

# Dockton Water Association

## Board Meeting

Monday, October 22, 2018

7:00 PM

Water Office: 9710 SW Windmill Street

### Minutes

#### CALL TO ORDER:

- |      |    |   |        |
|------|----|---|--------|
| 7:01 | 1. | Present: Tanya, Darton, Paul, Kai, Sheila, Todd, Hooper | Hooper |
| 7:02 | 2. | Met required number of Directors present for a quorum   | Hooper |

#### CONSENT ITEMS:

- |      |    |                                       |        |
|------|----|---------------------------------------|--------|
| 7:03 | 3. | APPROVED contents and order of agenda | Hooper |
| 7:04 | 4. | APPROVED September 24, 2018 minutes   | Hooper |

#### INFORMATION ITEMS:

- |      |    |  |        |
|------|----|--|--------|
| 7:05 | 5. | <i>PRESIDENT'S REPORT</i>  | Hooper |
|      | a. | Open action items  |        |
|      | 1) | Status of Steve Andrus memorial bench: Bench selected and will be placed at the office or the springs (not at Dockton Park). Kelly to provide Paul with a \$780 check to purchase the bench.   |        |
|      | 2) | Draft franchise fee statement for invoice: Todd will email verbiage to Kelly for inclusion on the next invoice.  |        |
|      | 3) | Draft and incorporate informational notes on website financial summary: Todd will add "wrapper" to the report and email the report to Hooper.  |        |
|      | 4) | Submit tree removal remediation application/site plan to King County and obtain bids to have 48 3-4 foot trees professionally planted/irrigated: Application submitted; now waiting for King County's response. Kelly to send Paul an email detailing the planting requirements, and Paul will obtain an estimate from Kathy's Corner. |        |
|      | 5) | Request Warren design electrical diagram for the Sandy Shores filtration project (Kelly): Electrical design estimated at \$30K. Board APPROVED hiring Warren.  |        |
|      | 6) | Provide Kelly with .dwg version of system map: Change of plan. Darton to set up a DWA Google Drive account so everyone can access map.   |        |
|      | b. | Office roof repair: Completed. Hooper to ask Carlos to itemize his original remodel bid, so the Board can scale down the scope of work to align with the budget.   |        |
|      | c. | Hake easement: Hooper to get a definitive answer from the property owners on whether they are willing to move forward with the easement agreement.   |        |
|      | d. | Legal agreement for King County franchise fee appeal: Board APPROVED signing the agreement.  |        |

- 7:20 6. *OPERATOR'S REPORT* Dave
- a. Booster station generator quotes: Vashon Electric's estimate is \$13K. Waiting for estimate from Tacoma Diesel.
  - b. Mag meter flow tube repair: Part is on back order. Dave will install when it arrives.
  - c. Water Use Questionnaire status: Hooper to post the questionnaire on the website. Verbiage will be included on the monthly invoice directing members to download, complete and return questionnaire.

- 7:50 7. *COMMITTEE REPORTS* Darton
- a. Planning and Capital Improvements
    - 1) Provide bid package recommendation for Sandy Shores' filtration project: Recommendation is to provide the building and electrical plans to a handful of contractors to bid rather than go through an elaborate bidding process.
    - 2) Update CIP: Targeted completion date is the first of the year.

- b. *FINANCE* Todd
- 1) Recap September budget report: Overall, DWA is more profitable and has higher Operations Fund balance due to not paying the King County ROW fee and a few expenses (insurance/postage) that haven't hit the books, yet. More revenue was collected than planned. (*Report attached*)

- c. *WATER PRODUCTION* Paul
- 1) Provide billing recommendation for Mr. Kommer project: Recommendation is to reduce materials by 10 feet and remove the 10% surcharge. Kelly to advise Mr. Kommer.
- 2) Progress in bringing new well points on line: On hold until test results are received. Duncan has been advised to not pursue easement with King County.
- 3) Status of outstanding test results from NW: Paul will get test results from Doug.

**DISCUSSION ITEMS:**

- 8:30 8. a. Emergency Response Contractor Agreement(s): **Contract Committee not prepared to present. Will be moved to the November agenda.** Contract Committee
- 1) Should we keep the current contract structure and negotiate a common rate with the contractors to ensure all members incur the same pricing structure for similar projects?
  - 2) Should we have one contractor on retainer for emergency response 24/7?
- b. Exception/revision to Directors' Policies: **Contract Committee not prepared to present. Will be moved to the November agenda.** Contract Committee
- 1) Should we revise II.5 to allow a member extending a main within an existing development to be able to select a contractor from a list of DWA pre-qualified contractors? Member would be responsible for negotiating and contracting.
  - 2) Should we make an exception to allow 319 to delay commitment to her new main until we have a bid from a contractor for the cost (II.5)?

- 9:00
- 3) Should we adjust DWA's 10% handling charge (III.4 & IV)?
- c. New alignment to serve Summerhurst area: The discussion will be continued at the November meeting. Kelly
- Due to time constraints, the below discussion items will be moved to the November agenda**
- d. Transition of Kelly's manager responsibilities Kelly/Dave
- 1) Roles, Authority, Accountability
  - 2) Financials (salary, benefits)
  - 3) On-the-job training schedule
  - 4) New laptop
- e. Cleaning Contact Basin Kelly
- 1) Should we shift the responsibility of cleaning the contact basin from DWA's Operator to LiquiVision? Biennial cost is shy of \$5K.
- f. Revision to Bylaws 1.10: Sheila
- 1) Should monthly meetings that fall on a national holiday be held on the next business day?
  - 2) Should the annual meeting be moved to a non-holiday weekend? 2<sup>nd</sup> Sunday @ 4p, 3<sup>rd</sup> Saturday @ 10a

**OTHER BUSINESS:**

9. What did we decide? Sheila

Board Approved:

- Signing franchise fee legal agreement
- Hiring Warren to design Sandy Shores electrical plan
- Negotiating and extending Dave a full-time operator/manager employment contract (Todd and Sheila dissented)

Kelly:

- Review NW contract to see when it expires
- Issue \$780 check for purchase of bench
- Advise Mr. Kommer of adjusted invoice amount
- Send Paul an email with tree specifications
- Advise Warren to move forward with electrical design
- Include franchise fee verbiage on next invoice (Todd to provide)
- Include directive to complete Water Use Questionnaire on next invoice (Hooper to upload to website first)

Hooper:

- Obtain itemized office remodel estimate from Carlos
- Obtain definitive answer from property owners re: Hake easement
- Upload Water Use Questionnaire to website

Paul

- Obtain estimate from Kathy's Corner to purchase and plant trees
- Call Doug at NW to get test results

Darton

- Set up Google Drive and upload maps
- Work on CIP with Tanya

Todd

- Email Kelly franchise fee verbiage for invoice

- Email Hooper financial summary with “wrapper” included on the report

Tanya will not attend the November meeting.

10. Next meeting: November 26, 2018

Hooper

**ADJOURN**

SEPTEMBER 2019						
Operations	Month			Year-to-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
<b>Beginning Balance</b>	\$ 30,239	\$ 20,870	45%	\$ 24,172	\$ 23,000	5%
<b>Income:</b>						
Payments Received	\$ 20,319	\$ 19,650	3%	\$ 64,636	\$ 59,670	8%
<b>Costs:</b>						
Administrative Expenses	\$ (6,259)	\$ (7,538)	-17%	\$ (20,205)	\$ (21,746)	-7%
Operations Expenses	\$ (5,568)	\$ (6,942)	-20%	\$ (19,201)	\$ (20,825)	-8%
Taxes and Fees	\$ (1,155)	\$ (2,840)	-59%	\$ (3,493)	\$ (8,565)	-59%
Transfer to Capital Funds	\$ (4,167)	\$ (4,167)	0%	\$ (12,501)	\$ (12,500)	0%
<b>Net Change</b>	\$ 3,170	\$ (1,836)	-273%	\$ 9,237	\$ (3,966)	-333%
<b>Ending Balance</b>	\$ 33,409	\$ 19,034	76%	\$ 33,409	\$ 19,034	76%
<b>Replacement Reserves</b>	Month			YTD	Annual	%
	Actual			Actual	Budget	Complete
<b>Beginning Balance</b>	\$ 183,113			\$ 265,140	\$ 249,300	
<b>Income:</b>						
<i>From Operations</i>	\$ 4,167			\$ 12,501	\$ 50,000	25%
<b>Costs:</b>						
Meter Replacement	\$ -			\$ (1,792)	\$ (3,000)	60%
97th & Windmill	\$ -			\$ (84,096)	\$ (60,000)	140%
Hake to Manzanita	\$ -			\$ -	\$ (50,000)	0%
Other Scheduled Projects	\$ (4,538)			\$ (5,068)	\$ (15,000)	34%
Unscheduled Costs	\$ (794)			\$ (4,737)	\$ (9,000)	53%
<b>Net Change</b>	\$ (1,165)			\$ (83,192)	\$ (87,000)	96%
<b>Ending Balance</b>	\$ 181,948			\$ 181,948	\$ 162,300	112%
<b>Improvement Reserves</b>	Month			YTD	Annual	%
	Actual			Actual	Budget	Complete
<b>Beginning Balance</b>	\$ 302,618			\$ 290,137	\$ 266,500	109%
<b>Income:</b>						
Reserve Base Charges	\$ 834			\$ 3,684	\$ 15,600	24%
Capital Charges	\$ 5,410			\$ 17,547	\$ 69,400	25%
New Shares/Hookup	\$ -			\$ 3,576	\$ -	
<b>Costs:</b>						
State Loan Payments	\$ -			\$ -	\$ (32,000)	0%
Service Connection (-Fee)	\$ -			\$ -	\$ -	
Sandy Shores Filtration	\$ -			\$ (869)	\$ (180,000)	0%
Other Scheduled Projects	\$ -			\$ -	\$ (13,000)	0%
Other Capital Outlays	\$ (2,600)			\$ (7,813)	\$ (3,000)	260%
<b>Net Change</b>	\$ 3,645			\$ 16,126	\$ (143,000)	-11%
<b>Ending Balance</b>	\$ 306,263			\$ 306,263	\$ 123,500	248%

**SEPTEMBER NOTES:**

- <sup>1</sup> Payments running a bit ahead of plan
- <sup>2</sup> under Bdgt due to timing of Insurance and Postage
- <sup>3</sup> no Unschedule Maint expense in Sept
- <sup>4</sup> We budgeted for KingCo RoW tax, no pay't yet
- <sup>5</sup> lower costs and no KingCo RoW bump surplus
- <sup>6</sup> Carrying bigger balance than planned.
- <sup>7</sup> Good we are replacing meters, but not much budget
- <sup>8</sup> Unschedule costs running high vs. annual budget
- <sup>9</sup> Near our end-of-year plan (but more funds flow in)
- <sup>10</sup> Unschedule Improvements also running high
- <sup>11</sup>
- <sup>12</sup>
- <sup>13</sup>
- <sup>14</sup> Checking reconciliation

Current Fund Balances	30-Sep
Operations	\$ 33,409
System Replacement	\$ 181,948
Capital Improvement	\$ 306,263
Contingency Reserve	\$ 78,400
<b>Total Funds</b>	\$ 600,020

Current Bank Balances	30-Sep
US Bank (on Vashon)	\$ 207,459
Chase (on Vashon)	\$ 393,595
Reconciliation	\$ (1,034) * <sup>14</sup>
<b>Total Funds</b>	\$ 600,020