

**Sallal Water Association
Board of Trustees
Minutes of Tuesday, May 19, 2020 Meeting**

The regularly scheduled meeting of the Board of Trustees of the Sallal Water Association was called to order on Tuesday, May 19, 2020 at 6:01 pm by Daylin Baker. This meeting was held online using Zoom due to the COVID-19 outbreak.

Board members present: Daylin Baker, Eric O'Brien, Joyce Hibma, Ann Reed, Larry Costello, Shawn McKone, and Rich Formisano

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

Employees present: Lisa Hagen, Utility Customer Administrator; Ted Stonebridge, General Manager

Guests present: Michael Thomas

GUEST COMMENTS:

Michael Thomas commented on the WSP about a proposed North Bend Supply Contract, which references Sallal providing mitigation water to North Bend during the summer and North Bend selling back water to Sallal for supply needs. Mr. Thomas is concerned about making the commitment to sell a specific amount of water to North Bend which may exceed Sallal's water right. He also noted that planning data did not reference 2019 data. Mr. Thomas was concerned that there could be a problem if Sallal is unable to meet the daily demand requirement for water from the Centennial Well while providing mitigation. He also had questioned the North Bend Water Conservation Ordinance on water restrictions and felt that Sallal members within the city limits should not fall under the City's ordinance. Mr. Thomas also proposed the possibility of quarterly billing.

CONSENT AGENDA

Board minutes of the March 30th, 2020 Annual Membership meeting, April 21st, 2020 regular Board meeting, the May 5th, and the 2020 WSP Informational Meeting as well as the consultant billing statements were presented.

MOTION NO 2020-20 Approval of the minutes with edits currently in DropBox was made by Mr. Formisano and seconded by Mr. Costello. Motion carried.

MOTION NO 2020-21 Approval of consultant statements was made by Mr. O'Brien and seconded by Mr. Costello. Mr. Formisano asked for and received clarification concerning the charge regarding solar panels. Mr. Stonebridge explained the structure was analyzed to determine whether it could handle the weight of possible future panels, and also clarified that solar is not part of the office project. Motion carried.

REPORTS

Member Advisory Committee Report

The Committee did not meet. Minutes were approved last Board meeting.

Treasurer's Report Moved to Executive session.

Engineer Report

Approved plans from King County will be signed by G&O for site development for office and shop and delivered to the County by May 21. The hard copy building permit is anticipated shortly after that. Sallal's USDA loan received initial approval for funding of the new reservoir, Well #4, and new office and shop. It may be possible to advertise for bids for the reservoir and Well #4 project by June meeting. We may need to consider timing of the construction, as fire season will be approaching soon after the bid is awarded.

Attorney Report Moved to Executive session.

General Manager Report

Mr. Stonebridge reported the water use comparison of last year and this year showed an increase of 8.4%, possibly due to COVID-19 stay at home directive. Water meters replaced this month were all residential. The goal is to replace about 20 meters per month. Mr. Costello noted the P/I and reserve figures required in RDA loan approval are higher than projected and may affect the anticipated change to amortization. The Newsletter will be edited to note this change. Mr. McKone noted that rainfall in April was significantly lower than in the previous year, which could have also impacted water use.

UNFNISHED BUSINESS

Mr. Stonebridge reported meeting with Katy Issacson for the first draft of the rate study. Mr. Stonebridge, M. Baker, and Ms. Hibma will meet with Ms. Issacson to present the draft for next Board meeting. Mr. Stonebridge will set up interviews with the two consultants that responded to the Water Right RFQ. Mr. Costello, Mr. Formisano, Ms. Baker and Mr. Stonebridge will be the interview team.

NEW BUSINESS

The Conservation subcommittee made up of Ms. Hibma, Mr. Formisano, and Mr. McKone, reported that there are projects with higher priority, so the work for this subcommittee will be placed on hold until time again allows. Mr. Stonebridge explained the proposal by Lawhead for Data/Telecom Services. There is a gap between the SCADA data contract and data services to the office. Lawhead has proposed a design change in the new office plans to remedy the situation. Mr. Costello clarified that the “access” wording in the proposal is for the access gate. Mr. Stonebridge noted that Blackfin is handling the low voltage, server room and antenna contract.

MOTION NO 2020-22 Approval for the Lawhead proposal for building design changes in the amount of \$9,840 to accommodate Data/Telecom services was made by Mr. Costello, seconded by Mr. O’Brien. Question was raised in concern about further change orders for data/telecom services. Mr. Stonebridge felt confident that there would be no more changes. Motion carried.

Mr. Formisano reported on the Water Supply & Distribution Treated/ Untreated Assessment project work. He shared his draft document dated 4/15/2020 in the project folder in DropBox. The document covers the history of the chlorination effort, pros and cons, use of a survey tool for member input, deliverables, and timeline. Mr. Formisano also shared and explained his draft task tracking sheet for managing the project in reverse order. The costs associated with the project were discussed. Some tasks could be completed without consultant help. Mr. Perkins shared that extensive sampling will be required by DOH as well as frequent flushing if Sallal returned to unchlorinated water. The Board agreed that DOH would need to be involved in the beginning, middle and end in the task sheet. It was also agreed to move forward with conducting a member survey and contacting DOH. Ms. Baker will set up a meeting with DOH. Mr. Perkins and Mr. Jonson will submit an estimate for services to occur after the DOH meeting.

Executive Session began at 7:40 pm and exited 10:29 pm to discuss legal matters with counsel and financial-personnel issues. The regular session of the meeting resumed.

MOTION NO 2020-23 Approval to post a part-time full charge bookkeeper position not to exceed \$40,000 per year made by Ms. Reed, seconded by Ms. Hibma. Motion carried.

MOTION NO 2020-24 Approval to hire Lora Stonebridge to provide booking services for \$30 hour until new bookkeeper is hired was made by Ms. Hibma, seconded by Mr. O’Brien. Motion carried.

The board approved having Sallal’s attorney prepare and transmit a letter to the North Bend city council documenting Sallal’s objection to all parts of the city’s Water Conservation ordinance that attempt to regulate water use by Sallal and its members.

Mr. Stonebridge stated that he located a purchaser for the manufactured home on Edgewick property. He reviewed the terms of sale which included a \$10,000 purchase price, an “as-is” sale, and the buyer assuming all relocation tasks and costs.

MOTION NO 2020-25 The Board declared the mobile home on the Edgewick property as surplus and directed Mr. Stonebridge to dispose of the mobile home on the best terms obtainable as he determines. Mr. McKone so moved, Mr. Formisano seconded. Motion passed.

MOTION TO ADJOURN

Motion to adjourn meeting at 10:38 pm made by Mr. O’Brien, seconded by Ms. Hibma. Passed unanimously.

Submitted by: Ann Reed, Board of Trustees Secretary