does not have the maps in Auto Cad and that they would have to be converted from an ARC GIS file to Auto Cad format and there would be a charge to do the conversion as explained in Gary's email to Al. Al suggested that the district change to Auto Cad in the future. Gary explained that most of the water system maps are in Auto Cad; however the sewer maps from Tetra Tech are not. Upon discussion it was agreed that Al will meet with Gary to review what maps are available in Auto Cad format.

Al noted that is also working with the County in obtaining their parcel maps in a CAD format, and the County admits that they are way behind on this. He is putting pressure on the assessor to get the Freeland area updated.

PUBLIC COMMENTS-SEWERS:

Mitch Streicher asked what was meant by the phrase "land acquisition/reservoir" – the topic of an executive session. Sandy explained that we are looking at a site to install a water reservoir.

Marilyn asked Gary about a statement she said he made: "you made the statement that most of pollutants come from big storms when you were talking about storm water infrastructure. Can you clarify that most of the pollutants in general on the Holmes Harbor readings that are coming up in the Holmes Harbor basin and all the testing sites does that apply to all pollutants come from big storms" Gary explained it all depends on the time of year, the storms, and rain fall, and that you can look in the ditches and see a lot of suspended solids. Marilynn added that she is "just trying to keep a record of actual comments made that separate the source of pollutants coming from storms and from septic systems. So you say that most of the pollutants come from big storms." She added that she is just trying to keep records of engineering staff that make comments to that effect, because we may need to use that information in the future that most of the pollutants come from big storms. Gary noted that his comments were regarding storm water only.

Al Peyser asked as a follow up from the October meeting, what we will owe the county if we only build a small system. Sandy noted that she will prepare that for the next meeting.

The meeting was suspended for eight minutes for executive session to discuss reservoir site acquisition at 7:24 p.m.

Executive Session-Land Acquisition-Reservoir site.

The meeting was call back to order at 7: 32 p.m.

The commissioners requested that Gary Hess prepare a cost estimate for land acquisition on the reservoir site.

VOUCHERS:

Account #702 Operations - Voucher #7505 to #7523 in the amount of \$18,558.66 were reviewed, approved and signed.

Account #742-Sewer - Voucher #183 to #186 in the amount of \$21,405.88 were reviewed, approved and signed.

ADJOURN MEETING:

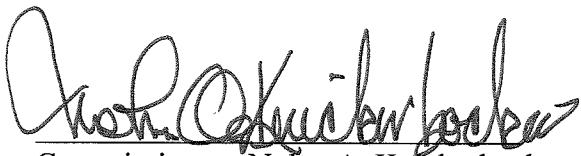
The regular meeting was adjourned at 7:35 p.m.

Respectively Submitted



Sandra J. Duncan

Approved:



Commissioner: Nolen A. Knickerbocker

Commissioner: Jim Short



Commissioner: Eric Hansen