

SALLAL WATER ASSOCIATION

MINUTES OF THE MARCH 18, 2025 BOARD OF TRUSTEES MEETING

Board members present: Shawn McKone (Vice President), Don Wise (Treasurer), Eric O'Brien (Secretary), Larry Costello, Rich Formisano and Emilie Moore. Mr. Formisano and Ms. Moore attended remotely by Zoom.

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

Employees present: Devin Mettler, General Manager; Denny Scott, Water Superintendent; Tree Bergman, Assistant Water Superintendent; Scott Hemingway, Water Operator.

Guests present: Tod Botten

CALL TO ORDER

Mr. McKone opened the meeting at approximately 6:00 pm.

VISTOR COMMENTS

Mr. Botten stated that he purchased a vacant lot in 2014 and took over a non-user membership. Over the years, he paid approximately \$3,000 in monthly base and amortization fees. He recently canceled the membership because Sallal obtained water from North Bend to serve new connections. He stated that he should have been told about new water supply and requested a refund of the monthly payments that he made over the years. Mr. Bergman stated that a non-user membership was issued but only an initial payment of \$500 had been made by the former lot owner. Mr. O'Brien stated that the monthly payments kept the membership in force which guaranteed him a connection and the supply contract with North Bend was not executed until June of 2023. Mr. McKone requested management and counsel to review the situation and report back to the Board. Mr. Botten exited the meeting at 6:25 pm.

CONSENT AGENDA

- Minutes of the February 18, 2025 Board meeting
- Consultant statements:
 - Jonson & Jonson - \$4,265.00
 - Gray & Osborne - \$19,634.37
 - Advantage Accounting - \$140.00

Motion 2025-03-18-01 by Mr. Wise and seconded by Mr. Costello to approve all items on the consent agenda as presented including edits to the minutes as submitted by Mr. Costello. Motion passed unanimously.

ENGINEERING REPORT (Mike Johnson, G&O)

- North Bend Intertie Update – Site work is underway, and Tanner Electric is bringing in power. Mike Johnson recommended approval of the contractor's first progress payment request and reviewed the work performed.

Motion 2025-03-18-02 by Mr. Wise and seconded by Mr. O'Brien to approve payment for Progress Estimate no. 1 for the North Bend Intertie project in the amount of \$123,358.50 as submitted by Anvil Builders, Inc. The motion passed unanimously.

Procedures to recoup engineering and construction costs from the DOH grant were discussed.

- Well 2 VFD – Equipment has been shop-tested and installation to begin shortly.
- Well No. 1 Replacement – project has been advertised for bids; bid opening has been extended; existing sanitary control area for well no. 1 may not exactly fit but DOH may not require adjustment because the project is within a controlled watershed. Mr Formisano asked if SPU has been informed.
- North Bend Roundabout – surveying work has commenced.

OPERATIONS REPORT (Denny Scott and Tree Bergman)

- General– This is Mr. Scott's last meeting, and he was thanked for his years of loyalty and hard work for the Association.
- CWA Requests
 - Puget Western Property. Mr. Bergman stated that the CWA posted to Dropbox was issued. Discussion followed concerning lack of specificity in the application documents about the improvements that will ultimately be built. Mr. Bergman was requested to inform the developer that the CWA contains an estimate of water usage based on preliminary and non-specific plans contained in the application documents.
 - Steele Property. Mr. Bergman discussed the Steele CWA application, and he recommended approval for just two front lots containing a total of 4 ERU's at this time. Discussion followed concerning the amount of Sallal's remaining ERU capacity without taking into account water from North Bend, and Mike Johnson provided an estimated range. Mr. Bergman requested that he be given the authority to issue CWA's for up to 7 ERU's without reference to completion of the North Bend intertie to include an initial issuance of 4 ERU's to Mr. Steele.

Motion 2025-03-18-03 by Mr. O'Brien and seconded by Mr. Costello to authorize Mr. Bergman to issue CWA's for up to 7 ERU's. The motion passed unanimously.

- Project Updates - Mr. Bergman reported on pending projects. He noted that North Bend's contractor is expected to commence work shortly on the Boxley Creek intertie. The demarcation point between the intertie and Sallal's main is within the SPU watershed and the contractor has requested SPU's permission to work in that area.

BUSINESS REPORT

Treasurer's Report (Don Wise) - Mr. Wise reported on balances of cash and investments.

GM Report (Devin)

- Annual Meeting -Check In – Mr. Mettler discussed incoming ballots, presentations, ballot counting procedures and minute taking.
- Mike Thompson Claim – A claim for damage to an automobile tire submitted by member Mike Thompson was reviewed. After discussion, Mr. Mettler was directed to transmit the claim to the Association's liability insurer.
- Denny Scott Retirement Party – Open house at the Association office schedule for Friday, March 21 from 10 am to 2 pm.
- North Bend Proposed ADU & Non-Conforming Use Amendments – Mr. Jonson has worked on proposed rule edits that will be posted to Dropbox.

Attorney Report (Richard Jonson)

Mr. Jonson reported on a recent communication to King County regarding franchise compensation negotiations and fire suppression cost offsets. He reported that attorney Dave Jurca has retired from his firm and moved to Oregon.

UNFINISHED BUSINESS

None

NEW BUSINESS

None

EXECUTIVE SESSION

None

Upon motion made by Mr. Wise, seconded by Ms. Moore and unanimously passed, the meeting adjourned at 7:47 pm.

Submitted by:
Richard Jonson, counsel

Next scheduled meetings:
Board Meeting: Tuesday, April 15, 2025 at 6 pm