

## THREE LAKES WATER ASSOCIATION – BOARD MEETING MINUTES

December 8th, 2020

The Three Lakes Water Association Board of Trustees held their December 8th, 2020 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 7:04 p.m. by President Jay Klicker. A quorum was satisfied by other Board trustees in attendance: Vice President Tyler Eshleman, Secretary Raymond Cox, Treasurer Donald Kemmis, Trustee Doug Knorr, and Trustee Terra Nicolle.

**Members, Guests & Employees-** Engineer Rodney Langer of David Evans and Associates, Inc., and staff member Kaila Klicker 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 December 6<sup>th</sup>, 2020. Highlights of the monthly DEA report are summarized as follows:

**Flowing Lake Park Water Service-** Rodney reported that there are still items needed from developer Snohomish County for the closeout of this project. Staff continues to support the developer and contractor as needed.

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

**181<sup>st</sup> Water Main Replacement-** See Old Business

**Storm Lake Road Phase 2 Water Main Replacement-** Rodney reported that the contract documentation for this project has been sent to the project contractor, D&G Backhoe, Inc. Once items required by the project contract have been received by staff from the contractor, staff will work with the board president enter the Association into the agreement. The county right of way (ROW) permit necessary for the project is still in process. Rodney informed the board that approval for the utility pre-design, which is part of the ROW permit approval process, was received by himself and staff. The pre-design review includes a restoration requirement for all abandoned water main pipe to be filled with a sand or cement slurry. This restoration requirement is considered by the board to be a substantive new requirement for the ROW permit. Since the permit is still in process, there could be other substantive new requirements within the ROW permit. Rodney recommended that the board take new action to give president

Klicker authority to enter into the agreement and negotiate the cost with the contractor on behalf of the board any changes up to a percentage increase of the total bid cost.

*Motion made by Trustee Doug Knorr to authorize Board President Jay Klicker to enter into the project agreement with D&G Backhoe, Inc. (or low bidder) on the Storm Lake Road Phase 2 project, and to negotiate on behalf of the board any changes up to a percentage increase in the agreement amount of ten percent and he has authority to manager those changes within that contingency allowance, seconded by Secretary Raymond Cox. The motion passes.*

**Annual Rate Review-** Rodney reported that the annual rate review is still in process and that he is coordinating with staff to get documentation needed for the review. Staff was hoping to have finalized rates from the City of Everett to understand any changes to current water rates, but a representative informed them the council will not likely be finalizing the rates until after the first of the new year. Rodney will work with the information provided by staff on the City of Everett rate proposals. Rodney believes he will have information from the rate review ready for board consideration within the next few months.

### **Manager & Cross Connection Report**

Staff member Kaila Klicker presented a summary of the manager report, which was e-mailed and provided to the Board on December 3<sup>rd</sup>, 2020. Highlights of the monthly manager report are summarized as follows: A main break occurred on November 18<sup>th</sup>, 2020 on Storm Lake Road close to an area of the main that broke in September. The main break was repaired with the assistance of D&G Backhoe, Inc. Payment was received on November 30<sup>th</sup>, 2020 for a new water service on 160<sup>th</sup> Ave SE. Staff is working to schedule the service installation with contractor Puget Sound Tapping Services. Staff reported that the developer for the Big Deer West Developer Extension (DE) contacted Manager Kemmis to ask if he will need to complete a new DE application for this development because the proposed development area has changed. Manager Kemmis informed him that he must reapply for a new DE because the criteria and conditions would change from the original response approved by the board in March 2020. Manager Kemmis was contacted by a representative of the developer for Sequoia Ridge and topically discussed the possibility of serving potable water to the development and area. Systems Interface, Inc. continues to work with staff to complete contracted items for the Association as part of the Telemetry Upgrade project. Staff continues to monitor communication and recommendations from authorities having jurisdiction regarding the current COVID-19 pandemic. Staff is following guidelines outlined in the Member Assistance Program and recognizes that Governor Jay Inslee's Proclamation 20-23 has been extended through January 19<sup>th</sup>, 2021. The Operations & Management Manual has been updated to reflect current operations. Staff reported that the updating of all Association's banking signature cards is almost complete.

## **Approval of November 10<sup>th</sup> Board Meeting Minutes**

*Motion made by Secretary Raymond Cox to approve November's Minutes, seconded by Trustee Doug Knorr. 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 December 8<sup>th</sup>, 2020 (attached). Total funds on hand are \$1,432,191.14. One transfer was made for \$60,000.00 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.

### Current Financial Info

General Funds- \$402,769.93

Capital- \$968,544.06

Reserve- \$60,877.15

Total Expenses- \$85,341.52

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

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

**President-** President Klicker reported that he signed share certificates.

**Vice President-** Vice President Eshleman reported that he signed banking signature cards.

**Secretary-** Secretary Cox reported that he signed checks for bills due before the December meeting, share certificates, and banking signature cards.

## **Old Business**

**181<sup>st</sup> Water Main Replacement-** Staff reported that they are still researching existing easements in the project area. More research is needed for Manager Kemmis to suggest a plan for the project.

**Booster Pump Station #1 Property Investigation-** Rodney reported that a sketch of revised fencing and equipment for the site was provided to staff. Rodney and staff presented the revised sketch to the board. A proposed easement area was identified. Manager Kemmis recommended that the board consider taking action to give himself the authority to approach the neighboring property owner to discuss and negotiate an easement on the Association's behalf. The board discussed the possibility of offering the neighboring property owner an amount of money in exchange for the easement.

*Motion made by Secretary Raymond Cox to authorize General Manager Donald Kemmis to negotiate the exchange of an amount up to \$3,000.00 for an easement on the Association's behalf with the neighboring property owner of the project area, seconded by Treasurer Donald Kemmis. The motion passes.*

**As-Built Updating-** Staff reported that they continue to compile Association as-built records to prepare them for this project. Manager Kemmis is working with Rodney to understand the costs for DEA to scan Association records drawings to create electronic records for redundancy. He would also like to create a catalog for the electronic records and put it on a computer for staff to use while in the field.

### **New Business**

**Annual Medical Insurance Renewal-** Staff reported that the renewal application for Premera medical insurance was received on November 11<sup>th</sup>, 2020. There is a 4.9 percent increase in premium cost for the medical plan the Association currently has. Manager Kemmis has elected to add the option for employees to enroll in dependent medical coverage for their children under the age of 26. He reported that the Association is a small group based on the number of employees currently employed, and that employers within this category are required to pay 50 percent of medical insurance premiums for dependents. The board discussed this option.

*Motion made by Trustee Doug Knorr to authorize General Manager Donald Kemmis to sign the Premera renewal application for year 2021 with the added option for employees to enroll in dependent medical coverage for their children, seconded by Treasurer Donald Kemmis. The motion passes.*

### **Call to Adjourn Meeting**

*Motion made by Secretary Raymond Cox, seconded by Trustee Doug Knorr. The motion passes. The meeting was adjourned at 8:50 p.m.*