

HARTSTENE POINTE WATER-SEWER DISTRICT
REGULAR MEETING of the BOARD OF COMMISSIONERS
July 27, 2024
HPMA CLUBHOUSE 202 E POINTES DR E SHELTON WA 98584

MINUTES

PRESENT: President E. J. Anderson, Secretary S. Swart, Audit Commissioner Carl Anderson, General Manager (GM) J. Palmer, Project & Accounts Manager (PM) J. Sartori, Matt M. & Ron W. with Century West Engineering

CALL TO ORDER: The meeting was called to order at 10:00 am

SUBSCRIBER REMARKS: There were about 20-25 subscribers present in-person and via teleconference

Updates to the Wastewater Infrastructure Rehabilitation Project: Matt M. and Ron W. from Century West Engineering presented project updates and fielded questions.

A subscriber asked if there was going to be interruptions of service at the homes whose sewer lateral would be worked on. Matt M. noted that such interruptions are not anticipated, but in the case where there would be an interruption, it would be brief and anyone affected would be notified.

A subscriber asked if the bluff relocation portion of the project would be prioritized early on in the overall project. Matt M. conveyed that the CIPP portion of the project is prioritized in order to address the more urgent Inflow & Infiltration problems.

A subscriber asked about the purpose of a “cleanout” and will shrubs and excavation work be necessary to install where needed. Matt M. explained the purpose of a cleanout, how they are installed and the value of having one at each property. Matt further added that there is a lot of flexibility in choosing an install point where a 6’x6’ area would be excavated, so avoiding vegetation will be manageable.

A subscriber asked about how many qualified contractors are expected to bid on the project and how the project is being promoted. Matt M. shared that CWE has reached out preliminarily to qualified contractors to get an idea of the level of interest for bid submittals. Matt M. added that certain construction methods were not considered in the project design because they would exclude most contractors from bidding.

A subscriber asked what the anticipated cost per each property owner will be. Matt M. noted that each property owner would be equally affected. Commissioner C. Anderson shared that the project is being funded through a \$14M loan from the WA Department of Ecology with an interest rate of 0.4% and \$5M of that will be forgivable principal; he estimated that this will add \$80 to each owner’s sewer bill once loan repayment begins.

A subscriber asked if the loan is a “grant.” Matt M. explained that \$5M of the \$14M is “forgivable loan principal” that, like a “grant,” will not have to be repaid, but that Ecology cannot use the “grant” in this case.

A subscriber asked how Ecology determined the loan amounts. Ron W. and Commissioner C. Anderson conveyed that many factors were considered by Ecology in determining the interest rate and loan to forgivable-principal ratio, including the District's current financial status and debt service, community median income, importance of the project to the community and the state. Ecology also funds project across the state and factors in all project when determining how it allocates funds. \$5M was the highest amount Ecology was able to allocate toward this project's forgivable principal amount and the assigned 0.4% interest rate is considered favorable in comparison to other loans.

A subscriber asked about pipe bursting. Ron W. explained the differences of pipe bursting compared to CIPP lining and how it can be used as a method of pipe replacement.

A subscriber asked when the current Ecology Loan will be paid off. PM noted that the Effluent Outfall loan from Ecology will be repaid by the end of 2027.

Commissioner C. Anderson moved to adjourn the meeting. Commissioner Swart seconded. Hearing 3 aye votes and 0 nay votes, the meeting adjourned at 10:40 am.

Respectfully Submitted By:



Signature

Stacy Swart, Secretary, Commissioner #3

Name and Title

Approved at the Regular Meeting of the Board on: 8-1-2024