

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

MARCH 11, 2008

REGULAR MEETING

Chairman Kyle Galpin called the regular meeting of the Manchester Water District Board of Commissioners to order at 5:32 p.m. Present were Chairman Kyle Galpin, Commissioner James Strode, and Commissioner Steve Pedersen. Present were Alan Fletcher, General Manager, Dennis O'Connell, Operations Manager, Kristin Bilodeau, Rick Gross, Attorney. Public present were Bud and Wanda Larsen, and Paul Gilligan.

1.0* **Consent Agenda**

1.1 **Approval of February 12, 2008, 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 includes Capital Fund voucher 57, totaling \$206.75; General Fund vouchers 58-80, 82-100, totaling \$24,154.27; Street Light Fund voucher 81, totaling \$1,729.82.

1.3 **Approval of District Payroll Vouchers.**

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

2.0 **Public Comment.** There was no public comment.

3.0 **Regular Agenda**

3.1* **Bill Dispute, Karen & James Stone, 1905 California.** Staff explained that RCW 57.08.081 provides that unpaid fess, charges, and water bills for a property become a lien against the property, which the service was received and that the statute is the basis for our collection processes and the subject of the Stone's dispute. The subject property changed hands in 2005 and there was an outstanding bill of \$31.79. The collection process was disrupted by insufficient owner information and a series of tenancies. During a routine review, staff discovered the unpaid amount and sought payment. Staff referred to Mr. Stone's email that explains their position. Staff noted that the Stones opted to waive their rights to collection of utility billings during escrow. This wavier explains why the District was not notified of the change in ownership at closing. The Board discussed that due to the collection lag; the District should seek payment on only the \$31.79 principle amount and not assess any penalties. The Board observed that purchaser (Stone) "waived" the utility bill search, thereby assuming liability for any outstanding bills. If a utility search were conducted prior to closing, the outstanding amount would have been addressed at that time. Commissioner Strode moved to deny relief, noting the legal obligation of property owners to satisfy the outstanding charges of \$31.79. Commissioner Pedersen seconded. **The motion was unanimously approved.**

- 3.2* **Base-Charge Refund, Mark Millions, Harper Hill Road.** Staff reported that the Millions purchased a water meter for an undeveloped lot in 2005. The meter was installed in 2006. During this period, staff was reviewing uninstalled meters and setting up billing accounts for those purchased over 6-months prior. Unfortunately, a second account was set up after installation and not detected as a duplicate, as there is no physical address (vacant land) and there was one additional digit added in the meter serial number. Staff noted that clearly, the District erred in this account and due to illness; the Millions did not detect the double billing until recently. In addition, while staff has the flexibility to adjust billings over 3-billing periods (6-months), longer-term adjustments require Board action. The District has collected \$404.25, just over 2-years of base charges for this account. Commissioner Strode moved to grant a full credit for \$404.25 for Mark Millions, account 6123-000, due to a duplicate billing error. Commissioner Pedersen seconded. **The motion was unanimously approved.**
- 3.3* **Engineering Services Agreement for PZ-3 Project, RH2 Engineering, Inc.** Staff explained that budgeted in 2008 are improvements to Pressure Zone-3, which relocates the pressure reducing station on Harper Hill Road and adds 140-feet of 8-inch piping. This is a long-standing project identified in the CWSP and when coupled with the work in the north pressure zone (PZ-1) will add 120 connections to the District allocation. The engineering work is estimated to cost \$21,859, and includes permitting, design, specifications, and services during construction. Rick Gross, Attorney, has reviewed and approved the agreement form. Commissioner Pedersen moved to approve the Engineering Services Agreement between the District and RH2 Engineering, Inc. for Pressure Zone-3 Improvements and to authorize the General Manager to execute the agreement. Commissioner Strode seconded. **The motion was unanimously approved.**
- 3.4* **Sick Leave Reimbursement, Gerald Rose.** Staff reported that injured worker Jerry Rose is expected to return to work later this week, following his February 6, accident. Following the accident, due to our payroll cycle, Jerry received both sick leave pay and L & I time-loss accident pay. By L & I rule, this constitutes a double payment and a return of money is required. Staff discussed this matter with the L & I Claims Manager and Jerry Rose, determining that the easiest way to correct the double-payment is for Jerry to reimburse the District for 68.5-hours of sick leave pay. This also places the 68.5-hours of sick leave back into Jerry's leave accrual bank. The District's Personnel Policies are silent on reimbursements and/or purchases of leave time, resulting in this request for Board action allowing the reimbursement. Commissioner Pedersen supported the action, providing the General Manager have the flexibility to schedule the reimbursement to everyone's benefit. Commissioner Strode moved to approve the purchase and reimbursement of sick leave time for Gerald Rose to correct the time-loss accident double-payment. Commissioner Pedersen seconded. **The motion was unanimously approved.**
- 3.5 **Developer Extension Update & Capital Improvement Project Updates.** Dennis O'Connell, Operations Manager, briefed the Board on recent CIP work, including improvements to PZ-1 and SCADA point-to-point checks for completing the project. Developer worked included the lowering of a water main on Main Street due to an elevation conflict with a storm water pipe.

This work was fully funded and performed by the Developer. In addition, it was noted that many developments are on hold due to the slowdown in the housing market.

3.4.1 North 277 Pressure Zone Improvements. Staff reported that new chlorination equipment has been installed at Well-1 and that we will begin injecting chlorine into this portion of the system this summer following notification to customers. Currently, this portion of the system is disinfected by the exchange of water with the upper pressure zone.

3.6* Port of Manchester. Staff discussed the District's contract services with the Port, reporting that the Port would like to place a Public Service Announcement (PSA) in our next billing. The PSA is to seek residents interested in serving on a proposed Port Advisory Committee. Commissioner Strode moved to approve a PSA for the Port of Manchester seeking people interested in serving on an advisory committee. Commissioner Pedersen seconded. **The motion was unanimously approved.**

There was further discussion relating to the Port Services contract. The Larsen's expressed their desires for increased services from the District. The Commissioners stated they are open to increased services, however, could only respond to requests from the Port. They recommended the Larsen's address the Port, so the Port Commission could formally request services from the District, if desired. The Board thanked the Larsen's for attending and encouraged their future participation.

3.7 Review of Financials

3.7.1 Water Sales Data. Staff reviewed sales and usage data through February.

3.7.2 Income & Expense Report. The financial reports for year-end 2007 and January 2008 were reviewed. Staff is beginning work on the 2007 Annual Report and will be using the services of Teresa Johnson, CPA. Ms. Johnson is a former State Auditor and has assisted the District in past years.

3.8 Determine General Manager Review Process. The General Manager reported that annually the Board reviews the performance of the General Manager and typically appoints a Board member to work with the Manager in identifying the review instrument. The review usually occurs near the anniversary date in May of each year and that time is quickly approaching. Requested is the Board identifying a peer to work with the General Manager in developing the review process. The Board designated Steve Pedersen to work with the General Manager in preparing Annual Performance Review criteria.

4.0 Miscellaneous

4.1 Operations Updates. February water quality samples were all satisfactory. Staff installed four (4) new services during this reporting period. Staff has completed installation of chlorination equipment for Well 1.

Staff continues to convert existing meters to automated meter reading (AMR) and replaced another nine (9) manual read meters during this reporting period. The District produced 13,824,400 gallons in February, and staff has installed five (5) new services year-to-date.


4.2 **Administration Updates.** The General Manager informed the Board on the upcoming WASWD Spring Conference. The Public Works Board Pre-Construction Loan Application is under review by the Engineer and will be submitted at the end of March. The District website is being upgraded and we are working with Springbrook Software in developing on-line bill pay.

4.3 **Board of Commissioners.** There were no additional Board comments.

5.0* **Set Future Meeting Dates:**

- 5.1 April 8, 2008 5:30 p.m. – Regular Meeting
- 5.2 May 13, 2008 5:30 p.m. – Regular Meeting
- 5.3 TBA – Executive Session: General Manager Review

6.0* **Adjournment.** There being no further business to come before the Board, Commissioner Pedersen moved and Commissioner Galpin second to adjourn the meeting at 7:10 p.m.



Kyle D. Galpin,
Chairman



James E. Strode,
Secretary



Steve Pedersen,
Commissioner