

# THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF MANCHESTER WATER DISTRICT

February 8, 2011

## 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, and Commissioner Steve Pedersen. Staff included Alan Fletcher, General Manager, Dennis O'Connell, Operations Manager, Jamie Hatton, Accountant, and Rick Gross, Attorney. Commissioner James Strode was out of town and his absence excused.

- 1.0\* **Consent Agenda** – *Staff recommends approval of the consent agenda as presented. If modifications are needed to any item, the item will be pulled from the Consent Agenda and placed on the Regular Agenda.*
  - 2.1 **Approval of January 11, 2011, Regular Meeting Minutes.**
  - 2.2 **Approval of January 25, 2011, Special Meeting & Executive Session Minutes**
  - 2.2 **Approval of Vouchers.** Approval for payment of these vouchers includes General Fund vouchers #025-034, 035-049, and 050-067 totaling \$29,791.12.
  - 2.3 **Approval of District Payroll Vouchers**

Commissioner Pedersen moved to approve the Consent Agenda. Commission Galpin seconded. **The motion was unanimously approved.**

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

### 4.0 **Regular Agenda**

- 4.1\* **Double Base-Rate Billing Error Adjustment, Burney, 11301 SE Sedgwick.**

Ms. Burney, property owner, is seeking additional reimbursement for double base-rate charges applied to her bill. According to her account status, the property is a single-family rental unit. Staff has reviewed the billing history and determined the account status was changed to the double-base rate in 2002, as the previous owners had a 2-party rental. It appears the account code was not changed back when District policy changed in 2003. The Burney's purchased the home in mid-2005. While staff makes every effort to ensure that all properties are billed correctly, if a billing error occurs, we typically rely on property owners to monitor their bills and alert us to inaccuracies.

Ms. Burney has been reimbursed an amount equal to the current single-base rate for three billing cycles, 6-months (\$ 82.50), but is seeking further reimbursement for errant double-base rate charges levied in the past. Rick Gross stated that for this type of agreement, the statute of limitations for seeking corrections or adjustments is typically three years. To deviate from practices in place, staff must clearly document the special circumstances of the case for the record. Commissioners Galpin and Pedersen both expressed concern that because our billing statements do not differentiate base-rate charges from commodity charges, there is no reasonable way of knowing that the water bill is incorrect. In this case, the double base-rate billing was no fault of the customer, but rather an error in setting up the account originally.

Based on Ms. Burney's statements and her history as a customer in good standing, Commissioner Pedersen moved that staff reimburse Ms. Burney for all errant billing charges dating back to date of account origination. Commissioner Galpin seconded and **the motion was unanimously approved.**

- 4.2\* **Interlocal Agreement – PEBB.** Staff presented an Interlocal Agreement and Memorandum of Understanding between the District and the Public Employees Benefits Board (PEBB). The agreement is intended to refresh and confirm all existing agreements between PEBB and their qualifying member groups providing insurance benefits to employees through the Washington State Health Care Authority (HCA). Attorney Rick Gross has reviewed the agreement. Staff is seeking authorization to execute the agreement between the District and HCA / PEBB. After brief discussion and review, Commissioner Pedersen moved to authorize the General Manager to execute the interlocal agreement. Commissioner Galpin seconded, and **the motion was unanimously approved.**
- 4.3\* **Interim District Management.** Our current General Manager, Alan Fletcher, resigned on January 21, to accept another position. The Board met in an Executive Session on January 25, to review the performance of an employee for potential interim management. Since that time, Rick Gross, Attorney, and Commissioner Kyle Galpin have worked on defining expectations for an interim position. Operations Manager, Dennis O'Connell, has been presented with a Memorandum of Understanding (MOU) naming him as the District's interim General Manager. After discussion and review of the expectations outlined within the agreement, Commissioner Pedersen moved to appoint Dennis O'Connell as the District's interim General Manager pending a final selection process to be determined in the future. Commissioner Galpin seconded the motion, and the MOU was executed naming Dennis O'Connell as interim General Manager.
- 4.4 **Developer Extensions & Capital Improvement Projects Update.** There were no developer extension updates to report. The Curley Creek Bridge project is still awaiting final design review and approval. Staff will advise when plans are approved and we expect bid process to begin.
- 4.5 **Port of Manchester Update.** Staff reported that a letter to Sarah Thirtyacre with the Recreation and Conservation Office (RCO) has been drafted which closes out the parking lot expansion project and requests an expanded scope of work to repair or replace the south dock decking and floatation assemblies.
- 4.6 **Review of Financials**
- 4.6.1 **Water Sales Data.** The Board and staff reviewed the water sales & usage report through January, 2011.

**4.6.2 Income & Expense Report.** The Income & Expense Report through December 2010 was reviewed. Consumption records for January, 2011 were reviewed and showed a slight increase over the same reporting period in 2010.

## **5.0 Miscellaneous**

**5.1 Operations Update.** All water samples submitted in January were satisfactory. Staff installed two (2) new services this month. We also repaired a service line leak on Banner Road, a main-leak on Banner Road, and continued our focus on facilities maintenance. The Dodge service truck has been sold for \$ 7,500.00; exceeding our minimum bid requirement by \$ 1,000.00 as defined in Resolution 2010-06 declaring the truck as surplus property. The District produced 15,845,300 gallons in January, up 8.7 percent from the same reporting period in 2010.

**5.2 Administrative Update.** Staff will be attending the Kitsap County Transportation Improvement Program (TIP) meeting on February 17, 2011.

Recent headlines regarding new EPA standards for perchlorate and hexavalent chromium (Chromium-6) in drinking water have sparked public interest. Our vulnerability assessments for our wells suggest a very low probability of either chemical being present in our water; however, our laboratory can conduct these particular tests. After we receive our required sampling schedule for 2011, we will schedule testing for these two chemicals and establish a database for future inquiries.


**5.3 Board of Commissioner Comments.** Commissioner Pedersen reported that repairs to the Manchester Library are progressing, and they anticipate re-opening the facility in March.

## **6.0\* Set Future Meeting Dates**

**6.1** March 8, 2011, 5:30 p.m. – Regular Meeting, Operations Building


**6.2** April 10, 2011, 5:30 p.m. – Regular Meeting, Location to be Announced

7.0\* **Adjournment.** There being no further business to come before the Board, the Commissioners moved to adjourn the meeting at 7:00 p.m.



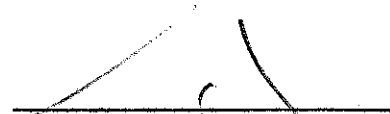
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Kyle D. Galpin,  
Chairman



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James E. Strode,  
Secretary



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Steve Pedersen,  
Commissioner