

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

May 14, 2024

### REGULAR MEETING

1.0\* **Call to Order** - Board Chair Steve Pedersen called the Tuesday, May 14<sup>th</sup>, regular meeting of the Manchester Water District Board of Commissioners (Board) to order at 5:30 PM. Commissioner Bob Ballard, General Manager Tony Lang, and Attorney Ken Bagwell were present along with one guest from the public. Secretary Strode and one public guest attended virtually via Zoom.

### 2.0\* **Consent Agenda**

2.1 **Approval of April 9, 2024, Regular Meeting Minutes**

2.2 **Approval of Vouchers** - Presented for payment approval were General Fund vouchers totaling \$138,413.85, and a Street Light Fund voucher totaling \$2,034.38.

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

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

### 3.0 **Public Comment –**

Mr. Villiers-Furze, who was attending via Zoom, spoke to the Board regarding his request for a credit to his bill for his residence located at 2419 California. He stated that he did not use the amount of water that was reflected on his February/March 2024 District bill, checked all of his fixtures and piping and could not find anything leaking. He expressed to the Board that he has lived in his home for 23 years and has never experienced such a fluctuation in consumption. He would like the Board's consideration in providing him a credit for this excess usage. Please see section 4.1 of the Regular Agenda for the results of this request.

### 4.0 **Regular Agenda**

#### 4.1\* **Billing Dispute Appeal - 2419 California – Tony Lang**

Mr. Villiers-Furze of 2419 California Ave. spoke to the Board regarding his February/March 2024 water bill credit request. Please see the Public Comment section above. GM Lang explained that staff followed standard protocol for meter reading and following up with residences that exhibit abnormal amounts of consumption. Field technicians checked the accuracy of the original meter read then checked the meter for any indication of a leak. They confirmed the meter was read correctly and that there was no indication of a leak. The results were

explained to the customer, but he disagreed with the findings as he claimed he did not use the water. Following this discussion, GM Lang had two field technicians pull the meter and perform a bench test to determine the accuracy of the meter. The bench test confirmed the meter was recording accurate consumption. The field technicians then upgraded the manual meter to an AMR after the bench test. The confirmed accuracy results were explained to the customer and if he still disagreed, he could take the appeal to the Board for consideration.

GM lang explained to the Board that the customer is consistent with paying his bill on time and has not previously requested or received a leak rate adjustment. Considering all the circumstances, Lang recommended applying the leak rate adjustment to Mr. Villiers-Furze consumption for February/March 2024. He would not be eligible for another LRA until 2027.

*Commissioner Ballard moved to approve applying a leak rate adjustment to 2419 California's February/March 2024 bill, Chair Pedersen seconded, and **the motion passed unanimously.***

#### 4.2\* **Leak Rate Adjustment Policy Discussion – Tony Lang**

GM Lang discussed the District's current leak rate adjustment (LRA) policy and how it compares to neighboring water purveyors in Kitsap County. The policies of Silverdale Water District, North Perry Water District, West Sound Utility District, and Washington Water Service were utilized for comparison. After a short discussion regarding potential policy modification options, and so the District is in alignment with neighboring jurisdictions, the Board determined they would like to modify the District's policy. Chair Pedersen suggested that the "Timeline for Repairs" be modified from 20 days to 30 days, "Timeline for LRA Request" be modified from 20 days to 60 days, and that we include verbiage in the policy that allows for inadvertent use that would be calculated at the same rate as a repaired service line leak.

*Chair Pedersen moved to have the GM modify the current leak rate adjustment policy as discussed and present it to the Board at the June Board meeting for approval. Commissioner Ballard seconded, and **the motion passed unanimously.***

#### 4.3\* **Adoption of Resolution 2024-05 Repealing and Replacing Resolution No. 2015-04 Establishing an Imprest Account Policy– Tony Lang**

Lang explained that the General Manager and Accounting Specialist currently utilize bank issued debit cards for incidental purchases, meals, travel, etc. that are deducted from the District's General Fund. Based on the State Auditor's recommendation to have these types of disbursements deducted from a dedicated imprest account, District staff are requesting to increase the imprest account balance from \$500 to a maximum of \$5,000. The Accounting Specialist will document all imprest transactions, and reimbursement of the account funds will be presented to the Board in the form of vouchers for Board approval. At no time will the aggregate imprest disbursements, not yet approved by the Board, exceed \$5,000. Lang

recommended adoption of Res. 2024-05 Repealing and Replacing Resolution No. 2015-04 and Establishing an Imprest Account Policy as presented.

*Commissioner Ballard moved to approve Resolution 2024-05 as presented, Chair Pedersen seconded, and **the motion passed unanimously.***

#### 4.4\* **Operations Foreperson – Tony Lang**

Presented for Board discussion and consideration was the updated Operations Foreperson job description and associated salary scale. Lang explained that he would like to reestablish this position within the shop through an internal recruitment. Lang feels the shop culture and environment would benefit from a Foreperson position that can provide leadership among operations staff, help regulate daily activities, and assist in maintaining employee accountability. This position would collaborate and work closely with the General Manager on all aspects of operations, projects, regulatory compliance, staff performance, equipment maintenance, future operational needs, etc. Lang stated that a position of leadership within the shop needs to be reestablished so there is no confusion among staff regarding who is responsible when working on a project or who to direct questions or issues to when out in the field. An established Foreperson position would be highly beneficial for this purpose, and it would help improve the shop's overall productivity. Lang discussed that the proposed interview process would be conducted by the District's GM along with two other representatives from neighboring jurisdictions. Lang went over the current salary scale with the Board and explained where the potential candidates would fall on the scale if they were promoted to the Foreperson position. If approved, Chair Pedersen stated that he would like to see cross-training and improved redundancy regarding tasks that the Accounting Specialist performs so the District is not dependent on one person for critical tasks should this person leave the District or is unable to fulfill their duties for a period of time. Lang concurred that redundancy for payroll, billing, meter reading, etc. is highly important and needed to maintain organizational continuity. Lang recommended approving the updated Operations Foreperson job description and salary scale as presented and authorization to move forward with the internal recruitment of the Foreperson position.

*Commissioner Ballard moved to approve the updated job description and to allow the GM to continue the internal recruitment to fill the Foreperson position. Chair Pedersen seconded, and **the motion passed unanimously.***

#### 4.5\* **Kitsap County Harper Estuary Bridge Project Update – Tony Lang**

Lang explained that he met with Kitsap County representatives on April 18<sup>th</sup> to discuss the County's position regarding the District's financial involvement in the County's Harper Estuary Bridge Project. It was stated by County representatives that the Federal grant the County received could not be used for utility relocations so the District would have to fund the water line relocation that is required as part of their project. They explained the project was funded as a transportation improvement project and not a stormwater project so the money allocated could not be utilized for utility

relocations. The County representative stated that the anticipated District cost for the water main relocation would be \$250,000. This total cost includes a contingency amount for cost overruns. The District would not have to pay for any pavement restoration, permitting, or traffic control. The project is planned to break ground in early summer of 2025 at the earliest and the County still has some permitting hurdles to work through. County representatives requested an answer to the District's involvement in the project prior to August 2024. If the District chooses to not participate in the project the County will need to update the civil drawings accordingly, so they can go out to bid late 2024.

The Board and Lang discussed the advantages and disadvantages of not participating in the County Project. Lang explained that if the District would like to replace the water main across the Harper bridge in the future, it would require significant permitting and would be considerably more expensive. The Board expressed that they have known about this project for a long time and that they have conducted consultant research on the water quality and hydraulics of Olympiad St should the District dead-end the main on the west end of Olympiad. Lang stated that the District would have to perform some work at the intersection of Southworth and Olympiad prior to the County performing their work as there is no water main valve for Olympiad at the main on Southworth. Lang will keep the Board updated as the tentative date for the project gets closer.

*Secretary Strode made a motion to not participate in the County's Harper Estuary Bridge Project. Chair Pedersen seconded the motion. Commissioner Ballard voted against the motion. **The motion passed 2 to 1, two votes to approve, one vote against.***

#### 4.6 **Review of Financials & Operations**

- 4.6.1 **Water Sales Data** – Water sales data through April 30, 2024, was reviewed with a total billing of \$120,762 to 1,577 services, and total consumption equaling 1,544,544 cubic feet or 11,553,189 gallons. This consumption total was 1,603,682 gallons more than the same billing period in 2023.
- 4.6.2 **Income & Expense Report** – The Income & Expense Report for the period ending April 30, 2024, was presented. The total fund balance at the end of this reporting period was \$1,195,015.24.
- 4.6.3 **Operations Update** – Lang reported that April's monthly bacteriological and fluoride samples were completed, the results were reported as satisfactory and submitted to the Department of Health. Staff also upgraded 11 manual meters to AMR.

April was another busy month for staff as they juggled distribution system water main flushing of the north high zone, normal day-to-day responsibilities, meter reading, and continuous SCADA communication problems. It was staff's goal to flush the entire North Zone (high and low) during the month of April before moving onto other District responsibilities in the operational work

plan. Unfortunately, the entire north zone was not able to be flushed during April due to other District issues that required attention, although the entire high zone was completed. Staff will continue flushing the north low zone and the entire south zone this fall when the hot weather starts to subside for the year. At this time, SCADA communication problems have been resolved through District staff collaboration with CenturyLink Technicians.

Lang stated that some of the operation's staff and management attended the Earth Day event at Qaqad Park on Saturday, April 20<sup>th</sup>. Public turnout was more than expected for this event and the District distributed information regarding water conservation practices.

May's workplan consists of Well 5 piping and water quality testing, well site vegetative maintenance, Port of Manchester work items, and PRV repairs/inspections.

- 4.6.4 **Developer Extension Updates** – There were no Developer Extension Updates reported.

## 5.0 **Executive Agenda**

- 5.1 **Administrative Update** – Lang reported on the status of the District's Solar Panel Grant with the Department of Commerce. He stated that Milestone C for an amount of \$500.37 has been submitted and approved, and that the contract has been closed. The total grant portion of the project, \$39,748, has been reimbursed to the District. Lang discussed that the invoices received from Puget Sound Energy since energizing the solar arrays depicts a savings of roughly \$4,140 for 2023 compared to the previous year. This equates to an estimated return on investment of roughly 9.6 years for the \$39,748 the District invested into the project. Lang stated that the solar arrays are being remotely monitored online so the District can monitor how much power they are producing and when the solar panels may have debris build-up preventing their optimal charging capability.

Lang reported that he and the Accounting Specialist met with the Kitsap County Treasurer to discuss the status of the District's weekly deposit waiver request during April. County representatives suggested some verbiage modifications to the request and for the District to resubmit the request. Lang stated the conversation was positive and that there was no indication that the request would not be approved. The District is currently waiting for the approved and executed waiver request.

Lang discussed the status of Well 5R. He stated that Hokkaido Drilling installed the pump and motor during April. Field staff test pumped the well and pulled the PFAS, pH, and alkalinity samples that the Department of Health (DOH) was requesting as a condition of source approval. He reported that the District received comments from DOH on the submitted Project Report in April as well. The District and BHC Consultants will continue to address these comments while we continue to make the necessary improvements.

Lang reported that the District received \$17,207.51 in reimbursement compensation for replacing a fire hydrant that was damaged due to a vehicular accident on Banner Road in late December 2023.

5.2 **Board of Commissioners' Comments** – Chair Pedersen suggested that Lang arrange a Board tour to see the District's sites and facilities sometime in August. He also suggested scheduling a barbecue at the shop for staff as well.

6.0 **Executive Session** – Pursuant to RCW 42.30.110 (1)(g), the Board held an executive session to discuss the performance of a public employee. Attorney Bagwell announced the duration of the Executive Session to be 15 minutes.

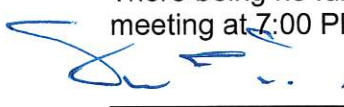
*No formal Board action was taken.*

7.0 **Future Meeting Dates**

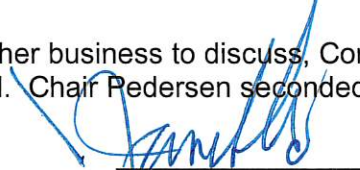
- 7.1 June 25, 2024, 5:30 PM – Regular Meeting, Spring Street Workshop
- 7.2 July 9, 2024, 5:30 PM - Regular Meeting, Spring Street Workshop
- 7.3 August 13, 2024, 5:30 PM - Regular Meeting, Spring Street Workshop

8.0\* **Adjournment**

There being no further business to discuss, Commissioner Ballard moved to adjourn the meeting at 7:00 PM. Chair Pedersen seconded, and **the motion carried unanimously.**



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Steve Pedersen  
Board Chair



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James Strode  
Secretary



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Robert Ballard  
Commissioner

*\* Indicates action item*