

# THREE LAKES WATER ASSOCIATION – BOARD MEETING MINUTES

February 13th, 2024

The Three Lakes Water Association Board of Trustees held their February 13<sup>th</sup>, 2024 Board Meeting at 6:00 p.m. in a virtual setting utilizing phone and webinar technologies. The Association website and Facebook page requested members who wished to address the Board to inform the Board President by email so he could report any comments, questions, or concerns to the board. The board president's email is [president@3lwa.org](mailto:president@3lwa.org).

## **Call to Order**

The meeting was called to order at 6:04 p.m. by President Jay Klicker. A quorum was satisfied by other Board trustees in attendance: Secretary Terra Nicolle, Treasurer Donald Kemmis, Trustee Marek Jedrzejewicz, Trustee Yvonne Craig and Trustee Ray Cox who logged in at 6:10pm. Vice President Tyler Eshleman and Trustee Heidi Mann were unexcused. Trustee Yvonne Craig exited the meeting at 7:15pm.

**Members, Guests & Employees-** Engineers Rodney Langer and Zach Worley of David Evans and Associates, Inc. (DEA), Assistant Manager Kaila Klicker, Staff Member Seth Way and Staff Member Brittany Henning acting as recording secretary, as well as Association member, James Harrang, were present.

**Member Concerns/Questions-** Association Member, James Harrang, attended this month's Board Meeting to discuss the idea of and options revolving around auto-bill pay programs for the members of the Association. Staff will investigate options as time allows.

## **DEA Engineers' Report-**

Engineer Rodney Langer presented a summary of his status report, which was e-mailed and provided to the Board on February 13th, 2024. Highlights of the monthly DEA report are summarized as follows:

**Water System Plan Update-** Comment responses have been drafted. Staff will be preparing final responses with the hope of meeting with DOH for clarification on their comments. The goal will be to finalize the plan for Board approval in the March board meeting.

**171st Water Main Replacement Project-** Construction for the project began January 18<sup>th</sup>. The D&G pay estimate #1 has been completed and the submittal for the first construction loan reimbursement was submitted to DOH on February 8<sup>th</sup>. All legal requirements have been fulfilled thus far including labor interviews, submittal revisions, and certified payroll. As of February 12<sup>th</sup>, about 2,700 feet of ductile iron has been installed. Phase 2 base map is in progress utilizing DEA's survey crew and data gathered by Staff.

**Big Deer West Developer Extension-** Completed review of additional property ownership; a newly revised agreement has been drafted. An adjustment to the original document has been made regarding the number of lots. Based on lot constraints, there is now a drafted agreement confirming 8 lots instead of 9; an easement will be required for this 9<sup>th</sup> lot.

**Verizon Cell Equipment Change Documents Review-** Cell lease revision is currently in progress by DEA and the Association's legal counsel and will be provided back to Verizon soon.

**Rate Review-** DEA completed the annual rate review. A draft was presented for Board recommendation reflecting rates based on DEA's revenue model. See new business for further GFC related discussion.

### **Manager & Cross Connection Report**

Assistant Manager Kaila Klicker presented a summary of the manager's report, which was e-mailed and provided to the Board on February 12<sup>th</sup>, 2024. The idle pump time as of February 12<sup>th</sup> was 2 hours and 55 minutes with an average 24-hour volume of 20,988 c.f. Eleven system communication failures occurred requiring a response from Manager Kemmis or Assistant Manager Klicker. Starting January 24<sup>th</sup>, these failures occurred at BPS#1 approximately every 1-2 hours, regaining communication shortly thereafter. A Zippy tech visited the site and reestablished the Association on a new pair connection. Communication appeared to regain itself after Zippy's work. During the freezing weekend of January 12<sup>th</sup>, Manager Kemmis and Assistant Manager Klicker responded to several calls regarding leaks and no water due to the freezing temperatures. The cold weather also triggered several communication failures that were resolved quickly. The week following, master meter volumes were significantly higher than expected. With on-going investigation by Staff, it was found that the influx in water use appeared to be due to member leak reports and not the Association's infrastructure. The Association received payment for adding a new service off 171<sup>st</sup> Avenue SE. This service will be installed in tandem with the 171<sup>st</sup> project as it develops, and member connections are tied over to the newly installed main. Parts to repair the BPS#2 check valve have been acquired. Issues previously discussed about the station require some reconfiguration to the piping. Reusing any possible material for this augmentation is a priority for the Association, minimizing costs as much as feasibly possible. D&G will be assisting in this

process for installation. PumpTech visited BPS#2 on February 13<sup>th</sup> to pull pump #3 from the station for further evaluation based on concerning sounds emitting from the pump. Phase 2 base plans for 171<sup>st</sup> Ave SE CIP were submitted to the Association from DEA on January 22<sup>nd</sup> as well as potholing for this phase was also completed in January. Staff will be completing their review and comments to provide back to DEA. Additional survey work was initiated February 7-8<sup>th</sup> to identify above ground details on the east side of 171<sup>st</sup> Ave SE for phase two. The easement required for the hydrant replacement from the 72<sup>nd</sup> main break event has been recorded with Snohomish County. One more Lead and Copper submittal has been noted on the members side, leaving 283 unknown member services and 0 unknown services out of 872 on the Association side. The lead and copper report details were submitted to the City of Everett on January 31<sup>st</sup> and we have received notification that the Association has satisfied this requirement for the City. The Board was emailed a copy of the North Snohomish County Coordinated Water System Plan on January 30<sup>th</sup> for review and comments before the Association responded to the county's request for approval. The long-term wage plan is drafted utilizing DEA's support and discussion from the Executive Session in December's Board Meeting. Trustee Marek Jedrzejewicz offered his knowledge and assistance in researching retirement plan options for the Association. GIS has been returned to us from DEA and is awaiting Staff review. The submitted security grant application was denied due to lack of available funds for those with less incidental points. SAM registration and Property Tax Exemption Renewal were completed on January 12<sup>th</sup>. New Banking Signature Cards must be completed to move forward with officiating the Association's new signers. This month's bacteriological sample results were satisfactory and were filed respectively. The stage 2 disinfection byproducts sampling showed points significantly under the trigger level; and our reduced annual testing schedule was confirmed for 2024.

### **Approval of January 9<sup>th</sup> Board Meeting Minutes**

*Motion made by Treasurer Don Kemmis to approve January's Board Meeting Minutes; motion seconded by Trustee Marek Jedrzejewicz. The motion passes.*

### **Officers Reports**

**Treasurer Report and Pay Bills-** Staff Henning presented a summary of the treasurer's report. The financial report was prepared and distributed to the Board summarizing the financial position through February 13<sup>th</sup>, 2024 (attached). Total funds on hand are \$1,075,514.06. \$110,000.00 was transferred between accounts to cover monthly bills. Reports were provided for the past month's expenses, prepaid invoices, and payroll summary. Checks were presented to be approved for payment by the Board.

Current Financial Information

General Funds- \$ 387,994.54

Capital Funds- \$ 533,731.90

Reserve Funds- \$ 153,787.62

Total Expenses- \$118,415.37

*Motion made by Trustee Marek Jedrzejewicz to approve payment of the bills as presented, seconded by Treasurer Don Kemmis. The motion passes.*

**President-** Signed one share.

**Vice President-** Absent, no report.

**Secretary-** Signed a few shares.

**Treasurer-** Reviewed D&G invoice. All other details previously reported.

Old Business

**Signer Cards-** Ray Cox had notified the Association last month that he would like to hand off his duty as a signer to another available and willing Board Member. Board members Secretary Terra Nicolle and Trustee Marek Jedrzejewicz offered their support in becoming bank signers:

*Motion to remove Trustee Ray Cox from all Association banking entity signature cards effective February 15<sup>th</sup>, 2024 made by Secretary Terra Nicolle; seconded by Treasurer Don Kemmis. The motion passes.*

*Motion to authorize Secretary Terra Nicolle, Trustee Marek Jedrzejewicz, Treasurer Don Kemmis and Vice President Tyler Eshleman as signers on all Association banking entity signature cards effective February 15<sup>th</sup>, 2024 made by Treasurer Don Kemmis, Seconded Trustee Ray Cox. The motion passes.*

**Long-term Wage Plan-** A draft of the long-term wage policy was presented to the Board for input. Trustee Marek Jedrzejewicz continues to assist in researching retirement plan details for the Association.

## **New Business**

**Annual Rate Review-** DEA presented a draft of the annual rate review with a discussion point regarding the potential evaluation of the Association's current GFC rates as is typical once the WSP has been completed. Additional discussion on this topic will be held during March's Board Meeting.

*Motion to authorize DEA to analyze the Association's current GFC rates, not to exceed \$5000.00 to complete the task and provide recommendation to the Board made by Treasurer Don Kemmis, seconded by Trustee Marek Jedrzejewicz. The motion passes.*

**Auto-Bill Pay-** To address the expanding request from members for an auto-bill feature for their account, Staff will research available options for auto-billing programs within the needs of the Association. Secretary Terra Nicolle offered to assist Staff in this research opportunity.

## **Call to Adjourn Meeting**

*Motion made by Trustee Marek Jedrzejewicz to adjourn the meeting; motion seconded by Secretary Terra Nicolle. Motion passes. The meeting was adjourned at 7:50pm.*