



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

October 14, 2025

REGULAR MEETING

1.0* **Call to Order** – Board Chair Steve Pedersen called the Tuesday, October 14th, regular meeting of the Manchester Water District Board of Commissioners (Board) to order at 5:30 PM. Commissioner Bob Ballard, Secretary Jim Strode, General Manager Tony Lang, and District Attorney Ken Bagwell were present along with one guest from the public. Paul Barazzuol from Waterworth was in attendance via Zoom.

2.0* **Consent Agenda**

2.1 **Approval of September 9th, 2025, Regular Meeting Minutes**

2.2 **Approval of Vouchers** - Presented for payment approval were General Fund vouchers totaling \$131,124.12 and a Street Light Fund voucher totaling \$1,317.93.

2.3 **Approval of District Payroll Affidavit(s)** – Wages and benefit affidavits were presented.

*Secretary Strode moved to approve the consent agenda as presented. Chair Pedersen seconded, and **the motion passed unanimously.***

3.0 **Public Comment** – No public comment was presented.

4.0 **Regular Agenda**

4.1 **Waterworth Financial Software Discussion – Tony Lang / Paul Barazzuol – Waterworth**

GM Lang explained to the Board that the District's Water System Plan Update is nearing completion. The plan includes a 10-year financial analysis completed by FCS Group. This analysis includes recommended annual rate increases that would be required for the District to fund and complete the proposed Capital Improvement Projects. Lang explained FCS's type of analysis is static due to forecasted hypothetical costs for the 10-year period. Waterworth's software allows the District to utilize the FCS model and make real-time changes as rates, projects, and costs change over the years. It provides a visual representation of the District's financial position in relation to current and upcoming CIP's. Lang invited Paul Barazzuol from Waterworth to attend the meeting via Zoom to present to the Board the benefits Waterworth's Continuous Utility Rate Management software could provide for financial planning. Barazzuol presented a short PowerPoint to the Board for approximately 10 minutes and then answered Board questions.

After the presentation and following a short discussion, it was determined the District would complete the 2026 Budget without utilizing the software. The FCS financial analysis includes the recommended rate increase for 2026 so the Board will take this recommendation into consideration when deciding utility rates for 2026. If Lang decides to purchase the software during 2026 for 2027's Budget, they prefer to try the service for 1-year to see if it is beneficial to the District prior to committing to a 3-year agreement.

4.2* Adoption of Resolution 2025-12 Approving a Franchise Agreement with Kitsap County for Manchester Water District Infrastructure Located in Kitsap County Roads – Tony Lang

Lang stated the District owns, operates, and maintains water lines and water utility infrastructure in, over, along, and under Kitsap County roads. The preceding Franchise Agreement between Manchester Water District and Kitsap County was for a period of 25-years and expired on July 17, 2025. The proposed new Franchise Agreement is for another 25-year period, from the date of execution, and consists of updated terms and conditions that District staff must adhere to when working in County Roads. Kitsap County and District staff have agreed and confirmed that approving a new Franchise Agreement is in the best interest of the public and Manchester Water District's ratepayers. Lang recommended adoption of Res 2025-12 as presented.

*Secretary Strode moved to approve Res. 2025-12 as presented. Commissioner Ballard seconded, and **the motion passed unanimously.***

4.3* Adoption of Resolution 2025-13 Approving a Water Main Extension with Jason Morgan for the Oregon Ave Water Main Extension Between Grandview St and Wyoming – Tony Lang

Lang stated that on September 22, 2025, District staff received formal application for a Developer's Extension Agreement from Jason Morgan for the Oregon Ave water main extension between Grandview St and Wyoming St. On September 25, 2025, District staff received the \$1,220 Application Fee from Mr. Morgan.

The proposed Oregon Ave extension will serve four (4) single family residential lots requiring the 8" water main to be extended from the southeastern property line of Parcel No. 4580-044-001-0502 to the most northeasterly property line of Parcel No. 4580-041-006-0107. Lang and the Board looked at the preliminary design plans and had a short discussion. Lang recommended adoption of Res. 2025-13.

*Commissioner Ballard moved to approve Res. 2025-13 as presented. Secretary Strode seconded, and **the motion passed unanimously.***

4.4 Review of Financials & Operations

4.4.1 **Water Sales Data** – Water sales data through September 30, 2025, was reviewed with a total billing of \$208,106 to 1,904 services, and total consumption equaling 25,418,618 gallons or 3,398,211 cubic feet. This consumption total was 1,554,000 gallons more than the same billing period in 2024.

4.4.2 **Income & Expense Report** – The Income & Expense Report for the period ending September 30th, 2025, was presented. The total fund balance at the end of this reporting period was \$794,586.65.

4.4.3 **Quarterly Adjustment Report** – The quarterly adjustment report was reviewed and discussed. A short discussion took place but there were no concerning adjustments or billing corrections noted.

4.4.4 **Quarterly Public Records Request Report** – Lang stated there were no Public Records Requests submitted during the 3rd quarter of 2025.

4.4.5 Operations Update

Lang stated that September's monthly bacteriological and fluoride samples were completed, the results received from the testing lab were reported as satisfactory, within state recommended range, and submitted to the Department of Health (DOH).

Staff installed three (3) new water services and boxes on Jessica Way and repaired a broken 2" Sch. 40 water main in Southworth Dr at Rodstol. The Sch 40 tee cracked due to ground movement on the shoulder of the road causing a significant leak and substantial water loss. The auxiliary valve to help regulate the volume of water was inaccessible due to the valve box riser not being centered on the operating nut. Staff did a good job mitigating the volume of water in the ditch line while also making the repair.

Lang explained the backhoe was down for a few days during September due to a ruptured hydraulic hose under the operating cab. District staff were unable to make the repair due to the leak's location so Pape' Machinery was contacted. Pape' was able to repair the hose within a few days so the backhoe's downtime was fortunately minimal.

Also in September, the District GM and Lead Service Technician toured the City of Bremerton's Cassad Dam. Lang stated it was an educational experience to see the differences in operation of a surface water plant versus a groundwater supply facility. He thanked WaterPAK and the City of Bremerton for the invitation.

Lang explained that he and the Operations Foreman attended an Emergency Operations Center (EOC) training exercise with Washington Water Services



in Gig Harbor. It was an informative tabletop emergency training exercise that reflects the actions of utility employees should an emergency occur within the utility. The District hopes to be invited and attend again next year.

Lastly, the District's first Wellness Event with staff took place at the Tacoma Rainier's baseball game. It was a wonderful time where staff and their loved ones enjoyed a relaxing and social time together outside of work. Everyone enjoyed watching the baseball game and subsequent fireworks.

4.4.6 Developer Extension Updates – No additional Developer Extension Updates were reported.

5.0 Executive Agenda

- 5.1 Administrative Update** – Lang requested the upcoming regularly scheduled Board meeting date of November 11 be changed to November 12 due to the 11th being Veteran's Day. The Board and District Attorney Bagwell were all in agreement.

Lang reported that Service Technician Sean Steel is no longer employed with the District as he resigned during September. Staff are in the process of hiring a new service technician who is supposed to start on November 3rd.

A discussion took place regarding the Anchors Condo Owners Association proposed Special Assessment for buildings envelope repairs. The Special Assessment costs will be included as a component of the 2026 Annual Budget. The District's proportionate share of the \$2.44 Million repairs is calculated to be \$90,665.41 and must be paid prior to February 1, 2026. The Board advised Lang to vote "no" on the Budget ratification vote and hopefully enough owners will do the same.

- 5.2 Board of Commissioners' Comments** – Chair Pedersen requested up to date power consumption information on the shop solar panels and the calculated date for a return on investment. Lang stated he would look into it and provide the information at the next regularly scheduled Board meeting.

Chair Pedersen also requested Lang to calculate the total Leak Rate Adjustments per annum for the past few years. The Board would like to know how much annual revenue is being credited to help rate payers when they experience a leak.

6.0 Future Meeting Dates

- 6.1 October 28, 2025, 5:30 PM – Special Session, Spring Street Admin Office
- 6.2 November 12, 2025, 5:30 PM - Regular Meeting, Spring Street Workshop
- 6.3 November 25, 2025, 5:30 PM – Special Session, Spring Street Admin Office

7.0* Adjournment



There being no further business to discuss, Commissioner Ballard moved to adjourn the meeting at 7:04 PM. Secretary Strode seconded, and **the motion passed unanimously.**



Steve Pedersen
Board Chair



James Strode
Secretary



Robert Ballard
Commissioner

** Indicates action item*