

**SALLAL WATER ASSOCIATION
MINUTES OF THE MAY 21, 2024 BOARD OF TRUSTEES MEETING
SALLAL WATER ASSOCIATION CONFERENCE ROOM**

Board members present: Denise Smutny (President), Shawn McKone (Vice President), Eric O'Brien (Secretary), Don Wise (Treasurer), Larry Costello and Rich Formisano.

Consultants present: Richard Jonson, Attorney; David Jurca, Attorney (by Zoom for second executive session only); Mike Johnson, Engineer.

Employees present: Denny Scott, Water Superintendent, Tree Bergman, Associate Water Superintendent and Scott Hemingway, Water System Operator.

Guests present: Michael Thomas, Jason Ritchey, Stefanie Hawks-Johnson and Ken Cadieux.

CALL TO ORDER

Ms. Smutny opened the meeting at approximately 6:11 pm.

EXECUTIVE SESSION: INTERVIEW BOARD TRUSTEE CANDIDATES

Ms. Smutny declared an executive session at approximately 6:11 pm to interview three candidates (Jason Ritchey, Stefanie Hawks-Johnson and Ken Cadieux) for the vacant board position. All guests and staff left the meeting. The interviews were conducted individually and only the candidate was present along with the Board and counsel during each interview. Ms. Smutny concluded the executive session at 7:19 pm and the regular session of the meeting resumed. Guests and staff re-entered the meeting.

OPEN SESSION: APPOINTMENT OF CANDIDATES

Ms. Smutny announced that the Board is not ready to appoint a candidate, that applications for the position will remain open and the Board will reconsider existing and new candidates at a special board meeting to be held on June 25, 2024.

VISTOR COMMENTS

Mr. Thomas spoke about remote meeting attendance, the availability of SPU water, new interties with North Bend and water conservation.

CONSENT AGENDA

- Vote to approve minutes of the April 16, 2024 Board meeting.
- Vote to approve consultant statements:
 - Jonson & Jonson - \$5,574.17
 - Gray & Osborne - \$9,066.25
 - Wilson Smith Cochran Dickerson - \$6,614.00 total
 - Helsell Fetterman - \$4,455.00

Mr. Costello objected to the Wilson Smith bill.

Motion 2024-05-21-01 by Mr. Wise and seconded by Mr. McKone to approve the Consent Agenda. Motion passed 4 to 2 with Mr. Costello and Mr. Formisano voting no.

ENGINEERING REPORT (Mike Johnson, G&O)

- VFD Update - Design specifications for the new VFD for Well No. 2 have been provided to staff.
- Intertie Update - Design specifications have been submitted to DOH and the City; the City has responded; the easement has not yet issued; Mr. Johnson is concerned with the June 30, 2025 completion deadline and recommended advertising for bids on June 1. After lengthy discussion, the Board tentatively concurred with advertising for bids on June 17 and for bid opening to occur on July 10.
- Intertie Additional Services – Mr. Johnson stated that the City is requiring a tree assessment, a wetlands study and a storm water plan. He requested an additional scope of work to fulfill these tasks because they were not included in G-O's original proposal.

Motion 2024-05-21-02 by Mr. Costello and seconded by Mr. Wise to approve additional services from Grey & Osborne for the North Bend Intertie in the amount of \$27,500 thereby increasing the total scope of work amount to \$189,500. Motion passed unanimously.

- Well No. 1 Replacement – prospects for rehabilitating Well no. 1 were discussed. Mr. Johnson was requested to prepare a cost estimate and time frame for drilling, but not equipping, a replacement well.

OPERATIONS REPORT (Denny Scott)

- Report – Mr. Scott reported on the condition of the water system including PFAS testing.
- Systems interface Invoice for Mt. Si Panel Rebuild - Mr. Bergman stated that this invoice requires further review.
- CWA for ADU on Existing Lot – Information only; approval is within Mr. Scott's previously approved authority.
- DSL Leak Detection Proposals - Mr. Scott reviewed proposals for leak detection. After discussion, he will continue to look for additional service providers as well as look further into the reviewed proposals.

BUSINESS REPORT

- Treasurer's Report. Mr. Wise reported on business matters including commencement of the 2023 audit and USDA reporting.
- Multifamily Rate Analysis – A draft report prepared by Peninsula Financial Consulting was discussed. Mr. Costello was requested to prepare comments and correspond with the consultant.
- FEMA public assistance grant update – Sallal's application is progressing.
- DOH intertie grant update – compliance details were discussed.

ATTORNEY REPORT - None – reserved for executive session.

UNFINISHED BUSINESS None

NEW BUSINESS None

EXECUTIVE SESSION

Ms. Smutny called for an executive session at 8:15 pm to review board, personnel and legal matters with counsel including the River Run appeal. Messrs. Scott and Hemingway exited the meeting and Mr. Jurca joined the meeting by Zoom. Mike Johnson and Dave Jurca exited the meeting after the River Run appeal was discussed. The executive session was concluded at 9:42 pm. Mr. Thomas re-entered the meeting.

Motion 2024-05-21-03 by Mr. McKone and seconded by Mr. Wise to deny River Run's appeal for reduction of membership fees and authorizing the President to issue a decision letter. Motion passed unanimously.

Upon motion made, seconded and passed, the meeting adjourned at 9:43 pm.

Submitted by:

Richard Jonson, counsel

Next scheduled meeting:

Board Meeting: Tuesday, June 18, 2024 at 6 pm

Special Board Meeting: Tuesday, June 25, 2024 at 6 p.m.

