

**WOODINVILLE WATER DISTRICT
1450th Regular Meeting
August 16, 2022**

ATTENDANCE

Commissioners: Chuck Clarke, Tim Schriever, and Karen Steeb
Staff: Patrick Sorensen, Jack Broyles, Ken McDowell, Christian Hoffman, Marci Chew,
Sandra Tachibana and Jane Nicholls
General Counsel: Christopher Pirnke

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

ROLL CALL

Commissioners Clark, Schriever and Steeb were all present in person. Dial-in information was posted with the agenda on the District's website.

It was moved by Commissioner Steeb and seconded by Commissioner Schriever to excuse Commissioner Kachakov. Vote 3-0-0. Motion carried. So ordered.

It was moved by Commissioner Steeb and seconded by Commissioner Schriever to excuse Commissioner Maloney. Vote 3-0-0. Motion carried. So ordered.

ITEMS FROM THE PUBLIC: None.

ADDITIONS, DELETIONS OR MODIFICATIONS TO THE AGENDA: None.

MEETING AGENDA APPROVAL

It was moved by Commissioner Steeb and seconded by Commissioner Schriever to approve the August 16, 2022 meeting agenda. Vote 3-0-0. Motion carried. So ordered.

MINUTES APPROVAL

7 (a) August 2, 2022, Regular Meeting Minutes

It was moved by Commissioner Steeb and seconded by Commissioner Schriever to approve the August 2, 2022, Regular Meeting Minutes. Vote 3-0-0 Motion carried. So ordered.

CONSENT AGENDA

8 (a) Sign Monthly Vouchers

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- Water Maintenance Fund (09-104-0010) \$386,726.20
- Sewer Maintenance Fund (09-104-0510) \$8,943.38
- Water Construction Fund (09-104-3010) \$45,155.78
- Sewer Construction Fund (09-104-3510) \$9,208.14

Vouchers #82222601 through #82222640 and Payroll Advice #81622001 through #81622041
8/22/2022 A/P and 8/15/2022 Payroll A/P

8 (b) Resolution No. 4015 Adopting a policy regarding water and sewer service connections and general facility connection charges for single family residences and accessory dwelling units located on a single tax parcel.

8 (c) Resolution No. 4016 Accepting completion of the Siphon 1 Rehabilitation Project Contract No. 2-18.

It was moved by Commissioner Steeb and seconded by Commissioner Schriever to approve the Consent Agenda. Vote 3-0-0. Motion carried. So ordered.

ITEMS REMOVED FROM THE CONSENT AGENDA: None.

OLD BUSINESS: None.

NEW BUSINESS

11 (a) Spatacean LLC Request

Fivi Spatacean and her son Jonathan Spatacean addressed the Board with their concerns regarding District policy requiring them to extend the sewer line “to and through” their property at 16023 124th Ave NE.

On July 25, 2022, Jonathan Spatacean, representing Spatacean LLC, sent an email regarding concerns associated with a sewer short plat project at 16023 124th Ave. NE in Bothell. In January 2021, the Spatacean’ s entered a Developers Extension (DE) Agreement with the District regarding bringing sewer into a 4-lot short plat in Bothell. Previously water was brought into this development. The Spatacean family is acting in the role as their own developer with this project.

When the DE was developed in late 2020 and early 2021, the Spatacean’ s agreed to all the terms and conditions outlined through the Engineering Department (*see attached and signed DE*). It was understood by all that because of the unique engineering and physical conditions in the development area, there would be challenging issues. These challenges would involve the need for a deep sewer line and one white epoxy coated manhole. The development area has a known high-water table. Consequently, the deep sewer lines and the white epoxy coated manhole were required. These requirements all follow established engineering practices and the District’s Standard Specifications for Developer Extensions as prescribed in our District Code.

Over the last 1.5 years of this project's life, District staff have worked with the Spatacean family to accommodate their questions and concerns associated with the challenges of their project.

Based upon the engineering realities of the project and the development codes the District follow, there is only so much that can be modified. The District needs to follow the Standard Specifications to protect the integrity of the sewer system on behalf of all the rate payers.

In truth, the District has taken some actions which have benefited and saved Spatacean LLC financially in the overall development costs. Earlier this year it was learned through the inspection process that the sewer pipe placed in the ground contained a hole in it. The developer's contractor fixed the hole. The developer was required to reinspect the pipe with a camera at their cost. Through this reinspection it was discovered that a "belly" in the line was created during the repair. The developer and contractor had to re-excavate the sewer pipe to fix the "belly" before the line could be accepted. To assist Spatacean LLC to move things along, a District Operations Department crew assisted the company's contractor by viewing the repair from inside the pipe with our camera while the contractor reassembled the pipe to make sure that it was aligned properly before they backfilled the trench. This was done without cost to the developer in order resolve the issue. The cost of the camera truck and crew would have been significant.

In April 2022, the Board of Commissioners, at staff's recommendation, authorized the District's participation with the Hudson Plat located to the east of the Spatacean project in lowering the sewer line from 18 feet to 25 feet. This benefitted both the District and other projects like Spatacean. The District's contribution of \$103,717 could have been applied as a local facility charge to Spatacean as well as others west of 124th Ave. NE. The District choose not to pass that cost on. The District went out of its way to work with the Spatacean project, which ultimately financially benefited them.

The Spatacean's supplied written documentation of their concerns over issues involving the depth of the sewer line, the manhole, and epoxy coating requirement (which is required to protect the infrastructure from the impacts of the high-water table and inflow and infiltration). In that letter Jonathan Spatacean points out that in another nearby project (known as the Hudson development) the District compensated the developer after the fact for the cost associated with a coating requirement that was added when a high-water issue was discovered. However, in that situation the District did not know about the high-water issue when the Hudson DE was developed. With the Spatacean project it was known that there was a high-water issue before the DE was developed and agreed to by all. There is no comparable comparison between the Hudson and Spatacean projects.

11 (b) Amendment No. 5 to the Professional Services Agreement with DEA Engineers, for Sewer Siphon 1 Reconfiguration Project

Mr. Hoffman introduced this item and mentioned that the project encountered significant delays due to supply chain issues.

In February 2018, a Professional Services Agreement (PSA) was awarded to CHS Engineers (CHS) for the Sewer Siphon 1 Reconfiguration Project. CHS was merged with David Evans and Associates Inc. (DEA) in 2020. This PSA has been amended four times before. The first amendment increased the

design scope. The second amendment increased the permitting scope, and associated time delays needed to get the project through the City of Woodinville's Shoreline Process. The third amendment increased the engineering scope for added electrical and mechanical work, contractor requests for information, as well as extra time spent during the bid phase for bidder issues. The fourth amendment covered engineering services to address change orders and electrical issues.

The last PSA increase was in April, 2021; however this project was extended primarily due to supply chain issues. Work continued during this time adding seven more pay estimates and DEA project coordination resulting in \$3,300 of unbilled work from our consultant.

The District has overcome a significant number of challenges and delays with this project. These challenges include a number of permitting issues, design additions, construction issues, supply chain issues, and several differing site conditions. There have also been field changes that have benefitted the project. As indicated in the DEA letter, with these changes the construction cost increased 42% over the contracted amount, and the engineering consulting fees have risen accordingly.

Amendment No. 5 covers the most recent change order processing and time delays associated with supply issues.

This amendment to the DEA PSA increases the design costs as follows:

Original contract amount:	\$ 78,500.00
Amendment No. 1:	\$ 18,400.00
Amendment No. 2:	\$ 12,000.00
Amendment No. 3:	\$ 14,500.00
Amendment No. 4:	\$ 24,400.00
<u>Amendment No. 5:</u>	<u>\$ 3,300.00</u>
Total Revised Contract:	\$ 151,100.00

It was moved by Commissioner Steeb and seconded by Commissioner Schriever to approve Amendment No. 5 to the PSA contract with DEA in an amount not to exceed \$3,300 and authorizing the General Manager to sign the amendment. Vote 3-0-0. Motion carried. So ordered.

11 (c) Amend Professional Services Agreement with RH2 Engineering Inc. for the NE 166th St Water Main Improvements, Contract No. 2-22

No Action Taken.

11 (d) Award Construction Contract for the NE 166th St Water Main Improvement Project Contract No. 2-22

Mr. McDowell, District Engineer reviewed this item with the Board and staff.

RH2 Engineers, Inc. completed the design for the second phase of the D-39 project, the NE 166th St Water Main Improvement Project, Contract 2-22. The purpose of this project is to connect a dead-end water main and complete a grid in the northeast quadrant of the District. This work will provide an alternative route for water to be distributed and provide for a more robust system. This project will install approximately 675 linear feet of 8-inch High Density Polyethylene Pipe (HDPE), and 185 linear feet of 8-inch ductile iron pipe.

This project was advertised for bids on July 18th and 25th in the Daily Journal of Commerce with the plans and spec's available on Builders Exchange. The bid opening was held on August 8, 2022, at 3:00 pm. Three (3) bids were received and opened with the low bid of \$432,495.56 (including WSST), and a high bid of \$727,148.65 (including WSST). The Engineer's Estimate for this project was \$408,000 (including/WSST). The low bid was submitted by B&B Utilities and Excavating, LLC, Snohomish, Washington. The bidder contacted the District to notify staff of an error in the bid and his wish to rescind his bid. Therefore we are recommending award to the second lowest bidder, Road Construction Northwest, Inc., from Renton, WA, with a bid of \$635,300.41, (w/WSST).

The low bidder, Road Construction Northwest, Inc., has an excellent record for projects of similar size and scope. Their reference checks were good, and no uncorrected adverse actions (summons or complaints) are listed on the Washington State Department of Labor & Industry's web site, for this contractor. Because of the substantially higher bid submitted for the second lowest bidder and the reported delays in procuring materials, staff revised their recommendation and recommended to reject all bids, purchase the HDPE pipe in advance, and rebid the project.

This project has been included in the 2021/2022 Water Construction Fund in the amount of \$1,083,198.

It was moved by Commissioner Steeb and seconded by Commissioner Schriever to reject all the bids. Vote 3-0-0. Motion carried. So ordered.

11 (e) Fee-in Lieu of Paving on AC Water Main Replacement D-5 Project

Mr. Hoffman, Senior Project Engineer introduced the item.

The Woodinville Water District constructed the AC Water Main Replacement D-5 project last year with the project being substantially complete by October 2021. This water project runs along Woodinville-Snohomish Road and fronts the Schoolhouse District redevelopment in the area. The last order of business was to perform a half street overlay per City of Woodinville requirements. This work had to be overwintered due to the limits on the paving window where paving isn't normally allowed after mid-October due to unfavorable weather concerns. This overwintering was anticipated in the contract and was an expectation due to the project timing. However, neither the District nor the Contractor anticipated the recent inflationary pressures and the large spike in oil prices. The high cost of fuel and oil raised the cost of the Paving for the Contractor by at least 10% as of Spring 2022 and the costs have continued to go up. The Contractor was seeking to pass these costs along to the District. Engineering Staff initiated communications with City Staff on possibly

working with the City on a paving Interlocal Agreement (ILA) to pave both sides of the road. Staff worked out the numbers and with the increased economy of scale, cooperating on full overlay would offset the cost increase and provide a better product for the public. However, this process, of negotiating an ILA took a good deal of time and in the meantime the City received more information on potential redevelopment of the adjacent downtown business district. Plans for this development are currently in review by both the City and District. City Staff brought up a concern that an overlay in this area would be wasted since the road will likely be torn up again with the development. Also, the frontage improvements are still in the planning stages, so the overlay limits may change with that.

City Staff proposed the option that the District pay a Fee-In-Lieu of Paving (Fee) instead of performing our half street overlay as required by our Right-of-Way permit with the City. This fee is based on what the District would have paid our Contractor based on the original bid for the road restoration and overlay plus a 10% administration fee. Engineering Staff agree with the City that it would be a better use of public funds to pay the city this fee rather than pay for an overlay that will likely be torn up in the near future. Engineering Staff feel that the Fee amount is comparable to a half street overlay, therefore the cost is essentially a wash either way. Staff are still exploring the possibility of completing the required half street overlay but would like to have the flexibility to go the route of paying the City this Fee depending on updated pricing and the availability of the pavers to do the work before the next paving window ends.

It was moved by Commissioner Steeb and seconded by Commissioner Schriever to allow the General Manager to sign the Fee-In-Lieu of Pavement Restoration agreement with the City of Woodinville in the amount of \$66,055, if the updated pricing and the availability of pavers turns out to be unfavorable to the District. Vote 3-0-0. Motion carried. So ordered.

REPORTS

- a. General Manager's Report - Mr. Sorensen, General Manager reviewed the report with the Board and requested a motion to formally cancel the September 6, 2022 Regular Meeting.

It was moved by Commissioner Schriever and seconded by Commissioner Steeb to cancel the September 6, 2022 Regular Board Meeting. Vote 3-0-0. Motion carried. So ordered.

- b. Engineering Report - No Report.
- c. Finance Report - Mr. Broyles, Finance Manager discussed the Finance Report with the Board.
- d. Operations & Maintenance Report - No Report.
- e. Metropolitan Water Pollution Abatement Advisory Committee (MWPAAC) - The next regular meeting is August 24, 2022.

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- f. Seattle System Operating Board - Mr. Sorensen, General Manager attended the meeting held August 4, 2022. Mr. Sorensen is now serving on the Operating Board.
- g. Sno-King Water District Coalition - The August 8, 2022 meeting has been moved to September 12, 2022 at Alderwood.
- h. Snohomish River Regional Water Authority (SRRWA) - No Report.
- i. Washington Association of Sewer and Water Districts (WASWD) - The next Section IV meeting will be held at the Fall Conference in Wenatchee WA. September 28th through the 30th.

The annual General Membership meeting and Board elections will be Friday, September 30, 2022 at the conference.

- j. WASWD Government Relations Committee - Commissioner Steeb reported on the August 11, 2022 meeting. Some key issues discussed were the Utility Tax, Biosolids and Fluoridation.
- k. Attorney's Report - No Report.

COMMISSIONER'S COMMENTS

Commissioner Steeb participated in the annual Celebrate Woodinville parade Saturday, August 13th along with District staff; everyone had fun. The District booth was popular, especially the giveaway items. Commissioner Steeb wanted staff to know their hard work and enthusiasm were appreciated.

COMMISSIONER CALENDARS

The next regular Board of Commissioner meeting will be September 20, 2022 at 5:00 pm.

ITEMS FROM THE PUBLIC: None.

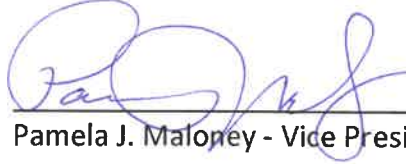
EXECUTIVE SESSION: None.

ADJOURNMENT

Commissioner Clarke adjourned the meeting at 6:09 p.m.

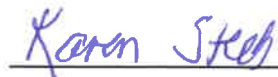


Chuck Clarke - President

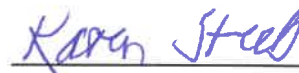


Pamela J. Maloney - Vice President

ATTEST:



Karen Steeb - Secretary



Karen Steeb – Secretary



Aleksandra Kachakov- Commissioner



Tim Schriever – Commissioner

Minutes: Jane Nicholls