

# THREE LAKES WATER ASSOCIATION – BOARD MEETING MINUTES

March 12th, 2024

The Three Lakes Water Association Board of Trustees held their March 12<sup>th</sup>, 2024 Board Meeting at 6:00 pm. 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 6:06 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, Trustee Heidi Mann and Trustee Ray Cox. Vice President Tyler Eshleman was unexcused. Trustee Craig and Trustee Mann exited the meeting at 7:33 pm. Trustee Mann returned to the meeting at 7:37 pm. Trustee Cox exited the meeting at 7:48 pm. Trustee Mann exited the meeting again at 7:57 pm.

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

## DEA Engineers' Report-

Engineer Rodney Langer presented a summary of his status report, which was e-mailed and provided to the Board on March 12<sup>th</sup>, 2024. Highlights of the monthly DEA report are summarized as follows:

**Water System Plan Update-** DOH responded with comments, Staff has been gathering information for revision and response. Following revisions and clarification, the goal will be for the Board to motion to approve the finalized plan at an upcoming meeting.

**171st Water Main Replacement Project-** Pay Estimate #2 has been reviewed and prepared. Certified payroll has been evaluated. Base map and design are in progress for Phase 2, predesign has been submitted to Snohomish County for approval. Approval was granted, with conditions as expected.

**Big Deer West Developer Extension-** The amended Developer Agreement has been completed which includes a revision from the original 9 lots to 8 lots. Board President is to sign finalized Agreement.

*Motion to authorize President Jay Klicker to sign Big Deer West Developer Extension revision of standard development agreement made by Treasurer Don Kemmis, seconded by Trustee Marek Jedrzejewicz. The motion passes.*

**Verizon Cell Equipment Change Documents Review-** Reviewed and revised the Verizon cell lease agreement, which was sent back to Verizon on February 15<sup>th</sup>. Currently waiting for a response to move forward.

**GFC Study-** The General Facilities Charge has been reviewed and updated, based on the current WSP.

*Motion for the Association to adopt a new GFC ERU on March 31, 2024 of \$13,200.00 per ERU made by Treasurer Don Kemmis, seconded by Trustee Marek Jedrzejewicz. The motion passes.*

**Annual Rate Review-** DEA completed the annual rate review. A DEA memorandum dated March 12<sup>th</sup>, 2024. was presented for Board recommendation reflecting rates based on DEA's revenue model.

*Motion to increase rates as recommended by DEA found in the memorandum dated March 12, 2024, effective July 1<sup>st</sup>, 2024, with the adjustment of the non-user rate to \$50.00 made by Treasurer Don Kemmis. Motion seconded by Secretary Terra Nicolle. The motion passes.*

### **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 March 11<sup>th</sup>, 2024. The idle pump time as of March 11<sup>th</sup> was 3 hours and 45 minutes with an average 24-hour volume of 21,417 c.f. Due to higher volume and shorter idle pump time over several weeks, a mid-cycle meter-read was performed to reconfirm the calculation of non-revenue water usage. On March 6<sup>th</sup>, Staff discovered suspicious water running along 171<sup>st</sup> Avenue SE. D&G assisted us with the repair that same day. An immediate decrease in consumption was found the following morning. Twenty-four system communication failures occurred requiring a response from Manager Kemmis or Assistant Manager Klicker. Investigation into this failure is on-going. On March 5<sup>th</sup>, backflow assemblies testing for the Association was completed by Panther Backflow, reports were submitted to The City of Everett in compliance with relevant regulations. A new service has been purchased for a property off Three Lakes Road, the process is awaiting the conditions to be satisfied as stated in the LOA response to move forward. The check valve at BPS#2 continues to show faulty operation and repair parts are on site for installation. Manager Kemmis opted to finish the work surrounding BPS#1 before starting this repair. Trenching and 8"

main installation for 171<sup>st</sup> Phase One reached completion on February 28<sup>th</sup>. Remaining work is in progress which includes hydrant installations, pressure testing, flushing, sampling and service tie-ins. The first loan draw reimbursement was submitted to the Department of Health on February 8<sup>th</sup> and the check was received by the Association February 26<sup>th</sup>. D&G's first allotted payment was submitted to them on February 28<sup>th</sup>. The second loan draw reimbursement was submitted to the Department of Health on March 1<sup>st</sup> and the check was received by the Association on March 11<sup>th</sup>. 171<sup>st</sup> Phase Two. base plans were submitted back to the Association from DEA on March 1<sup>st</sup> containing data gathered by Staff on February 16<sup>th</sup>. Manager Kemmis is analyzing these plans and finalizing details for input to DEA. Pre-design was submitted to Snohomish County March 1<sup>st</sup>, which had received a response March 8<sup>th</sup>. Systems Interface will integrate the SCADA system with the completion of the generator installation, which will be taking place shortly after Phase One work is completed. Pump Three was taken in by PumpTech on February 13<sup>th</sup> to determine the issue regarding the odd noise emitted from the pump while running. They stated that there was no issue found but replaced the pumps bearings to ensure proper function. Pump #3 was reinstalled on February 23<sup>rd</sup> and no unusual noise has been heard since reinstallation. 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. This month's bacteriological sample results were satisfactory and were filed respectively. This cycle's meter reading and member billing was sent out on time. There were two share transfers processed, seven member leaks reported, several locate requests completed and backflow assembly testing notifications sent out.

### **Approval of February 13<sup>th</sup> Board Meeting Minutes**

*Motion made by Treasurer Don Kemmis to approve February's Board Meeting Minutes; motion seconded by Trustee Terra Nicolle. 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 March 12<sup>th</sup>, 2024 (attached). Total funds on hand are \$1,630,562.76. \$56,000.00 was transferred between accounts to cover this month's 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- \$ 360,963.73

Capital Funds- \$ 1,099,401.09  
Reserve Funds- \$ 170,197.94  
Total Expenses- \$ 93,255.18

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

**President-** Signed two shares

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

**Secretary-** Signed signature card at KeyBank, share certificates, and Association checks. Provided information on CUSI billing system.

**Treasurer-** D&G payment is retained until these funds become available March 18<sup>th</sup>, 2024.

### **Old Business**

**Bank of America Signer Coordination-** All four Association banking signers must go into the Snohomish branch Bank of America, together, to complete this process. Staff Henning will facilitate an email thread for coordinating everyone's schedules to complete this task.

### **New Business**

**Association Sale-** In the discussion related to rates and revenue for this upcoming year, Trustee Yvonne Craig and Trustee Heidi Mann queried regarding the steps involved for the potential dismemberment of the Association. Generalized scenarios were discussed.

**171<sup>st</sup> Construction Phases Two-** A discussion related to 171<sup>st</sup> Ave SE Phase 2 scheduling was held to discuss logistics with the Board.

**Auto-Bill Pay-** The Association is currently in the process of testing a potential option for a new billing auto-pay portal with no additional cost to the Association. Secretary Terra Nicolle provided input to the Board related to her findings for other water utility companies concerning different options for alternative billing programs including ease of use, overall functionality, and feedback from their customers.

**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 8:28 pm.*