

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


JUNE 7, 2011

## SPECIAL MEETING

- 1.0 **Call to Order** - Chairman Kyle Galpin called the meeting to order at 5:30 p.m. Present were Chairman Kyle Galpin, Commissioner Steve Pedersen, and Commissioner James Strode. Staff present included Interim General Manager Dennis O'Connell and Interim Operations Foreman Scott Wolf.
- 2.0 **Budget Review** – Dennis O'Connell conducted a PowerPoint presentation including slides from the 2011 Budget presentation given in December of 2010. A review of the District's adopted budget, stated goals, and strategic plan for fiscal year (FY) 2011 was discussed.
- 3.0 **Income & Expense Summary** – O'Connell presented the District's income and expense summary through April, 2011. At four months into 2011, income and expense totals equal roughly 32 percent of annual budget figures. These numbers reflect both an accurate prediction of expected income and conservative approach to spending.  
  
Personal services costs were also reviewed reflecting recent staffing changes. A projected savings in excess of \$54,000 is expected as a result of these changes.  
  
Capital project status and projected costs were evaluated. The District's largest capital improvement project for FY 2011 is replacement of water main and appurtenances in support of the Curley Creek Bridge replacement (a.k.a. Southworth Bridge) by Kitsap County. A favorable contract award, along with utilizing District staff for some of the improvements, is projected to result in a nearly \$40,000 savings over budget predictions.  
  
The Commissioners expressed a desire to retain as much of the projected savings as possible for future capital projects, such as the Banner Road Tank replacement.
- 4.0 **Operations Goals** - Scott Wolf presented a review of established operational goals for 2011, and a review of projects completed year-to-date. Included were the renovation of the Garfield Pump Station electrical panel; replacement of supply wiring and the addition of a service disconnect at Wells 1 & 2; and the implementation of bulk sodium hypochlorite feed at the Garfield Pump Station.  
  
Wolf then presented a list of objectives for the summer including repair of the composite roofing at Wells 10 & 11 control building; perimeter fencing at the Garfield Pump Station; and an additional concrete walkway and approach for the new storage garage at the Garfield Pump Station.
- 5.0 **Banner Road Tank** – O'Connell presented a review of the proposed Banner Road Tank replacement project, including an engineer's estimate from 2009 of \$ 604,000. One of


the stated goals for FY 2011 was to explore financing options for a new tank. Staff asked Martin Nelson & Company of Seattle to provide options for financing through construction bonds. Staff presented a worksheet including one scenario depicting 20-year debt service against a target amount of \$750,000. After discussion, the Board asked staff to continue exploring financing options, and to keep them apprised of any developments with the Washington State Public Works Trust Fund, and the potential for low-interest financing.

- 6.0 **Looking Forward** – Staff offered a list of administrative projects and objectives for the immediate future, and a list of future meeting dates.
- 7.0 **Open Discussion** – The Board asked staff about developer extensions and potential housing projects within the service territory. Future planning session dates were discussed and the meeting concluded with no formal action taken.
- 8.0 **Adjournment** – There being no further business to come before the Board, the Commissioners moved to adjourn the Special Meeting at 7:40 p.m.



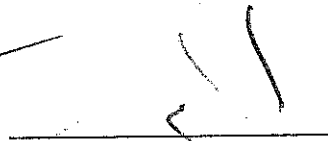
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Kyle D. Galpin  
Chairman



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James E. Strode  
Secretary



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Steve Pedersen  
Commissioner