

Ames Lake Water Association

Board of Directors Meeting April 10, 2018

7:00 P.M.

Meeting Minutes

- Call to Order

ALWA Board Member **Mark Freeman** called to order the regular meeting of the Board of Directors of **Ames Lake Water Association (ALWA)** at **7:00 PM** on **April 10, 2018** in the Association's business office.

- Roll Call

The following Board members were present (in addition to Mr. Freeman): Sherri Zucker (Treasurer), Jeff Villnow (Secretary), Michael Bicak, and David Hoagland.

Also present: Bob Pancoast (ALWA Water System Manager); Kristina Myers (ALWA Business Manager); Richard Jonson (counsel); Warren Perkins (Gray and Osborn); Kevin Guiberson; and Community members Vance and Lisa Bosler

- Business from the Floor

- As part of a prospective property transaction, Vance and Lisa Bosler inquired about the Board's interest in splitting the cost of a main extension along Ames Lake-Carnation Farm road and bridge 1320A.
- After explaining their interest and participating in some general discussion with the Board, the Boslers departed to allow the Board to discuss the situation more fully.
- After the Boslers departed, the Board noted that the same subject was discussed during the February 2018 Board Meeting, but as part of a different potential transaction. At that time the Board moved to split the cost of a Predesign Report with the prospective landowner with a not to exceed cost of \$4,920. That property transaction did not move forward, and consequently the Predesign Report was never fully authorized.
- The Board discussed the potential benefits and costs of extending the main.

Sherri moved to split (50/50) the cost of the Predesign Report with the prospective landowner and upon such agreement, authorize G&O to proceed with a Proposal for Predesign Report with Cost Estimate for Water Main Extension along Ames Lake-Carnation Road and Bridge 1320A with a NTE value of \$4,920. Jeff seconded. All approved.

- Consent Agenda

The Board reviewed contents of the Consent Agenda, containing:

- Minutes of the March Board meeting,
- Membership Transfers,
- Water Loss adjustments and,
- Aging Accounts.

Michael moved to approve the consent agenda to include a change to the minutes as noted; Sherri seconded. All approved

- Financial Reports and Membership Count

Sherri moved to approve the check list with changes as noted. Michael seconded. All approved.

- Consultant Reports

- Warren reported that the Final Draft 2018 Water System Plan has been submitted to KC and the regulatory agencies for review and comment.
- The ALWA Board still must approve the Final WSP with responses to agency comments

- System Manager Report

- ALWA Water Use
 - Water production through March was in the normal water use range (i.e. 4.1M gallons)
 - Unaccounted for water was 4.4% (down from 12.6% in Dec.; 4.9% in Jan.; and 4.8% in Feb.)
- Weather Outlook
 - Bob reiterated that NOAA published maps indicate Pacific NW conditions will be warmer and may be slightly dryer than normal through the summer.
 - Plan to use the original forecasted water sales numbers from FY17 in the FY18 budget
- King County Franchise/ROW Tax
 - King County, after reviewing comments received on Ordinance 18403, issued minor revisions and finalized the rule which became effective on January 29, 2018.
 - KC has now made an estimate of Franchise Compensation to each affected utility, including ALWA. Bob provided a handout for this.
 - ALWA Franchise Compensation Summary:
 - Total assessed land value: \$285,734,002
 - Total square feet: 89,010,600
 - Value of Franchise Use Area \$603,998
 - Annual Compensation: \$39,864
 - Monthly Compensation: \$3,322
 - Estimated monthly members charges (~1175): \$2.83
 - This represents a 5.1% increase in the “average” monthly bill of \$55
 - County rules provide a “reasonable” opportunity to suggest adjustments to the compensation and reach final agreement with KC on the amount and type of compensation.

- Franchise Compensation will begin to accrue 180 days after issuance of the compensation notice if the County's right to charge compensation is confirmed by the Courts
- Mr. Freeman called for an Executive Session at 08:30 pm to discuss implications and possible response to the proposed Franchise Compensation. The Executive session was completed at 08:43 pm.

Michael moved to increase ALWA's contribution to the Joint Defense Agreement and Agreement for Legal Services to engage Dick Jonson on the issues of KC ROW fees by an additional \$5K (total \$15K) as contingency based on size of the litigation group. David seconded. All approved.

Considering the Board's motion to increase ALWA's budget for KC ROW responses, Michael moved to rescind the earlier motion to split the cost of a pre-design report to estimate the cost of the Water Main Extension along Ames Lake-Carnation Road and Bridge 1320A. David seconded. All approved.

- On-Call Operators

- On-call operators who cover on weekends and vacation time have requested an increase in ALWA's on-call rate to be comparable with Sallal's rate of \$2.50/hr. Discussion followed.

Michael moved to increase the ALWA on-call rate from the current \$2.00/hr to \$2.50/hr. David seconded. All Approved.

- ALWA Office and Shop Building

- Bob attended the Ames Lake Community Club Annual Meeting on March 25
- ALWA is now a member of the Ames Lake Community Club
- Bob reported two minor TI changes:
 - CO 27 (mirrors for bathrooms) - \$379.98
 - CO 28 (new data cable for printer) - \$1,160.07

Michael moved to acknowledge disposition of Pattison General Contractor change orders 1-28 totaling \$7,003.01 for all change orders (additional to contract amount of \$565,510.48). Sherri seconded. All approved

- Sonitrol Security

- The Board approved Sonitrol Security System includes:
 - Installation - \$4,631.90
 - Monitoring and Maintenance - \$128/month
- Bob asked Sonitrol for a revised quote on their video surveillance proposal and provided the Board with a copy of their proposed revision
 - New installation price - \$5,443.00 (down from \$6,255)
 - Monitoring and maintenance - \$75/month

Michael moved to authorize Bob to accept the revised Sonitrol proposal to install and maintain video surveillance equipment that enhances their standard Sonitrol security system. The contract amount is \$5,443.00 for installation and monthly video monitoring cost of \$75/month. Sherri seconded. All approved.

- Conference Room Policies
 - Bob presented some preliminary thoughts re: appropriate ALWA member use of the conference room in the new office/shop:
 - Members use only, not for general public without a member present
 - Available primarily during normal office hours only (0900 – 1500)
 - Reservations required
 - Will consider after hours use if staff or a Board member is present
 - Maximum group size 15-20 people
 - Must develop rules for use (e.g. cleanup, lights, supplies, etc.)
 - Dick recommended talking to ALWA insurance carrier.
- Tolt Hill Tanks/ Booster Station - Power Enhancement
 - The Board previously approved installation of PSE power coming in from Tolt Hill Rd
 - PSE assigned a new manager who has now suggested using an existing power ROW, which is significantly less expensive
 - New PSE project cost estimate of \$18,776.16 to install 3-phase power
 - This is part of the overall 2018 Tolt Tank Power Project estimate of \$66K

Sherri moved to authorize Bob to accept the PSE proposal of \$18,776.16 for installation of 3 phase power to the Tolt Tank Booster Station using existing power ROW. Jeff seconded. All approved.

- Business Manager Report
 - Kristina presented water loss request information from member Josiah Whalen, including monthly usage information dating to July of 2015; the member's Water Loss Relief Request Form dated March 27, 2017; and the member's email dated Aug. 30. Discussion followed.

Sherri moved to deny the water loss request. Mark seconded. All approved.
 - Kristina noted that staff and Board members need a personal entry code for the Sonitrol system. She passed around a form to collect and document each Board member's personal code.
 - Kristina passed out draft copies of two procedures (Billing Procedure and Payment Processing Procedure) and asked for Board comments.
 - The Board completed a quick review and provided some comments.
 - The Board indicated a preference to review and discuss ALWA policy but directed the business office team to handle procedural development on its own.

- Kristina passed out a revised FY19 Operating Budget and noted adjustments made since the March Board Meeting. Discussion and review followed.

Michael moved to approve the FY19 Operating Budget as presented by Kristina. Sherri seconds. All approved.

- Old Business – None
- Business from the Board – None
- Review of Action Items – None
- Executive Session – Nothing further.
- Next Regular Meeting

The next regular meeting will be **May 8, 2018, 7:00 PM** at the Association's business office.

- Adjournment

Mark Freeman adjourned the meeting at **9:21 PM**.

Minutes prepared by Jeff Villnow, Secretary.