

THREE LAKES WATER ASOCIATION – ANNUAL MEETING MINUTES

October 3, 2018

The Three Lakes Water Association Board of Trustees conducted the October 3rd, 2018 Annual Members meeting beginning at 7:00 p.m. in the Harvey Auditorium, which is part of the Snohomish County Fire District #4 Station, located at 1525 Ave D, Snohomish, Washington 98290.

Meeting Called to Order by President Bob Bartell at 7:00 p.m.

Other present Board Trustees: Vice President Chad Davis, Treasurer Matt Mead, Trustee Don Kemmis, and Trustee Tyler Eshleman. Secretary Ray Cox was absent.

Vice President Chad Davis was in attendance however exited when he was called away on other business just as the meeting was being called to order.

Members, Guests & Employees

Engineer Rodney Langer of CHS Engineers
Renee McCann, Staff Member and Recording Secretary
Kaila Kemmis, Staff Member
Dan Bhatthella, CPA

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

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

2018 HIGHLIGHTS- SEE ATTACHED SLIDE SHOW

Water Manager's Update and Overview

(Manager Don Kemmis Summarized the Associations Activities)

Manager Don Kemmis introduced himself as the manager. Unaccounted for water was 28.52% in the last fiscal year (7/1/17 to 6/30/18) and 21.78% as the last three-year running average. We are working hard to lower those numbers. The water purchased from Everett was 1.13% more than last year at a cost of 1.13% more, and the water used by Members was 1.06% more than last year. Over the past year the entire system was flushed and all valves were operated. There were two main breaks that were repaired this year. Every fire hydrant (138) was operated and a list is kept on file and three hydrants were replaced. 119 radio read meters were installed, increasing efficiency and safety. Three other meters were replaced due to age/condition. Staff completed 75 share transfers and 5 new shares were issued this fiscal year. Verizon paid the Association \$19,119.06 for the cell lease.

Dan Bhatthella CPA (see 2018 Fiscal Year Financial Review)

Dan Bhatthella introduced himself to the members in attendance and provided the finances to the Association. Highlights are as follows: Dan Bhatthella gave an overview of the Financial Plan as passed out to the members in attendance, generally reviewing each section and what information it contained. He believes that Three Lakes Water is doing well in terms of financial health. The assets of the Association are; \$4,480,116 million in equity, \$1,028,459 in debt, Revenue vs. Expenses \$115,773 which is the goal of a non-profit company, and \$1,444,627 in cash.

Other News...

The Association completed the Storm Lake Road Capital Improvement Project, which replaced approximately 1,140 linear feet of 6" AC main with 8" ductile iron. This project increased the reliability of the system in an area that was considered to be prone to leakage and water main breaks. The Radio Read Replacement project was completed several years earlier than initially expected. This increases the efficiency and safety for staff during meter reading process. The design has been completed for the 176th Capital Improvement Project. This project will install approximately 1,635 linear feet of 8" ductile iron main which will complete a loop in the system increasing fire flow and reliability. 34 non-users have been converted to full-time users within the Association. Staff continues to focus on operational efficiency by working to digitally map the system and create the Operations & Management Manual. Staff also continues to focus efforts towards better communication with the membership with the use of the Association's Facebook page and website. The online payment system also continues to be improved by staff. Staff is focusing efforts towards leak detection due to the aging infrastructure within the Association. These efforts include the identification, prioritization, and replacement of water main facilities. All staff members are now certified by the Department of Health. Education of staff is important to protect the health of the public by delivering safe and reliable drinking water.

Trustee Vacancies

Trustee Positions 4 (presently Bob Bartell), 5 (presently Matt Mead), and 6 (presently vacant) are open due to expiring terms and Position 8 is a vacant position with one year remaining in its term. A ballot vote was held at the meeting. Don Kemmis nominated Bob Bartell and Jay Klicker to serve as Trustee. Dorla Tam nominated Matt Mead to serve as Trustee. Keith Kosche nominated himself and Jack Hoffman to serve as Trustee.

NEW TRUSTEE VOTING: Once all ballots are cast Rodney from CHS and Staff Member Renee McCann tallied votes then provided the results to the President.

New Trustee Voting Results

President Bob Bartell announced voting results:

Bob Bartell- 3 year term (Position 4)

Jay Klicker- 3 year term (Position 5)

Matt Mead- 3 year term (Position 6)

Jack Hoffman- 1 year term (Position 8)

The Board will meet next Tuesday at the office location. The Board will continue to meet the 2nd Tuesday of every month at the office location, 17503 58th St SE in Snohomish.

Questions

No questions were asked by members in attendance. The board was thanked by a member for their service to the Association.

Adjournment of the Annual Meeting

The general meeting is adjourned at 7:34 p.m.