



Three Lakes Water Association Annual Meeting

October 1st, 2024

The mission of Three Lakes Water Association is to protect the health of the public by ensuring safe and reliable drinking water at the lowest cost possible to the members in a responsible manner.

Current Board of Trustees

Members who volunteer to help facilitate the Association as a provider of potable drinking water to approximately 900 property owners.

- Jay Klicker: President (6 years serving)
- Tyler Eshleman: Vice President (7 years of serving)
- Terra Nicolle: Secretary (4 years serving)
- Donald Kemmis: Treasurer (19 years serving)
- Marek Jedrzejewicz: Alternate (3 years serving)
- Raymond Cox: Trustee (16 years serving)
- Yvonne Craig: Trustee (2 years serving)
- Heidi Mann: Trustee (2 years serving)

Association Staff

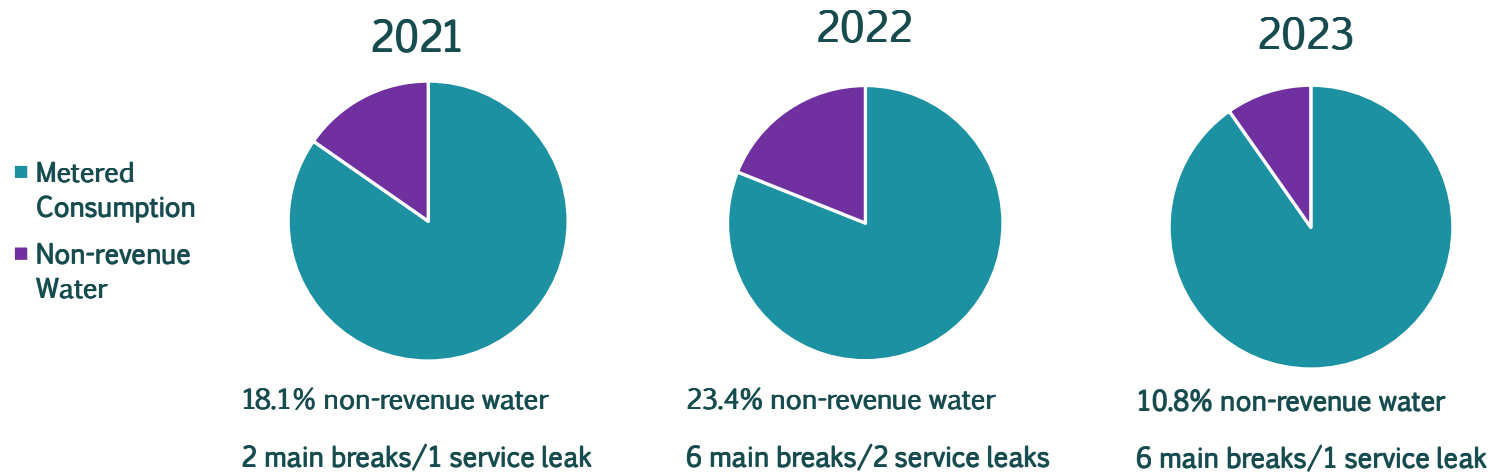
We operate and maintain office and business administration, repair and maintain water distribution main facilities, adhere to all federal, state and local regulations, and respond to any and all water emergencies.

- Donald Kemmis: General Manager (18 years)
- Kaila Klicker: Assistant Manager (10 years)
- Seth Way: Field Technician/Office Assistant (3 years)
- Brittany Henning: Office Administrator/Field Technician (1.5 years)

Primary Association Contractors

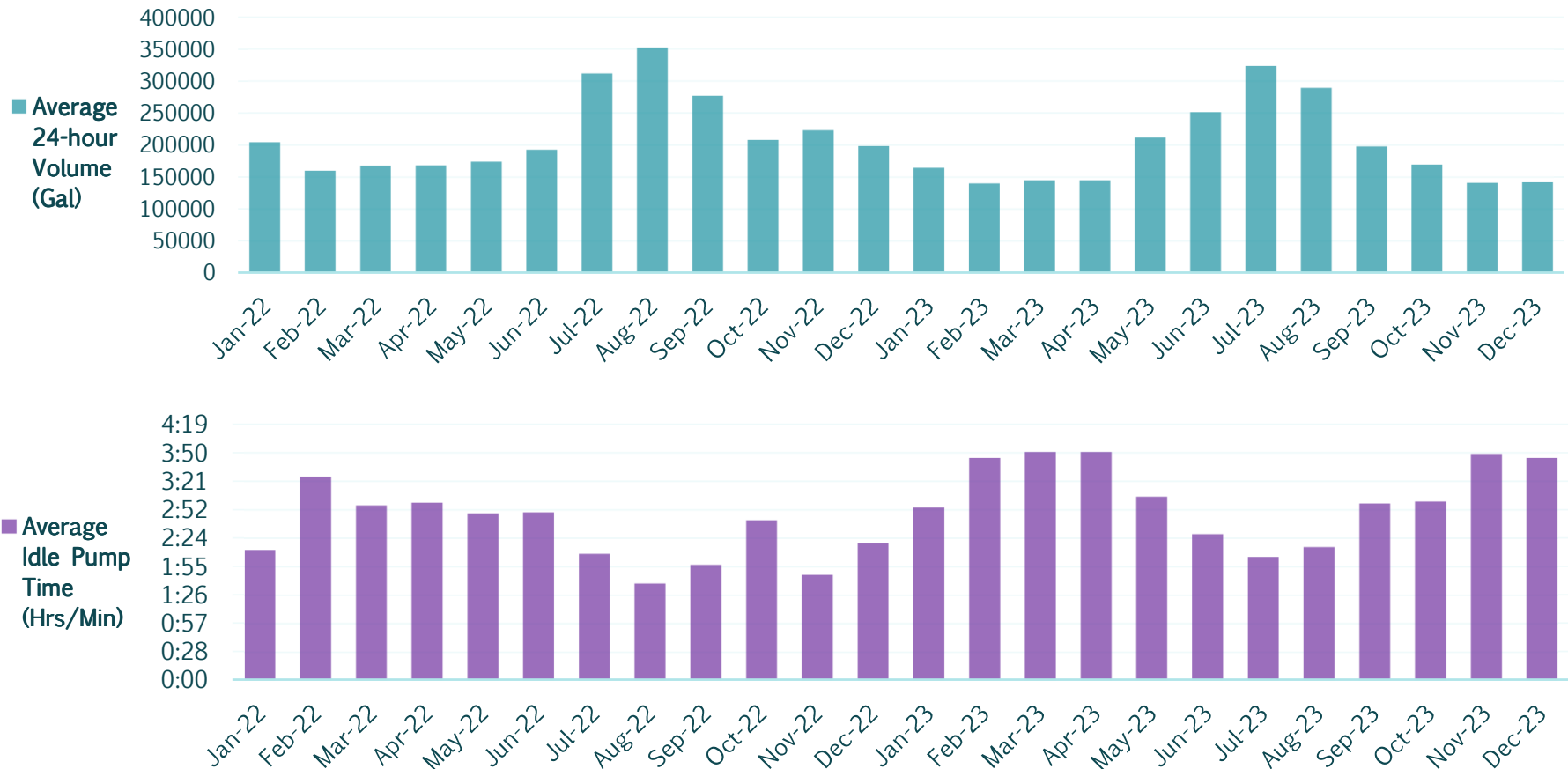
- David Evans and Associates, Inc. (29 years)
 - Engineer Rodney Langer of CHS Engineers, Water/Wastewater Practice Leader
 - Engineer Zack Worley, Project Engineer/Future Association Primary Engineering Representative
- D&G Backhoe, Inc. (37 years)
 - Contractor for regular maintenance and emergency repairs
- Bellingham CPA Taxes and Accounting, LLC (10 years)
 - CPA for financial analysis and overview, and regulatory reporting
 - Formerly Brian E. Starr CPA, Inc. from 1991-2014
- Inslee Best (7 years)
 - Legal counsel specializing in small water utilities and Associations

Water Consumption Update



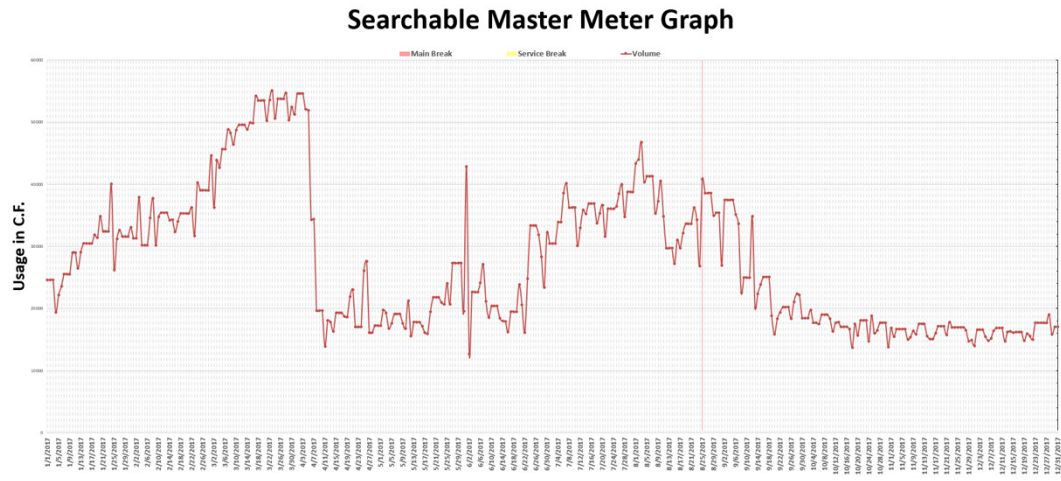
- Member's consumption decreased in 2023 by 8.34% compared to the previous year.
- The Association supports water use efficiency as presented in the Water System Plan.
- Water conservation measures are shared with members in several ways.

Water Consumption Review (Past 2 years)

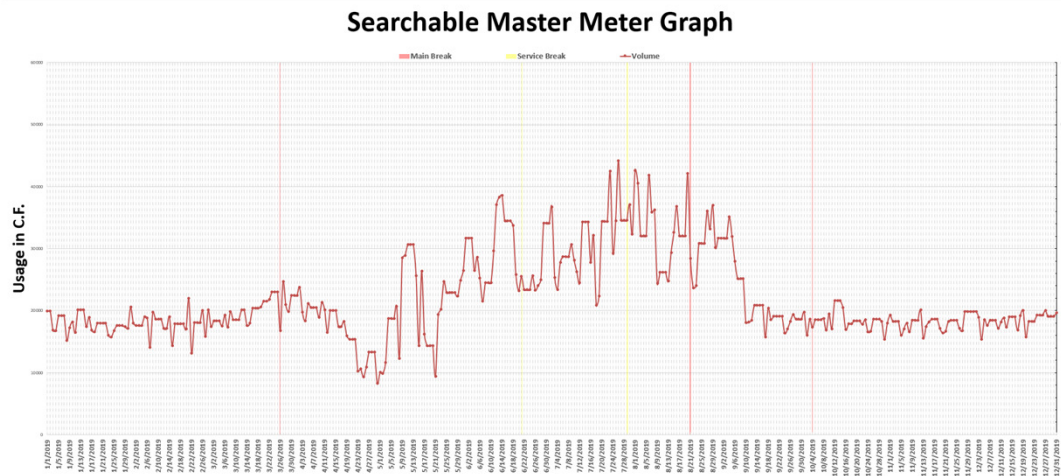


Reduction of Non-Revenue Water

2017
28.5%



2019
11.4%



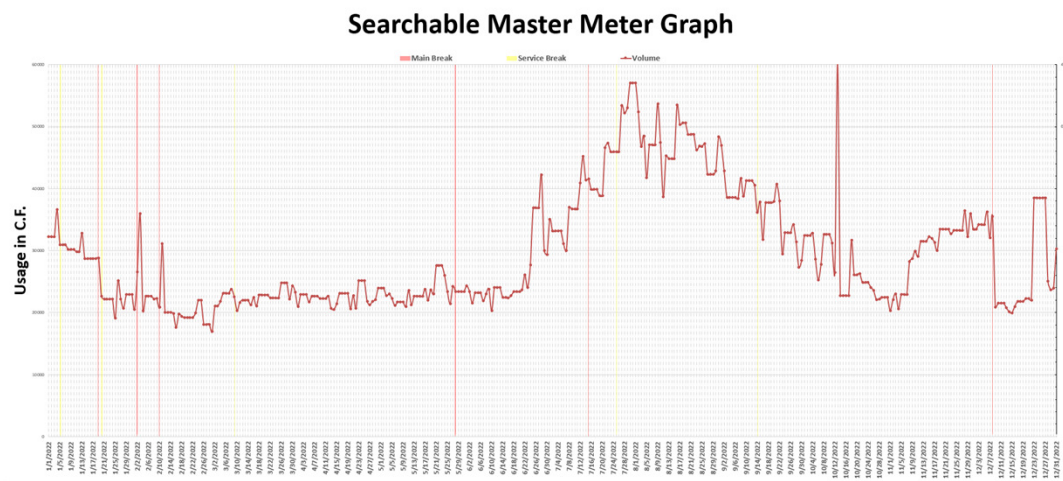
Projects completed

- Storm Lake Rd (1140 feet)
- 176th Ave SE (1635 feet)
- Panther Lane (240 feet)
- 169th Ave SE (525 feet)
- 153rd Ave SE (210 feet)

Reduction of Non-Revenue water

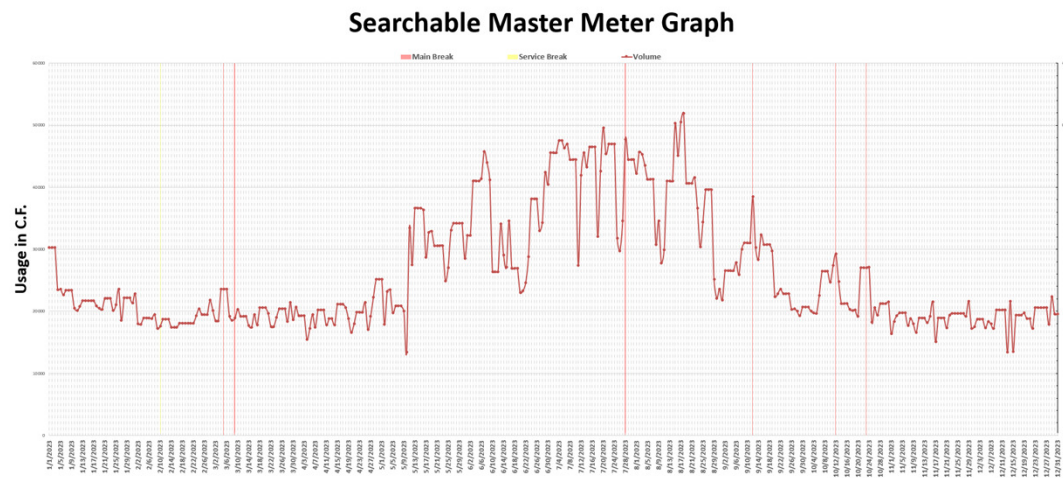
2022

23.4%



2023

10.8%



Projects completed

- Storm Lake Rd (1700 feet)

Association Metrics

Fiscal Year	2022	2023	2024
Length of Pipe (miles)	25.3	25.3	25.4
Hydrants	143	143	153
Valves	182	182	197
Services/Non-users	870 / 5	872 / 4	872 / 13
Share Transfers/New Members	68 / 3	35 / 2	32 / 11
Locates Performed	274	184	171
Unsatisfactory Water Quality Samples	0 out of 17	0 out of 13	0 out of 13

FY 23/24 Financial Report

- Fiscal year: July 1st, 2023, to June 30th, 2024
- Year end cash and receivables: \$1,108,433
- Net difference between total revenues and total expenses: -\$32,687
- CPA-prepared compilation report is available to all members upon request

171st Ave SE AC Water Main Replacement

- Project objective is to replace 60-year-old AC main between critical system supply facilities
- 5,800 linear feet of DI main installed from Booster Pump Station One to 48th St SE for Phase 1
- 6,100 linear feet of DI main being installed from 48th St SE to Three Lakes Rd for Phase 2
- Phase 3 design in process along 58th St SE, 62nd St SE and 163rd Ave SE
- All phases are part of our long-range plan within our Water System Plan
- Project is funded by state loans-no interest for the design phase, 2.25% interest for the construction phase



Booster Pump Station One Upgrade

- Generator and ATS installed
- Electrical upgrades completed
- Replaced old pump
- VFD installed
- Compatible with current technology
- 29% of the cost compared to the build of a new station



Big Deer West Developer Extension

- 1,200 linear feet of 8" DI main installed
- 9 new member connections
- 3 new fire hydrants



Verizon Cell Lease

- \$23,981.82 in rent was received from Verizon in FY 23/24
- Revenue towards the Association's infrastructure replacement fund
- Proposed Verizon upgrade in process with increased rent to support the Association's capital improvement program
- Construction is anticipated to begin soon



Project Updates

- Revised Water System Plan adopted by the Board and provided to DOH and Snohomish County for final approval
- Initial lead and copper inventory is prepared for submittal to DOH
- AutoPay option is now available on our website for member use
- Staff Way obtained his WDM1 certification
- GIS mapping activities continue
- All manuals and programs continue to be updated
- Digital data acquisition activities continue

Appointment and Election of Board of Trustees Policy

The Board of Trustees shall consider the following criteria in evaluation of members for appointment by the Board to an open Trustee position.

- 1. The member should be present at the initial meeting where appointment of the Board of Trustees is an agenda item, and express interest in serving on the Board of Trustees.*
- 2. The member should be in good standing with the Association. The member should have complied with all their explicit obligations, while not being subject to any form of sanction, suspension or disciplinary censure. This includes compliance with the Association By-laws, Articles of Incorporation and Water Users Policy.*
- 3. The member should be acting in good faith, and it should be reasonably believed that their participation on the Board will be in the Association's best interests and not for their own personal benefit.*
- 4. The member should not have been a party to any transaction within the prior 12 months that involves the transfer of assets to, through or from the corporation for the benefit of anyone associated with the corporation other than in the course of the typical relationship of Association/employee or Association/customer.*
- 5. The member should not have been involved in litigation with the Association or another corporation with a similar purpose within the past 10 years.*
- 6. The member should not have made public that they have any personal issues with a current employee or Trustee.*

Trustee Nominations and Voting

- Position 4 (Previously Yvonne Craig):
- Position 5 (Previously Jay Klicker):
- Position 6 (Previously Heidi Mann):

Nominations

- Steve Lefebure
- Tom Beisner
- Heidi Mann
- Jay Klicker

Questions?

- Thank you all for attending