**MINUTES OF THE REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF**

**MANCHESTER WATER DISTRICT**

November 12, 2024

**REGULAR MEETING**

1.0\* **Call to Order -** Board Chair Steve Pedersen called the Tuesday, November 12th, regular meeting of the Manchester Water District Board of Commissioners (Board) to order at 5:30 PM. Commissioner Bob Ballard, Secretary Strode, General Manager Tony Lang, and District Attorney Ken Bagwell were present along with one guest from the public. There were no virtual participants that attended via Zoom.

2.0\* **Consent Agenda**

 2.1 **Approval of October 8th, 2024, Regular Meeting Minutes**

 2.2 **Approval of October 22nd, 2024, Special Meeting Minutes**

 2.3 **Approval of Vouchers** - Presented for payment approval were General Fund vouchers totaling $88,716.53, and a Street Light Fund voucher totaling $1,856.79.

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

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

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

4.0 **Regular Agenda**

4.1\* **Adoption of Resolution 2024-10 Approving a Contract with BHC Consultants for the 2025 Water System Plan Update – Tony Lang**

Presented for Board consideration and approval was a Professional Services contract with BHC Consultants, LLC for the 2025 Manchester Water District Water System Plan (WSP) Update.

Lang explained that in 2016, MWD contracted with RH2 Engineering, Inc. to update MWD’s previously adopted WSP from 2007. The completed WSP was submitted to the Department of Health (DOH) in 2019 by RH2. DOH subsequently provided comments on the submittal but the comments were never addressed by MWD staff or the consultant.

Lang stated that District staff met with DOH representatives in September 2024 to discuss DOH’s stance on the District finally answering DOH’s 2019 comments, and if the District would be still be able to utilize the 2019 WSP submittal moving forward. The DOH representative stated that this would be acceptable, but all the current data and financial information would need to be updated in the new submittal.

Staff followed the District’s procurement process for procuring the needed professional services and selected BHC Consultants, LLC to update the unfinished WSP. After negotiating the needed scope of work with District staff, BHC submitted a scope and fee in the amount of $150,000 to complete the WSP update.

Lang recommended Board adoption of Resolution 2024-10 approving a contract with BHC Consultants, LLC for the 2025 Water System Plan Update.

*Secretary Strode moved to approve Resolution 2024-10 as presented. Commissioner Ballard seconded, and* ***the motion passed unanimously.***

4.2\* **Adoption of Resolution 2024-11 Accepting FY2025 Public Works Board Construction Loan Funding for the Well 10 Manganese Treatment Project – Tony Lang**

Presented for Board consideration was Resolution 2024-11, acceptance of the FY2025 Public Works Board (PWB) Construction Loan for the Well 10 Manganese Treatment Project.

Lang explained that in June 2024, District staff, in coordination with BHC Consultants, submitted a construction loan application to the Public Works Board for the Well 10 Manganese Project for a requested amount of $960,000. On September 6, 2024, the Public Works Board selected MWD as one of the loan recipients selected for the PWB’s 2025’s Construction Loan cycle. The District was notified that it scored 29th out of the 55 applications received and were approved for the $960,000 construction loan, for a term of 20 years at 1.71% interest. Lang recommended adoption of Resolution 2024-11, accepting the Public Works Board Loan for the Well 10 Manganese Treatment Project as presented.

*Commissioner Ballard moved to approve Resolution 2024-11 as presented. Secretary Strode seconded, and* ***the motion passed unanimously.***

4.3 **FY2025 Projected Expense – Tony Lang**

Lang presented to the Board the District’s expected expenses for FY2025. Lang explained that the projected Total Expense for Human Resources is based on current data and reflects a 3.0% Cost of Living Adjustment. Total Expenses for HR in 2025 are subject to change depending on the future published U.S. Bureau of Labor Statistics CPI-U for Seattle-Tacoma-Bellevue in mid-November and the Board’s approval of a COLA increase for staff. Other fund expense projections were calculated based on 2024 actual expenses compared to the amounts

budgeted in 2024. Capital Projects were projected for 2025, and the amounts budgeted for each project were based on historical comparisons and other information available at the time of calculation. Equipment additions or replacement calculations were based on quotes received from various vendors and/or manufacturers.

After discussion, the Board agreed the total projected expenses presented were acceptable and that monitoring of the District’s finances will be needed throughout the year to make sure the District has enough money in its General Fund to cover the costs for the Well 10 project until the District receives reimbursement funding from the PWBTF loan.

4.4 **Review of Financials & Operations**

4.4.1 **Water Sales Data** – Water sales data through October 31, 2024, was reviewed with a total billing of $138,251 to 1,576 services, and total consumption equaling 15,285,215 gallons or 2,043,478 cubic feet. This consumption total was 2,099,499 gallons less than the same billing period in 2023.

4.4.2 **Income & Expense Report** – The Income & Expense Report for the period ending October 31st, 2024, was presented. The total fund balance at the end of this reporting period was $1,177,861.03.

4.4.3 **Operations Update** – Lang reported that the District’s total source production for September was 15,085,000 gallons. October’s monthly bacteriological and fluoride samples were completed, the results received from the testing lab were reported as satisfactory and submitted to the Department of Health (DOH). Staff installed two (2) new service lines and a water quality sampling station last month on Bullseye. They also upgraded 19 water meters to new AMR’s.

 Also during October, staff rebuilt the Banner Pressure Reducing Valves with new internal components, flushed the north low zone distribution system, and repaired 4 service line leaks that were on the District’s side of the meter. The Cedar reservoir pressure sensor was replaced and Well 5’s treatment room was painted in anticipation of the new chlorine equipment being installed.

 Lang stated that the last of the physical verifications of service line materials for the Lead Line Inventory were completed. The LSL inventory was submitted to the Department of Health prior to the October 16th deadline. Staff determined that there are 129 *galvanized requiring replacement* service lines that will need to be replaced over the next 10 years. There may be future legal proceedings regarding who is responsible for replacing galvanized service lines on the private property side of the water service.

 Next month, staff plan on working on the Garfield concrete walkway between the pumping and storage facilities, fixing the water level targets at the

 California and Cedar water tanks, and installing the Cedar fence panels at Garfield to secure the outer footprint of the wellsite.

4.4.4 **Developer Extension Updates** – No Developer Extension Updates were reported.

5.0 **Executive Agenda**

5.1 **Administrative Update** – No additional updates were presented.

5.2 **Board of Commissioners’ Comments** – No additional comments were provided.

6.0 **Future Meeting Dates**

 6.1 November 26, 2024, 5:30 PM – Special Session, Field Operations Office

 6.2 December 10th, 2024, 5:30 PM – Regular Meeting, Spring St Workshop

 6.3 January 14th, 2025, 5:30 PM – Regular Meeting, Spring St Workshop

7**.**0\* **Adjournment**

There being no further business to discuss, Commissioner Ballard moved to adjourn the meeting at 6:36 PM. Secretary Strode seconded, and **the motion passed unanimously.**

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 Steve Pedersen James Strode Robert Ballard

 Board Chair Secretary Commissioner

*\* Indicates action item*