

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

October 11, 2022

## 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 5:30 p.m. Commissioners Bob Ballard and James Strode were also present. District staff present was Dennis O’Connell, General Manager. Attorney Ken Bagwell was also present. There were three guests from the public in attendance.
- 2.0 **\*Consent Agenda** – *Staff recommended approval of the consent agenda as presented.*
  - 2.1 **Approval of September 13, 2022, Regular Meeting Minutes**
  - 2.2 **Approval of Vouchers** – Approval for payment included General Fund vouchers totaling \$41,238.79. A street light voucher for \$1,890.06 was also presented.
  - 2.3 **Approval of District Payroll Affidavit** – Tax and benefit payment vouchers for September 2022, totaling \$35,968.54 was also presented.

Commissioner Strode moved to approve the consent agenda as presented.  
Commissioner Ballard seconded, and **the motion carried unanimously.**

- 3.0 **Public Comment** – Paul Nuchims advised the Board that he will no longer be serving as liaison between the Kitsap County Commissioners and the Manchester Community Advisory Committee.

Terry Guest of 2301 Cedar Street inquired about the cedar fence replacement on the southern property line of the Cedar Street Tank site. Staff explained that the fence project is scheduled to resume during the week of October 31<sup>st</sup>, following a sanitary survey of all facilities by the Washington State Office of Drinking Water. The survey is done every three years and all public water systems go through the process. The Board asked staff to prioritize the fence replacement, if possible.

## 4.0 Regular Agenda

- 4.1 **2023 Revenue Projection** – The adopted FY 2022 Budget included \$2,838,122 in total revenue. Through the first three-quarters of 2022, several revenue categories have exceeded their projected totals for the year. Revenue from meter sales for example, were projected to equal \$120,000 for the year. As of the end of September, actual meter sales revenue was \$222,680. Staff presented projected revenue totals for 2022 year-end water sales, meter sales, and all miscellaneous categories; less total projected expenses, and estimated the FY 2022 balance carried forward to 2023 will be \$1,240,361.

Using this figure of \$1,240,361 carried over to FY 2023, staff will begin to create a budget for FY 2023. During upcoming meetings and planning sessions, staff will outline District needs and goals for 2023. Along the way, staff will solicit input from the Board until an agreed upon budget can be presented and adopted in December.

- 4.2 **2022 Project Update** – Staff presented updates on several capital improvement projects. Staff reported that the Olympiad Culvert Project is nearly completed. Now that all other contractors have completed their work, District crew members will return to the site to restore the lawn and roadway shoulder where new water main was installed and services relocated.

The California Tank 1 exterior recoat project has been completed. Once the paint is fully cured and the tank refilled, bacteriological samples will be taken and the tank returned to service.

The District has executed a services contract with Robinson-Noble engineering firm to design a replacement well for the District's Well 5 and Well 8. Both of the existing wells have gone dry and are no longer in use. Robinson-Noble will recommend drilling a single well that is approximately 120-feet deeper to match the aquifer's current depth. The goal is to have a new well in service by the spring of 2023.

Staff reported that all positions on the Field Operations crew have now been filled. During the summer, three of the five Service Technicians resigned for personal reasons. After weeks of recruiting and interviews, all positions have now been filled and staff continues to train new employees.

- 4.3 **2023 Staffing Strategies** – As part of the District's long-term planning, staff solicited input for recruiting and selection of new leadership when the current General Manager retires next year. Discussion included exploring new ideas, such as hiring an Operations Manager who would then transition to the General Manager position, versus hiring a General Manager and allowing for two General Managers to work together through a transition period. No formal Board action was taken and the topic will be revisited during upcoming meetings and planning sessions.

#### 4.4 **Review of Financials & Operations**

- 4.4.1 **Water Sales Data** – Water sales data through September 30, 2022, was reviewed with a total billing of \$191,034 to 1,883 services, and total consumption of 3,574,469 cubic feet or 26,737,028 gallons.

- 4.4.2 **Income & Expense Report** – The Income & Expense Report for the period ending September 30, 2022, was presented. The total fund balance at the end of this reporting period was \$1,163,888.32.

- 4.4.3 **Operations Update** – The month of September was a turning point for Operations staff. Two new Meter Reader / Service Technician’s Apprentices reported for duty on September 1<sup>st</sup>. The additional staff allowed the crew to begin catching up on new service installations and maintenance tasks to resume in earnest. The crew installed two new services in September, bringing our year-to-date total of new services installed to 26.

The crew also repaired a service line leak on Ridgecrest Drive and rebuilt the pressure reducing valves at the Harper Hill Road Pressure Reducing Station.

All water samples collected in September were satisfactory, and the District produced 23,169,000 gallons of water.

- 4.4.4 **Capital Improvements** – South Sound Solar has completed the installation of solar panels at the Spring Street Workshop. Following inspection by The Department of Labor & Industries, the system will be energized.

- 4.4.5 **Developer Extension Update** - No updates to report.

## 5.0 **Executive Agenda**

- 5.1.1 **Administrative Update** – Staff informed the Board that former employee Trina Scholer has returned to her Service Technician position at the beginning of October. The District now has a full crew for the first time in months. Staff shared the October Field Operations work calendar, which includes the upcoming Office of Drinking Water sanitary survey.

- 5.1.2 **Board of Commissioners Comments** – Board Chair Pedersen informed staff the Kitsap Bank had contacted him directly regarding updating the names of authorized signatories to the District’s bank accounts. Staff explained that the authorization was approved by the Board in March of this year and that all parties were asked to schedule an in-person visit to the bank to complete their signatory consent forms. The Board reiterated and affirmed that only the following persons are authorized to sign checks on the District account ending in 3211:

- Commissioner Steve Pedersen
- Commissioner Robert Ballard
- Commissioner James Strode
- Accounting Specialist Erin Civilla
- General Manager Dennis O’Connell

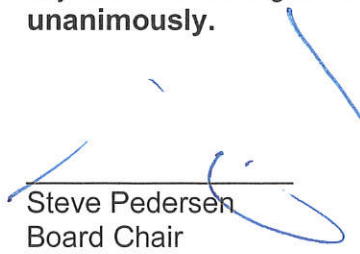


## 6.0 **Future Meeting Dates**

- 6.1 October 25, 2022, 5:30 p.m. – Planning Session Meeting, Spring Street Workshop

- 6.2 November 8, 2022, 5:30 p.m. – Regular Business Meeting, Spring Street Workshop
- 6.3 November 22, 2022, 5:30 p.m. – Planning Session Meeting, Spring Street Workshop

7.0 **Adjournment**

There being no further business to come before the Board, Commissioner Strode moved to adjourn the meeting at 7:14 p.m. Commissioner Ballard seconded, and **the motion carried unanimously.**

 _____ Steve Pedersen Board Chair	 _____ James Strode Secretary	 _____ Robert Ballard Commissioner
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\* Indicates action item