

FRIDAY LETTER
October 26, 2018

1. **Franchise message on bills.** Todd suggests the following:

Hi Kelly, Here's an idea:

-- add a new revenue item on the bill

-- "King County Right-of-Way Franchise Fee" (If that's too long, remove "Franchise" and/or abbreviate to "KingCo")

-- This could be listed above the Excise Tax line item

-- put a billable value of \$0.00

-- put an "" either next to the \$0.00, or after the word "Fee"*

*-- add a note, below. (I guess above the Late Charges ** note. Or, bigger(?) in the space above, for a couple months to get attention??*

*-- ** If KingCo succeeds in overcoming the court's injunction against this demand for rent of the RoW, we will recuperate this new cost via a special, on-going charge to our shareholders likely to be \$5.00 or more per billing cycle (TBD)"*

Let me know your thoughts:

-- too wordy?

-- don't add \$0 line item?

-- don't explain so much?

-- add more thorough explanation?

Todd

Please send me your comments "reply to all"

2. **Kommer dispute.** Without objection from the Board I will send Kommer a revised invoice with two changes: a reduction in the amount of copper pipe from 75 to 65 feet and removal of the 10% service fee. This reduces the total amount owed 540.75 from 3941.84 to 3401.09.
3. **Competing the connection to 264th.** Frank has promised Dave he will do this work in Mid November. One last part is still on order.
4. **Broken printer.** The automatic document feeder on our Epson printer/copier/FAX is broken. Epson techs say it can't be fixed (they no longer make the parts). It still works OK for most tasks, but we can't scan to pdf or fax multiple page documents without making a separate file for each page (ugh!). Without objection from the Board I will get a quote for a new machine.
5. **Dave's transition to Manager/Operator.** Dave and I are putting together a packet of recommendations and supporting documents for a decision at your November 26th board meeting that would allow him to give 60 days' notice to Heights Water and start full time at Dockton Water on February 1, 2017. Here is what we recommend so far:

Salary: Dave's gross monthly pay would be \$5,109 which, after payroll taxes would generate a take home pay of \$4,000. This is the total take home pay he is now getting from combining Dockton and Heights. His current monthly gross salary at Dockton is \$2,700.

Benefits: Dave has a generous benefit package at Heights, including medical, a matched 401, and paying for his cell phone, but he does not want any of that from Dockton. Heights provides a vehicle they own. Dave owns his Dockton Water truck, which he purchased just for our work and pays all costs himself except gas, which we provide with a Williams card and account. It is only used for Dockton work. He has his own truck for personal use. We also pay for his ferry card which he uses for trips to the mainland to drop off water samples at the lab in Tacoma and to pick up chlorine in Seattle. We will, of course, continue his State and Federal unemployment insurance and State Workers' Compensation. Beginning January 1, under a new state law, we will also have to track sick leave for all employees.

Hours: This is a full time job with variable hours, but totaling about 150 in a typical month. Dave will come to the water office all seven mornings of the week to pick up and process mail and drop box payments, check and respond to voicemail and e-mail. On Saturdays and Sundays he will also do the daily inspection at the Springs that Patsy does during the week days. Working full time will also allow him to complete operational tasks, like flushing the mains and exercising valves, that we have put off for too long.

Scope of work: My current duties will be divided between Dave and Angie. Angie will pay the bills, keep the QB accounts up to date, and provide reports to the Treasurer for his reporting to the Board. Dave will open the bills and pass on to Angie with approval notes. He will also continue my daily opening of water bill payment and recording with double run adding machine tape. Dave will recommend an annual Operating Budget to the Treasurer. The Capital Budget will continue to be recommended by the Planning and Capital Improvement Committee. Dave and I are working on a detailed scope of work, including all his Operator duties, which we will share in next week's Friday Letter.

Kelly