

**SALLAL WATER ASSOCIATION
MINUTES OF THE JULY 16, 2024 BOARD OF TRUSTEES MEETING
SALLAL WATER ASSOCIATION CONFERENCE ROOM**

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

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

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

Guests present: Don DeBerg; Donny Hendrickson.

CALL TO ORDER

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

VISTOR COMMENTS

Donny Hendrickson presented a request for certificate of water availability for a new home on a lot containing an existing home served by the Association. The existing home would become an ADU to the new home. He requested that both homes be served by the same meter and that an additional membership fee not be charged. He exited the meeting at 6:07 pm. .

CONSENT AGENDA

- Vote to approve minutes of the June 18, 2024 Board meeting.
- Vote to approve consultant statements:
 - Jonson & Jonson - \$3,635.00
 - Gray & Osborne - \$20,383.48

Edits to the June meeting minutes posted to Dropbox by Messrs. McKone and Costello were reviewed. Mr. O'Brien requested an addition which he read aloud.

Motion 2024-07-16-01 by Mr. Wise and seconded by Mr. O'Brien to approve the Consent Agenda to include all edits as submitted. Motion passed unanimously.

ENGINEERING REPORT (Mike Johnson, G&O)

- VFD Update - Will advertise for bids next week.
- Intertie Update – Bid opening has been extended to July 25 due to lack of bids; bldg. permit has not yet issued; plans are still under review by DOH and comments are expected shortly; revisions to the easement have been requested by the City and posted to Dropbox along with a final legal description; DOH grant contract has not been finalized; the City is preparing specifications for the Boxley Creek intertie and has offered to include the Well 1 and 2 connection line in the contract documents; Mr. Jonson discussed joint bid (piggybacking) arrangements often used in similar situations.

Motion 2024-07-16-02 by Mr. McKone and seconded by Mr. Costello to approve revised easement for the North Bend intertie and pump station as presented. Motion passed unanimously.

Motion 2024-07-16-03 by Mr. McKone and seconded by Mr. Wise to authorize the Association to contract with the City of North Bend for the installation of the Well 1 and 2 connection main pursuant to a joint bid/piggyback contract subject to counsel and engineer review and for execution by the General Manager. Motion passed unanimously.

- Well No. 1 Replacement – The well remains in operation and work has not commenced on the prior approved engineering engagement. Discussion followed concerning the depth and screening of a new well if Well No. 1 requires replacement. G&O will assess the merits of designing a replacement well in-kind, with same depth and screening as the original well, as opposed to a shallower well with a single screened zone and will report back before proceeding. The current approved scope of work for the new well is replace in-kind.
- Wilderness Rim Meter Vault-Proposed Services – Mr. Bergman reviewed discussions with Wilderness Rim.
- Approve Mountain States Pipe and Supply invoice – Mr. Wise requested approval of this most recent invoice for meter replacement equipment. Mr. Costello requested clarification on similar invoicing from prior months and what the total scope of work and budget are anticipated will be for meter replacement in 2024. Mr. Wise and Mr. Bergman will review this inquiry and report back.

Motion 2024-07-16-04 by Mr. O'Brien and seconded by Mr. Formisano to authorize payment of invoice as posted to Dropbox in the amount of \$15,852.85 to Mountain States Pipe and Supply. Motion passed unanimously.

OPERATIONS REPORT (Denny Scott)

- Report – Mr. Scott reported on the condition of the water system, water usage and maintenance activities.
- DSL Leak Detection – recent dsl figures were reviewed.
- Project Updates - Messrs. Bergman and Scott discussed recent projects and added that Well No. 3 will be returned to service shortly.

BUSINESS REPORT (Don Wise)

- Treasurer's Report – Mr. Wise reported on finances and added that the 2023 audit was underway.
- GM Report in Dropbox – No report
- FEMA public assistance grant update – Sallal's application is progressing.
- DOH intertie grant update – No report.
- USDA FOIA Request – Request by the law firm used by the City of North Bend to USDA for Loan no. 10 documents discussed.

ATTORNEY REPORT - reserved for executive session.

UNFINISHED BUSINESS

- Minutes from the 2023 Member Meetings. Due to vacation scheduling and change in computer website programming, this task is not complete.
- Mr. Formisano inquired about the status of the multi-family rate schedule. This will be addressed at the August board meeting. Mr. Costello inquired about whether River Run was charged monthly fixed fees applicable to non-users after it prepaid membership fees. Mr. Wise will investigate.

NEW BUSINESS None

EXECUTIVE SESSION Ms. Smutny called for an executive session at 7:30 pm to review the Hendrickson CWA request, personnel matters and legal matters with counsel. Mr. DeBerg exited the meeting. Mike Johnson exited the meeting at 7:45. Messrs. Scott, Bergman and Hemingway exited the meeting at 8:02 pm. The executive session was concluded at 8:21 pm and the regular session of the meeting continued.

Motion 2024-07-16-05 by Mr. McKone and seconded by Mr. Wise to authorize Mr. Scott permission to grant up to five certificates of water availability for individual single family homes. Motion passed unanimously.

The Board discussed the ADU policy and concurred that Mr. Hendrickson must follow existing policy by paying separate membership and meter installation fees for a new proposed stand alone home on his property.

Motion 2024-07-16-06 by Mr. Wise and seconded by Mr. O'Brien to approve changes to the Association's 401k plan as follows (1) eliminate the one-year delay and allow new employees to participate in the plan from date of hire; (2) employee contributions to the plan will vest immediately upon participation; and (3) employer contributions to the plan will initially vest at 0%, changing to 100% after six months' employment. Motion passed unanimously.

Upon motion made, seconded and passed, the meeting adjourned at 8:55 pm.

Submitted by:
Richard Jonson, counsel

Next scheduled meetings:
Board Meeting: Tuesday, August 20, 2024 at 6 pm