

**SALLAL WATER ASSOCIATION
MINUTES OF JUNE 20, 2023 BOARD OF TRUSTEES MEETING**

CALL TO ORDER (QUORUM PRESENT) 6:06 pm

MEETING CONVENED AT THE SALLAL WATER ASSOCIATION CONFERENCE ROOM

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

Consultants present: Mr. Richard Jonson, Attorney; Ms. Kira Nylander, G & O.

Employees present: Ms. Kristina Parker, Director of Finance & Administration; Mr. Denny Scott, Water Superintendent; Mr. Tree Bergman, Associate Water Superintendent; Ms. Shawn Hamerly, Office Manager; Ms. Andrea Laffey, Administrative Assistant.

Guests present: Ms. Ann Bailey, Sallal & MAC member; Mr. Don DeBerg, Sallal member and Public Works Engineer, City of North Bend; Mr. Jake Craft, Sallal member; Ms. Jamie Joppa, Sallal member.

VISTOR COMMENTS (Limit time to 3 minutes)

- Mr. Jake Craft requested one additional CWA for an ADU for his client, Ms. Joppa, who wishes to build a home in the Uplands.
- Ms. Ann Bailey inquired about the development of a water usage plan pursuant to the contract with North Bend.

CONSENT AGENDA

- Vote to approve minutes for the May 16, 2023 meeting.
- Vote to approve consultant statements:
 - Jonson & Jonson - \$13,080.00
 - Gray & Osborne - \$4,874.26

Motion 2023-06-20-01 made by Ms. Baker to approve the consent agenda without the May 16 minutes. Motion seconded and passed 6-1 (Mr. Costello voting no).

- May 16, 2023 Meeting minutes tabled until the next board meeting.

CONSULTANT STATEMENTS:

- Akana - \$548.38
 - This invoice exceeds the current contract amount. New amount totals \$678,922.29
- Lawhead - \$445.00
 - This invoice exceeds the current contract amount. New amount totals \$516,133.77

Motion 2023-06-20-02 made by Mr. Costello to approve the consultant statements. Motion seconded and passed unanimously.

REPORTS

ENGINEERING REPORT *Kira Nylander of Grey & Osborne*

- Draft Water Conservation Policy, feedback requested from Board members. Discussion followed. A copy will be provided to the MAC.
- Proposal for Engineering, NB Intertie. Discussion included location for booster pump station/intertie and operational sequencing. July 18th for tentative approval date.

ATTORNEY REPORT *Dick Jonson, Jonson & Jonson*

- Provided brief review of new legislation.
- Discussed new CWAs with condition for new intertie facilities.

OPERATIONS REPORT *Denny Scott, Water Superintendent & Tree Bergman, Associate Water Superintendent*

- System Status
- New Operator Update
- Alpentel Logistics / Vector CWA. Approval recommended.
- Joppa CWA. Approval recommended for ADU.
- Headquarters Update (*Tree*). *Final Payment under construction contract settlement agreement recommended.*

Motion 2023-06-20-03 made by Mr. McKone to renew Vector CWA. Motion seconded and passed unanimously.

Motion 2023-06-20-04 made by Mr. McKone to approve Vector DEA. Motion seconded passed unanimously.

Motion 2023-06-20-05 made by Mr. Costello to approve CWA one ERU for ADU requested by Joppa. Motion seconded and passed unanimously.

Motion 2023-06-20-06 made by Mr. O'Brien to pay HMCI the \$45,252.90 final amount due under headquarters construction settlement agreement. Motion seconded and passed unanimously.

- Office drain lines backed up, system clogged, warranty item, Hi Mark will repair and pay bills.
- Generator project update. Mr. Bergman will check on generator insurance for vandalism loss, and will request pricing from the contractor for removal of the old generator that failed.

BUSINESS REPORT *Kristina Parker, Director of Finance and Administration*

- Business Update
 - Audit Scheduled for July 11, 2023.
 - Budget for approval at July Board meeting.
 - Current Year financial statements.
 - Water Quality Report completed and mailed to members.
- April 18, 2023 meeting minutes and a discussion on minutes formatting.
- Procedure for Trustee's to view entitled/sensitive communications.
- Run-off Election
 - Meeting Notice of meeting on July 11, 2023.
 - Finney & Neill engagement to conduct ballot counting services.
- Rate consultants: discussed which consultant to hire to address multi-family rates and amortization, and possibly irrigation meter rates and commercial rates.
- Intertie Committee: staffing recommended.
- Hoenig inquiry and response.

Motion 2023-06-20-07 made by Ms. Baker “to change the format of the Sallal meeting minutes to conform with section 48 of Roberts Rules of Order and to authorize staff to determine the number format for motions.” Motion seconded and passed 5-2 (Messrs. Costello and Formisano voting no).

Motion 2023-06-20-08 made by Mr. McKone to approve the April 18, 2023 minutes as posted to drop box by staff.

Motion Passed 5-2 (Messrs. Costello and Fomisano voting no).

Motion 2023-06-20-09 made by Ms. Baker to approve Ms. Parker’s procedure in drop box for Trustees to view entitled/sensitive communications.

Motion seconded and passed 5-1-1 (Mr. Costello voting no; Mr. Formisano abstaining).

Motion 2023-06-20-10 made by Ms. Hibma to approve the Finney Engagement letter.

Motion seconded and passed 6-1 (Mr. Costello abstaining).

- Ms. Hibma left the meeting at 8:31pm and continued to be present by telephone.

Motion 2023-06-20-11 made by Ms. Baker to assign Ms. Parker, Mr. Scott, and Mr. Bergman to intertie committee to include G & O’s presence at first three meetings and then as needed.

Motion passed unanimously.

EXECUTIVE SESSION – Ms. Smutny called for an executive session at 9:27 pm to discuss personnel issues, legal matters with counsel and other confidential matters.

The executive session was concluded at 9:37 pm and the regular session of the meeting resumed.

UNFINISHED BUSINESS

- May 1st minutes in drop box for viewing and April 11th minutes need approval.

NEW BUSINESS

- Discussed Boboth membership question. Counsel recommended full payment of membership fees for lot BB based on correspondence with prior management. The Board and management concurred.

COMMITTEE REPORTS

MEMBER ADVISORY COMMITTEE: None

DATA AND TECHNOLOGY COMMITTEE: None

CONSERVATION COMMITTEE: None

MOTION TO ADJOURN made by Mr. McKone at 9:47 pm.

Motion passed unanimously.

Next scheduled meeting:

Run-off Election: Tuesday, July 11, 2023 at 6pm

Board Meeting: Tuesday, July 18, 2023 at 6 pm