



Southwest Suburban Sewer District Commissioner's Meeting

"Dedicated to preserve the purity of your environment."

Commissioners:

William Tracy – President
Tony Genzale – Vice President
Scott Hilsen – Secretary

General Manager:

Ron Hall

Consulting Attorney:

Eric C. Frimodt

Consulting Engineer:

Craig Chambers

October 12th, 2010

1. Call to Order:

Commissioner Tracy called the meeting to order at 6:00 p.m.

2. Also in Attendance:

Laurence Hallman

3. Changes or Additions to the Agenda:

Executive Session to discuss Anderson claim.

4. Approve Agenda:

After review of the meeting agenda, the Board unanimously approved the agenda.

5. Written Communications:

- a. Email from Tom & Joanne Conrad
- b. Letter from Terry F. Marlott

6. Consent Agenda:

- Approval of the Minutes of the September 21st, 2010 meeting.
- Approval and Signing of the Accounts Payable Vouchers & Payroll Vouchers.

- Vouchers audited and certified by the Auditing Officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on listings that have been made available to the Board. Vouchers are included in the attached lists, and further described as follows:
 - Maintenance voucher numbers 10.1157 through 10.11225 in the total amount of \$180,406.76.
 - Construction voucher number 10.0057 in the total amount of \$378,987.23.
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7. Business Agenda:

Katy Isaksen discussed the Contract Customer Rates with the Board. Ms. Isaksen clarified her calculations and methodology she uses in determining contract rates for Seattle Public Utilities (SPU) and Valley View Sewer District (VVSD). After lengthy discussion, M/S/P unanimously approved the rate increase of \$0.32 for VVSD and \$0.29 for SPU, but wanted to assure that the Board still expects SPU to improve on the removal of inflow and infiltration (I&I) coming from SPU into SWSSD sewer system. In addition, the Board wanted noted that the City of Seattle has the oldest sewer lines serving into the treatment plants and the City has been unwilling to upgrade or repair their lines.

Hall requested authorization to advertise for the annual Request for Professional Services (engineering) Statement of Qualifications. After lengthy discussion, M/S/P unanimously approved the request.

Hallman Connection Charge Agreement. Laurence Hallman attended the Board meeting to ask the Board of Commissioners for assistance in connection with his attempt to refinance his existing mortgage with Chase Bank under the Home Affordable Refinance Program ("HARP"). HARP allows qualified homeowners to participate in a no-cost, no cash out, refinance to lower their interest rate and monthly mortgage payments. Mr. Hallman indicated that the District's existing connection charge agreement was preventing him from being able to participate in the HARP program and that he had been informed that District legal counsel had denied his requests for assistance. Attorney Frimodt advised the Board that he could provide some background on this issue since Chase Bank had contacted him. Frimodt advised the Board that the Hallmans entered into a Connection Charge Agreement with the District in April of 2010 which showed up on the title report which was ordered by Chase Bank in connection with the HARP refinance. Frimodt indicated that he was contacted by Aaron Barnard at Chase Bank with a request for the District to subordinate the existing Connection Charge Agreement to the new mortgage/deed of trust. Chase was advised by attorney Frimodt that since the District had a super-priority lien under Washington law he would not recommend that the District agree to subordinate its position to that of the Chase Bank. However, Frimodt informed Chase Bank that the District might be willing to approve of a temporary release of the existing Connection Charge Agreement with the understanding that once the refinance closed that the Hallmans would enter into a new connection charge agreement. Frimodt indicated that he had advised Chase that under Washington law the District would still be in a first lien position after the refinance closed and the

new connection charge agreement was executed and recorded, and that Chase appeared to be satisfied with releasing the current Connection Charge Agreement. In light of the historic problems with the economy, and the housing market in particular, the Board indicated that it would be willing to grant Mr. Hallman's request for assistance, provided that the District did not have to subordinate its position to Chase and that the transaction was approved by District legal counsel. Frimodt advised the Board that he would prepare a Release and a separate agreement with the Hallmans to document the transaction. In addition, Frimodt indicated that he would advise Chase Bank in writing of the steps the District was willing to take so that Chase was fully advised and understood that the District would remain in a priority position after the HARP refinance was completed. M/S/P unanimously approved the request.

Hall requested approval for the newly developed Employee Safety Recognition Program. After brief discussion, M/S/P unanimously approved the request.

Hall updated the Board on the status of the YMCA property. Hall notified the Board that because of the wetland setbacks, the current building will not be able to be utilized and that there is less usable land than previously anticipated. After lengthy discussion, the Board directed Hall to look into renegotiation of the property cost.

Hall requested authorization for himself and Commissioner Tracy to attend the 2011 NASTT No-Dig Conference in Washington DC, March 27th–30th. Hall stated that he and Erik Waligorski from Roth Hill Engineering will be giving a presentation on the Chelsea Park CIPP Rehabilitation Project. After brief discussion, M/S/P unanimously approved the request.

Hall brought up for discussion the \$3.45 third party convenience fee for credit/debit card usage. After lengthy discussion, the Board decided that the benefit of saving administrative costs associated with the service was equal to the fee and after brief discussion, M/S/P unanimously decided that the costs would not be passed onto the customer using their credit card, but absorbed by the District.

8. Commissioner's Comments or Reports:

Commissioners Hilsen and Genzale reported on their attendance of the WEFTEC conference.

9. Manager's Comments or Reports:

Hall updated the Board on his research on medical insurance, progress on the 2011 budget, and that the District received 78 applications for the vacant sewer worker position.

Hall also commended Pete Sanchez and Ken Nilsen for their Miller Creek Plant Trunk Line Rehabilitation Project presentation at the WEFTEC Conference. Their presentation was well planned, prepared, presented and very well received.

Scott Hilsen

___Approve

Secretary and Commissioner

___Oppose