

**SALLAL WATER ASSOCIATION  
MINUTES FOR SEPTEMBER 20, 2022 BOARD OF TRUSTEES MEETING**

**CALL TO ORDER (QUORUM PRESENT) 6:02PM**

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

**Consultants present:** Mr. Richard Jonson, Attorney, Mr. Mike Johnson, G&O

**Employees present:** Ms. Kristina Parker, Director of Finance & Administration, Mr. Denny Scott, Water Superintendent and Mr. Tree Bergman, Water Operator

**VISTOR COMMENTS** (Limit time to 3 minutes)

Mr. Mike Thomas: Mr. Thomas stated that he supports the interim moratorium; he expressed concern about Sallal buying water from the City; and is interested to learn more about distribution system leakage.

**CONSENT AGENDA**

- Vote to approve minutes for the August 16, 2022 meeting
- Vote to approve consultant statements:
  - Jonson & Jonson - \$12,735.00
  - Gray & Osborne - \$1,085.70
  - Ahlers Cressman Sleight - \$3,255.00
  - Finney, Neill & Company - \$8,244.00
  - Lawhead - \$14,406.65
- **Motion 2022-072:** Motion by Mr. Costello and seconded by Mr. Formisano to approve the consent agenda consisting of the Board's Aug 16, 2022 monthly meeting minutes, as amended by Mr. Costello, and all the consultant statements shown above; and raising the limit on Lawhead's contract to \$479,867.06. Motion carried.

**CONSULTANT STATEMENTS:**

- Akana - \$36,306.51
  - This invoice exceeds the current contract amount. New amount totals \$607,727.34.

**Motion 2022-073:** Motion by Mr. Costello and seconded by Mr. McKone to approve raising the limit on Akana's service contract to \$607,727.34 and to authorize payment to Akana for invoice no. 20017-024 in the amount of \$36,306.51. Motion carried.

**REPORTS**

**ENGINEERING REPORT** *Gray & Osborne/Mr. Mike Johnson*

- Well 4 update: offline until repairs and inspections are completed. Remaining work includes checkout of the VFD and the SCADA cabinet. Cause was due to pre-lube pipe fitting rupture attributed to poor quality connection of the lube line and fitting. The contractor is performing all repairs under the contract warranty and will add a pressure reducing valve to moderate the pressure.
- Water Usage Assistance Scope. G&O presented a proposal with a cost of \$14,500.00 to provide assistance in assessing water production, consumption and DSL, and assessing supply and distribution pipe replacement. The proposed scope of work is anticipated will be completed within 90 days.
- Calibration of the well meters is dependent on having Well #4 back in service. Meters will need to be removed and sent to a shop in California for calibration. It is anticipated that the calibration service will take place in October. Meters were last calibrated in 2019.

**Motion 2022-074:** Motion by Mr. McKone and seconded by Ms. Hibma to approve G&O Water Usage Assistance at a cost NTE \$14,500. Motion carried.

**ATTORNEY REPORT** *Jonson & Jonson/ Mr. Richard Jonson*

There has been no progress by King County on responding to Sallal rent counter proposal and fire cost suppression study.

**OPERATIONS REPORT** *Mr. Denny Scott*

- CWA Renewal (Silverstone): Staff will ask Silverstone to submit additional information regarding their CWA extension request. No action taken.
- Board reviewed the list of CWAs and asked Staff to contact the 11 applicants whose CWAs have expired and have not requested an extension.
- Water consumption is starting to decrease.
- Installed new chlorine system for wells #1 & 2
- Passed Sanitary Survey by DOH inspector. Written report will be received in 2-3 weeks
- Leak detection on hold for a week due to contractor response to emergency call. Contractor back on the job next week.
- Meter installation completed in new developments: Cedar Landing, Tanner Falls and Cascade Canyon
- New Office Project: *Tree Bergman*
  - No construction meeting this week. Contractor and sub-contractors progressing slowly on punchlist work.
  - Sallal staff scheduled to move into new office on October 5<sup>th</sup>
  - Fire Marshall inspection found exhaust & inlet fans in shop not responding to a shutdown when a Fire Alarm is activated.
  - Formal training held for: fire suppression and HVAC
  - Contractor waiting for King County permit to complete Standby Generator installation and commissioning
  - Pay estimate #15 - \$27,169.38. Accompanied by Akana's serial letter 37 not to approve certain items. Liquidated damages are accruing but not yet applied pursuant to contract formula.

**Motion 2022-075:** Motion by Mr. Costello and seconded by Mr. O'Brien to approve the HMCI Pay estimate #15 for \$27,169.38 with the exception of the CPM schedule. Motion carried.

- Change order #24 to mount Knox Box pedestal. Mr. Bergman recommended approval of change order nos. 24 and 25 which were reviewed and discussed.

**Motion 2022-076:** Motion by Mr. Costello and seconded by Mr. McKone to approve Change Order #24 for \$460.38. Motion carried.

- Change order #25 Fire Lane No Parking signage painting driveway

**Motion 2022-077:** Motion by Mr. McKone and seconded by Mr. Costello to approve Change Order #25 for \$2,404.08. Motion carried.

## **EXECUTIVE SESSION**

Ms. Smutny called the Board into Executive Session at 7:18 pm for the purpose of discussing with counsel the Emergency Interim Moratorium, City purchase offer, new membership application and New Office & Shop matters. Ms. Smutny closed the executive session and returned to regular session at 8:00 pm.

## **BUSINESS REPORT** *Ms. Kristina Parker*

- 401k adjustments discussed
- Audit update; extension of single audit deadline
- Developed a spreadsheet for staff to keep track of member interest and questions, about the Emergency Interim Moratorium and City purchase offer.
- Sallal has approximately 490 accounts with backflow prevention devices. Members are responsible for testing these devices annually and submit to Sallal a certified test report.
  - Staff corrected 32 accounts that were not being billed the monthly backflow prevention (cross connection) fee.
  - There were 77 accounts that did not get their backflow devices tested by the due date. They received the Association's \$50 noncompliance fee
- L&I claim: Aug 24<sup>th</sup> accident in which employee hurt wrist opening up a meter box.
- Delinquent accounts down from over 200 last year to 7 accounts this month
- Sallal valuation – receiving request for quotes from water system appraisers. Board to review at next monthly meeting.
- Rate Study has begun, intend to review draft at next month's Board meeting.
- New membership application - Property transferred to Secured Holdings, LLC.
- Secured Holdings, LLC. This application is for a parcel in which the membership was previously revoked. If not for the emergency moratorium, the parcel would be eligible for service. However, the application is incomplete. The application will go on the waiting list pending resolution of the moratorium. No action was taken.

**UNFINISHED BUSINESS** - Nothing to report

## **NEW BUSINESS**

Mr. O'Brien asked Mr. Jonson to look at the use of the Regional Coordination Framework [Regional Coordination Framework - King County](#) . During a major disaster, it may be necessary

to provide or receive aid from other utilities, prioritize emergency response and recovery efforts to save lives and minimize long-term impacts to our region. The Regional Coordination Framework and The Agreement provides a decision making process for minimizing competition for resources and conflict of efforts. Discussion reserved for next Board meeting.

## **ITEMS TO TRACK & COME BACK TO IF THERE IS ACTIVITY**

### **COMMITTEE REPORTS**

#### **MEMBER ADVISORY COMMITTEE** *Ms. Kristina Parker*

The following MAC candidates; Errol Tremolada, Heinz Holzinger, Jacob Wittman, Jason Richey, Melanie Kitzan submitted their Bios and attended the MAC meeting.

**Motion 2022-079:** Motion by Mr. O'Brien and seconded by Ms. Hibma to approve Errol Tremolada, Heinz Holzinger, Jacob Wittman, Jason Richey and Melanie Kitzan as MAC members. Motion carried.

MAC Minutes.

**Motion 2022-080:** Motion by Mr. O'Brien and seconded by Ms. Baker to approve for publication of second set of MAC minutes as submitted. Motion carried.

#### **CONSERVATION COMMITTEE** *Ms. Kristina Parker*

No update

**MOTION TO ADJOURN:** Motion to adjourn meeting at 8:30 pm was made by Ms. Hibma and seconded by Mr. McKone. Motion carried.

**Next scheduled meeting:**

**Board Meeting: Tuesday, October 18, 2022 at 6 pm**