

THREE LAKES WATER ASSOCIATION – BOARD MEETING MINUTES

May 14th, 2019

The Three Lakes Water Association Board of Trustees held their May 14th, 2019 Board Meeting at 7:00 p.m. at the Association office located at 17503 58th St SE, Snohomish, Washington, 98290.

Call to Order

The meeting was called to order at 7:00 p.m. by President Bob Bartell. A quorum was satisfied by other Board members in attendance: Vice President Chad Davis (by phone), Treasurer Tyler Eshleman, Trustee Don Kemmis, and Trustee Jay Klicker. Secretary Ray Cox and Trustee Matt Mead were excused.

Members, Guests & Employees- Engineer Rodney Langer of CHS Engineers, and staff member Kaila Kemmis were present. Renee McCann, acting as recording secretary, was present.

CHS Engineers' Report- Engineer Rodney Langer presented a summary of his status report, which was e-mailed and provided to the Board on May 9th, 2019. Highlights of the monthly CHS report are summarized as follows:

Flowing Lake Park Entrance Upgrades- CHS notified the DE applicant's engineer of the board's acceptance for their application and advised them on the next steps. Next steps for this project are for the applicant to make project deposits and submit project plans for Association review.

169th/Panther Lane Water Slipline- See New Business

Telemetry Upgrade- No action this period.

Manager & Cross Connection Report

Staff member Kaila Kemmis presented a summary of the manager report, which was e-mailed and provided to the Board on May 9th, 2019. Highlights of the monthly manager report are summarized as follows: During the April meter reading process staff discovered that a member had used 81,000 cubic feet of water within a two-month time period. Staff contacted the member to alert them of the high usage. The member informed staff that they found and repaired a leak and staff will work with them to authorize a leak adjustment on their account. Staff reported that one member's account balance is now over the threshold to begin the share revocation process. If the member does not make payment on the account by May 31st, 2019 staff will begin the process. Staff informed the board that they estimate that there are over 200 meters without check valves. A check valve prevents backflow into the water system during times of low

system pressure. Staff recommended that the Association begin a project to install re-setters on existing meter configurations without any form of existing check valve unit. The board verbally agreed that this is an issue that could increase the risk of backflow and that staff should look into the costs for re-setters. On May 8th, 2019 a failed fire hydrant along 181st Ave SE was replaced by contractor Puget Sound Tapping Services. During the replacement staff discovered a leaking main line valve. The valve was replaced with a new three valve cluster. A member that attended the April board meeting by phone to discuss an ongoing meter clean fee concern with the board was mailed documentation outlining a verbal agreement the board made with them at the April meeting. Representatives of the Association plan to attend a secondary mediation session on May 31st, 2019 at the Snohomish County District Court to have this agreement scribed by county officials. The Association received a deposit in the amount of \$6,000.00 and a signed agreement from member Doug Knorr relating to his meter relocation installation. Contractor PSTS installed his new meter on May 2nd, 2019 and his old meter facilities will be removed when the work is scheduled. On May 2nd, 2019 during the installation of new facilities staff discovered an air vac along Weber road that was leaking. Contractor removed the air vac and installed a repair band over the existing AC main. Manager Kemmis continues to be in touch with PumpTech regarding impeller replacement work at Booster Pump Station #1. On April 22nd, 2019 contractor PSTS installed one new service along West Flowing Lake road. The construction has been completed on the 176th Ave SE CIP, which starts a 90-day timeframe for the sale of the Association owned parcel to close. A closing date of June 7th, 2019 was recommended by Michael and Jane Everroad's attorney. The Association's attorney has requested that the Everroad's attorney amend documentation to reflect the change in property buyers. Amended documentation has yet to be received. The Association paid Systems Interface, Inc a project deposit for the Telemetry Upgrade project. Internet service has been installed at both pump stations in preparation for this project. On April 24th, 2019 the City of Everett shut down their Transmission Line #5 to complete scheduled maintenance. On April 23rd, 2019 staff noticed decrease in volume at Booster Pump Station #1 and contacted the City of Everett to inform them. Their metering equipment had failed, and the City of Everett replaced their facilities on May 8th, 2019. The Department of Health contacted Association staff for some clarification on the Comprehensive Water System Plan Limited Update Extension regarding the Coliform Monitoring Plan and future plans for a Booster Pump Station #3. On April 30th, 2019 the annual newsletter was mailed to the membership with the April billing. Staff continues to maintain the water system and is currently focusing efforts towards system flushing. Staff has received the Association's operating permit from the Department of Health and the permit category is green. Staff informed the board that the telemetry system is currently nonfunctional and has been since May 10th, 2019. Staff is working with Frontier and Systems Interface, Inc to fix the system. Staff is also manually monitoring the tank height which is displayed on a mechanical gage outside the Association's standpipe and manually running pumps. Staff will continue to work towards fixing the system, monitoring the tank height, and running pumps as needed until the system is fixed.

Approval of April 9th Board Meeting Minutes

Motion made by Treasurer Tyler Eshleman to approve April's minutes, seconded by Trustee Jay Klicker. The motion passes.

Officers Reports

Treasurer Report and Pay Bills- The financial report was prepared and distributed to the Board summarizing the financial position through May 14th, 2019 (attached). Total funds on hand are \$1,245,946.38. One transfer was made for \$77,813.00 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- \$240,036.79
Capital- \$907,365.25
Reserve- \$98,544.34
Total Expenses- \$71,727.62

Monies were transferred to both Standpipe, Pump House and Mero restricted accounts.

Motion made by Treasurer Tyler Eshleman to approve payment of the bills as presented, seconded by Trustee Jay Klicker. The motion passes.

President- Bob signed shares and checks for bills that were due before the May board meeting. He also held a committee meeting to discuss employee wages and reviewed a notation made by staff to document the meeting.

Vice President- Not present.

Secretary- Not present.

Old Business

No Old Business

New Business

169th/Panther Lane Water Slipline- Manager Kemmis requested that CHS prepare a proposal for this project for limited engineering services to ensure the project's design and construction sequence follow any rules set forth by the Department of Health. Rodney provided and presented his proposal to the board. He recommended that the board consider approving the proposal and authorize spending up to \$5,000.00 on CHS's services to support the project.

Motion made by Trustee Don Kemmis to approve CHS Proposal dated May 3rd, 2019 and authorize spending up to \$5,000.00 for the work outlined in the proposal, seconded by Treasurer Tyler Eshleman. The motion passes.

Member Request- Staff presented a letter written by a member to the board. The member was asking the board to consider letting them use a leak adjustment within three years since their last leak adjustment. Association policy states that if a member uses a leak adjustment, they will not be eligible for another one for a time span of three years. The member was requesting to use the adjustment a few months early. The board verbally agreed that it is okay for this member to use a leak adjustment early this time but will likely have to follow policy going forward.

Wage Consideration Plan- Bob informed the board that a committee meeting was held on April 25th, 2019 with board trustees so the board could review wage salary survey data and could discuss in detail employee wages. He also reviewed a notation made by staff to document the committee meeting. The board convened an executive session to discuss the outcome of the committee meeting and consider taking action regarding employee wages.

Vice President Chad Davis enters the meeting at 7:57 p.m. by phone.

At the request of Trustee Don Kemmis, President Bartell agreed to convene an executive session to discuss employee wages, seconded by Treasurer Tyler Eshleman. Trustee/Manager Don Kemmis was invited to participate in order to answer questions and provide data regarding the staff members whom report to him on a daily basis. Trustee/Manager Don Kemmis exited the executive session prior to any discussion regarding his own wage considerations. The executive session began at 7:58 p.m. The executive session adjourned at 8:13 p.m.

The regular session reconvenes at 8:13 p.m. with all initial trustees and employees present.

Motion made by Treasurer Tyler Eshleman to approve wage changes discussed during an executive session, seconded by Vice President Chad Davis. The motion passes. Trustee Don Kemmis abstained from the vote. Trustee Jay Klicker abstained from the vote.

Call to Adjourn Meeting

Motion made by Trustee Don Kemmis, seconded by Vice President Chad Davis. The motion passes. The meeting was adjourned at 8:15 p.m.