

THE REGULAR MEETING AND EXECUTIVE SESSION OF THE BOARD OF THE COMMISSIONERS OF MANCHESTER WATER DISTRICT

January 13, 2004

Chairman Steve Pedersen called the regular meeting of the Manchester Water District Board of Commissioners to order at 6:05 p.m. Present were Chairman Steve Pedersen, Secretary Jim Strode, and Commissioner Kyle Galpin. Staff present included Alan Fletcher, General Manager, Dennis O'Connell, Operation's Supervisor, and Janis Kerr. Rick Gross, District Attorney arrived later. Public present included Dick & Alison Sonntag.

- 1.0* **Oath of Office** – Commissioner Pedersen administered the Oath of Office to Kyle D. Galpin, newly elected Commissioner, position number three.
- 2.0* **Election of Officers**
Commissioner Pedersen requested nominations for elections of officers. Commissioner Galpin made a motion to elect the same slate of officers for 2004 as were in place for 2003, Steve Pedersen as Chair and James Strode as Secretary. Commissioner Strode seconded the motion. **The motion was unanimously approved.**
- 3.0* **Consent Agenda**
 - 3.1 **Approval of December 9, 2003, Regular Meeting Minutes, Executive Session Minutes, & Special Study-Session Minutes.**
 - 3.2 **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 includes General Fund vouchers #550 through #591 & #596 totaling \$274,909.21; Construction Fund vouchers #592 through #594 totaling \$1,135.28; and Street Light Fund voucher #596 totaling \$1,582.72.
 - 3.3 **Approval of District Payroll Vouchers.**

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.**
- 4.0 **Public Comment.** No public comment was received
- 5.0 **Regular Agenda**
 - 5.1* **Request for Reduced Front Footage Assessment – Mr. & Mrs. Sonntag, Grant Street.** Dick and Alison Sonntag explained that they are interested in building a single family home on a piece of property on Grant Street. The property has 250 feet of road frontage, which amounts to \$5,000 in Front Footage Assessments. The Sonntag's presented their request for a reduction of the Front Footage Assessment, as a good portion of the property is sloped and has wetlands, making those portions of the property not suitable for development. Dennis displayed the site configuration and noted that the hookup charges totaled \$7,250.

Dennis also informed the Board that the property has a \$2,725 Developer Payback obligation that the District must reimburse to the original developer of the water line in the street when it is connected to the system. Commissioner Strode suggested that the Sonntag's negotiate the selling price of the lot due to the high cost of getting water to the property. Alan Fletcher, General Manager, stated that staff is concerned that a reduction in the Front Footage Assessment without a solid basis could be viewed as disparate treatment between customers and open the District to future challenges. Alan suggested that the issue be tabled so that the Sonntag's could further negotiate with the seller while the District researched past issues regarding wetland areas. Commissioner Pedersen stated that he is recusing himself from any decisions on this issue because he has known the Sonntags' for a number of years. Commissioner Strode made a motion to table the item and withhold making a decision pending further investigation. The matter will be rescheduled for the meeting on February 10, 2004. Commissioner Galpin seconded. **The motion carried by a vote of two, Commissioner Pedersen abstained.**

- 5.2* **Personal Services Contract for Janitorial Services.** Commissioner Pedersen recused himself from this issue due to a previous business arrangement with Rusty Fredette, owner of Rusty's Cleaning. Alan Fletcher presented a Personal Services Agreement between Rusty's Cleaning (Rusty's) and the District for janitorial services. He explained that Rusty's Cleaning is a local business and was the most responsive bidder of three local firms solicited in an informal bid process. Staff conducted a criminal history check on the business principle and all insurance requirements have been met. Rick Gross, Attorney, has reviewed and approved the agreement. Commissioner Strode made a motion to authorize the General Manager to execute the Personal Services Agreement between Manchester Water District and Rusty's Cleaning. Commissioner Galpin seconded. **The motion carried by a vote of two, Commissioner Pedersen abstained.**

5.3 **Review of Financials**

- 5.3.1 **Water Sales Data.** The General Manager reported that the water consumption report through December 31, 2003 has dropped down to the anticipated winter water use levels but the consumption for the entire year was substantially higher than the previous two years.
- 5.3.2 **Income & Expense Report.** The General Manager presented the Income & Expense Yearly comparison and noted that the District had budgeted for \$850,000 in revenue and actually made \$885,000. The extra income will provide for a decent net operating income to start off FY 2004.

6.0 **Miscellaneous**

- 6.1 **Operations & Capital Projects Updates.** Dennis O'Connell, Operations Supervisor, reported that daily tasks such as pump monitoring, sampling, and locates were completed as usual. Routine bacteriological samples were submitted with satisfactory results.

There was one backflow prevention assembly tested and inspected. A nitrate sample was submitted for Wells 5 & 8 (Sedgwick Well Field) which was offline during our normal sampling period. All Pressure Reducing Valve Stations (PRV) were inspected and the vaults were cleaned. Well 1's (Spring Street) fluoride injection pump was repaired. There were no main or service leaks reported during the month of December. Dennis noted that while only one service was installed that staff reconfigured the utility trailer with side rails, tie downs, and a tool box and that inventory was also completed. The final number for new services and meters installed for 2003 was 42.

6.2 **Administration Update.** The General Manager informed the Board that the customers due to be shutoff in December for nonpayment will be grouped together with the January shutoff customers. Due to the heavy snowfall and treacherous road conditions on January 6, staff was released at noon to enable safe travel home. On-call personnel were in place to handle any customer service problems if they were to arise. He reported that the new four-wheel drive service truck maneuvered very well in the snow. The newsletter is in the works and will inform customers about rates, budget, tank repairs, and the upcoming ability to use Visa cards for water payments. The General Manager is researching Senate bill SBB 5023 which, if passes, will enable water rights to be transferred from one water source to another water source. This is information that is needed before any decisions should be made on surplusing Well 3 on Yukon Harbor Drive.

7.0 **Executive Session.** Per RCW 42.30.110(d) – Naval Fuel Depot Contract Negotiations. Commissioner Pedersen convened to Executive Session at 7:25 p.m. to discuss the Contract Services Proposal for the US Naval Fuel Depot in Manchester, Washington. Details of the proposal were discussed. The Board returned from Executive Session at 8:05 p.m. There was no action taken by the Board.

8.0* **Set Future Meeting Dates.** The Board of Commissioners set the following meeting dates:

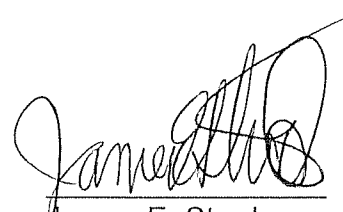
8.1 February 10, 2004, 6:00 p.m. – Regular Meeting

8.2 March 9, 2004, 6:00 p.m. – Regular Meeting

9.0* **Adjournment.** There being no further business to come before the Board, Commissioner Galpin moved and Commissioner Strode seconded to adjourn the meeting at 8:08 p.m.



Steve Pedersen,
Chairman



James E. Strode,
Secretary



Kyle D. Galpin,
Commissioner