

**SALLAL WATER ASSOCIATION
MINUTES OF DECEMBER 16, 2025 BOARD OF TRUSTEES MEETING**

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

Consultants present: Richard Jonson, Attorney; Mike Johnson and Kira Melander, Engineers.

Employees present: Devin Mettler, General Manger; Tree Bergman, Superintendent.

CALL TO ORDER

Mr. McKone opened the meeting at 5:31 pm.

VISTOR COMMENTS

None.

CONSENT AGENDA

- Minutes of November 18, 2025 Board meeting
- Consultant statements:
 - Advantage Accounting - \$937.50
 - Gray & Osborne - \$9,748.17
 - Jonson & Jonson - \$2,725.00

Motion 2025-12-16-01 by Mr. Costello and seconded by Ms. Moore to approve all items on the consent agenda including all edits to the November 18, 2025 Board meeting minutes as discussed. Motion passed unanimously.

ENGINEERING REPORT (Mike Johnson, G&O)

- North Bend Intertie Update – Project is complete except replacement electrical breakers have not been received; delivery has been expedited and installation and testing is expected within the next two weeks.
- Well #1 Replacement Drilling - Contractor insurance issues have been resolved and pre-con is scheduled for Thursday of this week. Contractor anticipates a January or February start.
- Well #2 VFD – Air conditioner unit replacement work is underway and should be finished by next week.
- Water Use Projection Analysis – Update - Draft preliminary report is expected to be ready for review by next week.
- Golder Associates is working on a probability analysis proposal for Sallal which will coincide with similar work it is performing for the City regarding the City's mitigation requirements.
- Mt. Si Roundabout Mainline Replacement– Segment 25A - Update – Permit has issued and project is being advertised for bids.

SOFTWARE PROPOSAL

- Springbrook – Accounting and Billing Software – Revised Proposal – Mr. Mettler stated that an updated proposal from Springbrook has been posted to Dropbox for Board review but is not ready for approval.

OPERATIONS REPORT (Tree Bergman)

- Project Updates/Q&A - Water usage, DSL and water quality testing reviewed; developer projects reviewed; impact of weather conditions discussed.
 - SCADA/Middle Fork Tank Control Panel – Based on prior Board approval, MT Electric was awarded the installation contract for \$28,392; work has commenced.
 - CWA Inquiry – PJO NW/Mountain View TH – Developer’s application for a certificate of water availability reviewed; 56 separately metered town homes proposed with separate irrigation projected ERU’s differed between Developer and G&O; a portion of the site will be commercial with presently unknown water usage. Discussion followed and the Board requested additional information before acting on the request; review at next Board meeting.
 - Buchan Homes/Three Rivers Estates – Bond Release – Documents posted to Dropbox were discussed; project was complete in 2023 but not presented for acceptance until 2 year warranty period expired. Mr. Bergman will verify any remaining inspection related work items that need completion and will administer their costs separately. Additionally, Mr. Bergman will add the DEA date of signature to the Bill of Sale document to complete that record.

Motion 2025-12-16-02 by Mr. Costello and seconded by Mr. O’Brien to release the maintenance bond for Three Rivers Estates in the amount of \$2,300, accept the bill of sale in the amount of \$147,493 and accept the project as complete. Motion passed unanimously.

- New Service Truck – \$85,454.64 – Purchase proposals for a new service truck were reviewed; acceptance of revised proposal from Kendall Chevrolet in Marysville, WA in the amount of \$85,454.64 was recommended which includes spray-on bedliner; additional outfitting will be required including light bar and running boards. Discussion followed.

Motion 2025-12-16-03 by Mr. O’Brien and seconded by Mr. Formisano to authorize staff to purchase a new Chevrolet one-ton service truck from Kendall Chevrolet based on the revised proposal as presented and to outfit the truck with standard apparatus for a total cost not to exceed \$93,000.00. Motion passed unanimously.

Motion 2025-12-16-04 by Mr. Costello and seconded by Ms. Moore to declare the existing 2008 service truck as surplus and authorize staff to sell the vehicle. Motion passed unanimously.

BUSINESS REPORT

Treasurer’s Report (Larry Costello)

- Financial Investments – Financial reports posted to Dropbox were summarized.
- 2024 Form 1120 Tax Filed with IRS – No discussion.

GM Report (Devin Mettler)

- 2025 Water Use Plan – Plan still in development; City repayment of mitigation water is underway and should be complete by year end.
- 2025 Rate Study – Update – Draft report from the rate consultant should be ready for distribution to the Board next week, with presentation by the consultant at the January board meeting.
- 2026 CIP Budget – Update – Special meeting in January is needed for Board review.
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- Board Vacancy – Update – no applications yet.
- Annual Member Meeting Dates – 3/24 or 3/31? - Board concurred on holding the annual member meeting on March 31, 2026.

Attorney Report (Richard Jonson) None

UNFINISHED BUSINESS None

NEW BUSINESS None

EXECUTIVE SESSION None

Upon motion made by Mr. Costello, seconded by Ms. Moore and unanimously passed, the meeting adjourned at 6:37 pm.

Submitted by:
Richard Jonson, counsel

Next scheduled meetings:
Board Meeting: Tuesday January 20, 2026 at 6 pm