

# A SPECIAL "WORK-STUDY" MEETING OF THE BOARD OF COMMISSIONERS OF MANCHESTER WATER DISTRICT

November 6, 2004

**SPECIAL "WORK-STUDY" MEETING** – A work-study meeting of the Board of Commissioners was called to order at 9:10 a.m. by Chairman Steve Pedersen. Present were Chairman Steve Pedersen, Secretary Jim Strode, and Commissioner Kyle Galpin. Staff present included Alan Fletcher, General Manager, and Dennis O'Connell, Operations Supervisor. The Special Meeting was held at the District office and duly noted.

The purpose of the work-study meeting was for the Board of Commissioners to work with staff in the development of plans, strategies, and priorities for District activities over the next 3-5 years and to identify priority projects for FY 2005 budgeting. The Board and staff discussed various activities including a review of FY 2003-2004 and lessons learned; also emerging trends, staffing, conservation measures (HB 1338 requirements), and FY 2005 budget projections and goals.

## Emerging Trends

- Water Rights: Protecting, moving, expanding, and obtaining additional.
- Regulation: Increasing Water Quality regulation.
- Source Protection: wellhead protection, WRIA 15 watershed planning.
- Land Use: Growth management.

## Accomplishments

- Equipment Repairs: Alternate pressure system in south-area, routine budgeting for renewals and replacements of equipment.
- Capital Improvements: Developed 10-year CIP, low-interest PWTF financing (construction and planning loans).
- Organization: Culture shift, salary administration plan, improved facilities, greater employee satisfaction.
- Citizen Participation: 2002 Rate Committee, added public notices, open budget process.
- 2002 Rate Change: Increased funding for O & M, equipment, CIP, technology & facilities.
- Implement ERU based meter connection fees.
- Management: Increased employee expectations, added training, and higher productivity.

Policy Issues were discussed, including the base-rate discount for the Manchester Library, handling of landlord-tenant accounts, and meter contracts, as follows:

## Discounts

- Continue to support local library branch.

## Landlord-Tenant Accounts (Potential Alternatives)

- Account in landlord name only.
- Charge monthly administration fee.
- Signed contract with property owner.
- Remain as-is.

Meter Contracts (Research Alternatives)

- . Pay higher price upfront.
- . Charge administration fee.
- . Adjust interest pricing.

Conservation Program

- . Develop Rebate Program
- . Budget Appropriately

Water Quality issues were examined including staff recommendations to continue voluntary chlorination in the south-area service zone and monitor and track data. Investigate iron and manganese treatment for Well 11, in order to increase production and utilize inchoate water at this site.

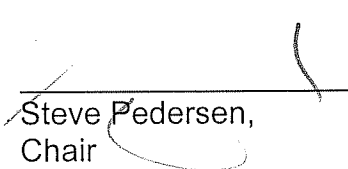
Staff presented budget projections for FY 2005, including proposed revenue and expenditure projections, including Capital Outlay and Capital Improvements Plan. During the discussion the Board weighed the value of certain programs and capital outlays. The Board requested staff research the costs on retaining a temporary worker during upcoming construction outsourcing. The Board identified several initiatives for its FY 2005 budget. A non-prioritized listing of those initiatives follows:


- . Holding tight on rates at present while examining needs for FY 2005-2006.
- . Determine if the District should play a role in coordinating the extension of sewer service in the Village area.
- . Outline a customer rebate program.

Due to the late hour, the Board requested that staff be prepared to address any unresolved issues at next week's regular Board meeting. At that time, the Board will continue its consideration of the FY 2005 Budget and Goals.

No action was taken by the Board during the Special "Work-Study" Meeting. The Board acknowledged that the projects, items, and issues discussed during the Work-Study session would be brought back to the Board for further consideration, public input, and any formal action.

There being no further business to discuss, the meeting adjourned at 4:05 p.m.

  
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Steve Pedersen,  
Chair

  
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James E. Strode,  
Secretary

  
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Kyle D. Galpin,  
Commissioner