

## **THREE LAKES WATER ASSOCIATION – BOARD MEETING MINUTES**

**March 11<sup>th</sup>, 2025**

The Three Lakes Water Association Board of Trustees held their March 11<sup>th</sup>, 2025 Board Meeting at 6:00 pm. in a hybrid setting at the Association office, located at 17503 58<sup>th</sup> St SE, as well as virtually, utilizing phone and webinar technologies. The Association website and Facebook page requested members who wish to address the Board to inform the Board President by email to report any comments, questions, or concerns to the Board. The board president's email is [president@3lwa.org](mailto:president@3lwa.org).

### **Call to Order**

The meeting was called to order at 6:01 p.m. by President Marek Jedrzejewicz. A quorum was satisfied by other Board Trustees in attendance: Vice President Tyler Eshleman, Secretary Terra Nicolle, Treasurer Steve Lefebure, Trustee Donald Kemmis, and Trustee Heidi Mann. Trustee Ray Cox was excused.

### **Members, Guests & Employees –**

Engineer's Rodney Langer and Zack Worley of David Evans and Associates, Inc. (DEA). Engineers Langer and Worley exited the meeting at 8:40 pm.

Staff Member's Kaila Klicker, Seth Way, and Brittany Henning, who was the recording secretary for this meeting, were present and exited the meeting at 8:40 pm.

Member requests for the meeting link: Susan Kemmis and Jay Klicker who both logged out of the zoom meeting at 8:40 pm.

In person attendance: President Marek Jedrzejewicz, Vice President Tyler Eshleman, Secretary Terra Nicolle, Treasurer Steve Lefebure, Trustee Donald Kemmis, Trustee Heidi Mann, Engineer Rodney Langer, and Staff: Assistant Manager Kaila Klicker, Field Technician Seth Way, and Administrator Brittany Henning

Virtual attendance: Engineer Zack Worley, and Association Members Susan Kemmis, and Jay Klicker.

## **DEA Engineers' Report**

Engineer Rodney Langer presented a summary of DEA's status report, which was e-mailed and provided to the Board on March 7<sup>th</sup>, 2025. Highlights of the monthly report are summarized as follows:

### **171<sup>st</sup> AC Water Main Replacement Project –**

Phase 2 – As the required documentation has been completed. The Phase 2 retainage check is recommended to be dispersed to the Contractor, officially closing out this phase of the project.

Phase 3 – See Old Business.

**Annual Water Rate Review –** See Old Business.

**Big Deer West Phase II –** The Developer has paid the deposit to initiate development on two lots. The Developer Extension agreement has been drafted and is awaiting additional information from the Developer. The Fire Marshall has provided confirmation that additional fire hydrants are not required for the two lots.

## **Manager & Cross Connection Report**

Assistant Manager Kaila Klicker presented a summary of the Manager's Report, which was e-mailed and provided to the Board on March 7<sup>th</sup>, 2025.

The idle pump time, as of March 3<sup>rd</sup> was 4 hours and 30 minutes with an average 24-hour volume of 17,390 c.f. The calculated non-revenue for February was 16.84%, compared to December of 14.50%. Multiple telemetry interruptions occurred requiring Staff response. The Manager received an emergency call from a member on the afternoon of March 1<sup>st</sup>, reporting suspicious water. After investigation, it was confirmed that the suspect water was potable. D&G Backhoe assisted with the installation of a repair band on the supply side of the service leak on Sunday, March 2<sup>nd</sup>. Following this fix, it was apparent that this leak had been significantly impacting volume and overall pump operations for an extended period of time. Positive feedback on Staff's response and restoration work was received on our Facebook page.

The soft starter mechanism that was purchased back in January for Booster Pump #3 was installed, as the original unit failed on February 24<sup>th</sup>. The integration work was completed by Systems Interface on February 27<sup>th</sup> and the pump is operational. The generator at Booster Pump Station #2 remains operational with one oddity; Tripped Electric is still in process of diagnosing the anomaly. Fence repair work at the office due to the winter storm has been completed as of March 2<sup>nd</sup>. Staff supported an overnight

maintenance activity and the water system operated as expected. A new water service was installed with the assistance of D&G Backhoe on February 24<sup>th</sup> along 184<sup>th</sup> Dr SE.

Confirmation from DOH has been received regarding the continued disbursement of federal loan funds related to the Association's 171<sup>st</sup> construction project, indicating that the loan is funded 100% by the State. On January 21<sup>st</sup>, the final Design and Engineering loan reimbursement request was submitted. An internal audit of the 171<sup>st</sup> project documentation was completed by Staff, in conjunction with DEA's input, to confirm completeness for filing of records. Compliments were received from DOH highlighting the Staff's knowledge and execution of contractual requirements.

Verizon's penalty fee payment for the reported unauthorized access violation has been received. The 2013 F-150 brakes were replaced on March 6<sup>th</sup>. The 2022 Ford Maverick is displaying concerning sounds relative to its low mileage. Trustee Cox made a trip into the shop to observe the running engine and agreed that it should be taken in for diagnostics; the appointment is scheduled for the beginning of April, leaving Staff without this vehicle until further notice. Nine additional private service line material types were identified for LSLI reporting; 25 services remain to be identified by October 1<sup>st</sup>, 2025. Autopay enrollment activity continues, with another 3% increase in member enrollment since last month.

The Board agreed to establish a COLA and Retirement plan, in 2023 and again in 2024, which is still awaiting Board action. As certified DOH Operators, all Association Employees receive open purveyor job positions and retain these listings for updated reference into 2025.

The Secretary made a request for the DOH publication to be included in the Board meeting packet titled "Owning and Operating a Group A Water System." This was presented as an opportunity to educate the Board regarding the expected obligations of Water System Operators. The Treasurer submitted a report to be referenced within the Association Incident Log. Per request from Trustee Mann, Staff investigated AI options in response to documenting and addressing the content of the Minutes. The Manager determined the development of this technology may aid us at some time in the future however it is not currently to the point of implementation.

The Annual Newsletter is in preparation for distribution within April's billing; rate details to be included for communication to the membership are pending Board approval. The City of Everett's water quality data must be incorporated and verified in the Association's Consumer Confidence Report and is in process for public distribution in April. The report has been reviewed by DEA for regulation confirmation. The 2024 Water Use Efficiency updated goals were submitted to DOH as required.

### **Approval of January 14<sup>th</sup>'s Board Meeting Minutes**

Discussion was held by all Trustees related to the process of implementing amendments to the monthly Board Meeting Minutes. It was again clarified that Association business, group discussion, and details of work performed are summarized and reviewed for Board approval during the meeting. Officer reports are to reflect Trustee participation within their Board driven duties throughout the past month, and the report is attached to the official Board Meeting Packet for reference by Trustee request. Trustee review of January's Minutes took place and legal requirements were verified.

*Motion made by Secretary Nicolle to approve January's Board Meeting Minutes; motion seconded by Trustee Kemmis. Four votes in favor and two opposed. The motion passes.*

### **Approval of February 11<sup>th</sup>'s Board Meeting Minutes**

*Motion made by Secretary Nicolle to approve February's Board Meeting Minutes; motion seconded by Vice President Eshleman. Five votes in favor and one opposed. The motion passes.*

### **Approve and Pay Bills**

Staff Henning presented a summary of the Association's Financial Report. The financial report was prepared and distributed to the Board summarizing the financial position through March 11<sup>th</sup>, 2025. Total funds on hand are \$1,268,083.02. A transfer in the amount of \$110,000.00 was transferred between accounts to cover this month's bills. Reports were provided for the past month's expenses, prepaid invoices, and payroll summary. Checks were presented to be approved for payment by the Board.

#### **Current Financial Information**

**General Funds- \$ 234,092.77**  
**Capital Funds- \$ 771,822.07**  
**Reserve Funds- \$ 262,168.18**  
**Total Expenses- \$ 109,631.17**

*Motion made by Treasurer Lefebure to approve payment of the bills as presented, motion seconded by Trustee Kemmis. Six votes in favor. The motion passes.*

## **Officer's Reports**

**President** – Meeting with the Vice President and the Treasurer on March 5<sup>th</sup>. Meeting with the Vice President and the Manager on March 6<sup>th</sup>.

**Vice President** – Meeting with the President and the Treasurer on March 5<sup>th</sup>. Meeting with the President and the Manager on March 6<sup>th</sup>.

**Secretary** – Signed shares and checks for accounts payable, met with Staff on March 5<sup>th</sup>. A new process for auditing the monthly Board Minutes has been established and implemented. The first Secretary's Minutes Audit passed with all the requirements met.

The Secretary presented a comprehensive report detailing notes on Robert's Rules of Order, Board related RCW's, reviewing the roles of each officer within the Board, as well as discussion on how Association documents are shared between staff, Trustees, members, and the delegation of such. The Secretary performed a review of the document request log submitted by the Treasurer, which was cross referenced with Staff for verification. This reference sheet was presented to the Board for transparency and acknowledgment of listed documentation provided to the Treasurer since October 2024. It was also clarified that Board members or volunteers are not permissible by law to absorb any job-related employee duties or responsibilities thereof.

**Treasurer** – No report.

## **Old Business**

**COLA, Wage Discussion, IRA** – Discussion held within the Executive Session.

**Proxy Discussion** – The Manager reminded the Board of the Annual Meeting requests to simplify proxy appointment; ideas between Trustees were shared reflecting ways to better inform members of the Association on Annual Meeting procedure and Proxy guidelines. A fall billing insert is being considered.

**Phase 3 CIP Contract Award** – Engineer's Langer and Worley presented a brief overview on 171<sup>st</sup> Phase 3, supporting statements from last month, highlighting each portion of this phase and responding to questions from the Board for clarity.

*Motion made by Vice President Eshleman to award the 171st AC Water Main Replacement Phase 3 project to D&G Backhoe, Inc., and authorize the President to sign the construction contract once the documents are ready for execution, including bond and insurance. Seconded by Treasurer Lefebure. Six votes in favor. The motion passes.*

**Rate Review** – Engineer Langer reiterated rate increase data with the Board last meeting as no additional questions or considerations were discussed.

*Motion to adopt the rate increase fees and charges as recommended by David Evans and Associates, per their memo dated February 9, 2025, made by Trustee Kemmis. Seconded by Secretary Nicolle. Five votes in favor and one opposed. The motion passes.*

## **New Business**

**Flow of Accounts Receivable/Chargeable** – Staff Way presented to the Board curated graphs of accounts receivable and chargeable to reflect the usual flow of charges to accounts and member payments per billing cycle, as well as analyzing new patterns since implementing the autopay feature.

**Employee Insurance Transition** – Discussion was held by Trustees, and it was determined by the Board that the Manager, who happens to be the individual employee, is to choose how to proceed regarding the various insurance options available and how the Association will reimburse the Manager’s out of pocket expenses.

**Washington Federal 4 Mo. Certificate of Deposit** – The Manager presented the opportunity to the Board related to Staff researched low-risk investment options available at our current banking entity.

*Motion for the Manager to establish a Certificate of Deposit account with Washington Federal Bank, with a term of 4 months, at approximately 4% APY, in the amount of \$230,000.00 made by Trustee Kemmis, seconded by Vice President Eshleman. Six votes in favor. The motion passes.*

**SCADA Upgrade** – Staff Way shared details regarding the proposed SCADA system upgrades to maintain telemetry communication within the system, as our current support contract is ending. Upgrades include but are not limited to Windows 11 upgrade details, outdated and unsupported software upgrades and integrations, as well as Trustee discussion for potential upgrade of hardware equipment. The consensus, made by the Board, was for Staff to proceed as needed to perform the upgrades in an efficient manner, with consideration to long-term benefits.

*At the request of the President, the President motioned to convene an Executive Session to address Trustee access to information and COLA/IRA. The motion was not seconded. Members, Staff and guests were asked to be excused. The Executive Session began at 8:40 pm with all attending Trustees present. The Executive Session was adjourned at 10:02 pm with all Trustees present except Trustee Kemmis, who was requested to leave for the COLA/IRA segment of the executive session as an employee of the Association.*

*The General Meeting was reconvened at 10:02 pm, with all present except Trustee Kemmis, Staff, Members, and guests.*

*Motion made by President Jedrzejewicz to form a standing committee regarding the establishment of a durable Staff compensation plan with President Jedrzejewicz, Vice President Eshleman, Secretary Nicolle, Treasurer Lefebure, and Trustee Mann.*

### **Call to Adjourn Meeting**

*Motion made by President Jedrzejewicz to adjourn the meeting; motion seconded by Treasurer Lefebure. The meeting was adjourned at 10:03 pm.*



Secretary's Audit of the Minutes

Date of Audit: April 2, 2025