



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

June 25, 2024

### REGULAR MEETING

1.0\* **Call to Order** - Board Chair Steve Pedersen called the Tuesday, June 25<sup>th</sup>, regular meeting of the Manchester Water District Board of Commissioners (Board) to order at 5:31 PM. Commissioner Bob Ballard, Secretary Strode, General Manager Tony Lang, and Attorney Ken Bagwell were present along with one guest from the public. There were no public guests attending virtually via Zoom.

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

2.1 **Approval of May 14, 2024, Regular Meeting Minutes**

2.2 **Approval of Vouchers** - Presented for payment approval were General Fund vouchers totaling \$161,569.70, and a Street Light Fund voucher totaling \$1,806.32.

2.3 **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\* **Leak Rate Adjustment Appeal – 11330 SE Sedgwick Rd - Tony Lang**

GM Lang explained to the Board that the homeowner located at 11330 SE Sedgwick Rd is requesting an additional leak rate adjustment credit to their account for the second time in two years. The homeowner requested consideration be given allowing for an additional leak rate adjustment outside the once every three-year adopted District policy. This residence previously received a leak rate adjustment in April of 2023 in the amount of \$70.79. This year's April 2024 bill totaled \$302.48 and is higher than their normal bill total. If the appeal was approved by the Board, the leak rate adjustment credit would total approximately \$90. The homeowner was not present at the meeting to explain their reasoning and justification for requesting an additional leak rate adjustment. GM Lang recommended denial of the appeal and adhering to the District adopted policy.

*Secretary Strode moved to deny the additional leak rate adjustment request to 11330 SE Sedgwick Rd, Commissioner Ballard seconded, and **the motion passed unanimously.***

4.2\* **Leak Rate Adjustment Appeal – 10012 SE Southworth Dr – Tony Lang**

GM Lang explained to the Board that the homeowner at 10012 SE Southworth Dr is requesting an additional leak rate adjustment credit be granted to their account for the second time in two years. The homeowner requests consideration be given allowing for an additional leak rate adjustment outside the once every three-year adopted District policy. This residence previously received a leak rate adjustment in February 2023 in the amount of \$4,794.04. This year, the homeowner's February 2024 water bill totaled \$8,862.61. Lang explained that the homeowner was notified of a significant leak in their service line after meter reading was completed. The homeowner chose to leave the water on until the leak was fixed. An additional 17,000 gallons of water usage was recorded on the meter between the time the customer was notified and when the leak was fixed. If the appeal was approved by the Board, the leak rate adjustment for the February 2024 bill would total approximately \$4,000-\$4,500. The homeowner was not present at the meeting to explain their reasoning and justification for requesting an additional leak rate adjustment. GM Lang recommended denial of the appeal and adhering to the District adopted policy.

*Secretary Strobe moved to deny the additional leak rate adjustment request to 10012 SE Southworth Dr. Commissioner Ballard seconded, and the motion passed unanimously.*

4.3\* **Adoption of Resolution 2024-06, Repealing and Replacing Resolution 2003-12 Revising the Districts Policy for Leak Adjustment Credits – Tony Lang**

Presented for Board consideration was Resolution 2024-06 repealing and replacing Resolution 2003-12 Leak Rate Adjustment Policy. GM Lang and the Board discussed the increased frequency of LRA appeals presented to the Board in the last 6 months. After discussion, the Board determined they would like verbiage in the policy that states leak rate adjustment requests in addition to the once every 3-year policy will be denied and unappealable to the Board. They would also like to mandate that homeowners requesting a qualifying appeal to the Board be physically present at the scheduled Board meeting, or attend via Zoom, to explain their reasoning and justification for their appeal. GM Lang and Attorney Bagwell will coordinate on the policy verbiage additions and modifications.

*Secretary Strobe moved to approve Resolution 2024-06 as revised and discussed, Commissioner Ballard seconded the motion, and the motion passed unanimously.*

4.4\* **Verizon Wireless Lease Agreement Proposal Amendment – Tony Lang**

Presented for Board discussion and consideration was the most recent proposal received from Verizon Wireless representatives wishing to amend the current lease agreement for their antennas located at the California



reservoir site. GM Lang presented the Board with a spreadsheet comparing the original lease agreement to the proposed lease agreement amendment. The current lease agreement expires October 31, 2033. The new proposed term is for 35 years, consisting of a 5-year original term with the potential for six (6) 5-year extensions. The proposed lease rate would decrease from the current \$1402.17 per month rate to \$1,250 per month, with a retroactive rent credit to Verizon for overpayment going back to November 1, 2023. Currently, the annual lease rate escalator is 3%. Verizon is proposing a 10% escalator every 5-years with the next increase not occurring until 2028. The Board discussed the proposed amendment and determined that it is not beneficial to the District to accept the proposed changes. The Board directed GM Lang to notify the Verizon Wireless representative that the District is not interested in modifying the lease agreement at this time.

*Secretary Strobe moved to deny the lease agreement amendment presented by Verizon Wireless. Commissioner Ballard seconded, and **the motion passed unanimously.***

4.5\* **Adoption of Resolution 2024-07 Declaring Surplus Property and Authorizing its Sale– Tony Lang**

Lang presented for Board consideration Res. 2024-07, declaring the District's 2015 Nissan Frontier (VIN 1N6AD0CW7FN755173) as surplus property and authorizing its sale. As part of the 2024 District Annual Budget, the Board authorized the purchase of a new 2024 Ford Maverick to replace the 2015 Nissan Frontier due to wear and age. Lang explained that the new Maverick was delivered, licensed, and insured in May so the Frontier is now ready for surplus and sale. The vehicle will be listed on GovDeals for auction with a minimum reserve of \$13,000.

*Secretary Strobe moved to adopt Res. 2024-07. Commissioner Ballard seconded, and **the motion passed unanimously.***

4.6 **Review of Financials & Operations**

- 4.6.1 **Water Sales Data** – Water sales data through May 31, 2024, was reviewed with a total billing of \$162,950 to 1,896 services, and total consumption equaling 2,292,718 cubic feet or 17,149,531 gallons. This consumption total was 2,405,546 gallons more than the same billing period in 2023.
- 4.6.2 **Income & Expense Report** – The Income & Expense Report for the period ending May 31, 2024, was presented. The total fund balance at the end of this reporting period was \$1,128,489.99.
- 4.6.3 **Operations Update** – Lang reported that May's monthly bacteriological and fluoride samples were completed. The results were reported as satisfactory and submitted to the Department of Health. The annual Nitrate samples for all the District's groundwater sources were taken and sent to the lab for analysis as part of the State's Water Quality Monitoring Schedule (WQMS).

Staff also upgraded 3 manual meters to AMR, completed well site vegetative maintenance, and repaired a leaking service line on Alaska Ave.

At Well 5R, staff installed a new water sample station outside the treatment facility for taking post-treatment samples. The well was intermittently test pumped and additional water samples were taken and submitted to the lab for analysis for PFAS, pH, alkalinity, ammonia, phosphate, silica, sulfide, and Total Organic Carbon (TOC) as part of the water quality investigation process to achieve source approval from the Department of Health.

Staff completed multiple repairs on the Port's floating docks during May. Repairs consisted of replacing sections of rub rail along both dock's exterior edges, replacing the boat ramp's solar lighting, and replacing a section of broken deck grating that was hazardous to pedestrians. The flower baskets at the park's entrance were installed and the irrigation system has been turned on.

A section of 2" galvanized water main servicing a few residences on Southworth Dr was repaired during May as well. Staff did a great job of working together to get the repair completed in a timely and efficient manner.

The District received the 2024 Ford Maverick that was ordered at the end of 2023 and budgeted in the 2024 Annual Budget. It subsequently has been licensed and insured and is waiting on the final iteration of the revised District logo prior to the vinyl decals being installed on the doors.

Allie Townsend passed her Water Distribution Manager I – OIT certification in May. Kudos go out to Allie as she remained positive, didn't give up, and vigorously studied to achieve this milestone in her career. Great job, Allie!!

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

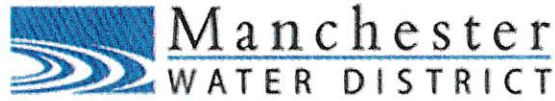
## 5.0 Executive Agenda

- 5.1 **Administrative Update** – GM Lang discussed staff attendance at the AWWA Conference in Anaheim, CA in early June. He stated that it was very informational and they had positive interactions with vendors regarding water meters, SCADA, and tools/equipment. Lang felt the attending Commissioner's had a good time while connecting with other jurisdictions and consultants from across the country.

GM Lang reported that he had submitted the Public Works Board Loan Application on June 25<sup>th</sup> for the Well 10 Filtration Project. He stated that the award recipients will be published sometime the first week of August after the PWB Board meeting for that month.

GM Lang notified the Board that the Public Employee Benefits Board (PEBB) rates for the District will be increasing starting in July. PEBB annually adjusts their rates every year in July. The District's contribution to employee medical premiums and Commissioner's VEBA accounts will increase by \$25 per month





for the remainder of 2024. This rate modification will cost the District an additional \$1,650.

Lang informed the Board that he will be conducting Foreperson interviews with District staff that applied for the position on June 27<sup>th</sup>. Jacki Brown from the City of Port Orchard and Mike Pleasants from the Silverdale Water District will be helping with the interview process and providing their input on the best candidate for the District.

- 5.2 **Board of Commissioners' Comments** – Chair Pedersen recommended that GM Lang have District staff develop desk manuals listing their specific duties. It would provide management with a resource to reference for backfilling certain tasks in case an employee was absent for an extended period of time or in case they chose to terminate their employment with the District. Commissioner Strode disagreed with the need for desk manuals since the District has job descriptions for each position. Strode felt it was an unneeded task for the GM to delegate to staff. Chair Pedersen stated it was up to GM Lang if he wanted to delegate this task to staff but feels like it is a good idea for continuity and redundancy.

## 6.0 Future Meeting Dates

- 6.1 July 9, 2024, 5:30 PM - Regular Meeting, Spring Street Workshop
- 6.2 August 13, 2024, 5:30 PM – Regular Meeting, Spring Street Workshop
- 6.3 September 10, 2024, 5:30 PM – Regular Meeting, Spring Street Workshop
- 6.4 September 24, 2024, 5:30 PM – Special Session, Field Operations Office

## 7.0\* Adjournment

There being no further business to discuss, Secretary Strode moved to adjourn the meeting at 6:23 PM. Commissioner Ballard seconded, and **the motion carried unanimously.**

A blue ink signature of Steve Pedersen, written over a horizontal line.

Steve Pedersen  
Board Chair

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James Strode  
Secretary

A blue ink signature of Robert Ballard, written over a horizontal line.

Robert Ballard  
Commissioner

\* Indicates action item