

A MEETING OF THE BOARD OF COMMISSIONERS OF MANCHESTER WATER DISTRICT

April 9, 2003

1.0* Consent Agenda

- 1.1 **Approval of March 11, 2003, Regular Meeting Minutes.**
- 1.2 **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 include General Fund vouchers #94 through #141 totaling \$19,079.23. Construction Fund vouchers #142 through #146 totaling \$6,357.12; Capital Fund voucher #148 totaling \$12,132.78; and Street Light Fund voucher #147 totaling \$1,570.65.
- 1.3 **Approval of District Payroll Vouchers** – As presented.

Commissioner Strode made a motion to approve the Minutes, Vouchers, and Payroll as presented on the Consent Agenda. 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* **Corrected Minutes of February 11, 2003.**

Staff explained that during post meeting review and printing of the February 11, 2003 minutes, it was discovered that the sequence of the voucher numbers stated in the minutes were incorrect. The sequence of numbers were correct on the authorization the Board signed approving payment of the vouchers, however, the sequence that appeared on the minutes that were approved in March were incorrect. Corrected minutes were presented for the Board to review and consider for readopting. Commissioner Galpin made a motion to adopt the corrected February 11, 2003, Meeting Minutes. Commissioner Strode seconded the motion. **The motion was unanimously approved.**

3.2 **Salary Administration Program**

Alan Fletcher, General Manager, discussed the personal services proposal from Terri Ano, of HR Northwest for revising the District's Salary Administration Program. The District's current program and the planned upgrades were discussed. Staff noted that monies have been budgeted for revising the District's Program. The proposed scope of work was discussed in detail and it was noted that Rick Gross, Attorney, would be reviewing an agreement as to its form. The Commissioners stated that they are interested in updating the District's compensation program but they would like to invite HR Northwest to a meeting so that they may gather additional information. The matter will be placed on the May agenda.

3.3 Sample Bill Formats for Print and Mail Services

The General Manager presented sample copies of bill formats produced by Databar, Inc. He explained that a larger bill format along with comparison graphs, return envelope, together with the ability to include newsletters and water quality reports would result in costs comparable with the cost of labor, materials, and printing of water bills and newsletters today. The Commissioners stated that they were all interested in updating the billing process. The General Manager said that he would continue shopping around for prices. Commissioner Pedersen said that he would prefer it if we could do business with a company in the State of Washington.

3.4 Logo Design

The latest renderings of the logo design were presented. The Commissioners stated their preference with some minor changes. The changed requested will be presented at the next meeting.

3.5 Capital Projects Update

Dennis O'Connell, Foreman, reported that the switch from the Sedgwick Tank to the hydro-pneumatic tank worked without a loss of water or pressure to any customers. The Sedgwick tank is currently empty and the paint coating has been applied and is curing. He explained that Triad Mechanical, Inc. and their subcontractors have been exceptionally efficient and easy to work with. Dennis also informed the Board that solutions to problems, such as power loss, have been addressed.

The General Manager explained that there had been a change order for the Sedgwick Tank repair project. He stated that once the tank was drained, Triad discovered a large area on the bottom of the tank that had blistered. Fortunately, it was only surface corrosion and sandblasting and recoating the area was all that was needed. The cost for work totaled \$5,500. In addition, the General Manager reported that staff continues to work with the insurance company attempting to secure reimbursement for the sidewall repairs, as it was a Kitsap County code requirement, also that FEMA has yet to make a determination regarding the District's appeal for additional funding.

The Board was informed that the Hazard Mitigation Grant that the Kitsap Water Purveyor group applied for last year was not awarded. Apparently, jurisdictions in King County were the recipients of the grant money. Commissioner Pedersen stated that management and staff are to be commended for the smooth progress of the tank repair project.

3.6 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. Also that the District is showing a positive net income in the first quarter of the FY. Depreciation expenses for this FY have been lowered to 50% when reporting monthly income and expenses. The full depreciation amount will still appear on year-end statements such as the District's Consolidated Balance Sheet.

4.0 Miscellaneous

4.1 Operations Update

Dennis reported that Gary Schumacher has started his orientation period as a Service Technician I and is progressing. He also reported that daily field operations were completed as usual. He did state that a control switch at Garfield Pump Station was repaired; thermal breakers on the Well 5 starter switch were replaced as was the starting block on the Well 9 starter. There were no main or service leaks to report, however, a fire hydrant at California and Van Buren was replaced after being hit by a car. Dennis also informed the Commissioners that the Bulman Road pump station ceiling construction had been completed along with lighting changes and interior painting.

4.2 Administrative Update

Alan Fletcher, General Manager, reported that Paul Gilligan, RH2 Engineering, has been retained to review the Capital Projects costs for the PWTF-04 loan cycle. Having current pricing and a professional engineer's review of the projects will assist the District in putting together a competitive application to the Public Works Board.

Also that in preparation for the General Manager's review, employee survey forms were distributed, along with a preaddressed stamped envelope. Surveys will be returned to Steve Pedersen, Chair, for the review scheduled for the April 23, 2003, Executive Session.

The District and the US Navy are still in negotiations regarding contract service to the Fuel Depot. Barry Banks, the contact person, has not been in the office so there has been no progress since the last meeting.

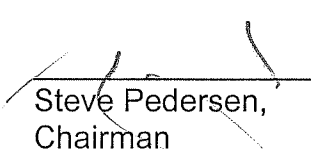
The District along with WaterPak members are participating with the Kitsap County Department of Emergency Management in updating the County Mitigation Plan. Staff will keep the Board informed during the revision process.

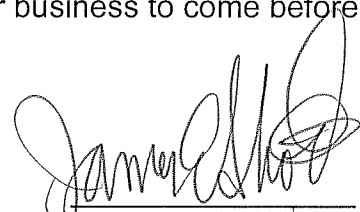
5.0* Set Future Meeting Dates

- 5.1 April 23, 2003, 6:00 p.m. – Executive Session Per RCW 42.30.110(1)(g)
- 5.2 May 13, 2003, 6:00p.m. – Regular Meeting

6.0* Adjournment

There being no further business to come before the Board, the Commissioners adjourned the meeting at 8:15 p.m.


Steve Pedersen,
Chairman


James E Strode,
Secretary


Kyle D. Galpin,
Commissioner