

**Sallal Water Association
Board of Trustees
Minutes of Meeting
Tuesday, March 19th, 2019**

The regularly scheduled meeting of the Board of Trustees of the Sallal Water Association was called to order on Tuesday, March 19th, 2019 at 6:00 pm by Vice President Dave Edwards.

Board members present: Dave Edwards, Eric O’Brien, Daylin Baker, Harold Ellebracht and Gerry Prior.

Board members absent: Sheldon Lynne and Andy Velebir

Consultants present: Richard Jonson, Attorney, Warren Perkins, Engineer

Employees present: Ted Stonebridge, General Manager.

Guests present: Jean Buckner, Sandy Knauft, Jack Winchester, Mike Kenyon, Anne Herman and Ewing Stringfellow.

GUEST COMMENTS

Jean Buckner – Ms. Buckner discussed the two versions of the emergency Interim Rule; one version was handed out at the last Board meeting and a different version was emailed to her the following day. Ms. Buckner requested the Board to reject the Emergency Interim Rule and make it null and void. She objected to language authorizing the renewal of conditional certificates - let them expire. The developers can request to be put on the waiting list. Issuing conditional certificates to developers allows them to proceed with permit applications and puts Sallal in a compromising position with developers. Anne Herman (arrived at 6:10 pm) - Ms. Herman reiterated her request for emails between Mr. Jonson and USDA. Mr. Edwards asked that all emails pertaining to Anne’s request that are public be sent to her. Mr. Jonson clarified the difference between public emails and those covered by the client/attorney privilege. Ms. Herman stated that the Board promised her that if she went through the petition process it would call for a special meeting, but still no meeting. It was noted that the USDA has not responded except to ask for direct Board input on the proposal. Ms. Herman requested the membership list to contact Association members pertaining to membership business. Mr. O’Brien requested more information on this request. Mr. Jonson stated statutes and case law appear to allow member use of membership lists for the purpose of soliciting member votes and that an indemnification form was provided to Ms. Herman to ensure proper use. Ms. Herman stated she had signed the form and read it aloud. She then exited the meeting.

Michael Thomas – Mr. Thomas was not present but submitted several questions to the Board. The Board decided to table Mr. Thomas’s questions for the next Board meeting.

CONSENT AGENDA

Board minutes of the February 19th, 2019 regular Board meeting, three consultant billing statements (amounts below) were presented.

Jonson & Jonson statement included----- \$6,245.00

Gray & Osborne statement included-----\$38,916.57

Helsell Fetterman statement included ----- \$390.00

MOTION NO 2019-17 Motion to approve the consent agenda with correction to the minutes by Harold Ellebracht and seconded by Gerry Prior. Passed unanimously.

REPORTS

Committee Reports

Ms. Baker gave a brief summary of the Watershed Restoration and Enhancement Committee (WREC) meeting for WRIA 7. Various agencies from around the area attended. She stated that the City of North Bend has a seat at the table, Sallal does not. She described a King County presentation on land use, discussed how they do growth estimates and added that regional water usage has stayed flat despite an increase in population. Mr. Perkins asked if the County will be curtailing the drilling of private wells. Ms. Baker stated the County is in the fact-finding stage.

Mr. Stonebridge discussed the Member Advisory group. The group is made up of two Board members and four Sallal members. The purpose of this group is to discuss current issues regarding Sallal Water business and to present recommendations to the Board. During the last meeting, the Emergency Interim Rule revisions and connecting to the Seattle Public Utilities Tolt pipeline for mitigation water were discussed.

Engineer Report

Mr. Perkins reported on the status of the Well #1 VFD: The VFD was installed today, SCADA will be tied in next week.

New office/shop: Received notice to post the Conditional Use Permit (CUP) from King County. Mr. Edwards requested a meeting with Frank Lawhead and the General Manager to discuss the timeline for the new shop.

Well #4: Resampling was scheduled for today, but after the pump ran for a few minutes but was damaged from being incorrectly wired. The contractor will be back later in the week with a new pump. Mr. Edwards asked where we are with the plans for the pump house building. Mr. Perkins stated that the plans for the building are complete, but the electrical still needs to be done. Mr. O'Brien requested to expedite the construction. Mr. Perkins stated we still need to wait for permit from King County. At best, will start at the end of summer.

Attorney Report

Mr. Jonson stated that Mr. Stringfellow called the office to request postponement of the March 28th hearing on the McEwan membership cancelation matter. Mr. Stringfellow spoke and requested the hearing to be postponed. He stated the City of North Bend Planning commission meeting was scheduled that night and there would be a public hearing regarding marijuana retail use. Mr. Jonson reported on the timing of the appellate briefing in the King County franchise fee litigation and the possibility of final resolution being years away. The Board requested staff to inform members of the possibility of a back charge if the Supreme Court reverses the trial court ruling. The Board discussed the City of North Bend's recently adopted water conservation ordinance. Mr. Jonson mentioned the State's Water Use Efficiency (WUE) rule and possible pre-emption by the State.

General Manager Report

Mr. Stonebridge discussed the Terrell tank – the ladder enclosure is being built, the survey was completed, and pre-con is scheduled for next week to install power conduit. Mr. Stonebridge is evaluating all the tanks for homeland security improvements.

He discussed 2018 water production/usage, no meters replaced meters due to weather, March samples all satisfactory. Mr. Edwards asked about the higher than normal usage for January. Mr. Perkins acknowledged this, not sure at this time, but will continue to track. Discussion followed concerning the

difference between non-participators and non-users. Mr. Stonebridge stated that staff discovered several properties with two homes being served by one water service. He stated that a letter will need to be sent to these property owners explaining one membership per tax parcel and one meter per residential structure.

UNFNISHED BUSINESS

The Board discussed Rich Formisano's request to amend the Association Bylaws. Mr. Jonson was requested to evaluate the request. Mr. Stonebridge updated the Board regarding proposed updates to the Truck Stop water system services agreement and noted he closed the intertie with Salla's system. He stated that the system owner is agreeable to making necessary upgrades and increasing the charges. Discussion followed.

NEW BUSINESS

The Board discussed Anne Herman's request for the membership list, only addresses - no phone numbers. The Board discussed developing a policy to have members bring their mailing to the office along with funds to pay for stamps. Further discussion was deferred to executive session so that legal issues could be discussed with counsel Mike Kenyon left at 7:42 pm.

ITEMS TO TRACK

Staff spoke with Mr. De Libran regarding his request for a COW for a detached garage that will only have a sink. Mr. Stonebridge spoke with Mr. Libran's architect regarding this request. There was a misunderstanding and no COW is needed. Jean Buckner, Sandy Knauft, Jack Winchester and Ewing Stringfellow left at 7:46 pm.

EXECUTIVE SESSION

An executive session was convened at 7:48 pm to discuss with counsel legal and related matters including the North Bend Supply Contract, Bylaw amendment, request for membership list, McEwan hearing, pending litigation, water service in the UGA and the Emergency Interim Rule. The Executive Session was concluded at 9:28 pm and the regular session of the meeting resumed.

MOTION NO 2019-18 Motion to release the member mailing list to Anne Herman by Harold Ellebracht, seconded by Gerry Prior. Passed with Eric O'Brien voting nay.

MOTION NO 2019-19 Motion to oppose Anne Herman's bylaw amendment, support the Board proposed Bylaw amendment and so advise the USDA by Dave Edwards, seconded Harold Ellebracht. Passed unanimously.

MOTION NO 2019-20 Motion to reschedule the McEwan hearing for the next Board meeting, April 16th, if unable to have on March 28th by Daylin Baker, seconded by Harold Ellebracht. Passed unanimously.

MOTION TO AJOURN meeting at 9:47 pm by Eric O'Brien, Seconded by Daylin Baker. Passed unanimously.

Submitted by:
Ted Stonebridge, GM