

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

April 12, 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 5:34 p.m. Commissioners Bob Ballard and Jim Strode were also present. District staff present was Dennis O’Connell, General Manager. Attorney Ken Bagwell and two Manchester residents were also present. Representatives of Disney Homes, LLC present were owner Bob Disney and engineer Doug Piehl. There were no guests signed in via ZOOM Meetings on the virtual meeting platform.

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

2.1 **Approval of March 8, 2022, Regular Meeting Minutes**

2.2 **Approval of Vouchers** – Approval for payment included General Fund vouchers totaling \$ 106,848.78, including \$ 20,165.00 for emergency generator switchgear at the Field Operations Complex and \$ 16,121.10 for site preparation at Well 10. A streetlight voucher totaling \$1,896.30 was also presented.

2.3 **Approval of District Payroll Affidavit**

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

3.0 **Public Comment** – Manchester resident Paul Nuchims

Board Chair Pedersen explained that following his email post to the Board, Mr. Nuchims is not to communicate any further with District staff or the Board of Commissioners regarding the issue of flooding at his Daniels Loop property. All questions or concerns regarding the matter should be directed to Attorney Ken Bagwell. Pedersen then directed staff to enter a printed copy of the email into the record as part of the meeting minutes. The email is attached hereto as EXHIBIT A.

No further Board action or comment was offered.

4.0 **Regular Agenda**

4.1 **Ponderosa Pond Group B System Proposal** - Disney Homes, LLC (Disney) has designed a tract of single-family residences south of Chester Road, and west of California Avenue. The development will consist of 10 individual homes with four of the lots accessed from Crestwood Court via a private drive. The District will install four new services on the north side of Crestwood Court at the entrance to the private drive. Two lots closest to Chester Road will be served by an existing private well on the property. To serve the remaining four lots accessed from Chester Road, Disney has applied with the Kitsap County Health District (KC Health) to establish a new Group B water system. To obtain approval of a Group B system

within our service territory, KC Health will require authorization from the District. A Confirmation or Denial of Service form from KC Health was included with meeting materials provided to the Board prior to the meeting. Also included was a copy of an email sent by staff to Doug Piehl of Northwest Water Systems, Inc., an engineering firm representing Disney regarding this project. The email explains why the Board did not compose an approval letter for a Group B system on the site back in October of 2021. At that time, the Board chose to take no action on the matter. On February 22, 2022, Disney Homes applied for a Group B system at that location through the KC Health. As part of the Group B system application process, the local water purveyor may approve or deny the development of a Group B system within their service territory.

In October of 2021, staff proposed a developer-funded main extension running west on Chester Road from the intersection of Chester and California Avenue. Staff again presented the same proposed main extension maps and plan drawings presented at the October 2021 meeting. Staff also explained that the Kitsap County Water System Plan states that “Provisions of the Public Water System Coordination Act require that no new public water system be established within Kitsap County unless it is determined that existing purveyors are unable or unwilling to provide the service in a timely and reasonable manner.” As the local water purveyor, the District is both able and willing to provide service via a developer-funded main extension. Staff has recommended the Board deny the approval of a Group B system within the District’s service territory.

The proposed main extension would consist of approximately 1360-feet of 8-inch Class 52 ductile iron pipe, two fire hydrants, and a road crossing to serve the private drive accessing the properties. The size of the road crossing would be determined by fire hydrant placement requirements.

The District currently serves 7103 and 7158 Chester Road located at the northwest and southwest corners of the intersection of California Avenue and Chester Road. If the water main extension were constructed, staff would recommend the District enter into a cost-share agreement to pay for the Chester Road frontage already served by the District. Although the proposed main extension has not been surveyed, it is estimated that approximately 300-feet of the new main would qualify for a cost-per-foot reimbursement from the District.

Mr. Piehl then addressed the Board and explained that the cost of any main extension would make the project unprofitable. He presented information including a timeline of conversations with District staff and an estimated cost of a 2600-foot water main at \$370,000. He explained that these costs would make the installation of a water main cost prohibitive. He asked again if the services for this project could be placed on Crestwood Court at the southern end of the project. Staff explained that typically, the water meters are set at the entrance to a private drive, and that setting meters on Crestwood Court for lots accessed via Chester Road would be considered “spaghetti lines” and that the District prohibits such installations.

Commissioner Strode then suggested that Disney build a private drive entrance on Crestwood Court to allow the installation of the meters there. Disney could then block the road and access the properties from Chester Road as originally planned.

Mr Piehl then asked staff if that would be acceptable under current District policy. Staff deferred to the Board on such an exception and asked Mr. Piehl to submit a road plan. Staff suggested the matter be tabled until the next meeting.

With regard to the Group B system application that Disney filed with the Kitsap County Health District for the same project, staff recommended denial of the application because water service is available. Following further discussion, the Board agreed and directed staff to submit the denial form to the KC Health.

- 4.2* **Annual Newsletter Draft Review** - Presented for Board review and approval was the revised Spring 2022 Annual Newsletter and Consumer Confidence Report (CCR). As required by regulation, the CCR is composed annually and published through direct mailing to each account, posted on the District website, and made available to any interested party upon request. The CCR contains information regarding water quality sampling and results for reporting year 2021.

The revisions to the newsletter are based on Board input received at the March meeting. The Newsletter/CCR will be included as a bill stuffer with the April/May and May/June billing cycles. Following discussion, Commissioner Strode moved to publish the Newsletter/CCR as presented. Commissioner Ballard seconded and **the motion carried unanimously.**

4.3 **Review of Financials & Operations**

4.3.1 **Water Sales Data** – Water sales data through March 31, 2022, was reviewed with a total billing of \$129,770 to 1,878 services, and total consumption of 1,819,404 cubic feet.

4.3.2 **Income & Expense Report** – The Income & Expense Report for the period ending March 31, 2022, was presented. The total fund balance at the end of this reporting period was \$1,258,599.75.

4.3.3 **Operations Update** – The Operations Update for the period ending March 31, 2022 was presented. In March, the crew installed four new services, and repaired a service line leak. After considerable effort, the crew was able to relocate a service line from Garfield Avenue to Locker Road and eliminate another “spaghetti line” service in the process. Trenchless Construction installed new water main under the creek on Olympiad Drive ahead of a scheduled culvert replacement. The HDPE main was installed via a directional bore directly under the creek. Once connected and in service, Kitsap County contractors will be able to install the culvert without terminating the water main on each side. All of this work is being done as part of ongoing efforts to restore salmon habitat around Puget Sound. All water samples collected last month were satisfactory and the District produced 15,171,000 gallons.

4.3.4 **Capital Improvements and Developer Extension Update** – None

5.0 **Executive Agenda**

5.1 **Administrative Update** – No further update was offered.

5.2 **Board of Commissioners' Comments** – No further comments were offered.

6.0 **Future Meeting Dates**


6.1 May 10, 2022, 5:30 p.m. - Regular Business Meeting, Spring Street Workshop

6.2 June 14, 2022, 5:30 p.m. - Regular Business Meeting, Spring Street Workshop

6.3 July 12, 2022, 5:30 p.m. – Regular Business Meeting, Spring Street Workshop

7.0* **Adjournment**

There being no further business to come before the Board, Commissioner Ballard moved to adjourn the meeting at 6:58 p.m., Commissioner Strode seconded; **the motion carried unanimously.**



Steve Pedersen,
Board Chair



James Strode
Secretary



Robert Ballard
Commissioner