

THREE LAKES WATER ASSOCIATION – BOARD MEETING MINUTES

August 13th, 2024

The Three Lakes Water Association Board of Trustees held their August 13th, 2024 Board Meeting at 6:00 pm. 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 to 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 6:02 p.m. by President Jay Klicker. A quorum was satisfied by other Board trustees in attendance: Secretary Terra Nicolle, Treasurer Donald Kemmis, Trustee Ray Cox, Trustee Heidi Mann and Trustee Yvonne Craig. Vice President Tyler Eshleman and Trustee Marek Jedrzejewicz were excused.

Members, Guests & Employees- Engineer Zach Worley of David Evans and Associates, Inc. (DEA), Assistant Manager Kaila Klicker, Staff Member's Seth Way and Brittany Henning acting as recording secretary. Engineer Rodney Langer was absent.

DEA Engineers' Report -

Engineer Zack Worley presented a summary of DEA's status report, which was e-mailed and provided to the Board on August 12th, 2024. Highlights of the monthly report are summarized as follows:

Water System Plan Update- Engineer Zack Worley explained modifications to the WSP and its revisions, answered questions from the board regarding the Association's WUE goals, as well as supporting DEA's justification for additional charges to the Association regarding the Water System Plan.

Recommended motions found in Old Business.

171st AC Water Main Replacement Project Phase 1 – Phase 1 record drawings have been finalized for the Association's records. System maps have been updated to reflect improvements.

171st AC Water Main Replacement Project Phase 2 - Phase 2 minimal support provided by DEA for the fifth draw reimbursement request and weekly payroll reports continue to be reviewed.

Big Deer West Developer Extension- This project has been accepted as complete by both the Developer and the Association President; DEA updated the Association's system maps to reflect the extension.

Verizon Cell Lease Amendment- The Association legal representative looked over the proposed revisions and provided no further changes. The revised lease was then sent to Verizon for their review and approval.

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 August 12th, 2024. The idle pump time as of August 13th was 1 hour and 30 minutes with an average 24-hour volume of 41,513 c.f. Six communication failures took place this month, requiring manager response. The evening of July 23rd presented a communication failure at BPS#1, lasting into the morning, and a 2.5 hours communication failure event occurred on August 7th. Another power outage event took place the evening of July 29th, lasting from 7:30 pm until midnight causing a host of alarm callouts such as "pump fail to start" due to "power supply over-voltage," subsequently taking communication offline. Staff worked with DEA to verify proper VFD restart procedure on July 30th. A "failure-to-run" call-out was received by Manager Kemmis pertaining to pump #1 on July 9th. Staff contacted technicians at Systems Interface, who returned the system to normal operations after replacing a failed legacy component that same day. Another comm failure occurred on July 31st at 4:30 am, as a tree had fallen, bringing down power lines near the office, impacting all office communication for several hours while PUD reestablished power.

On the afternoon of August 7th at 2 pm, Manager Kemmis received a call from the fire department informing him of a vehicle collision with an Association hydrant down 181st Ave SE, rendering this facility completely incapacitated. The office was notified shortly after. Staff filed a police report and are currently in communication with the insurance company. The Association's septic tank was pumped on August 8th, as well as the filter replaced. The septic system appears to now be operating as normal.

On July 15th, a phone call was received regarding a Snohomish County road sign that had apparently gone missing along the 171st Phase 1 main replacement stretch of work. Photos taken by the Association showed that the sign was present after this work was finalized by the contractor back in February. The contact point for this individual was redirected to Snohomish County Road Maintenance for replacement. Main trenching for Phase 2 is approximately 66% complete. Construction loan draw #5 was submitted to DOH on August 5th. The Association's contract manager for the DWSRF loan-draws has recently retired without much coordination, causing staff to be required to resubmit paperwork for Pay Estimate #4 to DOH. Checks were received for both the fourth pre-construction and construction reimbursements. Funds were received and deposited on August 8th. Staff assisted in completing the "certified paving interviews," as required by

DOH. For system stability, there was additional main installed on 50th St SE as part of Phase 2 at a proposed connection point. Phase 3 is in the basic design stage and to be coordinated with staff.

The 171st Phase 1 design by DEA has, so far, been determined to be 7% under budget for their approved work; roughly \$12,000.00 below the budget allocated for design of Phase 1 and survey and wetland delineation for all phases. It was also determined that, for Phase 1 construction support, we are about 55% below budget – about \$42,000.00. Combined for Phase 1 we are about 22% underbudget and \$55k below.

Auto-pay option for members is expected to become available as of August billing. Financial documents were prepared and submitted to the CPA for fiscal year-end services. The Annual Meeting process has been established and is scheduled for October 1st. The Secretary of State's annual report requirements have been submitted and confirmed to be received. All Staff continue education and credit accrual, achieving their goal for this current reporting period. Assistant Manager Klicker met with an ERWOW representative on the 171st job site, who is a training contact for the Association, regarding water purveyor questions. A member residing on 187th Dr SE requested a quote for a new hydrant installation, Assistant Manager Klicker responded to this request and awaiting further contact from the member. Signer cards are completed at all banks. Annual valve maintenance is complete, and staff continues to address vegetation control and flushing. July bacteriological samples were satisfactory.

Approval of July 9th's Board Meeting Minutes

Motion made by Trustee Yvonne Craig to approve July's Board Meeting Minutes; motion seconded by Secretary Terra Nicolle. Trustee Ray Cox abstained. The motion passes.

Officers Reports

Treasurer Report and Pay Bills- Staff Henning presented a summary of the treasurer's report. The financial report was prepared and distributed to the Board summarizing the financial position through August 13th, 2024 (attached). Total funds on hand are \$1,368,196.30. A combined transfer in the amount of \$103,000.00 was transferred between accounts to cover this month's bills. Reports were provided for the past month's expenses, prepaid invoices, and payroll summary. Checks were presented to be approved for payment by the Board.

Current Financial Information
General Funds- \$ 363,314.22
Capital Funds- \$ 738,203.96

Reserve Funds- \$ 266,678.12
Total Expenses- \$ 109,378.11

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

President- Signed new shares, endorsed final documents for BDW DE.

Vice President- Absent, no report.

Secretary- Signed monthly checks

Treasurer- Fiscal year-end close-out.

Old Business

Water System Plan-

Motion for the Board to authorize the General Manager to execute the proposed Task Order 21-2 Amendment 1 not-to-exceed \$6,000.00 for completion of the revisions to the WSP in response to agency review comments made by Treasurer Donald Kemmis, seconded by Secretary Terra Nicolle.

Motion for the Board to adopt the Comprehensive Water Plan, Revised July 24, 2024, as prepared by DEA as the Association's Comprehensive Water Plan made by Treasurer Donald Kemmis, motion seconded by Secretary Terra Nicolle. The motion passes.

Motion for the Board to adopt the Water Use Efficiency goals as follows: Reduce DSL from 20% by 0.5% per year for 10 years to achieve a leakage value of 15% or less by 2033. Reduce the MDD/ADD ratio from 2.10 to 1.90 by year 2033 made by Treasurer Donald Kemmis, seconded by Trustee Ray Cox. The motion passes.

New Business

No new business.

Call to Adjourn Meeting

Motion made by Trustee Ray Cox to adjourn the meeting; motion seconded by Trustee Yvonne Craig. The motion passes. The meeting was adjourned at 6:55 pm.