

THREE LAKES WATER ASSOCIATION – BOARD MEETING MINUTES

March 14th, 2023

The Three Lakes Water Association Board of Trustees held their March 14th, 2023, 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.

Call to Order

The meeting was called to order at 6:07 p.m. by President Jay Klicker. A quorum was satisfied by other Board trustees in attendance: Vice President Tyler Eshleman, Treasurer Donald Kemmis, Trustee Raymond Cox, Trustee Marek Jedrzejewicz, and Trustee Heidi Mann. Trustee Yvonne Craig, and Secretary Terra Nicolle were excused.

Vice President Tyler Eshleman joined the meeting at 6:40 p.m. and left the meeting at 7:05 p.m.

Members, Guests & Employees- Engineer Rodney Langer of David Evans and Associates, Inc. (DEA), staff member Kaila Klicker, and staff member Seth Way, 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 13th, 2023. Highlights of the monthly DEA report are summarized as follows:

Water System Plan Update- Tentative final drafts of chapters 1, 5, 6, 7, and 10 were provided to the board for review and have been posted online, no public or board comments have yet been received. Revisions to the chapter 2 draft are almost complete and will be shared with the board later this week.

171st Water Main Replacement Project- Reviewed potential phasing opportunities. There is a fair amount of wetland areas along 171st that the water main runs through. The hope is to phase the project in a way to initially avoid these proposed areas for replacement until later in the project activities while also taking into consideration the advantages and/or deficits to delaying them.

62nd Water Main Replacement- Supported staff with feedback for easements discussions and considered options for integrating this with the 171st project with respect to funding and permits.

Manager & Cross Connection Report

Assistant Manager Kaila Klicker presented a summary of the manager report, which was e-mailed and provided to the Board on March 13th, 2023. Highlights of the

monthly manager report are summarized as follows: Our calculated non-revenue water for February has been significantly reduced since our December period. A new motor has been installed on Pump #3, providing two reliable pumps for our system with the old motor being kept as a potential backup. A main break was discovered and repaired along 171st on March 5th with the assistance of D&G. Another main break occurred on March 9th near Adams Log Cabin Rd and was repaired that same day with the assistance of D&G. One signed easement has been acquired for the water main replacement along 62nd St SE. The second easement required for work along 62nd St SE is in process to be completed by the other member involved. Department of Health has officially informed the Association that we have been approved for our Drinking Water State Revolving Fund loan. Online training for this loan begins in April/May which will identify the details of the contract. A field visit with DEA has been scheduled to further discuss the first phase of construction and logistics related to wetland areas. One share has been revoked as of March 11th. New information for the Lead and Copper Service Inventory has been received that better defines the scope of the project and will be used to review the data that has already been collected. Staff Clarke will be concluding her employment with the Association as of the end of March. Staff Way has taken the new position of Field Technician/Office Assistant and there is an interested candidate for the now open Office Administrator/Field Technician role. A new laptop was purchased to replace a failing laptop used by staff in daily operations. This, along with several other electronic item purchases over the past few months, appears to have exhausted the current fiscal year's budget established for computers and electronic components. Due to recent news regarding several bank institutions, Manager Kemmis has reviewed all current bank accounts and may be adjusting funds as needed to maintain appropriate FDIC limits. Signer cards have yet to be completed for one of our banking entities, this will require all current signers to go to the bank on the same day to complete this process. A mailing insert promoting our online payment portal and a second mailing insert seeking membership input for the Associations comprehensive water system plan were both mailed with February's billing.

Approval of February's 10th Board Meeting Minutes

Motion made by Trustee Marek Jedrzejewicz to approve February's Minutes, seconded by Treasurer Donald Kemmis. The motion passes.

Officers Reports

Treasurer Report and Pay Bills- Staff Way presented a summary of the treasurer report. The financial report was prepared and distributed to the Board summarizing the financial position through March 14th, 2023 (attached). Total funds on \$1,146,381.27. Two transfers were made; \$2,000 was transferred to bring Pacific Premier below FDIC limit and \$80,000 was transferred to cover 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- \$461,375.25
Capital- \$578,136.34
Reserve- \$106,869.68
Total Expenses- \$73,710.57

Funds were transferred to the Standpipe, Pump House, and Mero restricted accounts.

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

President- Reviewed the draft of the letter for Fire Station #42's non-emergency use and spoke with Manager Kemmis about several items in Old Business.

Vice President- No report

Secretary- No Report

Treasurer- Reviewed FDIC limits in our current bank accounts.

Old Business

Motion Amendment- There was a motion made in February's board meeting to increase Staff Way's Wage. It was later brought to the attention of President Klicker and Vice President Eshleman that there was a discrepancy discovered between the percentage made in the motion for the wage increase and the actual numerical value that the board had agreed to. The percentage described in the motion falls short of the actual amount that the board agreed on. Currently, Staff Way's wage is as described in the motion made during February's board meeting.

Trustee Marek Jedrzejewicz motioned to increase Staff Way's by another 7.1% in keeping with the dollar amount that the wage committee had agreed to, retroactive to January 13th, seconded by Vice President Tyler Eshleman. The motion passes.

Staff Adjustment- Manager Kemmis has been in discussion with Staff about the new Field Technician/Office Assistant position. Staff Way meets the criteria to qualify for the new position and Manager Kemmis intends to move him into this role. Manager Kemmis has also interviewed an individual who is interested in and qualifies for the Office Administrator/Field Technician position. A discussion was held to about authorization to hire a new employee and a potential entry level wage.

Vice President Tyler Eshleman motioned to enter an executive session to discuss the potential adjustment of Staff Way's position to Field Technician/Office

Assistant, seconded by Trustee Heidi Mann. The executive session began at 6:50 p.m. with all present except for Staff Way. The executive session adjourned at 7:00 p.m.

The regular session reconvenes at 7:00 p.m. with all meeting participants present.

Vice President Tyler Eshleman motions to follow Manager Kemmis' suggestions for hiring a new Office Admin at a wage range of \$25.00-\$30.00, seconded by Trustee Raymond Cox. The motion passes.

Vice President Tyler Eshleman leaves the meeting at 7:05 p.m.

Fire Department Letter- A draft letter to address the fire station #42's unauthorized use of the Association's hydrants in non-emergency situations has been created and sent to the board for review. The board agrees that the letter is acceptable to be sent as written on behalf of the Board of Trustees.

Wage Committee Notes- The wage committee notes that were submitted to President Klicker described the meeting a "Special Meeting of the Board" instead of as a "Wage Committee gathering". President Klicker has requested to have this document resubmitted with the correct title for the purpose of retaining records, as the current document is inaccurate.

Water System Plan- Rodney informed the board that there will be more drafts coming and to please let him know if there are any questions about the water system plan or any changes made.

External Outsourcing- A consulting firm was contacted by staff as suggested by the board to potentially perform an operational review of our systems and staff. The firm informed us that they did not have the resources available at this time for our request and referred us to one of their partners, who did not appear to fit the needs of our request.

New Business

Non-Profit RCW Update- The RCW has been updated. Manager Kemmis intends to check with our legal entity to ensure that Three Lakes Water Association understands if or how this revision may affect our operations with the goal to continue to operate appropriately.

PFAS Testing- EPA released a statement that in three years, all water systems with more than fifteen connections will be required to test for various chemicals and publish those test results to the public.

Future Board Meetings- Trustee Mann asked if there was any potential for future board meetings to be conducted in-person as opposed to how the board meets in a virtual setting currently.

Call to Adjourn Meeting

Motion made by Trustee Raymond Cox to adjourn the meeting, seconded by Trustee Marek Jedrzejewicz. The motion passes. The meeting was adjourned at 8:30 p.m.