

THREE LAKES WATER ASSOCIATION – BOARD MEETING MINUTES

July 11th, 2023

The Three Lakes Water Association Board of Trustees held their July 11th, 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 6:06 p.m. by President Jay Klicker. A quorum was satisfied by other Board trustees in attendance: Treasurer Donald Kemmis, Secretary Terra Nicolle, Trustee Marek Jedrzejewicz, Trustee Yvonne Craig and Trustee Heidi Mann. Trustee Raymond Cox logged in at 6:20pm. Vice President Tyler Eshleman was excused.

Members, Guests & Employees- Engineer Rodney Langer of David Evans and Associates, Inc. (DEA), Assistant Manager Kaila Klicker, staff member Seth Way and staff member 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 July 10th, 2023. Highlights of the monthly DEA report are summarized as follows:

Water System Plan Update- Engineer Rodney Langer provided updates for the WSP. Rodney will be submitting chapter 3 with staff's feedback for staff to post on the Association website. He is also working to finalize drafts for chapters 8 & 9 for recommended capital improvements and the financial plan, as that will be necessary for the board to adopt the updated WSP at August's board meeting.

171st Water Main Replacement Project- Rodney continues to integrate field data and main line material type as researched by staff over the past several months. Currently awaiting the Department of Health environmental review related to roadway and SEPA exemptions to move forward with this project.

Big Deer West DE- DEA has prepared and sent a Developer Extension Agreement to the developer for review and completion.

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 July 10th, 2023. The highlights of the monthly manager's report is summarized as follows: The idle pump time has continued to decrease over the past month, it is currently 2 hours 10 minutes. Non-revenue water

usage has decreased since last month from 15.9% in April to 13.1%. Zero system communication failures occurred that required emergency response. Trustee Jedrzejewicz completed the process of replacing the firewall equipment at BPS#1; his upgrade has solved our long-standing SCADA communication issue. Staff facilitated the replacement and relocation of an outdated 1964 fire hydrant along 163rd Ave SE on June 22nd with help from D&G. Updating the location of this hydrant will help to ensure safety and ease of access for the fire department going forward. Staff continues to gather relevant information from easement research and excavation records for implementation into the WSP and 171st Ave SE project. As requested, members have been reporting their service line material, which aids the Association in the required DOH report for lead and copper service inventory. As of July 10th, there are 187 unconfirmed individual service lines on the Association's side and 360 services with unknown material types of the individual service lines. Rate increases relating to our fiscal year end became effective July 1, 2023. Fiscal year 2023/2024's budget has been drafted and revised to meet the Association's projected numbers. Proposals were received from multiple entities for the sale of the Verizon cell lease. Upon further evaluation and Manager Kemmis's professional opinion, it is in the best interest of the Association and members of the Association to maintain ownership of the cell lease. The draft budget was provided to the Board for review and comments in the June board meeting. Three signer cards are still awaiting completion at Pacific Premier.

Approval of June 13th Board Meeting Minutes

Motion made by Treasurer Don Kemmis to approve June's Board Meeting Minutes; motion seconded by Secretary Terra Nicolle. 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 July 11th, 2023 (attached). Total funds on hand are \$1,115,835.19. One transfer of \$63,000 was made to cover payroll and bills and another transfer for \$31,000.00 to cover Quarterly Tax Reconciliation. Reports are 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- \$404,038.25
Capital- \$553,886.32
Reserve- \$ 157,910.62
Total Expenses- \$98,239.35

Motion made by Trustee Ray Cox to approve payment of the bills as presented, seconded by Trustee Heidi Mann. The motion passes.

President- Signed share certificates, reviewed the draft budget.

Vice President- No report, absent.

Secretary- Signed share certificates.

Treasurer- Approved an additional transfer to cover monthly bills.

Old Business

Fiscal Year 23/24 Draft Budget- The fiscal year 23/24 draft budget was reviewed and discussed. *Motion made by Treasurer Don Kemmis to approve the FY 23/24 draft budget, seconded by Trustee Terra Nicolle. The motion passes.*

New Business

Big Deer West DE- Rodney suggested a motion to authorize President Klicker to sign the completed DE agreement for Big Deer West upon submittal and approval by DEA. *Motion made by Treasurer Don Kemmis, seconded by Trustee Marek Jedrzejewicz. The motion passes.*

Call to Adjourn Meeting

Motion made by Trustee Terra Nicolle to adjourn the meeting, seconded by Treasurer Don Kemmis. The motion passes. The meeting was adjourned at 6:41 p.m.