

July 2020 Newsletter

Please submit questions/comments to admin@sallal.com

PLEASE CLEAR ALL BRUSH AWAY FROM YOUR METER TO HELP US BE ABLE TO READ IT – THANK YOU!

<p>Member Approval for Capital Projects Loan</p>	<p>As a condition of our US Department of Agriculture Rural Development loan, we must receive membership approval for the loan before we start upcoming projects to construct the new Well and Reservoir as well as the new office. The loan is for 40 years with an interest rate fixed at 2.375% for the life of the loan. This is a normal process that we have done several times in the past. This would be Sallal's 10th loan through the USDA Rural Development. To gain membership approval, we will mail out ballots asking members to authorize a resolution to allow the board to obtain this loan on behalf of the members. We also plan to hold a member meeting via Zoom on Tuesday, August 25, 2020 at 7 p.m. to answer questions about the project and to count the ballots. To reach a quorum, we must receive completed ballots from at least 5% of the membership. So, <u>we must receive at least 90 ballots.</u> This resolution requires approval from a majority of ballots received to authorize the board to obtain the loan and allow Sallal to move forward with these projects. Without your votes, we will have to fund these projects entirely from reserves, which impacts the financial health of the Association and would require immediate rate increases. These are important projects. We need your ballot to keep things moving. Additional details about the USDA loan terms and conditions can be found on the Sallal website. Please continue reading for more information about the two projects.</p> <p>Please submit your ballot as soon as you receive it. Thank you!</p>
<p>New Well & Reservoir</p>	<p>For the last couple of years, Sallal has been working on plans and permits for a fourth well and an additional reservoir adjacent to the current Rattlesnake Wells. The additional Well is needed to ensure we can meet peak demand by current Sallal members, but also to ensure we have a backup in case one of our other Wells requires repairs or fails.</p> <p>This month, we received five bids for the Rattlesnake Reservoir and Well #4 project. The bids ranged from \$1,862,859 to \$2,226,593. The Engineer's estimate was \$2,117,190, so we are right on target. The Board intends to award the contract once all of the loan conditions are met. This work will be funded by the USDA loan noted above.</p>
<p>New Office – Shop Building</p>	<p>The design for the new facility is substantially complete, permits have been obtained, and a construction management firm (Akana - a Native American owned, award winning firm) has been hired to manage the project. After receiving final loan approval Sallal will advertise the project to select a general contractor through a competitive bid process.</p> <p>The project's cost is estimated at a little over \$4M. Sallal plans to use part of the low interest loan through US Department of Agriculture Rural Development (see first article) for this project along with the Reservoir and Well project discussed above.</p>
<p>Rate Study</p>	<p>The first phase of the rate study has been completed by a highly qualified rate consultant and was presented at the July 21 board meeting. This phase provided a six-year rate outlook and funding plan for the capital improvements (CIP) under two scenarios – with and without a North Bend contract. We learned that rates are the same with or without the contract in the six-year</p>

	<p>timeframe that was evaluated, and that our rates are among the lowest out of 11 nearby water providers. Phase 2 will review the rate structure to match the current water usage patterns for Sallal. Phase 3 will review and update the connection or membership fees.</p>
<p>New City Conservation Ordinance Update</p>	<p>Since the City’s new Ordinance passed last month, we have been investigating our role in providing member usage data to the City and our legal options related to this data sharing. Your Sallal board met on July 21 and decided the Association will no longer provide any usage information to the City for any members, regardless of whether a member receives a bill from the city for sewer service. Our obligation is to provide accurate information on the revenue we generate within City limits for tax purposes, that is all.</p>
<p>Water System Plan Status Update</p>	<p>Sallal’s draft water system plan garnered much attention at the King County Utility Technical Review Committee (UTRC), the committee within King County tasked with giving recommendations to the King County Council on Water System Plans. They chose to delay their recommendation on Sallal’s Water System Plan until their next meeting. They made this decision to allow them more time to review all comments they received. We have been told by the UTRC that they won’t recommend approval of our plan unless we come to agreement on a water supply contract with the City of North Bend. Department of Ecology has completed and submitted their positive recommendation on our plan, including a comment that North Bend’s 2008 permit for the Centennial Well does not require a supply contract with Sallal, so we will request UTRC to reconsider its position. We have also received comments from Department of Health (DOH). So we are just waiting for the recommendation from King County (UTRC) before making changes requested by DOH and resubmitting the plan for their approval.</p>
<p>Member Education</p>	<p>If you are selling your home, please contact us as soon as you have a signed sales contract or at least 30 days prior to closing. The transfer of membership has to occur prior to closing and there are some minor fees involved, so please loop us in early in the process to avoid any delays in the closing of your sale.</p>
<p>Billing Questions and Issues</p>	<p>If you are receiving your bill through e-mail, please be sure to add admin@sallal.com and lisa@sallal.com to your approved list in your e-mail client. Otherwise, your bill may be flagged as spam and you may not see it.</p> <p>If you receive your bill through e-mail, the office staff would be grateful if you could wait until after the first of the month before calling to pay your bill or ask questions about the bill. The reason for this request is that these bills go out first in the billing process, and while office staff are still in the billing process, they are unable to access your account. Staff invite emails with billing questions at any time but ask that members understand that a response will not come until after the first of the month. Thank you for your understanding.</p> <p>Looking for an easier way to pay your bill? Sign up for ACH at no cost. Email admin@sallal.com for assistance. This can also reduce the risk of fraud as there is no paper check mailed by you or your bank to Sallal.</p>
<p>Member Advisory Committee</p>	<p>Sallal’s Member Advisory Committee (MAC) has openings! If you are interested in helping advise the Sallal Board, are a member in good standing, are able to attend the monthly meetings on the second Tuesday of every month from 5:00 to 7:00 p.m., and are prepared to put the best interests of the Association first, please send your letter of interest and a short Bio to Ted@sallal.com to be considered.</p>