

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

PURSUANT TO GOVERNOR INSLEE'S STAY HOME – STAY HEALTHY ORDER MEETING WAS CONDUCTED VIA VIDEO/TELECONFERENCE

December 8, 2020

REGULAR MEETING

- 1.0 **Call to Order** – Board Chair Steve Pedersen called the regular meeting of the Manchester Water District Board of Commissioners (Board) to order at 5:32 p.m. Commissioners *Paul Drotz and Bob Ballard were also present. District staff present were Dennis O'Connell, General Manager, and Scott Wolf, Operations Foreman. Attorney Ken Bagwell was also present. Erin Civilla, Accounting Specialist, was excused. Meeting notices included the video/teleconference access number and pass code; however, there were no public guests included by telephone or video.

- 2.0* **Consent Agenda** – *Staff recommended approval of the consent agenda as presented.*
 - 2.1 **Approval of November 10, 2020, Teleconference Meeting Minutes**
 - 2.2 **Approval of November 24, 2020, Special Meeting Minutes**
 - 2.2 **Approval of Vouchers** – Approval for payment included General Fund vouchers totaling \$45,247.66, and a Street Light Fund voucher totaling \$1,886.97 was also presented.
 - 2.3 **Approval of District Payroll Affidavit**

Commissioner Ballard moved to approve the consent agenda as presented.
Commissioner Pedersen seconded; **the motion carried unanimously.**

**Commissioner Paul Drotz was able to join the meeting via telephone 5:42 p.m.*

- 3.0 **Public Comment** – No comment was offered.

4.0 **Regular Agenda**

4.1* **Resolution 2020-07 – FY 2021 Budget** – Presented for Board consideration was Resolution 2020-07, adopting the FY 2021 Budget (Budget). Included in the commissioners' meeting materials was the completed and bound Budget document. All of the facts, figures and summations therein were discussed at length during multiple regular meetings and planning sessions held throughout the fall. Included in the Budget are revenue and expense projections for 2021, plans for capital improvement projects and capital outlay spending, human resource initiatives, and strategies for long term planning. An executive summary is also included as follows:

FY 2021

Income & Expense Executive Summary Report

FY 2020 Balance Forward	\$	769,018.00
-------------------------	----	------------

REVENUE

Water Sales	\$	1,480,000.00
Penalties & Fees	\$	6,000.00
Streetlight Revenue	\$	27,000.00
Investment Income (Interest)	\$	1,500.00
Satellite Systems	\$	2,100.00
Port of Manchester	\$	10,000.00
Rental Revenue (Wireless Leases)	\$	61,000.00
Jobbing Labor	\$	-
Meter Sales	\$	92,000.00
Miscellaneous	\$	500.00
	\$	<u>2,449,118.00</u>

EXPENSE

Human Resources	\$	914,000.00
Professional Services	\$	20,000.00
Administrative	\$	225,000.00
Operations & Maintenance	\$	325,000.00
Streetlights	\$	27,000.00
Satellite Systems	\$	500.00
Port of Manchester	\$	10,000.00
Rental Expense	\$	-
Jobbing	\$	-
Developer Extension Payback	\$	-
Capital Improvement Projects	\$	250,000.00
Capital Outlay	\$	60,000.00
Debt Service	\$	99,716.00
	\$	<u>1,931,216.00</u>

BALANCE FORWARD

\$ 517,902.00

Following brief discussion, Commissioner Drotz moved to adopt Resolution 2020-07 and the FY 2021 Budget as presented. Commissioner Ballard seconded and the motion carried unanimously.

4.2* **Resolution 2020-08 – Schedule of Fees & Charges** – Also presented for Board consideration was Resolution 2020-08, adopting a revised Schedule of Fees & Charges (Schedule). Included in the revised Schedule was a \$1.00 per month increase to the base rate charge applied to all active accounts. As proposed, the tiered rate structure commodity charges, those charges applied to the volume of water purchased, would remain unchanged.

In addition to the base rate adjustment, the hourly labor rate for services rendered would be adjusted from \$ 46.00 per hour to \$ 49.00 per hour, to more accurately reflect the average true cost to the District for providing most services.

As proposed, new service connection fees would be adjusted to reflect inflationary trends based on the Engineering News Record (ENR) Construction Cost Index for the previous 12-month period. The cost for a new service connection would be as follows:

General Facilities Charge	\$ 5,795.00
Local Facilities Charge	\$ 1,445.00
Meter Installation Charge*	<u>\$ 2,250.00</u>
TOTAL CONNECTION CHARGE	\$ 9,490.00

**For typical ¾-inch single family residential meter installation*

The revised Schedule would be effective January 1, 2021.

Following brief discussion, Commissioner Ballard moved to adopt Resolution 2020-08 as presented. Commissioner Drotz seconded and **the motion carried unanimously**.

4.3 **Review of Financials & Operations**

- 4.3.1 **Water Sales Data** – Water sales data through November 30, 2020 was reviewed with a total billing of \$121,727 to 1,852 services, and total consumption of 14,206,637 cubic feet.
- 4.3.2 **Income & Expense Report** – The Income & Expense Report for the period ending November 30, 2020 was presented. The total fund balance at the end of this reporting period was \$849,727.40.
- 4.3.3 **Operations Update** – The Operations Update for the period ending November 30, 2020 was presented. Staff repaired a service line leak on Nokomis Road and rebuilt a pressure relief valve at the Garfield pump station. Service Technician Caleb Carlson obtained his Cross-Connection Control Specialist certification in November. All water quality samples submitted in November were satisfactory. The District produced 14,348,000 gallons for this reporting period.
- 4.3.4 **Capital Improvements and Developer Extension Update** – No updates were reported.

5.0 Executive Agenda

- 5.1 **Administrative Update** – No further update was offered.
- 5.2 **Board of Commissioners' Comments** – No additional comments were offered.

6.0 Future Meeting Dates

- 6.1 January 12, 2021, 5:30 p.m. – Regular Meeting, Video Teleconference
- 6.2 February 9, 2021, 5:30 p.m. – Regular Meeting, Video Teleconference
- 6.3 March 9, 2021, 5:30 p.m. – Regular Meeting, Video Teleconference

7.0* Adjournment

There being no further business to come before the Board, Commissioner Drotz moved to adjourn the meeting at 6:13 p.m., Commissioner Ballard seconded; **the motion carried unanimously.**

Steve Pedersen
Board Chair

Paul Drotz
Secretary

Bob Ballard
Commissioner