

THREE LAKES WATER ASSOCIATION – BOARD MEETING MINUTES

August 9th, 2022

The Three Lakes Water Association Board of Trustees held their August 9th, 2022, 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 7:02 p.m. by President Jay Klicker. A quorum was satisfied by other Board trustees in attendance: Secretary Terra Nicolle, Treasurer Donald Kemmis, Trustee Doug Knorr, Trustee Yvonne Craig, and Trustee Raymond Cox. Vice President Tyler Eshleman was unexcused.

Members, Guests & Employees- Engineer Rodney Langer of David Evans and Associates, Inc. (DEA), staff member Kaila Klicker, and staff member Seth Way were present. Renee Clarke, acting as recording secretary, was present. A member, Marek Jedrejwicz, was also present.

DEA Engineers' Report- Engineer Rodney Langer presented a summary of his status report, which was e-mailed and provided to the Board on August 8th, 2022. Highlights of the monthly DEA report are summarized as follows:

Booster Pump Station #1- Rodney reported that the required performance bond, insurance documentation, and contract documentation for the proposed electrical upgrade work at Association's Booster Pump Station #1 have been received by himself and staff. A notice to proceed was issued on August 3rd, 2022. The contractor, Dickson Electric, LLC, met onsite with staff on July 27th, 2022, to conduct a preconstruction meeting. Staff and Rodney are still waiting for a schedule from the contractor and additional project submittals. Staff reported that the estimated shipping date for the variable frequency drive (VFD) is now August 2nd, 2022.

Water System Plan (WSP) Update- Rodney reported that chapters one and two of this update are still pending his review.

AC Water Main Replacement Project- Rodney reported that he reviewed the final draft of the preconstruction application, and it was submitted by staff to the Washington State Department of Health Drinking Water State Revolving Fund (DWSRF) Program on July 25th, 2022. The environmental field review for this project is now complete, identifying multiple water bodies and streams, as anticipated. Project area maps should be ready for Rodney's review soon. The field survey and utility locates are in process along the proposed project

alignment. A setup of asset information into a GIS system is also in process and staff will likely be working with Rodney to confirm information. Staff has communicated with representatives from the Department of Health and hope to know whether the loan will be approved or not soon. If the loan is approved, staff will be working with a contract manager to generate a contract for joint signature. Staff plans to attend an asset management training on August 17th, 2022, which will help the Association obtain more points toward construction loan approval during the application cycle for construction loans.

163rd Culvert Replacement Project- Rodney reported that there is a meeting scheduled with Snohomish County representatives on August 24th, 2022. He and staff hope to get more information at that meeting about the proposed configuration for the culvert crossing.

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 August 8th, 2022. Highlights of the monthly manager report are summarized as follows: Staff reported that there was a water main break on July 15th, 2022, on Storm Lake Road during chip seal work by Snohomish County. The break was repaired with assistance from contractor D&G Backhoe, Inc. Manager Kemmis decided to accelerate the annual process of confirming that all Association fire hydrants are operational after staff discovered a hydrant not performing as expected. As of August 5th, 2022, all hydrants are confirmed to be operational. On July 30th, 2022, Manager Kemmis discovered that Pump Three at the Association's Booster Pump Station #2 was inoperable. Systems Interface, Inc. repaired electrical components on the pump to make it operational again. Manager Kemmis also noticed that the Association's telemetry system did not notify him that Pump Three was not operating properly, which it is supposed to do. Staff worked to fix the issues with the telemetry system and plans to perform regular testing on the system going forward to confirm it's functioning as it should be. Staff informed the board that a sanitary survey is scheduled with the Department of Health on August 15th, 2022. In preparation for the U.S. Environmental Protection Agency's new lead and copper sampling requirements, staff identified that the Association's bacteriological sampling for Stage 2 had been reduced from quarterly to annually through May 2023. Staff will review that requirement annually to confirm frequency for sampling. An individual who is outside of the Association's retail service area has requested water service. They provided necessary documentation for service as stated in the Association's Letter of Water Availability document that was provided to them. Payment for the new water service is expected soon, which will allow staff to schedule the service installation. The van was returned to the Association after completion of replacement work after it was vandalized. Easement relinquishment documentation was signed and notarized by Snohomish County on July 28th, 2022, and the next step is for this to be recorded. Once the documentation is recorded, this will close out remaining work on the Flowing Lake Park Developer Extension. Per Tilson Technology Management Inc.'s request, staff met with

representatives virtually on July 27th, 2022, to discuss escort time which is an existing requirement per the 2015 agreement between the Association and Verizon. Manager Kemmis informed them that the committee created for this proposed upgrade project was not interested in Verizon's offer to pay \$100.00 monthly for escort time. The Tilson representatives offered to try and calculate a more reasonable offer to pay for escort time. They also confirmed that Verizon intends to upgrade the equipment at the Association's office and standpipe site every couple of years. Staff member Seth Way became a certified Cross Connection Control Specialist on July 19th, 2022. He will receive a wage increase per Association policy for obtaining a waterworks certification from the Department of Health. The office door window that was damaged was replaced on August 1st, 2022. Staff is working with the Association's CPA to complete the fiscal year end processes and review the financial report draft. Financial Statement edits were sent back to the CPA on August 9th, 2022, and staff awaits response. Manager Kemmis and Assistant Manager Klicker attended a lead and copper training on July 20th, 2022. They learned about the U.S. Environmental Protection Agency's requirements for the new lead and copper rules. Staff continues work to prepare the Association for these new requirements.

Approval of July 12th Board Meeting Minutes

Motion made by Trustee Doug Knorr to approve July's Minutes, seconded by Trustee Raymond Cox. 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 August 9th, 2022 (attached). Total funds on hand are \$1,295,128.96. One transfer was made for \$22,000.00 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- \$474,179.83

Capital- \$679,192.09

Reserve- \$141,757.04

Total Expenses- \$93,110.67

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

Motion made by Trustee Doug Knorr to approve payment of the bills as presented, seconded by Secretary Terra Nicolle. The motion passes.

President- President Klicker reported that he signed the contract for proposed electrical work at Booster Pump Station #1. He also signed share certificates.

Vice President- Not present.

Secretary- Secretary Nicolle reported that she signed share certificates.

Old Business

No Old Business

New Business

Water Shortage Concern Discussion- Secretary Nicolle asked staff about their consideration of a recent report that a major city only had about 50 days of drinking water left due to a wildfire's ash and debris materials contaminating its water sources. Staff responded that when they observe major events affecting water systems, they reevaluate the Association's own Emergency Response Plan to see if they should update or add to it. They stated that for example, a plan to address a pandemic had not been a part of the plan before the 2020 COVID-19 pandemic, but that there are now procedures in there to address a pandemic. Staff is also paying attention to current events and participating in education to help the Association stay in compliance with authorities having jurisdiction over the water system. Staff prioritizes its ability to provide clean and safe drinking water to its members.

Future Water Storage Tank Location Discussion- Trustee Craig asked if staff has considered a possible location for an additional water storage standpipe. Manager Kemmis responded that staff has topically considered locations for a future standpipe, which would add more storage and capacity to the water system. They are hopeful that an opportunity for a new standpipe could potentially be a part of an addition to the system funded by a developer in the future. Staff continues to consider whether the Association has capacity to allow individuals to create new water service connections to the system before allowing new connections.

Call to Adjourn Meeting

Motion made by Trustee Doug Knorr seconded by Treasurer Donald Kemmis. The motion passes. The meeting was adjourned at 7:50 p.m.