

THREE LAKES WATER ASSOCIATION – ANNUAL MEETING MINUTES

October 3rd, 2023

The Three Lakes Water Association Board of Trustees conducted the October 3rd, 2023, Annual Members meeting beginning at 7:00 p.m. in a virtual setting utilizing phone and webinar technologies. The meeting was hosted by Rodney Langer, Engineer of David Evans and Associates, Inc., on Zoom. The Association website and Facebook page provided information for members who wished to participate in the meeting virtually.

Meeting Called to Order by President Jay Klicker at 7:02 p.m.

Other present Board Trustees: Vice President Tyler Eshleman, Treasurer Donald Kemmis and Trustee Marek Jedrzejewicz.

Members, Guests & Employees

Rodney Langer, Engineer of David Evans and Associates, Inc.

Zach Worley, Engineer of David Evans and Associates, Inc.

Kaila Klicker, Assistant Manager

Seth Way, Field Technician/Office Assistant

Brittany Henning, Office Administrator/Field Technician

Dan Bhathella, Bellingham CPA

Several Association Members were also in attendance (a list is on file).

The Association President, Jay Klicker, welcomed everyone and thanked them for attending. He then introduced the Board Trustees and staff who were in attendance.

2023 HIGHLIGHTS- SEE ATTACHED SLIDE SHOW

Water Manager's Update and Overview

(Staff member Kaila Klicker summarized the Association's activities)

Kaila Klicker introduced herself as the assistant manager of Three Lakes Water Association. The manager's overview was as follows: Non-revenue water was 23.38% in the last fiscal year (7/1/22 to 6/30/23) and 18.06% as the last three-year running average. The water purchased from the City of Everett was 7.58% more than last year, at a cost of 9.25% more, and the water used by Members was 14.86% more than last year. Staff maintained 25.1 miles of the water distribution system including 872 services, 143 hydrants, 175 valves, and 27 blowoffs. Staff completed 35 share transfers and 2 new shares were issued in the last fiscal year. Staff member Brittany Henning joined the Association in March 2023. All staff members are either Washington State DOH certified or working towards certification. A proposed Verizon cell lease upgrade is in review. Verizon paid the Association \$22,707.42 last fiscal year for the cell lease agreement.

Dan Bhathella CPA (see 2023 Fiscal Year Financial Statement)

Dan Bhathella was experiencing audio difficulty for this portion of the meeting therefore, President Jay Klicker presented the financials as shown in the presentation. The fiscal year data compiled by the accountant shows that Three Lakes Water Association is doing well in terms of financial health. The assets of the Association are \$4,584,579 in equity, \$491,035 in debt, Revenue vs. Expenses \$53,551, and \$1,145,857 in year's-end.

Other News...

Donald Kemmis, Kaila Klicker, and Seth Way presented the other news. The 171st Avenue SE Capital Improvement Project is underway as part of the Association's long-range plan to replace a large portion of the asbestos concrete water main. The segment proposed for AC replacement is between the Association's booster pump station one and Three Lakes Rd and includes replacement to the standpipe which is considered to be the most essential segment of the system. This project will replace approximately 14,000 linear feet of 6" AC water main with 8" ductile iron main in three phases over three years. A pre-construction loan for planning, design, and permitting work has been approved by the Washington State Department of Health Drinking Water State Revolving Fund program with 0% interest for five years. The Association, in tandem with David Evans and Associates, has prepared the construction loan through the same program. The Booster Pump Station #1 Capital Improvement Project is coming along, as we've finally received our generator which was on back order for two years. Booster pump #3 had a motor replaced, as the previous 18-year-old system was showing signs of wear. Both pressure reducing valves at each pump station were serviced this year as part of the 5-year operational maintenance schedule. Staff, alongside DEA have completed the Water System Plan, due for submittal this fall and implemented for the next ten years. Staff have been working toward fulfilling the requirements for the Environmental Protection Agency's lead and copper service inventory, which will be due September of 2024. During a massive winter storm, one of the Association vehicles was totaled. The 2006 work van was replaced with a midsize truck that suits the needs of staff, as well as providing more efficiency in the field. Five major water main breaks were identified and repaired. The system is consistently monitored for any sign of leaks and damage. Association staff are working to update manuals and programs on a regular basis, to maintain current and up-to-date operations. The GIS mapping database continues to move forward with added detail as it becomes available, which will be beneficial for future system improvement and maintenance. Staff has prioritized the replacement of aging infrastructure within the system, planning projects around known weak points. The Association has increased communication with members through informational inserts with billing, updating the payment portal, and through the website and Facebook page announcements.

Trustee Vacancies

Trustee Positions 1 (Presently Raymond), 2 (Presently Tyler Eshelman), and 3 (Presently Terra Nicolle), are open due to expiring terms or vacancy. The Appointment and Election of Board of Trustees Policy was displayed for all meeting attendees to review.

Treasurer Don Kemmis nominated Raymond Cox to serve as Trustee. Treasurer Don Kemmis nominated Tyler Eshelman to serve as a Trustee. Member Kaila Klicker nominated Terra Nicolle to serve as Trustee. All Members accepted the nominations.

New Trustee Voting Completed paper ballots must be mailed to the Association office for the tallying of votes and election results to be presented at the next regular board meeting on October 10th, 2023.

New Trustee Voting Results

The board president will announce voting results at the next regular board meeting on October 10th, 2023. The Board will continue to meet virtually, the 2nd Tuesday of every month. Zoom link is provided to those who wish to attend.

Questions

Some questions were asked by members in attendance. Board trustees and staff responded to the questions posed.

Adjournment of the Annual Meeting: The general meeting is adjourned at 7:31 pm.