

SALLAL WATER ASSOCIATION
MINUTES OF THE JUNE 17, 2025, BOARD OF TRUSTEES MEETING

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

Consultants present: Richard Jonson, Attorney; Kira Melander, Engineer

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

Guest present: None

CALL TO ORDER

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

VISITOR COMMENTS

None

CONSENT AGENDA

- Minutes of the May 20, 2025, Board Meeting
- Minutes from the Organizational Meetings 2021, 2022, 2023, 2024, and 2025
- Consultant statements
 - Jonson and Jonson - \$3,390.00
 - Gray and Osborne - \$51,065.88
 - Advantage Accounting - \$980.00

Discussion followed. Mr. Mettler noted that Systems Interface Invoice No. 32768 in the amount of \$14,096.40 for work pertaining to the Middle Fork Tank Control Panel was approved for payment at the May 20, 2025 Board meeting subject to approval of the corresponding Systems Interface proposal (see also Project Updates below), and the invoice has been paid.

Motion 2025-06-17-01 by Mr. Costello and seconded by Mr. McKone to approve all items on the consent agenda including all edits to meeting minutes as submitted to Dropbox. Motion passed unanimously.

ENGINEERING REPORT (Kira Melander, G&O)

- North Bend Intertie Update – The Anvil Construction Progress Estimate #4 for \$553,116.39 discussed. The building is up, conduit has been laid under the building slab, and the generator is on site. August is the estimated substantial completion time. The construction contract is on schedule. Payment of Estimate #4 was recommended. Mr. Costello enquired about the Testing and Commissioning Plan from Anvil, discussed the implications to the

timeline, and reviewed the contract language stating that the T&C plan is due prior to 60% payment.

Motion 2025-06-17-02 by Mr. McKone and seconded by Mr. Costello to approve payment of Anvil Construction Project Estimate # 4 in the amount of \$553,116.39. The motion passed unanimously.

- Change Order #3 - Electrical Service Installation for \$49,100 – King County is requiring the electrical connection to the new building to be bored underneath the Snoqualmie Valley Trail along with traffic control resulting in substantially increased costs even though adjacent projects were allowed to open cut. Mr. Costello reviewed the requirements applicable to crossing rail lines and stated that those requirements should not apply. Anvil provided a change order proposal based on King County requirements. King County will be questioned further as to its requirements but if it won't relent, management needs authority to proceed so as to not delay the project. Discussion followed.

Motion 2025-06-17-03 by Mr. O'Brien and seconded by Mr. Formisano, to authorize management to negotiate Change Order #3 with Anvil Construction in an amount not to exceed \$50,000 if necessary to satisfy King County trail crossing requirements. The motion passed unanimously. If this change order is required, it will be added to the July Board meeting agenda for review and approval.

- Well #1 Replacement, Rebid – Update - Revised Well #1 replacement specification were discussed.

Motion 2025-06-17-04 by Mr. Costello and seconded by Ms. Moore to authorize advertising the Well #1 Replacement project for bids based on revised specifications. The motion passed unanimously.

- Well #2 VFD Update
 - Gary Harper Construction – Progress Estimate #3- \$19,714.73Mr. Bergman stated that Systems Interface is on site this week performing programming. Discussion followed concerning testing. Payment of Progress Estimate #3 was recommended.

Motion 2025-06-17-05 by Mr. Costello and seconded by Mr. McKone to approve payment of Gary Harper Project Estimate #3 totaling \$19,714.73. The motion passed unanimously.

- Water Use Projection Analysis - G&O to move forward on the data and projection portion of the work.
- Mt. Si Roundabout Update – G&O is preparing a 60% design packet for management review during the week of June 25th

OPERATIONS REPORT (Tree Berman)

- Operations Report and Consumption Report Submitted to Dropbox.
- Roundabout Irrigation. Mr. Bergman was requested to inquire whether the City's irrigation needs for the proposed roundabout will be temporary.
- Project Updates. Reviewed.
 - SCADA
 - River Point Booster Station Control Panel. Work is nearly complete.
 - Middle Fork Tank Control Panel – SCADA – Mr. Bergman proposed this project to be managed in-house with electrical work by Ashford Electric and telemetry by Systems Interface. Mr. Bergman was requested to also present proposals from Ashford and Systems Interface and submit them for Board approval on July 15, 2025.
- The Steele property development plans. The developer proposes two homes with two ADU's, per lot. Water plans under review.

BUSINESS REPORT

Treasurer's Report (Larry Costello)

- Financial Investments – Reviewed.

GM Report (Devin Mettler)

- North Bend Intertie – A proposed contract amendment from North Bend to amend the Water Supply Agreement by adjusting project completion dates from June 30, 2025 to September 30, 2025 was reviewed and discussed.

Motion 2025-06-17-06 by Mr. Formisano and seconded by Mr. Costello to approve the contract amendment as submitted and authorize execution contingent on approval by the North Bend City Council. The motion passed unanimously.

- Intertie Committee Meeting Minutes – Notes of past meetings are being collected and will be distributed.
- Banking and Signatories – Mr. Costello reported.
- FEMA WMD Grant Update - \$86,000 grant funds were received.
- DOH/DWSRF Funding – We have been paid three times so far this year from Department of Health.
- No funds from the City of North Bend have been received.
- Data Protection and Security Policy – Draft posted to Dropbox reviewed and discussed.
- 2024 Year End/Audit – Work has commenced. Finney Neil will be on site in mid to end of July.
- 2025 Rate Study – Work by KLJ is underway. By January 1, 2026, the Board hopes to complete the implementation of the 2026 rate study.
- 2024 Water Quality Report – The Board received report.
- New Hires – Search in progress for two positions. Fifty plus applications received so far.

Attorney Report (Richard Jonson)

- Snoqualmie DROUT Project –Mr. Jonson and Mr. Mettler reported.

UNFINISHED BUSINESS

- The 2025 Annual Member Meeting Minutes – “Invalid” substituted for “Illegal” regarding ballots that were not properly filled out and unable to be counted.

Motion 2025-06-17-07 by Ms. Moore and seconded by Mr. Costello authorizing management to post the draft of the 2025 Annual Member Meeting Minutes to Sallal’s website. The motion passed unanimously.

- Intertie Operating Procedures – Drafts posted to Dropbox for Board review. A small work group has been created with the goal of documenting operating procedures for Sallal’s water system with and without the Boxley Creek and North Bend interties in service. The intent is to define procedures to address minimum to worst case operating scenarios using the updated planning information being prepared by G&O and North Bend.

NEW BUSINESS

- Mr. Formisano discussed that EPA’s America’s Water Infrastructure Act of 2018 that requires Sallal to conduct a risk and resilience assessment by June 2026 and review/revise Emergency Response Plan (ERP) by 12/31/2026.
- Mr. Mettler reported on an employee resignation.
- Mr. Mettler reported on status of the Puget Western property. Change of ownership transactions are underway. Potential impact to the previously approved CWA will be evaluated.
- Mr. O’Brien reported on cybersecurity.

EXECUTIVE SESSION

None

Upon the motion made by Ms. Moore, seconded by Mr. O’Brien, and unanimously passed, the meeting was adjourned at 8:23pm.

Submitted by:

Blair Kreig, Minutes Services

Next Scheduled Meeting:

Board Meeting: Tuesday, July 15, 2025, 6 pm.