

**SALLAL WATER ASSOCIATION
MINUTES OF JANUARY 4, 2022
BOARD WORK STUDY MEETING**

The meeting was held remotely utilizing Zoom teleconference services.

CALL TO ORDER (QUORUM ACHIEVED): 6:02pm

Board members present: Mr. Shawn McKone (President), Ms. Daylin Baker (Vice President), Ms. Joyce Hibma (Treasurer), Mr. Larry Costello, Mr. Eric O'Brien and Mr. Richard Formisano (Acting Secretary).

Consultants present: Ms. Katy Isaksen, KI&A and Mr. Richard Jonson, Attorney

Employees present: Ms. Kristina Parker, Director of Finance & Administration; Mr. Denny Scott, Water Superintendent

Guests present: none

WORK STUDY TOPICS

GENERAL FACILITY FEE STUDY: Ms. Isaksen, KI&A

- Ms. Isaksen presented an updated report on the General Facilities Charge fee for new members based on the assumption that no water will be available from North Bend. Based on her analysis, Ms. Isaksen recommended a new general facilities fee of \$21,027 per eru, which is an increase of \$3,316 above the current fee. The current general facilities fee has been in effect since 2017. Her analysis consisted of reviewing the costs of existing infrastructure, a ten year look ahead of Sallal's Capital Improvement Plan projected costs, the number of current memberships and future membership forecast.
- In addition to the General Facilities fee, the Board asked Mr. Scott and Ms. Parker to assess the adequacy of both the administrative and meter installation fees for new members. Any recommended changes will be sent to Ms. Isaksen to incorporate in the final report.
- All three fees will be reviewed and discussed at the Jan 18th, 2022 Board meeting.

2022 RATES

Discussion took place to consider if the water base rate, usage rates and amortization rates needed to be adjusted. Additional information, discussion and a final decision will be made at the Jan 18th Board meeting. Ms. Isaksen exited the meeting at 6:59 pm.

NEW OFFICE PROJECT

IT Services - Ms. Parker reported that she solicited proposals from IT contractors to relocate computer systems to the new office. 3 proposals were received. The proposals were reviewed, follow-up questions were developed and will be sent back to all 3 contractors along with copies of the New Office specifications & drawings.

Construction Management services – Mr. Costello reported that Akana requires additional funding to continue construction management services primarily due to additional oversight of the prime contractor due to its inexperience with commercial construction and industry wide supply shortages causing delays and search for suitable substitutes. The proposal was received, reviewed and questions will be sent back Akana.

ENGINEERING / CAPACITY DISCUSSION

Discussion took place regarding the River Run project, water use for 2021 and distribution system leakage.

OTHER TOPICS:

Confirmed March 29th, 2022 as the date for the Annual Member meeting. The Board asked Ms. Parker to present a draft ballot for review at the Jan 18th monthly Board meeting.

EXECUTIVE SESSION

Mr. McKone called the Board into Executive Session at 7:23 pm for the purpose of discussing the Annual Member Meeting, Water Usage and staffing. Ms. Parker and Mr. Scott exited the meeting. Mr. McKone closed the executive session and returned to regular session at 8:38 pm.

MOTION TO ADJOURN: Motion to adjourn meeting at 8:38 pm was made by Ms. Baker and seconded by Ms. Hibma. Motion carried.

Submitted by: Richard Formisano, Board of Trustees Secretary (Acting)

Next scheduled meeting:

Board Meeting: Tuesday, January 18, 2021 at 6 pm