

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

July 8, 2014

REGULAR MEETING

1.0 Board Chair Steve Pedersen called the regular meeting of the Manchester Water District Board of Commissioners (Board) to order at 5:30 p.m. Commissioners James Strode and Paul Drotz were also present, along with Attorney Ken Bagwell. District staff members in attendance were Dennis O'Connell, General Manager; Erin Civilla, Accounting Specialist; and Scott Wolf, Operations Foreman. There were no members of the public in attendance.

2.0* **Consent Agenda** – *Staff recommended approval of the consent agenda as presented.*

2.1 **Approval of June 10, 2014, Regular Meeting Minutes**

2.2 **Approval of Vouchers** – Approval for payment of these vouchers included General Fund vouchers totaling \$ 31,929.49 and Street Light Fund vouchers totaling \$ 2,126.61.

2.3 **Approval of District Payroll Affidavits.**

Commissioner Paul Drotz moved to approve the consent agenda as presented. Commissioner James Strode seconded, and **the motion passed unanimously.**

3.0 **Public Comment** – No public comments were offered.

4.0 **Regular Agenda**

4.1 **U.S.G.S. Hydrogeologic Model** – In November of 2010, the Board authorized then General Manager Alan Fletcher to execute an interlocal agreement with the Kitsap Public Utility District to participate in the creation of a hydrogeologic model of the Kitsap Peninsula. District participation consisted of providing data on our wells, and five annual installment payments of \$5,000 each. The United States Geological Survey (USGS) has compiled data from water purveyors throughout Kitsap County and the groundwater model is nearing completion. Once complete, the model will be a working tool that will assist all parties in water resource management, including the acquisition of water rights, wellhead protection, and long term planning. Presented for board review was the abstract and introduction from the study. A complete copy of the study is available for review upon request.

No formal Board action was requested.

4.2* **N.L. Olson & Associates, Engineering Services Agreement** – In January of 2009, the Board authorized then General Manager Alan Fletcher to execute a services agreement for the design and engineering of a new Banner Road Tank and transmission main. Local engineering firm N.L. Olson & Associates (Olson) was selected following a published request for proposals and selection process. In February of 2009, an engineering services agreement was executed between Olson and the District with a not-to-exceed dollar amount of \$120,480. This amount was an estimate for design only, based on known design elements and permitting requirements at the time.

Since 2009, the replacement tank and transmission main have been designed, a Public Works Trust Fund (PWTF) loan secured, and preliminary site preparation completed. To date, the District has paid Olson \$124,421 for services on this project. Over time, additional services have been required to complete the permitting process, and add design updates.

Presented for Board consideration was an expanded scope of work for additional engineering services during construction through completion of the tank replacement only. The estimated amount for the expanded scope of work is \$29,500, and reflects additional services including preparation of bid documents, construction staking, quality control and construction monitoring, and delivery of as-built drawings post construction. Staff was seeking authorization for the general Manager to execute the agreement, pending approval as to form, from Attorney Ken Bagwell.

Following further explanation by staff of the anticipated need for engineering services during construction of the tank, Commissioner Strode expressed his concern regarding unanticipated costs not discussed during the planning phase of the project. In the future, Commissioner Strode recommends an initial services agreement that includes all anticipated service needs through completion of the project. Commissioner Drotz agreed and expressed concern for budget considerations when not all anticipated costs are known in advance. After further discussion, Commissioner Strode moved to authorize the General Manager to execute a services agreement with Olson for services during construction of the Banner Road Tank, with a not-to-exceed amount of \$29,500. Commissioner Drotz seconded, and **the motion passed unanimously.**

4.3 **Board Facilities Tour Itinerary** – Scheduled for July 22, 2014, is a special meeting of the Board to tour various District facilities. The tour would begin at 3:30 in the afternoon, and extend into the evening with adjournment around 8:15 p.m. These types of tours allow the Board to see progress that has been made on current projects, and better understand future projects discussed during regular meetings and planning sessions. A draft itinerary of scheduled tour stops

was presented and Board members were encouraged to address any questions they may have regarding the planned tour of the District's distribution system. After brief discussion regarding the logistics of the tour, no further input was offered. Notices of the special meeting will be posted and the itinerary will be as presented.

4.4 **Review of Financials**

- 4.4.1 **Water Sales Data** – Staff reviewed the water sales & usage report through June, 2014.
- 4.4.2 **Income & Expense Report** – Staff reviewed the Income & Expense Executive Summary Report for the period ending May 31, 2014, including the fund account summary totaling \$611,357.32.

5.0 **Miscellaneous**

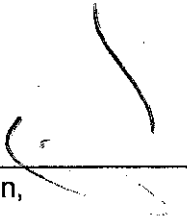
- 5.1 **Operations Update** - All water analysis samples submitted in the month of June were satisfactory. The District repaired one main leak on Puget Drive. We've also disconnected the sewer stub in preparation for demolition of the buildings at 2082 Spring Street scheduled for late July. The District installed one new service, and sold two more, for a total of three new accounts. We produced 19,504,000 gallons in the month of June.
- 5.2 **Capital Improvement Project & Developer Extension Update** – There were no updates to report.
- 5.3 **Administrative Update** – General Manager O'Connell reported that Accounting Specialist Erin Civilla has recently acquired her license as a notary public. This complements Customer Service Representative Kristin Bilodeau, also a notary public, offering District customers notarial services at our office. O'Connell also reported that Adam "Jack" Rosemore has been hired as our Seasonal Worker for 2014. His contract will expire in September.
- 5.4 **Board of Commissioner Comments** – No additional comments were offered.
- 5.5 **Executive Session Option** – No executive session was requested or called.

6.0 **Future Meeting Dates**

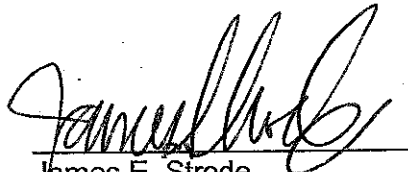
- 6.1 July 22, 2014, 5:30 p.m. – Special Meeting – Facilities Tour, Operations Building
- 6.2 August 12, 2014, 5:30 p.m. – Regular Meeting, Manchester Library
- 6.3 September 9, 2014, 5:30 p.m. – Regular Meeting, Manchester Library

7.0* **Adjournment**


There being no further business to come before the Board, the Commissioners moved to adjourn the meeting at 6:35 p.m.



Steve Pedersen,
Chairman



James E. Strode,
Secretary



Paul Drotz
Commissioner