

WEST SOUND UTILITY DISTRICT
Minutes of Regular Meeting of the Board of Commissioners
Held in Office Building
2924 SE Lund Avenue, Port Orchard, WA 98366
Tuesday, October 19, 2009

Chairperson: Jerry Lundberg
Vice Chairperson: James Hart
Secretary: Bill Huntington
Commissioner: Jeannie Screws
Commissioner: Susan Way (Absent)

Attending: Larry Curles, General Manager
John Poppe, Plant Manager
Denita Patton, Finance Manager
Sue Fowler, Customer Service Manager
Darren Podraza, Mapping Specialist
Richard Gross, District Attorney
Tracy Fantz, Assistant Finance Manager

Mr. Fred Depee attended the meeting to discuss a future project with the Board.

The meeting was called to order by Commissioner Lundberg at 4:30 PM

PUBLIC COMMENTS ON NON-AGENDA ITEMS

None

BOARD DISCUSSION/ACTION

Excuse Absence of Commissioner Way

Commissioner Way was absent due to illness. Commissioner Huntington moved to excuse Commissioner Way from the October 19th Board meeting. The motion, seconded by Commissioner Hart, passed unanimously.

Approval of Board Minutes, September 21, 2009

In that Commissioners Hart and Screws were absent from the September 21st meeting and there were not enough voting members at the current meeting, the Board concurred that the minutes should not be approved until the November 2nd meeting.

Approval of Board Minutes, October 5, 2009

Commissioner Hart moved to approve the minutes of the October 5th Board meeting. The motion, seconded by Commissioner Screws, passed unanimously.

Fred Depee discussing the Phillips Road Water and Sewer Main

Mr. Depee is developing a residential plat at the corner of Phillips Road and Baker Road. He estimates as many as 170 new homes will be constructed in this vicinity, plus numerous other homes along Phillips Road. His engineers are proposing water and sewer extensions of about a mile from Sedgwick Road. He disagrees with the General Manager's statement that his water and sewer extensions may have to be oversized to accommodate future growth. He would like the Board to participate in the cost of the oversized infrastructure. No dollar amounts were provided and the construction is not expected for at least 2 years.

Commissioner Hart discussed late comer agreements in which the first developer can recoup some of his expenses. He also noted that the District has participated in the construction cost when an upgrade was required. This reduces the need to disrupt traffic as the other developments are constructed.

Commissioner Lundberg noted that the current rate payers should not pay for growth. However, the District will look at the circumstances as it evaluates the request.

Commissioner Screws noted that this should not be considered until the 2010 Budget has been reviewed.

Resolution 159-09 Facility Rental and Use Policy

The policy to rent the District's public room was revised by the Attorney to avoid concerns about discrimination. The General Manager noted that the prohibition of food in the room was removed. It was also noted that the cost of renting the room was increased from \$25 per day to \$25 per hour during the business day.

Commissioner Hart to approve Resolution 159-09 to revise the Facility Rental and Use Policy. The motion was seconded by Commissioner Screws.

Commissioner Hart moved to amend the original motion to establish the rent during the business day as \$25 per hour with a maximum cost of \$100 for that day between 8 AM and 3:30 PM. The motion to amend was seconded by Commissioner Huntington and passed unanimously. The Board then voted on the original motion as amended, which passed unanimously.

Resolution 160-09 Revised Connection Fees

Resolution 160-09 revised the connection fees as follows:

1. Increase the water GFC from \$2,500 to \$3,300.
2. Establish a Local Facility Charge of \$1,560/ERU for the Sedgwick Water Main

3. Adjust the sewer GFC of \$3,196 annually for inflation.
4. Establish a Local Facility Charge of \$4,800/ERU for the Sedgwick Sewer Main
5. Establish a Local Facility Charge of \$2,690/ERU for the Converse Sewer Main
6. Establish a Local Facility Charge of \$700/ERU for the Converse Sewer Pump Station
7. Establish a Local Facility Charge of \$1,000/ERU for the Fred Meyer Sewer Pump Station
8. Include the Beach Drive/Watauga Beach \$10,780/ERU assessment in this resolution for easy reference

Commissioner Screws moved to approve Resolution 160-09 to revise the connection fees. The motion, seconded by Commissioner Hart, passed unanimously. Letters are to be mailed to advise developers of the revised costs.

Resolution 161-09 Approval of the Hartstene Pointe Contract Operations.

It appears that Hartstene Pointe Water-Sewer District will be operational November 3rd and is ready for West Sound Utility District to operate its system. Commissioner Screws moved to approve Resolution 161-09 to approve the agreement for the contract operations of the Hartstene Pointe Water-Sewer District. The motion, seconded by Commissioner Hart, passed unanimously.

Resolution 162-09 Establishing the Utility Specialist 3 Position

The Utility Specialist 3 position is an as-needed job classification to coordinate contract operations. Commissioner Screws moved to approve Resolution 162-09 to establish the Utility Specialist 3 job description. The motion, seconded by Commissioner Hart, passed unanimously.

Resolution 163-09 Approving Contract with RH2 to Review Water Quality Plans

The General Manager recommended that the water quality policies be reviewed by RH2, which would also help the District prepare for the new Ground Water Rule. Commissioner Screws moved to approve Resolution 163-09 to approve the RH2 contract to review water quality plans. The motion, seconded by Commissioner Huntington, passed unanimously.

Resolution 164-09 Approval of Contract for SKWRF Blower Work

Resolution 164-09 provides for needed mechanical work for the installation of the new blower at the South Kitsap Water Reclamation Facility. Commissioner Hart moved to approve Resolution 164-09 for the contract for mechanical work for the CAS blower at the treatment plant. The motion, seconded by Commissioner Huntington, passed unanimously.

Resolution 165-09 Approval of Contract for Blower Instrumentation Work.

Resolution 165-09 provides for instrumentation work for the new blower at the South Kitsap Water Reclamation Facility. Commissioner Hart moved to approve Resolution 165-09 for the

instrumentation work for the CAS blower at the treatment plant. The motion, seconded by Commissioner Huntington, passed unanimously.

Resolution 166-09 Approval of Larrabee State Park Contract Operations

The District has negotiated the cost of contract operations for Larrabee State Park. Commissioner Huntington moved to approve Resolution 166-09 to approve the contract with the Washington State Parks and Recreation Commission for contract operations at Larrabee State Park. The motion, seconded by Commissioner Hart, passed unanimously.

Resolution 167-09 Approval of Contract for Blower Electrical Connection

Resolution 167-09 provides for needed electrical work for the installation of the new blower at the South Kitsap Water Reclamation Facility. Commissioner Hart moved to approve Resolution 167-09 for the contract for electrical work for the CAS blower at the treatment plant. The motion, seconded by Commissioner Screws, passed unanimously.

Discussion of the SCADA System Replacement Process

The existing SCADA system is outdated and needs to be replaced. Four firms submitted proposals and qualifications to design and build the control systems. The staff have reviewed the proposals and considered CH2M-Hill the most qualified. The Board has reviewed the proposals and directed the General Manager to proceed with the selection process. The District will negotiate the contract with CH2M-Hill.

ATTORNEY'S REPORT

District Attorney Gross advised the Board that the District will not be continuing any effort to protect its junior lien against Mr. Rick Schultz. It appears that Mr. Schultz misled the District when he stated that he was the sole owner of a lot. That lot was liened by the District in order to collect the \$2,807.25 late comer fee from him. Since then the District has been notified that the lot is being foreclosed upon. The cost of the District legal fees would exceed the amount owed. The General Manager had directed that no further action be taken at this time.

PLANT MANAGER'S REPORT

Plant Manager John Poppe reported on the following:

- The plant is operating well.
- The recent rains are slowing the exterior painting.
- Materials for the PSE grant-funded blower are beginning to arrive.
- The next PSE grant application will probably be in December for the methane fueled micro-turbine.
- The Water for Life Summit is scheduled for next Tuesday.

OPERATIONS FOREMAN'S REPORT

Operations Foreman Joe Redfern was represented by Mapping Specialist Darren Podraza who reported on the following:

- The contractor for the deepening of Well 9 is on site and work should commence soon.
- The contractor is raising the manholes and water valves for the Sedgwick Road Sewer and Water Main.
- 12 new homes and 1 duplex have connected to the new Sedgwick Road sewer main.

FINANCE MANAGER'S REPORT

Finance Manager Patton reported that her staff is working on their regular tasks.

CUSTOMER SERVICE MANAGER'S REPORT

Customer Service Manager Sue Fowler reported on the following:

- Her staff is assisting in the educational outreach scheduled for October 20th.
- Her staff is helping to organize the Water for Life Summit.
- Customer Service is preparing for supporting Hartstene Pointe
- The next Excel training class is scheduled for this week.

GENERAL MANAGER'S REPORT

General Manager Larry Curles reported on the following:

- The Sewer Advisory Committee meeting is Wednesday and the 2010 budget will be on the agenda.
- The District's draft 2010 Budget has been submitted for the Board's review. The Board will want to review it in a special meeting.
- A letter was sent to Senator Kilmer and Representative Seaquist concerning the WSDOT policy that required destroying the abandoned main in Sedgwick Road. Representative Seaquist has asked Secretary Hammond to respond to this concern.

SIGN VOUCHERS AND RESOLUTIONS

The Board signed resolutions, payroll affidavits and accounts payable vouchers.

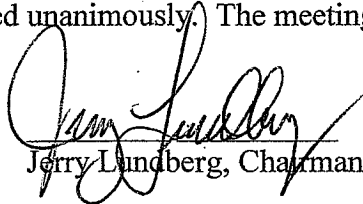
COMMISSIONER'S REPORT

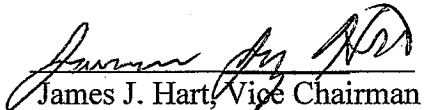
- Commissioner Screws will be attending various Association meetings this month. She is on the Grievance Committee with the Association.
- Commissioner Huntington attended the City Council meeting for the award presentation.
- Commissioner Hart attended WEFTEC in Orlando. He will represent the District at the Department of Ecology's meeting on new nitrate rules.
- Commissioner Lundberg attended the City Council meeting for the award presentation.

Commissioner Screws moved to have the General Manager represent the District in the mediation involving former employee Jackson. He would work with the Risk Pool and would have authority to approve the settlement, as recommended by the Risk Pool. The motion, seconded by Commissioner Huntington, passed unanimously.

ADJOURN

Commissioner Screws moved to adjourn the Board meeting. The motion, seconded by Commissioner Huntington, passed unanimously. The meeting was adjourned at 5:35 P.M.


Jerry Lundberg, Chairman


James J. Hart, Vice Chairman

William H. Huntington, Secretary


Jeannie Screws, Commissioner

ABSENT
Susan Way, Commissioner

**PAYROLL AND ACCOUNTS PAYABLE VOUCHER INFORMATION
OCTOBER 19, 2009 WSUD BOARD MEETING**

| | | |
|------------------------------|--------------|-------------------|
| OCTOBER 2009 PAYROLL: | 91926 | 121,476.08 |
| | 91928 | 57,373.85 |

| ACCOUNTS PAYABLE: | <u>VOUCHER NUMBERS</u> | |
|--------------------------|-----------------------------------|-------------------|
| 91926 | 17295 - 17317 | 15,005.72 |
| | 17322 - 17355 | 48,211.82 |
| | 17356 - 17381 | 118,444.96 |
| | TOTAL 91926: | 181,662.50 |

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|--------------|---------------------|------------------|
| 91928 | 8634 - 8649 | 10,172.85 |
| | 8650 - 8674 | 45,842.35 |
| | 8680 - 8696 | 11,240.75 |
| | TOTAL 91928: | 67,255.95 |

| | | |
|--------------|---------------------|------------------|
| 91932 | 8675 - 8679 | 69,606.17 |
| | 8697 - 8698 | 10,190.84 |
| | TOTAL 91932: | 79,797.01 |

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|--------------|---------------------|-------------------|
| 91933 | 17318 - 17321 | 501,431.33 |
| | 17382 | 30,144.50 |
| | TOTAL 91933: | 531,575.83 |