

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

October 27, 2014

## SPECIAL MEETING – FY 2015 PLANNING SESSION

1.0 Board Chair Steve Pedersen called the special meeting of the Manchester Water District Board of Commissioners (Board) to order at 5:37 p.m. Commissioners James Strode and Paul Drotz were also present. District staff members in attendance were Dennis O'Connell, General Manager; Accounting Specialist Erin Civilla; Scott Wolf, Operations Foreman; and Jacob Lovik, Service Technician. Attorney Ken Bagwell was excused, and no public guests were present.

2.0 **Public Comment** – No public comment was offered.

3.0\* **Banner Road Tank Replacement Contract** - A call for bids was recently completed for replacement of the Banner Road Tank. Staff invited the Board Chair to open the sealed bids during the regular business meeting held October 14, 2014. All bids were recorded on a bid roster as follows:

CBI Services, Inc.	\$ 988,083.00
Wesslen Const., Inc.	\$ 644,673.00
T Bailey, Inc.	\$ 630,270.00

Staff has evaluated the bids received based on factors including, but not limited to, total price, qualifications of the bidder, and references from bidder's previous clients. Staff advised the Board that as part of the vetting process of the low bidder, the Department of Labor & Industries was contacted and the contractor's record of payment to employees, and safety violation history was reviewed. Considering the organization's bid price, experience with similar projects, and excellent references from clients; staff recommended awarding the Banner Road Tank replacement contract to T Bailey, Inc. of Anacortes, Washington. After brief discussion regarding the list of projects completed by T Bailey, Inc. for other organizations, Commissioner Strode moved to authorize the District General Manager to execute the contract for replacement of the Banner Road Tank with T Bailey, Inc. Commissioner Drotz seconded and **the motion carried unanimously.**

4.0 **Planning Presentation** – Staff presented information on various revenue streams for the District, including an anatomy of a water bill, rate structures, and consumption trends. Staff also presented a draft version of the FY 2015 Budget Executive Summary Report depicting projected income and expense for the coming year. Capital improvement projects planned include replacement of the Banner Road Tank and engineering and site preparation for the new Spring Street Workshop. Capital outlay expenses include the purchase of a new light-duty service truck, meter reading equipment, and a new server computer. Also included in projected expense for FY 2015 is a \$35,000 contingency for potential utility conflicts with Kitsap County's stormwater improvements in Manchester Village. With an ambitious list of goals for 2015, staff has calculated projected retained earnings of \$301,000 at the end of the year.

After considerable discussion and based on feedback from the Board, staff will present a direct comparison with the District's FY 2014 Budget Summary Report at our next meeting. Staff will also provide a review of capital improvement and capital outlay objectives. Staff will also present a draft copy of the complete FY 2015 Budget, and confirm plans for an additional planning session during the last week of November.

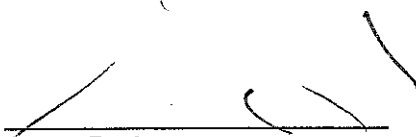
*No Board action was requested or taken.*

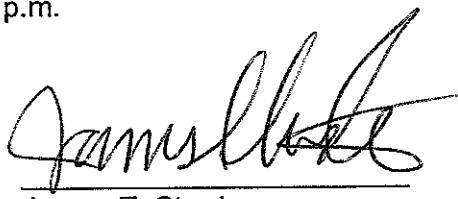
## 5.0 Future Meeting Dates

- 5.1 November 18, 2014, 5:30 p.m. – Regular Meeting, Manchester Library
- 5.2 November 24, 2014, 5:30 p.m. – Special Meeting, Manchester Library (tentative)
- 5.3 December 9, 2014, 5:30 p.m. – Regular Meeting, Manchester Library

## 6.0\* Adjournment

There being no further business to come before the Board, the Commissioners moved to adjourn the meeting at 8:20 p.m.

  
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Steve Pedersen,  
Chairman

  
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James E. Strode,  
Secretary

  
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Paul Drotz  
Commissioner