

**MIDWAY SEWER DISTRICT
COMMISSIONERS RETREAT
May 1 & 2, 2010**

The retreat was called to order in the “Bavarian Room” at the Enzian Inn, by the Chairman at 9:03 a.m.

Commissioners Koester, Hendrickson and Landon were present. Also present: Mr. Grodt, Mr. Snure, Mr. Bishop, Mr. Crahan, Mr. Griffith, and Mr. Kase.

Mr. Kase welcomed everyone to the 20th Midway Sewer District Commissioners Retreat.

Mr. Snure presented information on ethics as it applies to District Commissioners and staff. He explained that there is State and Federal law which governs acceptable ethical behavior, in addition to “common sense”. His topics included accepting gifts, hiring of relatives and having an interest in a transaction of the District.

Mr. Bishop presented information on the composition of the District’s assets, and equity/liability. He explained the trends in District income and expense. He indicated that the margin between revenue and expense is getting relatively small and that a rate increase may be over due. He indicated that if current trends continue, the District will be operating at a net loss in the very near future. The Board asked Mr. Bishop to prepare a recommendation for a rate increase and present it at a future meeting.

The Commissioners Retreat recessed for a break at 10:47 a.m.

The Commissioners Retreat reconvened from the break at 10:58 a.m.

Mr. Crahan logged on to a Siemens website, the District subscribes to, for the provision of SCADA services for the District’s pump stations that are equipped with Siemens LC150 controllers. He demonstrated that different staff members have different levels of permissions to change pump station operating parameters using this website. He showed the different types of alarms that are available. He indicated that pumps can be turned on and off remotely, wet well high, low and alarm levels can be changed remotely. He can gather all sorts of useful pump station data that helps to identify if there is a problem at a station or just with an individual pump. He also showed a short video of a small rodent discovered in the sewer by our crews during routine sewer video inspection work.

The Commissioners Retreat recessed for lunch at 11:30 a.m.

The Commissioners Retreat reconvened at 1:20 p.m.

Mr. Griffith presented information on the treatment plant performance as well as a more in depth look at different types of sewer screening devices. He then showed the stepper screens that were recently removed. He showed some of the installation challenges the contractor faced while installing the new perforated plate screens. He also indicated that the different screening devices have different particle removal efficiencies. He said that the screenings volume has dropped by about 30% since the new screens were installed.

Mr. Grodt went over in detail the results of the Infiltration and Inflow Evaluation study and the Waste Load Assessment that URS recently completed to assist in the NPDES permit renewal effort. He indicated that while the District has I&I in its collection system, the amount of I&I is within the acceptable amount according to EPA and DOE guidelines. He pointed out that there were a couple of isolated problem incidents related to I&I in the recent past. He then went on to explain data URS compiled concerning treatment plant loading. He said that based on plant sizing, loading of TSS and BOD, and plant operation, it appears that the Midway Sewer District treatment plant should be adequate for up to 20 years into the future. This estimate could change if the population served or BOD and TSS loadings were to dramatically increase beyond current projections. New treatment standards and regulations could also affect when capital improvements may be needed at the plant.

The Commissioners Retreat recessed for a break at 2:30 p.m.

The Commissioners Retreat reconvened from the break at 2:45 p.m.

Mr. Kase demonstrated some strategies management has recently adopted concerning employee supervision, performance evaluations, and responding to employee complaints and incidents. He then presented results of various sewer service rate studies and how the Midway Sewer District rate compares to inflation. He warned that he has noticed that income is relatively flat in spite of the last rate increase, interest income is down sharply and expenses continue to rise at a rapid rate. He said that the District will need to either generate more revenue or cut expenses to avoid dipping into savings, intended for capital improvements. Even if operational cost are covered by savings, in a few years the District would be broke. He recommends raising rates so that we can maintain our sewer system and level of service. Mr. Kase also offered some suggestions of possible future retreat locations including, Port Townsend, LaConner, Wenatchee, Lake Chelan, Spokane, Bellingham, Vancouver, and Seaside.

The workshop recessed for the day at 3:18 p.m.

The Commissioners Retreat reconvened at 8:07 a.m. in the eating area on the 4th floor of the Enzian Inn on May 2, 2010.

The content of this years retreat was discussed. The Board felt that the reports this year were exactly the type of information that they like to get at the retreat. Commissioner Koester suggested trying a new location for the retreat next year. Commissioner Hendrickson wants staff to prepare for a future workshop concerning staff succession.

The meeting adjourned at 8:12 a.m.

KEN J. KASE

ATTEST:

JACK HENDRICKSON - SECRETARY