

Dockton Water Association

BOARD MEETING

Saturday, January 26, 2019

10 a.m.

Hooper's home at 26117 97th Avenue SW

Minutes

CALL TO ORDER:

Hooper

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

CONSENT ITEMS:

Hooper

3. APPROVED contents and order of agenda with the additions included:
 - a. Old Baxter Well - Kelly to call DOE find out how they build out their water usage assumptions.
 - b. Water Use Questionnaire - Kelly to resend Hooper the Water Use Questionnaire so he can post to the website, then send out reminders in the next billing.
 - c. Consortium - Hooper to reach out to Maury Mutual about collaboration.
 - d. Executive Committee - Hooper to invite/confirm who wanted to be on the committee.
4. APPROVED December 11, 2018 minutes

INFORMATION ITEMS:

5. Operator's Report

Dave

- a. Status of five new wells at the springs: NW has been informed that communication with DWA is restricted to Dave. Dave will disseminate information as necessary. NW has been using two labs to test DWA's spring water. The first lab and second lab are arriving at different results. NW has been instructed to send the water samples from the two best wells to the first lab. Dave is going to work to get the coliform down on the other two wells, then he will focus on the last of the five wells. If/when we get the wells approved, Paul will engage Duncan regarding obtaining a sanitary well buffer from King County or possibly purchasing the land, as suggested by Kelly.
- b. Follow up to wind storm damage and S&B visit: S&B reprogrammed the PLC cabinet in 15 minutes. The service call was \$600. To prevent services calls in the future caused by lightning strike and power outages, we can purchase an uninterrupted power supply (rack and battery) for ~\$1500. The Board will consider this option at a later meeting.

- c. Hake/Manzanita connection: Dave's assessment is the topography looks too steep, require crossing a stream and removing a large tree. This route would likely require the expertise of a wetland biologist and geotech to determine the feasibility. An alternate option is to pursue an easement through legal channels, basis is the main is grandfathered. The plan is to leave it on the CIP list but move the priority to the bottom of the list for now.
- d. Booster Station Generator: Generator estimate is \$35K. Dave to obtain an estimates for the cement slab, electrical and chain link fence. Dave will also advise Todd if it will hit this year or next year's budget.
- e. Mitigation trees: When Kelly receives the Schaeffer estimate, he will advise the Board and without objection, he will move forward. Kelly to approach the neighbor on the west regarding removing the alder tree. Kelly will also contact King County about the three trees at the end of the driveway which are on King County property. Hooper made a motion, Darton second, the Board APPROVED that Kelly start negotiations with the neighbor and King County.

6. President's Report

Hooper

- a. Status of work on the new office/boardroom: Paul and Dave will review Carlos' estimate and bring comments back to the board. Hooper to reach out to Baron Construction for a second estimate.
- b. New/alternate meeting time for Board meetings to accommodate Kai.
The Board APPROVED changing the monthly Board meeting to the fourth Saturday at 10a. Dave and Kelly to work on announcing the new hours, Kelly's retirement and Dave's new position. The website will be updated and the next invoice mailing will include a flier or verbiage on the invoice.

7. Committee Reports

a. Finance Committee

Todd

- 1) Mid-Term Budget Report: December results are good and going as expected. See attached report.
- 2) New protocols after Angie promotion: January and February monthly reports may be delayed during this transition. Angie and Todd will be putting in additional hours to make this happen. It will be slick when it's done, just a press of a button.

b. Water Production Committee

Paul

- 1) Report out covered under Operator's Report.

c. CIP and Planning Committee

Darton

- 1) Dave to review the system map and identify replacement and improvement needs/opportunity. When CIP is refined, the Committee will bring it to the Board to vote. It was noted that the cost per linear feet on the first draft is short by ~\$15 per linear foot. As for priorities, the filtration project is set in stone. Hake/Manzanita will be reprioritized.

Due to time constraints, the below discussion items will be moved to the February agenda

DISCUSSION ITEMS:

8. What changes does the board want to make in the County's most current draft of the franchise agreement? Report on Hooper's discussion with Duncan Greene
9. New Bylaws and Directors' Policies updates for publication
10. What is the Board's current position on service to reserve share 319?
11. Memorial Bench update
12. Tree removal remediation
13. Ways to conserve/use water at Springs (public /fire dept outlet in Park)
14. Sandy Shores bid process
15. Contract Committee meeting
16. Responsibility for ground maintenance (potholes) in driveway. More parking?
17. Responsibility for creating job descriptions, negotiating salaries for under Dave
18. Shareholder announcement (Kelly's retirement, Dave's bio and direct #)

ACTION ITEMS:

19. Adopt Darton's recommended new Capital Improvements Program.
20. Authorize promotion of Angela Kelly to Accounting Manager on February 1, 2019 at a monthly salary of \$1,100.
21. Authorize continued employment of Kelly Robinson under the new title of Administrator on February 1, 2019 at a new monthly salary of \$1,000 per month until such time as we have occupied our new Office/Board Room.

OTHER BUSINESS:

22. What did we decide?

The monthly meetings will be moved from the fourth Monday of the month at 7p to the Fourth Saturday of the month at 10a.

Dave

- Finish obtaining necessary estimates related to generator project
- Send Hooper Water Use questionnaire
- Start negotiations with neighbor regarding removal of the alder tree, and contact King County about removing the hazard trees at the end of the driveway
- Paul/Dave to review Carlos' estimate and bring comments back to the Board

- February invoice: Include flier to announce Kelly's retirement, introduction to Dave/newly created position, new BOD meeting date/time and include Water Use questionnaire
- Review the system map and identify replacement and improvement needs/opportunity

Hooper

- Reach out to Baron Construction
- Website to be updated announcing Kelly's retirement, introduction to Dave/newly created position, new BOD meeting date/time and upload Water Use questionnaire

CIP Committee

- Will refine the CIP based on Board feedback.

23. Next Board meeting: Saturday, February 23, 2019

ADJOURN

DECEMBER 2018						
Operations	Month			Year-to-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Beginning Balance	\$ 33,508	\$ 16,770	200%	\$ 24,172	\$ 23,000	5%
Income:						
Payments Received	\$ 17,038	\$ 18,000	-5%	\$ 118,285	\$ 115,520	2%
Costs:						
Administrative Expenses	\$ (5,767)	\$ (7,071)	-18%	\$ (38,844)	\$ (39,875)	-3%
Operations Expenses	\$ (4,553)	\$ (6,942)	-34%	\$ (35,131)	\$ (41,650)	-16%
Taxes and Fees	\$ (951)	\$ (2,750)	-65%	\$ (8,371)	\$ (18,155)	-54%
Transfer to Capital Funds	\$ (4,167)	\$ (4,167)	0%	\$ (25,002)	\$ (25,000)	0%
<i>Net Change (Profit/Loss)</i>	\$ 1,600	\$ (2,930)	-155%	\$ 10,937	\$ (9,161)	-219%
Ending Balance	\$ 35,108	\$ 13,840	154%	\$ 35,109	\$ 13,839	154%
Replacement Reserves	Month			YTD	Annual	%
	Actual			Actual	Budget	Complete
Beginning Balance	\$ 183,606			\$ 265,140	\$ 249,300	
Income:						
From Operations	\$ 4,167			\$ 25,002	\$ 50,000	50%
Costs:						
Meter Replacement	\$ -			\$ (3,443)	\$ (3,000)	115%
97th & Windmill	\$ (792)			\$ (84,888)	\$ (60,000)	141%
Hake to Manzanita	\$ -			\$ (4,351)	\$ (50,000)	9%
Other Scheduled Projects	\$ -			\$ (5,742)	\$ (15,000)	38%
Unscheduled Costs	\$ -			\$ (4,737)	\$ (9,000)	53%
Total Costs	\$ (792)			\$ (103,161)	\$ (137,000)	75%
Ending Balance	\$ 186,981			\$ 186,981	\$ 162,300	115%
Improvement Reserves	Month			YTD	Annual	%
	Actual			Actual	Budget	Complete
Beginning Balance	\$ 281,277			\$ 290,137	\$ 266,500	
Income:						
Reserve Base Charges	\$ 1,028			\$ 8,544	\$ 15,600	55%
Capital Charges	\$ 5,377			\$ 34,594	\$ 69,400	50%
New Shares/Hookup	\$ -			\$ 3,576	\$ -	
Costs:						
State Loan Payments	\$ -			\$ (30,772)	\$ (32,000)	96%
Service Connection (-Fee)	\$ -			\$ (800)	\$ -	
Sandy Shores Filtration	\$ (239)			\$ (1,108)	\$ (180,000)	1%
Other Scheduled Projects	\$ -			\$ -	\$ (13,000)	0%
Other Capital Outlays	\$ -			\$ (16,726)	\$ (3,000)	558%
Total Costs	\$ (239)			\$ (49,405)	\$ (228,000)	22%
Ending Balance	\$ 287,443			\$ 287,445	\$ 123,500	233%

December NOTES:

- ¹ Slightly lower payments, can be holidays. YTD good.
- ² Low unscheduled maintenance key to this variance
- ³ This various is still-pending KingCo Franchise fee
- ⁴ Half of this variance is KingCo fee, rest is good cost control
- ⁵ Not many project costs in December (typical)
- ⁶ State loan is paid for year
- ⁷ High on "Other Capital" (but OK due to delays on Sandy Shores)
- ⁸
- ⁹
- ¹⁰
- ¹¹
- ¹²
- ¹³
- ¹⁴ Checking reconciliation, outstanding checks

Current Fund Balance		31-Dec
Operations	\$	35,109
System Replacement	\$	186,981
Capital Improvement	\$	287,445
Contingency Reserve	\$	78,400
Total Funds	\$	587,935

Current Bank Balance		31-Dec
US Bank (on Vashon)	\$	193,318
Chase (on Vashon)	\$	393,639
Reconciliation	\$	978
Total Funds	\$	587,935