

**SALLAL WATER ASSOCIATION
MINUTES OF February 20, 2024 BOARD OF TRUSTEES MEETING
SALLAL WATER ASSOCIATION CONFERENCE ROOM**

Board members present: Daylin Baker (Vice President), Eric O'Brien (Secretary), Don Wise (Treasurer), Larry Costello, Shawn McKone and Rich Formisano (joined the meeting at 6:27 p.m.)

Consultants present: Richard Jonson, Attorney; Mike Johnson, Engineer.

Employees present: Denny Scott, Water Superintendent and Tree Bergman, Assistant Water Superintendent.

Guests present: Michael Thomas, Jean Buckner, Don DeBerg and Ron Dismararais.

CALL TO ORDER

Ms. Baker opened the meeting at approximately 6:00 pm.

VISTOR COMMENTS Mr. Thomas and Ms. Buckner spoke.

CONSENT AGENDA

- Vote to approve minutes for the January 16, 2024 Board meeting.
- Vote to approve consultant statements:
 - Jonson & Jonson - \$4,920.00
 - Gray & Osborne - \$25,050.22
 - Wilson Smith Cochran Dickerson - \$585.00
 - Bell Anderson – 56,471.74

Mr. Costello requested that the attorney billings from Jonson & Jonson and Wilson Smith Cochran Dickerson bills be removed from the consent agenda.

Motion 2024-02-20-01 by Mr. McKone and seconded by Mr. Wise to approve the Consent Agenda as submitted not including the attorney billings. Motion passed unanimously.

Discussion followed about the attorney billings.

Motion 2024-02-20-02 by Mr. O'Brien and seconded by Mr. McKone to approve the Jonson & Jonson billing as submitted. Motion passed with four trustees voting in favor and Mr. Costello voting no.

Motion 2024-02-20-03 by Mr. O'Brien and seconded by Mr. McKone to approve the Wilson Smith Cochran Dickerson billing as submitted. Motion passed with four trustees voting in favor and Mr. Costello voting no.

OPERATIONS REPORT

- Mr. Scott reported on the condition of the water system, current projects and the recent storm that knocked out power to Rattlesnake, Mt. Si and the office. Mr. Bergman reported on damage to electrical components and telemetry and to the entry gate at the office. Both reported difficulties encountered by Pump Tech in pulling the pump in Well No. 1 and the need to bring a larger crane. Mr. O'Brien reported on Sallal's participation in a request for federal disaster funding resulting from the recent ice storm.
- Ratify Email Vote for Systems Interface

Motion 2024-02-20-04 by Mr. Wise and seconded by Mr. O'Brien to ratify and approve a services contract with Systems Interface in the amount of \$55,000.00 plus WSST to repair and upgrade controls and telemetry at the Mt. Si pump station. Motion passed unanimously.

Motion 2024-02-20-05 by Mr. Costello and seconded by Mr. O'Brien to approve a services contract with Systems Interface for an arc flash study at the Mt. Si Pump Station in the amount of \$7,000 plus WSST. Motion passed unanimously.

Motion 2024-02-20-06 by Mr. Wise and seconded by Mr. Costello to approve a services contract with Ashford Electric for repairs to the Mt. Si Pump Station in an amount up to \$7,200 plus WSST. Motion passed unanimously.

- Approval to Recruit for Cameron's Position. Mr. Bergman reported that the Association's field worker has given notice that he is seeking other employment and it is necessary to recruit a replacement.

Motion 2024-02-20-07 by Mr. O'Brien and seconded by Mr. Formisano to approve recruiting a replacement for the field worker position. Motion passed unanimously.

- Rattlesnake Generator Project. Mr. Johnson reported that documentation remains outstanding and the project was not ready for final acceptance. He reported that 90% plans on the new pump station are nearly ready for submission to Denny and Tree for review. Mr. Formisano requested that the plans be posted to Dropbox.

BUSINESS REPORT

- Treasurer's Report. Mr. Wise reported that with Ms. Parker's resignation effective February 9, 2024, Ms. Baker and he stepped in to perform many of her job duties. He requested temporary accounting assistance to close the 2023 books, prepare year end USDA reports and prepare for the upcoming audit. He reported that the accounting firm of Vine Dahlen and Ms. Parker may be available to provide interim accounting assistance. He requested that Ms. Baker and he be authorized to make budgeted expenditures up to \$10,000 and grant standard leak adjustments. He reviewed bank accounts and investments and reported that there is no present market for municipal bond holdings and, therefore, the Association's holdings of municipal bonds will be held to maturity.

Motion 2024-02-20-08 by Mr. O'Brien and seconded by Mr. McKone to approve Ms. Baker and Mr. Wise to authorize budgeted expenditures and leak relief up to \$10,000 for an interim period of up to one week after a General Manager is hired and working. Motion passed unanimously.

Motion 2024-02-20-09 by Mr. O'Brien and seconded by Mr. Formisano to retain Kristina Parker as needed to assist with higher level accounting in the interim period at a cost not to exceed \$10,000, to include 2023 year-end close out. Motion passed unanimously.

UNFINISHED BUSINESS

NEW BUSINESS

- Mr. Costello requested discussion of the upcoming vote for trustees to fill two three-year positions and one one-year position. Discussion followed.
- Mr. Formisano proposed that Eastside Fire and Safety make a short presentation at the upcoming member meeting on wildfire safety. He requested updates on North Bend's wholesale water rate and Sallal's annual water consumption and ERU count.

EXECUTIVE SESSION Ms. Baker called for an executive session at 8:08 pm to review personnel and legal matters. All guests and Mike Johnson exited the meeting. Mr. Bergman and Mr. Scott exited at 8:58 pm. The executive session was concluded at 9:23 pm.

Motion 2024-02-20-11 by Mr. McKone and seconded by Mr. Costello to increase the 2024 budget for field employee wages up to \$35,400. Motion passed unanimously.

Upon motion made, seconded and passed, the meeting adjourned at 9:33 pm.

Submitted by:
Richard Jonson, counsel

Next scheduled meetings:
Board Meeting: Tuesday, March 19, 2024 at 6 pm