

A MEETING OF THE BOARD OF COMMISSIONERS OF MANCHESTER WATER DISTRICT

May 13, 2003

REGULAR MEETING - Chairman Steve Pedersen called the regular meeting of the Manchester Water District Board of Commissioners to order at 6:00 p.m. Present were Chairman Steve Pederson, Secretary Jim Strode, and Commissioner Kyle Galpin. Staff present included Alan Fletcher, General Manager, Dennis O'Connell, Janis Kerr, and Rick Gross, Board Attorney. Others present were Terri Ano, of HR Answers, and Mr. Donald Zimmerman.

1.0* **Consent Agenda**

- 1.1 **Approval of April 9, 2003, Regular Meeting Minutes.**
- 1.2 **Approval of the April 23, 2003, Executive Session Minutes.**
- 1.3 **Approval of the May 7, 2003, Special Work-Session Minutes.**
- 1.4 **Approval of Vouchers** – Vouchers that have been audited and certified by the Auditing Officer as required by RCW 42.24.090. Vouchers have been recorded on a listing that was reviewed by the Board prior to the meeting. Approval for payment of these vouchers includes General Fund vouchers #149 through #183 totaling \$16,880.40. Construction Fund vouchers #184 through #191 totaling \$16,4429.29; Street Light Fund voucher #192 totaling \$1,584.32; and PWTF '03 Fund voucher #193 totaling \$112,252.92.
- 1.5 **Approval of District Payroll Vouchers** – As presented.
- 1.6 **Approval of Second Employment Agreement for the General Manager.**
- 1.7 **Approval of Bill of Sale for Developer Water Extension.**

Commissioner Strode made a motion to approve the Consent Agenda as presented. Commissioner Galpin seconded the motion. **The motion was unanimously approved.**

2.0 **Public Comment**

No public comment was received.

3.0 **Regular Agenda**

3.1* **Additional Leak Relief Request.**

Donald Zimmerman, 3046 Banner Road SE, was present to request monetary relief on his account due to a large leak that he had recently experienced. When Mr. Zimmerman first noticed the leak, described as a geyser, he made an emergency call, standby personnel were dispatched, and the service was shutoff until a plumber could make the repairs. Staff noted that Mr. Zimmerman was diligent in repairing the leak. Mr. Zimmerman also provided documentation that he lives on a very limited income, which is further reduced in the summer months. Due to his financial circumstances, he requests any consideration the Board may extend. The Board noted Mr. Zimmerman's long-term customer status, his excellent payment history, and his diligence in repairing the leak. Commissioner Strode moved to grant leak relief by reducing the bill to \$137 and to allow for extended payments arrangements. Commissioner Galpin seconded. **The motion was unanimously approved.**

3.2* **Salary Administration Program**

Alan Fletcher, General Manager, introduced Terri Ano of HR Answers. Terri informed the Board that HR Answers specializes in Salary Administration Programs. She explained that the company has extensive experience in the greater Puget Sound area developing and updating performance management and compensation systems. Proposed here is the creation of a new Salary Administration Program that will update job descriptions, classify positions into a salary structure, and adjust the wage ranges within the structure to reflect the local labor market. The General Manager explained that HR Answers proposes to develop the Compensation module (Project 1) and provide the Advantage Plan (Project 3), while the District will design the Performance Evaluation System (Project 2) in-house. Commissioner Pedersen stated that he would like the Salary Compensation Module and Market Survey to include other employment benefits such as sick leave, annual leave, medical coverage, and standby pay. Commissioner Strode made a motion to authorize the General Manager to enter into a personal services agreement with HR Answers, Inc. for development of the Manchester Water District Salary Administration Program (Projects 1 and 3) at a price not-to-exceed \$15,000. The motion included adding employee benefits to the Compensation Module and that the District's Attorney shall approve the agreement as to its form. Commissioner Galpin seconded. **The motion was unanimously approved.**

3.3* **Inter-local Agreement Regarding Public Works**

The General Manager explained that Kitsap County is allowing Special Purpose Districts to utilize the County's Small Works Roster and Vendor lists. The County will maintain the Roster, thereby alleviating the time and expense of water districts doing the work. Commissioner Strode made a motion to enter into the Inter-Local Agreement regarding Public Works. Commissioner Galpin seconded. **The motion was unanimously approved.**

3.4* **Resolution No. 2003-07, Declaring Surplus Property**

The General Manager presented Resolution No. 2003-07, which declares the utility trailer as surplus property. Budgeted this year is a new utility trailer to replace the existing unit that was purchased second-hand numerous years ago and is in extremely poor condition. Commissioner Galpin made a motion to authorize Resolution No. 2003-07. Commissioner Strode seconded. **The motion was unanimously approved.**

3.5* **Resolution No. 2003-08, a Resolution to Redeem Outstanding Bonds**

The General Manager explained that Resolution No. 2003-08 authorizes the District to buy back of the remaining and outstanding 1977 Revenue Bonds. The District has close to the pay-off amounts of the bonds in its Bond Reserve Fund and that money together with monies budgeted and unexpended in the Debt Service section of the budget allows the District to retire the debt early. The District will save over \$16,000 in interest payments by accelerating the debt payoff. Commissioner Galpin made a motion to authorize Resolution No. 2003-08. Commissioner Strode seconded. **The motion was unanimously approved.**

3.6 **2004 Public Works Board Loan Application**

Staff notified the Board that the application for a Public Works Trust Fund Loan was submitted on May 9, 2003 to the Public Works Board. The District requested a loan amount of \$1.2 million dollars at an interest rate of 0.5-percent with \$180,000 in matching funds over four budget years. The loan will assist the District in a myriad of capital projects that are in immediate need of building.

3.7 **Review of Financials**

The monthly financials were reviewed and it was reported that water sales revenues are tracking close to projections made in the rate analysis. The General Manager stated that most of the Reservoir Repair Projects have been completed and paid for.

4.0 **Miscellaneous**

4.1 **Operations Update**

Dennis O’Connell, Foreman, reported that minor repairs were made to a telemetry circuit and a fluoride pump, and that Sedgwick tank’s main valve was replaced. He also informed the Board that the Sedgwick tank was filled with water and the biological tests submitted to the Health District passed so the tank is back on-line. The crew is now preparing to begin a system-wide flushing of water mains. A new Chevy S-10 pickup truck has been received as well as a new compressor and two jackhammers.

4.2 **Administrative Update**

Alan Fletcher, General Manager, reported that front office furniture including a customer reception counter has been ordered. The District’s meeting minutes can now be found on the Manchester Community Association’s website along with the District’s meeting times and location. The website is located at www.manchesterca.org. The General Manager also informed the Board that a customer has began the process of requesting a single streetlight on the SE corner of SE Truman Street and California Avenue SE. The manager stated that he would like to establish a specific street light policy to address such issues in the future.

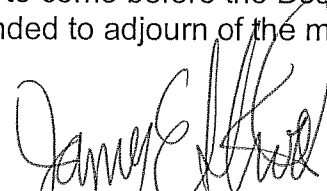
5.0* **Set Future Meeting Dates**


5.1 June 10, 2003, 6:00 p.m. – Regular Meeting

6.0* **Adjournment**

There being no further business to come before the Board, Commissioner Strode moved and Commissioner Galpin seconded to adjourn of the meeting at 7:45 p.m.


Steve Pedersen,
Chairman


James E. Strode,
Secretary


Kyle D. Galpin,
Commissioner