

**Sallal Water Association
Board of Trustees
Minutes of Tuesday August 20th, 2019 Meeting**

The regularly scheduled meeting of the Board of Trustees of the Sallal Water Association was called to order on Tuesday, August 20th, 2019 at 6:04 pm by President Eric O'Brien.

Board members present, Eric O'Brien, Daylin Baker, Harold Ellebracht, Sheldon Lynne, Gerry Prior and Ann Reed
Consultants present: Richard Jonson, Attorney, Ryan Hale, Engineer
Employees present: Ted Stonebridge, General Manager
Guests present: Larry Costello, Joyce Hibma, Stephen Kangas, Rich Formisano and Michael Thomas.

GUEST COMMENTS

Michael Thomas – Mr. Thomas asked several questions concerning the UTRC decision. He stated that he would submit his questions in writing and left the meeting at 6:52 pm.

CONSENT AGENDA

Board minutes of the July 16th, 2019 regular Board meeting and the consultant billing statements (amounts below) were presented.

Jonson & Jonson statement included----- \$7,437.00
Gray & Osborne statement included-----\$11,924.87
Helsell Fetterman statement included-----\$16,200.00

MOTION NO 2019-36 Motion to approve the consent agenda by Sheldon Lynne and seconded by Harold Ellebracht. Passed unanimously.

REPORTS

Member Advisory Committee Report

Mr. Formisano gave a summary from the minutes for the August 13th, 2019 Advisory Committee meeting. Mr. O'Brien stated the Board should review the Member Advisory Committee minutes before being posted to the website. Mr. Lynne proposed to have the Member Advisory Committee to review the Water System plan when it is ready and post on the website with the locations of critical facilities redacted. The next Advisory Committee meeting is scheduled for Tuesday September 10th, 2019 at 4:30 pm.

Engineer Report

Mr. Hale stated the WSP draft is completed and should be ready for Board review shortly subject to whether the Board wishes to include water use data.

MOTION NO 2019-37 Motion to approve Gray & Osborne to include the 2018 data (per exhibit B) in the Water System Plan by Harold Ellebracht and seconded by Daylin Baker. Passed unanimously.

Well #4: No update

Rattlesnake tank: Permit is in hand.

Toll Bros. Plat. He recommended acceptance of Tanner Road Phase 1 water system improvements installed by Toll Brothers pursuant to a developer extension agreement.

MOTION NO 2019-38 Motion to approve Toll Brothers Tanner Road phase 1 water main installation subject to Maintenance Bond by Sheldon Lynne and seconded by Ann Reed. Passed unanimously.

Office/Shop Facilities. Mr. Hale mentioned that Sallal staff will be meeting with the Landscape Architect this Thursday to discuss landscape options for the new headquarters.

Attorney Report

Mr. Jonson stated three of the four items will be discussed in executive session.

Mr. Jonson reported the WA Association of Counties filed Amicus Brief and King County filed Reply Brief. The King County Franchise Fee case will be argued on September 17th, 2019 before the Washington Supreme Court in Olympia.

General Manager Report

Mr. Stonebridge reported on the status of the Terrell tank: The telemetry components are being installed this week and should be completed by the September Board meeting.

Mr. Stonebridge discussed water production/usage for July.

Mr. Stonebridge reported North Bend Council is holding off on any further water supply contract negotiations until the Golder study is released.

Mr. Stonebridge stated 2017 updates to the Association's DE forms should be approved. He also presented a proposed developer extension agreement for the Polygon Cottages project and recommended approval.

MOTION NO 2019-39 Motion to accept the 2017 Developer Extension Agreement by Sheldon Lynne and seconded by Ann Reed. Passed unanimously.

MOTION NO 2019-40 Motion to accept the Polygon Cottages Developer water main extension by Sheldon Lynne and seconded by Ann Reed. Passed unanimously.

Mr. Stonebridge stated that the Association's 2018 IRS Form 990 is ready for filing and recommended approval.

MOTION NO 2019-41 Motion to approve 2018 990 tax return for submittal by Daylin Baker and seconded by Sheldon Lynne. Passed unanimously.

Mr. Stonebridge discussed the meeting with Sallal staff and Frank Lawhead/Lawhead Architects. Backup power options for the facility were discussed.

UNFNISHED BUSINESS

Mr. O'Brien requested the General Manager and Mr. Perkins meet to develop strategies to reduce costs to replace and relocate the existing water main within the planned roundabout at 436th Ave SE and SE 136th St.

NEW BUSINESS

Mr. O'Brien stated the revised Rules and Regulations should be reviewed by the Member Advisory Committee before the Board reviews and approves.

Ms. Baker stated several ideas to celebrate Sallal's 50th anniversary. The Member Advisory Committee was asked to come up with language for the theatre slide.

EXECUTIVE SESSION

An executive session was convened at 7:35 pm to conduct interviews for the open Board position and discuss with counsel legal matters including employee litigation, McEwan settlement and the UTRC appeal. All guests except for the engineer and attorney left the meeting. The Board candidates were interviewed separately. The executive session was concluded at 10:23 pm and the regular session of the meeting resumed.

MOTION NO 2019-42 Motion to appoint Larry Costello to fill vacant Board position by Sheldon Lynne and seconded by Gerry Prior. Five Board members yes, Mr. O'Brien abstained.

MOTION NO 2019-43 Motion to approve \$50 monthly stipend for General Manager cell phone use by Daylin Baker and seconded by Ann Reed. Passed unanimously.

MOTION TO AJOURN meeting at 10:27 pm by Ann Reed, Seconded by Daylin Baker. Passed unanimously.

Submitted by:

Ted Stonebridge, GM