

Raymond - South Bend Regional Wastewater Coordinating Committee

300 First Street • Raymond • WA 98577 •

RWCC REGULAR MEETING September 20, 2012 – 5:30 PM South Bend City Hall

- In attendance were Eric deMontigny, Patricia Neve, Jerry Bowman, Kirk Church, Cathi Read, Jason Dunsmoor, John Dunsmoor, Jay Swift, Dale Little, Bob Jungar, and Skip Rand.
- Introductions – None were necessary.
- A motion to approve the August 23, 2012 meeting minutes was made by Jerry, seconded by Jason, and passed unanimously.
- Annual budgeting process
 - Skip Rand Presentation
 - Skip's contract with the City of Raymond has three parts: Review and comment on the current Regional Facilities Operation and Maintenance Costs (RFOM) budget; develop a short-lived asset list; and develop a method to determine the amount of new revenues needed, and how to get there.
 - It is Skip's opinion that it will be necessary for both cities to increase rates by the end of 2012 and again at the end of 2013.
 - Skip's spreadsheet looks at principal debt of all loans and each city's portion based on contract percentages. An ARRA-SRF loan was not included in the July 2011 version of the "Willapa BARS Budget". (It was included in the August 2012 revisions.) After adding it back in the total debt service amounts to \$941,570. After removing the amount for debt service, Raymond's projected annual O/M cost is \$464,812 and South Bend's projected annual O/M cost is \$211,685.
 - In addition, RD requires that over a 10-year period each city budget for a reserve of one full year's debt service.
 - Skip's original spreadsheet, presented and discussed at length at the August 1, 2012 meeting, was based on numbers provided by Dean and revised with input from Todd. Many of Skip's numbers continue to be in flux as each city reviews its Local budget and pulls from it an estimate of how much to move over to the Regional budget. These items include, but are not limited to, operating supplies, fuel consumed, small tools and equipment, utilities, insurance, repair and maintenance. The figure

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in the budget for short lived asset number is based on RD's estimate which is likely low. (Skip estimated a value about 30% higher based on recurring replacement items, such as UV bulbs, which RD did not account for.)

- Insurance was discussed. As Raymond already has the current treatment plant insured, South Bend's Regional responsibility should be only for its contractual percentage of additional premiums to cover the new Regional facility. South Bend's Local budget will include the new pump stations.
 - Wages and salaries are based on 4 FTEs at \$25 per hour plus .4 FTE each for Dean and Hester. The .4 is probably okay for Dean and Hester at this point but will be reviewed each year. Their RWTP workload will decrease when construction is completed. -
- Invoicing procedure and timing
 - How much is due when? Kirk has paperwork stating that the first payment of ~\$700K (principal and interest) is due in August of 2013. As time was added to the construction schedule moving completion for liquid stream beneficial use to January 2013, and full completion by April 2013, does that have an effect on when the first payment is due? Skip will call Debbie Harper Friday for an answer.
- Council Presentations
 - The City Councils are not interested in discussing rate increases until the numbers are more firm.
- Regional WWTP Project Update
 - Construction progress
 - Jay's presentation and pictures indicate good quality and good progress. Jay will go through his catalog of pictures and send some to Jerry for forwarding to the local newspapers
 - Change orders and potential construction issues
 - 30-foot light poles were ordered and delivered; however, it turns out that the project requires 10-foot poles. Rognlin's will be able to use the 30-foot poles elsewhere on the site.
 - A header requires shortening
 - An additional isolation plug valve is required
 - Total for changes is estimated to be around \$5,000.
- Biosolids removal / lagoon decommissioning
 - G&O Contract Amendment for South Bend WWTP decommissioning and habitat enhancement plan

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- A motion to approve the Contract Amendment for decommissioning and habitat enhancement plans was made by John, seconded by Jason, and carried unanimously. It will be funded by the grant portion of RD money and is intended to reduce the cost of removing biosolids from the South Bend lagoons. This will now go to the Raymond City Council for approval.
 - We are still waiting to hear from Karen Temen at Weyerhaeuser regarding the purchase of the lagoon property. Jay will give her a call on Friday and offer to help expedite the appraisal process.
- Set next meeting
 - October 25, 2012 – South Bend City Hall – 5:30 PM
 - Adjourn – 6:53 PM