

**SALLAL WATER ASSOCIATION
MINUTES FOR OCTOBER 18, 2022 BOARD OF TRUSTEES MEETING**

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

Guests present: Charles and Katie Tupper, Michael Thomas and Don DeBerg, City Engineer for North Bend.

CALL TO ORDER (QUORUM PRESENT) 6:10PM

Mr. O'Brien presented a plaque dedicating Sallal's New Office & Shop to Mr. Denny Scott, Water Superintendent, for 19 years of outstanding service to Sallal.

VISTOR COMMENTS (Limit time to 3 minutes)

- Charles and Katie Tupper, Sallal members, requested the Board to extend their Nov. 2021 Certificate of Water Availability for a proposed short plat. Final short-plat package has been submitted to and under review by King County. Discussion followed and it appeared that they had diligently prosecuted the subdivision with King County.
Motion 2022-080: Motion by Mr. O'Brien and seconded by Ms. Joyce Hibma to approve a one-year extension of the Tupper's CWA. Motion carried.
The Tupper's exited the meeting at 6:15 pm.
- Michael Thomas, Sallal member, inquired about ongoing investigation of 2021 water production and consumption quantities and the status of negotiations of supply and mitigation contracts with City of NB. He commented on the excellent customer service provided by Mr. Scott.
- Don DeBerg, congratulated Mr. Scott and stated that he had no other comments.

CONSENT AGENDA

- Vote to approve minutes for the September 17, 2022 Board work study meeting
- Vote to approve minutes for the September 20, 2022 Board monthly meeting
- Vote to approve minutes for the October 6, 2022 Board work study meeting
- Vote to approve consultant statements:
 - Jonson & Jonson - \$13,570.00
 - Ahlers Cressman Sleight - \$1,680.00
 - Finney, Neill & Company - \$7,918.50

Motion 2022-081: Motion by Mr. Costello and seconded by Ms. Baker to approve the consent agenda consisting of the Board's Sep 17 & Oct 6, 2022 work study meeting minutes and Sep 20,

2022 monthly meeting minutes, as amended by Mr. Costello, and all the consultant statements shown above. Motion carried.

CONSULTANT STATEMENTS:

- Akana - \$19,355.79. This invoice exceeds the current contract amount. Contract new amount total = \$627,083.13.

Motion 2022-082: Motion by Mr. Costello and seconded by Mr. McKone to approve raising the limit on Akana's service contract to \$627,083.13 and to authorize payment to Akana for invoice no. 20017-025 in the amount of \$19,355.79. Motion carried.

- Lawhead - \$6,245.00. This invoice exceeds the current contract amount. Contract new amount total = \$486,112.10

Motion 2022-083: Motion by Mr. Costello and seconded by Ms. Hibma to approve raising the limit on Lawhead's service contract to \$486,112.06 and to authorize payment to Lawhead for invoice no. 5445 in the amount of \$6,245.00. Motion carried.

REPORTS

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

Mr. Johnson reported that G&O continued to review water production and consumption data and is assisting with responses to UTRC's request for information. SCADA room security was discussed.

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

Nothing to report during open session

OPERATIONS REPORT *Denny Scott*

- Discussed Humenik application for a Certificate of Water Availability. After review, the Board determined that the application was incomplete and could not be considered.
- A water leak was found on an air vacuum line fed from a 12" A. C. watermain. The location of the leak was on the section of watermain that traverses Interstate-90 on the East side of 436th behind Alpine Estates. Tree roots wrapping around the air vacuum line caused the leak. Repairs were made that same day. He stated it was unknown how long the line was leaking.
- Well #4 pump VFD that had been damaged was inspected and considered not cost effective to repair. New VFD will be provided under warranty.
- Well #1 and 2 production meters will be sent out for calibration in November.
- Department of Health Sanitary Survey passed with no negative findings.
- New Office Project Update
 - Move out of rental space and into new building completed.
 - Beacon Movers provided excellent service.
 - Phone service by Comcast installed and operating new VOIP phone system.
 - Several weeks to unpack and organize office and shop spaces.

- HMCI working through punchlist items: Landscaping and Standby Generator & Fuel Tank are two of the more significant items pending completion.
- Pay estimate #16 – \$43,418.51 prior to liquidated damages. \$0.00 after applying liquidated damages. Akana's serial letter 41 explains items not recommended for payment.

Motion 2022-084: Motion by Ms. Hibma and seconded by Mr. Costello to approve HMCI Pay Estimate 16 for \$0.00 and noted that there was no CPM schedule provided. Motion carried.

EXECUTIVE SESSION – deferred to later in the meeting

BUSINESS REPORT *Ms. Kristina Parker*

- Injured employee returned to work on light duty. Will remain on light duty status through Oct.
- Quarterly taxes & filings due end of Oct.
- Developing an Assistance Program for member bills.
- Billing system – developing a monthly report to better track inactive accounts, typically when a customer transfers out of Sallal. There are 130 accounts in this status: 89 are owed a total of \$1,573.26 and 41 owe Sallal a total of \$2,131.21.
- Still working with Ms. Isaaksen on rate analysis.
- Audit Update - on track for Nov 15th, major effort to update our fixed asset accounting.

UNFINISHED BUSINESS - Nothing to report

NEW BUSINESS - None

ITEMS TO TRACK & COME BACK TO IF THERE IS ACTIVITY

COMMITTEE REPORTS

MEMBER ADVISORY COMMITTEE *Ms. Kristina Parker*

- Update from 10-12-2022 meeting. MAC Minutes.
Motion 2022-085: Motion by Mr. McKone and seconded by Ms. Baker to approve for publication the MAC minutes as submitted (see pdf). Motion carried.
- Voting in Members: The following MAC candidates; Ms. Ann Bailey, Mr. Mike Levesque and Ms. Nancy Jones submitted their Bios and attended the MAC meeting.
Motion 2022-086: Motion by Mr. McKone and seconded by Ms. Baker to approve Ms. Ann Bailey, Mr. Mike Levesque and Ms. Nancy Jones as MAC members. Motion carried.

CONSERVATION COMMITTEE *Ms. Kristina Parker*

- No update

EXECUTIVE SESSION

Ms. Smutny called the Board into Executive Session at 7:09 pm for the purpose of discussing the Emergency Interim Moratorium, new CWA request, New Office & Shop matters, the City's desire to acquire the water system including legal issues with counsel. All guests and Mike Johnson exited the meeting. Ms. Smutny closed the executive session and returned to regular session at 9:02pm.

Upon exiting Executive Session the following motions were made:

Motion 2022-087: Motion by Ms. Baker and seconded by Mr. O'Brien to approve obtaining appraisal services of Westwater Research for a sum NTE \$30,000. Motion carried.

Motion 2022-088: Motion by Ms. Baker and seconded by Mr. McKone to approve mediation services for the New Office & Shop project at a sum NTE \$3,500. Motion carried.

MOTION TO ADJOURN: Motion to adjourn meeting at 9:04 pm was made by Ms. Hibma and seconded by Mr. McKone. Motion carried.

Next scheduled meeting:

Board Meeting: Tuesday, November 15, 2022 at 6 pm