

## THREE LAKES WATER ASSOCIATION – BOARD MEETING MINUTES

July 12<sup>th</sup>, 2022

The Three Lakes Water Association Board of Trustees held their July 12<sup>th</sup>, 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 7:01 p.m. by President Jay Klicker. A quorum was satisfied by other Board trustees in attendance: Secretary Terra Nicolle, Treasurer Donald Kemmis, and Trustee Raymond Cox. Trustee Doug Knorr and Trustee Craig were excused. 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.

**DEA Engineers' Report-** Engineer Rodney Langer presented a summary of his status report, which was e-mailed and provided to the Board on July 11<sup>th</sup>, 2022. Highlights of the monthly DEA report are summarized as follows:

**Booster Pump Station #1-** See Old Business

**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 Association staff is working on preparation for the preconstruction application, and he has reviewed draft materials and provided feedback. The environmental field review is complete and multiple water bodies were identified, as was anticipated. The field survey crew is currently working to survey the proposed alignment of water main for the base map.

**Verizon Cell Lease Modification -** Rodney had no new business to report.

**163<sup>rd</sup> Culvert Replacement Project-** Rodney reported that he and Manager Kemmis met with representatives of Snohomish County on July 6<sup>th</sup>, 2022. The county has confirmed that a downstream culvert and second water main crossing is not anticipated to be impacted, and that construction work is postponed until 2024. The county is working to schedule a meeting with stakeholder agencies for confirmation of an agreed approach before moving ahead with project design and coordination.

## **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 July 8<sup>th</sup>, 2022. Highlights of the monthly manager report are summarized as follows: Staff reported that one share was revoked by staff on June 29<sup>th</sup>, 2022, for a member with a service on 181<sup>st</sup> Ave SE whose account balance was over the share revocation threshold and member did not make any payments or communicate with staff. Staff also reported that one share was revoked by staff on June 29<sup>th</sup>, 2022, for a member with a service on Panther Lake Road whose account balance was over the share revocation threshold and member did not make any payments or communicate with staff. A new water service was installed along West Flowing Lake Road by Association contractor D&G Backhoe, Inc. on June 15<sup>th</sup>, 2022. A member reported bumping into an Association fire hydrant with their car on June 10<sup>th</sup>, 2022. Contractor D&G Backhoe, Inc. repaired the hydrant on July 7<sup>th</sup>, 2022. Staff worked with contractor D&G Backhoe, Inc. to repave two areas of County hard surface where the last two water main breaks occurred along 171<sup>st</sup> Avenue SE and Weber Road on July 7<sup>th</sup>, 2022. Staff also worked to expose four water main valves along Storm Lake Road that the county had recently paved over, rendering them inoperable. Per action at the June board meeting, the DEA memo for conditions of service for Rivertown Homes West Developer's Extension was sent to the developer on June 15<sup>th</sup>, 2022. An easement document was prepared by staff for DEA and county review for the Flowing Lake Park Developer's Extension. Easement relinquishment documents are almost ready to be signed by the county and recorded by the Association, which will close out this DE. The oil pressure sensor on the generator at the Association's Booster Pump Station #2 failed. Staff replaced the sensor, and it is currently operational. Staff was updated by Verizon's representative Tilson Technology Management Inc. that they are still working on construction drawings and amendment documentation for the proposed upgrade to Verizon facilities on the Association's standpipe. Tilson requested a meeting between the Association and their company to discuss some project details, and staff will schedule the meeting soon. Staff is still working with customer support for the Association's meter reading software and billing software to confirm that meter reads will be able to be completed and imported into the billing system without issues in the future. Plastic cards containing a warning for tampering with Association metering facilities was purchased and over time will be placed on Association water meters to help prevent individuals from physically damaging the meters. Staff has been experiencing some minor issues with the electronic monitoring system at the office site, and is working to fix the issues, which may require outside assistance. An incident occurred at the office site which damaged a window on an outside door. A replacement for the glass is already in progress and anticipated to take three weeks to complete. The new rates for water and other costs became effective on July 1<sup>st</sup>, 2022, and the revenue policy has been updated by staff. Staff is working to gather fiscal year end documentation needed by the Association's CPA to begin preparation of the financial statement and tax return. The lead and copper class date has been changed to July 20<sup>th</sup>, 2022. Manager Kemmis plans to attend this

training in hopes he will learn how the Washington State Department of Health interprets the new U.S. Environmental Protection Agency requirements and what is expected from the Association.

### **Approval of June 14<sup>th</sup> Board Meeting Minutes**

*Motion made by Treasurer Donald Kemmis to approve June's Minutes, seconded by Secretary Terra Nicolle. 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 July 12<sup>th</sup>, 2022 (attached). Total funds on hand are \$1,281,309.00. One transfer was made for \$73,000.00 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. One transfer was made for \$59,000.00 from a capital account to an operating account to accommodate the capital reconciliation for the fourth quarter and previous quarters of fiscal year 2021/2022.

#### Current Financial Info

General Funds- \$469,421.31

Capital- \$679,135.74

Reserve- \$132,751.95

Total Expenses- \$67,488.48

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

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

**President-** President Klicker reported that he authorized the approval of bid contract for electrical work for the Booster Pump Station #1 project. He also signed share certificates.

**Vice President-** Not present.

**Secretary-** Secretary Nicolle reported that she signed share certificates.

### **Old Business**

**Meter Installation Fee Review-** Staff reported to the board that at the last meeting, a discussion was held about raising meter installation costs to cover the Association's costs of labor and materials. The board took action to approve raising the Association's meter installation costs, but the wording of the motion did not raise the rates as was intended by staff at the June meeting. The

recommendation was to raise the meter installation cost for each meter size available by 30 percent, but the motion stated only raised the costs appropriately for the 5/8" size water meter. Staff recommended the board re-word the motion and take action again to authorize raising the costs as staff had intended at the June meeting.

*Motion made by Treasurer Donald Kemmis to increase the meter installation cost for every meter size by 30 percent of the meter installation rates before June 14<sup>th</sup>, 2022, and give discretion for Association staff to round the costs for administrative ease, seconded by Trustee Raymond Cox. The motion passes.*

**Booster Pump Station #1-** Rodney reported that they invited three bids for the electrical work at Booster Pump Station #1 and received two completed bids back. Per the board authorization in May, the contract for the electrical work was awarded to the lowest responsive bidder, which was Dickson Electric, LLC. The contract has been signed by the contractor and is ready for the president to sign. Start of the contract is pending receipt of the required performance bond and insurance documentation. Staff reported that they were informed by All-Phase Electric Supply Co. that the variable frequency drive shipment has been delayed and the estimated shipping date is now July 29<sup>th</sup>, 2022. Rodney also presented a memo to the board about additional services anticipated and performed for by DEA staff, and recommended the board approve the memo. He estimated the additional fees to add \$13,500.00 to the project cost.

*Motion made by Secretary Terra Nicolle to approve David Evans & Associates, Inc. Task Order 21-1 Amendment No. 1 and authorize General Manager Donald Kemmis to sign it, seconded by Trustee Raymond Cox. The motion passes.*

## **New Business**

**PFAS Chemicals Discussion-** Staff reported that Secretary Nicolle sent a link to staff via email to a news story about per and poly-fluoroalkyl chemicals (PFAS). She requested that a discussion about the chemicals be held at the next board meeting. Manager Kemmis informed the board that these chemicals are used in activities like firefighting and are now being recognized as a potential health threat by the U.S. Environmental Protection Agency. The chemicals are being recognized as a measurable contamination in drinking water, and the agency is working to establish acceptable levels for testing purposes. The water served by the Association is tested for these chemicals and they are currently not detected. Staff understands that this is a concern for public health and safety and will continue to monitor agency action regarding these chemicals for the benefit of the Association.

**Fiscal Year 2021/2022 Budget-** Staff reported that the fiscal year end budget will be prepared and presented to the board once it is ready.

**Call to Adjourn Meeting**

*Motion made by Treasurer Donald Kemmis seconded by Secretary Terra Nicolle. The motion passes. The meeting was adjourned at 7:56 p.m.*