

**Sallal Water Association  
Work Study Meeting  
Minutes of Tuesday, March 2, 2021**

The March Work Study meeting of the Board of Trustees of Sallal Water Association was called to order on Tuesday, March 2, 2021 at 6:02 pm by Ms. Baker. This meeting was held online using Zoom due to the COVID-19 outbreak.

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

**Staff present:** Nikka Rose, Tree Bergman

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

**1. Roundabout near Mule Pasture:** Mr. Bergman reported that the City advised that the water main extension to serve the Mule Pasture project was planned to start and the City inquired whether Sallal would like to replace an old AC main that will be beneath the planned roundabout. There is currently no budget for this project but it is listed in the WSP with a cost estimate of \$200,000. Mr. Bergman stated the cost should be much less if performed as an add-on to the City's project. Mr. Perkins was requested to prepare plans for replacing Sallal's old AC main. **Action** - G&O will provide a proposal for this design work under the G-O general services agreement. A bid will be requested from the City's contractor and also from Fury Siteworks.

**2. Generator Update:** Mr. Perkins stated he is working on a proposal for design and specifications for the new replacement generator but there is a delay as permitting information from King County has not been received. As follow up to the February 16<sup>th</sup> board meeting, Sallal provided a criteria document to be used in the design development. This information will supplement the concept design report issued by G&O. More information will be coming by the March Board Meeting.

**3. PCI Issues:** Ms. Baker inquired whether the Board desired to adjust its prior approval of pay estimate 4 to include change order 3. Mr. Costello stated that the Board was not informed that pay estimate 4 had not been signed by PCI and therefore, it was not a proper submission. Mr. Perkins stated that the USDA would not consider authorizing loan funds for an unsigned pay estimate. Mr. Costello noted that change order no. 3 included a 5 day project time extension but that was not presented or understood by the Board. Discussion followed. Mr. Costello advised that he has withdrawn his prior approval of change order no. 3 since the claim for schedule extension is not supported by any information from the contractor, does not conform with the contract, and is contradicted by the contractor's own schedule indicating the work was completed ahead of schedule and with 38 days float. Mr. Perkins stated that change order no. 3 had already been signed by all parties including USDA, as such, Mr. Jonson advised this could pose a problem for retracting the change order approval. PCI will be requested to sign revised pay estimate 4 inclusive of change order no. 3. Once the signed copy is received, Ms. Baker will solicit the Board via email to determine whether there are sufficient votes for approval followed by ratification at the next Board meeting. Discussion followed concerning PCI's submission of the project schedule, which is in DropBox. The notice to PCI regarding their failure to conform with the contract concerning the Progress Schedule deliverable was discussed. The action from the February 16, 2021 board meeting to issue the notice had not occurred. The Board requested Mr. Perkins to issue written notice to PCI, with high priority and consistent with the DRAFT notice that had been prepared following the February 16<sup>th</sup> board meeting. Mr. Bergman and Mr. Perkins exited the meeting at approximately 8:00 pm.

**4. Officer Structure:** Ms. Reed questioned the roles of the Association's officers. Mr. Jonson responded that officer positions in a non-profit cooperative do not usually encompass day to day office functions that are performed by management and staff. Discussion followed.

5. Executive Session: An executive Session called at 8:08 pm to discuss negotiations with the City and an office event involving Ms. Reed and Ms. Rose. The executive session was concluded at 8:47 pm.

**ADJOURN:** Motion to adjourn meeting was made by Mr. O'Brien, and seconded by Ms. Hibma. Motion carried. Meeting adjourned at 8:47 pm.

Submitted by: Ann Reed, Board of Trustees Secretary