

THREE LAKES WATER ASSOCIATION – BOARD MEETING MINUTES

March 9th, 2021

The Three Lakes Water Association Board of Trustees held their March 9th, 2021 Board Meeting at 7:00 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.

Call to Order

The meeting was called to order at 7:04 p.m. by President Jay Klicker. A quorum was satisfied by other Board trustees in attendance: Vice President Tyler Eshleman, Secretary Raymond Cox, Treasurer Donald Kemmis, Trustee Doug Knorr, and Trustee Terra Nicolle.

Members, Guests & Employees- Engineer Rodney Langer of David Evans and Associates, Inc., and staff member Kaila Klicker were present. Renee Clarke, acting as recording secretary, was 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 8th, 2021. Highlights of the monthly DEA report are summarized as follows:

Flowing Lake Park Water Service- Rodney reported that there are still items needed from developer Snohomish County for the closeout of this project. Some materials have been submitted by the developer, but more is still needed.

Storm Lake Road Phase 2 Water Main Replacement- See Old Business

Booster Pump Station #1 Property Investigation- See Old Business

Manager & Cross Connection Report

Staff member Kaila Klicker presented a summary of the manager report, which was e-mailed and provided to the Board on March 4th, 2021. Highlights of the monthly manager report are summarized as follows: A new water service was installed along Wonderland road on March 4th, 2021 with the assistance of contractor Puget Sound Tapping Services. Systems Interface, Inc. continues to work with staff to complete contracted items for the Association as part of the Telemetry Upgrade project. One of the unfinished items for the project is some outstanding staff training on the telemetry system, and staff will schedule this training as their schedule permits. Staff worked with vendor Creative Technologies on February 25th, 2021 to install a free software upgrade on the Association's El Dorado billing system. Staff experienced issues with the

Association's meter reading handheld device and were told by representatives with Core & Main that the device's useful life is coming to an end. Staff was able to borrow another device from the company to complete the most recent meter reading process. Borrowing devices from Core & Main may not be an option in the future. Staff is currently working with representatives to understand options for new devices and costs. Staff anticipates that the need for a new device will come soon. Staff continues to work with KeyBank representatives to understand when the new simplified application for loan forgiveness for the Paycheck Protection Program will be available and was given the proposed timing at the beginning of April. Staff continues to keep track of the Association's Member Assistance Program and communicate with members as part of the program when necessary. Staff reported that a member has been mailed a shutoff notice who has not turned in their annual required backflow testing report, and the shutoff date is scheduled for April 1st, 2021 if the member does not satisfy the requirement.

Approval of February 9th Board Meeting Minutes

Motion made by Secretary Raymond Cox to approve February's Minutes, seconded by Treasurer Donald Kemmis. The motion passes.

Officers Reports

Treasurer Report and Pay Bills- Staff member Renee Clarke presented a summary of the treasurer report. The financial report was prepared and distributed to the Board summarizing the financial position through March 9th, 2021 (attached). Total funds on hand are \$1,454,448.43. One transfer was made for \$70,000.00 to cover the bills from the KeyBank account. Reports were provided for the past month's expenses, prepaid invoices, and payroll summary. Checks were presented to be signed once authorized by the board.

Current Financial Info

General Funds- \$399,879.67

Capital- \$966,669.33

Reserve- \$87,899.43

Total Expenses- \$55,462.99

Monies were transferred to both Standpipe, Pump House, and Mero restricted accounts.

Motion made by Trustee Doug Knorr to approve payment of the bills as presented, seconded by Treasurer Donald Kemmis. The motion passes.

President- President Klicker reported that he spoke with Manager Kemmis on the phone about the wage scale for assistant manager position.

Vice President- Vice President Eshleman reported that he spoke with Manager Kemmis on the phone about the wage scale for assistant manager position.

Secretary- Secretary Cox reported that he signed checks for bills due before the March meeting.

Old Business

Booster Pump Station #1 Property Investigation- Staff reported on February 13th, 2021 during a winter storm that a tree from the neighboring property fell onto the Association's Booster Pump Station #1 site. Manager Kemmis coordinated removal of the tree with the neighboring property owner. There was damage to the fence at the site, and staff made a temporary repair to the fence. Manager Kemmis and Assistant Manager Klicker met with the neighboring property owner and member on February 19th, 2021 to discuss the exchange of an amount of money for an easement. A verbal agreement was made between Manager Kemmis and the member to grant the Association an easement in exchange for an amount of money. Easement documentation is being prepared by DEA and once ready it will be presented to the member for signature then recorded with Snohomish County. Rodney met with staff onsite on March 1st, 2021 to refine proposed easement limits. If an easement is granted the need for a permanent replacement of the existing fence will not be necessary based upon the new agreed fence location, which will be built as part of the project.

Storm Lake Road Phase 2 Water Main Replacement- Staff reported that the construction for this project has been completed. There were a few member questions and complaints during project construction, and staff addressed and resolved them. Staff took measurements and photos of the construction area in preparation to review contractor, D&G Backhoe, Inc., as-built information. Rodney supported staff with minor questions during construction. Staff will work with DEA and the contractor to gather and review all necessary items for project completion. Manager Kemmis informed the board that he intends to pay the contractor's invoice for construction of this project once received if it is deemed to be reasonable.

New Business

Pump Investigation- Staff reported that a leaking seal was discovered at the Association's Booster Pump Station #2 on Pump Number Three and staff contacted PumpTech to schedule a diagnosis on the pump. A PumpTech representative recommended the installation of new bearings in addition to new seals on Pump Number Three and service will be scheduled with them as time permits. Staff also noticed that Pump Number One at Booster Pump Station #1 sounded like it was not functioning properly. Manager Kemmis invited Secretary Cox and Rodney Langer onsite to investigate and hear the pump. After discussions with both Rodney and Cox, Manager Kemmis decided that the best plan to address Pump Number One is to work with PumpTech to send in a retired

replacement motor to be made functional, then to replace the current motor inside Pump Number One. Costs for repairs on both Pump Number One and Three are still unknown. Staff will report more information to the board as it becomes available. Manager Kemmis also informed the board that he plans to get pricing for a replacement motor for Pump Number One later so that the Association has a spare pump if needed. As the Association relies on these pumps to provide drinking water, they must be repaired in a timely manner so they can provide adequate capacity because water consumption in springtime typically increases.

Wage Scale for Assistant Manager Position- Assistant Manager Klicker reported to the board that she presented a letter to Manager Kemmis about the wage scale for the new assistant manager position. There is no wage scale for this new position within the Association's current five-year employee wage plan, which was authorized by the board at the May 2019 board meeting. Assistant Manager Klicker suggested that the board establish the wages for the Assistant Manager position to be one step ahead of the Senior Field Technician's wage scale and add it into the current wage plan. She also suggested that there be one more step calculated for the new position's wage scale to be included in the current five-year plan. Manager Kemmis informed the board that he had conversations with President Klicker and Vice President Eshelman and they both concurred with the assistant manager's suggestions. Trustee Knorr recommend that the new wages for the assistant manager position take effect the day after the board meeting where the board authorized the new assistant manager position, which was at the August 2020 meeting. If the board agrees with this recommendation, the Association will back pay the employee for the hours already worked in the new position.

Motion made by Trustee Doug Knorr to add the Assistant Manager position to Three Lakes Water Association's Five-Year Employee Wage Plan, seconded by Trustee Terra Nicolle. The motion passes. President Jay Klicker and Treasurer Donald Kemmis abstained from the vote.

Motion made by Trustee Terra Nicolle to make the Assistant Manager's new wage retroactive to date August 12th, 2020, seconded by Trustee Doug Knorr. The motion passes. President Jay Klicker and Treasurer Donald Kemmis abstained from the vote.

Call to Adjourn Meeting

Motion made by Trustee Doug Knorr, seconded by Trustee Terra Nicolle. The motion passes. The meeting was adjourned at 8:42 p.m.