

**FREELAND WATER and SEWER DISTRICT
- ISLAND COUNTY WASHINGTON –**

Minutes of December 10th, 2012

MEETING PLACE

5421 Woodard Avenue - Freeland, Washington

IN ATTENDANCE

Commissioners: Eric Hansen (*President*); Lou Malzone (*Vice President*); Marilynn Abrahamson (*Secretary*)
Professional Services: Andy Campbell (*Certified Operator*); Terri Campbell (*Finance & Administration*);
Audience: See attached List (*sign in sheet*)

1. CALL TO ORDER

Commissioner Hansen called the meeting to order at 5:45 P.M.

2. FLAG SALUTE

3. AGENDA – Addition or Deletions

With further additions it was moved by Commissioner *Malzone* and seconded by Commissioner *Abrahamson* to approve the meeting agenda. *Motion approved & passed unanimously.*

4. APPROVAL OF MINUTES

Commissioner Malzone moved and it was seconded by Commissioner Abrahamson to approve the regular meeting minutes of **November 13th**, 2012 with one amendment to paragraph 10.4 Connection Fee; adding “the hookup fee is \$7,140.00”. *Motion approved & passed unanimously.*

5. APPROVAL OF VOUCHERS

After reviewing the vouchers presented for payment, Commissioner Malzone moved and it was seconded by Commissioner Abrahamson to approve and sign the vouchers dated:

On December 10th, 2012, the Board by vote, approved payment of the vouchers as listed below:

*FW - Operation & Maintenance (702) Voucher numbers **OM-12-001 thru 008** in the amount of **\$6,005.16.***

*HH - Operation & Maintenance (702) Voucher numbers **OM-12-001 thru 003** in the amount of **\$24,332.32.***

*SVF - Operation & Maintenance (702) Voucher numbers **OM-12-001 thru 002** in the amount of **\$80.20.***

Total of All Vouchers Submitted: \$30,417.68

Motion approved & passed unanimously.

6. REPORTS -

6.1 Commissioners Reports

A. Marilynn Abrahamson

- a. **Website.** Marilynn reported that she emailed back and forth with Ken Kortlever on the activity of people using the Districts Website. She showed Ken a “Site Meter” where you can see what email domains are accessing the website at what times, how long and also how many people are using the website excluding the District’s Staff and Commissioner’s use. The Site Meter is a free service offered through Marilynn’s website but there could be a small fee. Marilynn will report next month.
- b. **Past Sewer Expenditures:** Marilynn discussed the past Administration costs of \$1,400.00 to the District that were submitted for July 2011 reimbursement to Island County and denied twice. Marilynn wonders if they should be submitted to DOE but thinks they will also be denied because the invoices are not clear for several reasons and she has already talked with DOE on this subject. Lou stated that the Sewer Expenses for the Administration was submitted twice and denied twice due to lack of detail therefore they cannot be submitted again until the Sewer has collected funds from sewer and then see if it can be paid then. The Expenditures will be filed in the Pending file.

B. Eric Hansen

- a. **Fish Forest** – Commissioner Hansen stated that the contract is complete and the charges have been agreed to.

C. Lou Malzone

- a. **Sunny View Village, Developments and Nitrates** – Lou reviewed the letter received from Doug Kelly, Island County Health Department, which states concerns of impact to the well if the nitrates exceeds the allowable level of 5 mg/L. Lou needs to know what the Districts responsibility is to protect the well in light of this letter. Lou is not only concerned about the impact the Sunny View Village project will have but other developers in the same area that could develop their land and be part of the impact against protecting the well. By receiving the letter, the District is aware that Island County Health Department being concerned is looking into this. Andy Campbell said if the District goes over the limited amount of nitrates allowed, quarterly and additional testing will need to be done. Grey and Osborne want to review the modeling with Andy Campbell to monitor this and report monthly and also review the Developer Extension when it is presented before it is signed.

6.2 Accountant's Report - Terri Campbell (WWS)

- A. **Accounts** – The accounting reports were presented, which included Income, Expense and Balance sheets of all funds for the period ending **November 2012**.

- B. **Check Scanner** – Terri is looking into a check scanner to scan the water payment checks when received. She will report at the January meeting.

6.3 **Manager's Report – Water Operator; Andy Campbell (WWS)**

- A. *See attached Operation and Maintenance Report*
- B. **Water Testing** - All water tests passed
- C. **Bradshaw Lot 9** – WAV was received and from the realtor asking of water. The Commissioners agreed that the base hook-up fee is currently \$7,140.00.

6.4 **Project Reports: -**

- A. **Scope of Work** – One invoice was submitted from the CHS Engineers for Terri to process next month.
- B. **Transfer of Files** – The completion of transferring the files is not done yet but the Districts Engineers and Gary Hess are working on it.
- C. **Connection Fee Structure:** Engineer Mike Jauhola has a few concerns of the definition of the Connection Charges and statements in the District Rules and Regulations. One item states that everyone pays the same connection charge unless someone paid something in the past for a water line in front of their property they may be excluded from paying a connection charge. Mike feels that this really needs to be clarified. He also wanted to state that the connection charge not only covers the water lines in front of the property but also the shares for wells and reservoirs which if you only paid for the water line, it may not cover the other shares. The second item of concern is connection charges on the ERU's. Adjusting ERU's really does not give a Developer what amount they should be expected to pay because they really are buying capacity within the system so the District should be looking at the meter size to determine the connection charges. Mike submitted an information letter dated December 10th, 2012 to the Commissioners. The Commissioner agreed that this is part of agenda for discussion at the January 24th, 2013 workshop.

7. **AUDIENCE PARTICIPATION-** None

8. **UNFINISHED BUSINESS -**

- 8.1 **Standby Fees** – Terri Campbell reported that she and the Attorney Leslie Clark are researching court cases that have been recorded and reviewing the RCW on this matter. When the State Auditor does the Audit she will also talk to them to get their input on this. She will report at the next meeting.
- 8.2 **District Rules & Regulations (DR&R)** – The workshop being held on January 24th, 2013 will include the reviewing of the DR&R.

9. NEW BUSINESS –

9.1 Workshop – There will be a scheduled Workshop for January 24th, 2013 at 5:45 PM at 5421 Woodard Avenue - Freeland, WA.

Workshop – WASWD Annual Commissioner Workshop (Lynnwood) January 26th, 2013 at 9AM – Embassy Suites – Lynnwood, WA. Terri Campbell will register the Commissioners when the forms are available.

9.2 Resolutions – Lou Malzone made motion seconded by Commissioner Abrahamson to approve and sign the following Resolutions

11-2012-005; New Account Fund for Capital Improvement (per BAARS)

11-2012-006; Rules & Regulation Amendment (per minutes of November 2012)

12-2012-008; New Account Fund for Emergency Reserve Fund (per BAARS)

12-2012-009; New Account Fund for PWTF Reserve Fund (per BAARS)

9.3 Potential Consolidation of Districts – Commissioner Stan Walker from Holmes Harbor Sewer District approached Commissioner Hanson and Commissioner Malzone, individually about the possibility of consolidating the districts (Freeland Water & Sewer, Harbor Hills Water, Holmes Harbor Sewer, Main Street Sewer) together. One of the reasons for the concept of considering the consolidation would be for savings on Accounting, Engineers. Commissioner Malzone stated there may be serious issues if CHS cannot come up with a valid reuse area other than the out fall can FWSD proceed with the sewer project? The Commissioners think that there should be Round Table Discussions and workshops held to discuss this between the Districts. Commissioner Malzone will contact Commissioner Walker to discuss with him to consider Round Table discussion in workshops.

9.4 Audit – Terri reported that the State Audit will be taking place on December 28th, 2013 .

10. EXECUTIVE SESSION – None

11. MEETING CLOSURE- There being no further business the meeting closed at **7:40 PM.** a

Eric Hansen
Commissioner; FWSD

Lou Malzone
Commissioner; FWSD

Marilynn Abrahamson
Commissioner; FWSD