

**MINUTES OF THE May 14, 2012
FREELAND WATER and SEWER DISTRICT
Regular Meeting 5:45 p.m.**

Meeting Place
Freeland Library
5495 South Harbor Avenue
Freeland, WA.

Present: Commissioner Hansen, Malzone and Abrahamson

Andy Campbell – Certified Operator
Terri Campbell – District Administrator/Accountant
Chet Ross-Freeland Chamber of Commerce
Leslie Clark - Attorney

CALL TO ORDER: Commissioner Hansen called the meeting to order at 5:50 p.m. Followed by the Pledge of Allegiance.

Confirmation of Quorum: Present

APPROVE AGENDA: Shift Auditing Authority agenda topic into Terri's report. Motion to approve, 2nd, passed.

Approval of Minutes: Postpone approval of minutes from 4/9/12 and 4/26/12 to 6/11/12 meeting

Commissioner Abrahamson report:

Introduction of Leslie Clark (new FWSD Commissioner) – Short Cressman & Burgess
Introduction of Terri Campbell – Whidbey Water Services (new Financial Accounting Administrator)
Com. Abrahamson gave a short report on improvements in the fecal coliform readings in the shellfish protection district. More updates will be available from the IC Health Dept. over the summer.
Com. Abrahamson will represent the FWSD at meeting w/ Board of the Chamber of Commerce on June 7.

Commissioner Malzone report:

- 1) Review of selection process for District Engineer interviews 5/24/12: 1 hr. 15 minutes for each candidate: CHS Engineering, Gray & Osborn; Wilson Survey & Engineering
- 2) Status of Ecology Grant: CAC and Com. Malzone met with Ken Ziebart of the DOE. Clarified to him that the District was not going forward with the \$3.5M loan. Documents for the \$3.5M grant will be forthcoming within 10 days.
- 3) Island County Interlocal Agreement funds: recap of conversation w/ Elaine Marlow. Motion to move the funds in the Construction Account to Island County as repayment for the purchase of the Trillium property. Resolution prepared by Terri. Leslie Clark: "When we take an action to correct a misstep, we have to make sure it's not creating some other problem." She wants to have a discussion about it at the next meeting. Start 5/24/12 mtg. at 12 noon for more discussion. Commissioner Malzone moved to table the motion. 2nd, passed.
- 4) Public Works Trust Fund application: Com. Malzone filled out on-line application for \$15M. in case there is a petition to form an LID to move forward with a sewer plan. He reported there are many more steps to the process. It will not happen without a petition and a sewer plan in place.
- 5) Forming an LID by petition in Freeland. Com. Malzone moved that FWSD create a District policy based on HB 2291 that would require the use of the Petition Method only to form an LID. 2nd. Commissioner Abrahamson will coordinate with Leslie on the legality of proceeding with such a policy. Leslie Clark believes that the methods of forming LIDs can't be limited. She advised Commissioners to make sure the intent of the motion is to investigate rather than adopt the motion.

Com. Malzone amended the motion to “investigate a District policy....” Leslie Clark will research the topic. Results can wait until June. 2nd. Motion passed.

- 6) Report on conversation with Pat Powell of Whidbey Camano Land Trust: District never had a construction easement. Pat Powell will send a letter of interest that states that if the District is interested in disposing of the property, the Land Trust would be interested in buying it.

Commissioner Hansen report:

- 1) Website updates and meeting schedules: Commissioner Abrahamson will be the contact person with Ken Kortlever to handle District announcements and get draft meeting minutes to the Commissioners for review no later than 1 week after each meeting. Meeting minutes will always be 1 month behind. Agendas will get posted at least by the Friday before the meetings.

Terri Campbell report:

- 1) Terri substituted the County’s financial report instead of a District Financial Report. She will have the report for the June meeting or by the May 24 meeting.
- 2) Com. Abrahamson motioned that Resolution 12-04 be approved for \$193.98 transfer from water O&M to the construction account. 2nd. Passed.
- 3) Excise Tax: Terri discovered that District water customers have not been paying excise tax on water consumption. The District has been paying it for all customers. Commissioner Abrahamson moved that each water customer be charged excise tax on consumption effective on the May-June billing. 2nd. Passed.
- 4) Auditing Officer – Terri reported Aud. Off. must be bondable. Terri is bonded. Commissioners are automatically bonded. Commissioners can just sign top page of the vouchers instead of each voucher. Leslie Clark advised that a Commissioner can be Auditing Officer or Alternate. Commissioner Malzone moved to adopt Resolution 12-05 that Terri Campbell be appointed Auditing Officer with Com. Abrahamson as Alternate. 2nd. Passed.
- 5) Commissioner Abrahamson asked Terri about separating out Harbor Hills Water from Freeland Water customers so they could get bills with separate headings. Terri will report back after talking to the ICTY Treasurer about setting up separate funds under Freeland WSD. Also setting up a capital Improvement fund for Freeland WSD at the County.

Andy’s Water Maintenance Report:

1. Freeland: 2 leaks, 9 customer service calls. Maintenance on chlorinators on well #1 & 2. Changed locks. Lab reports back, improved levels of dissolved solids in water.
2. Harbor Hills: all activity documented in Monthly Operations Report.

Citizens Advisory Committee Report, John Brunke:

1. Cost estimates are in for downtown sewer project options. Com. Malzone & John Brunke spoke to Chamber Board which was interested in adding capacity to the estimates.
2. John reported that Freeland population growth isn’t related to growth in the downtown core according to John’s population study.
3. Phase 1 hasn’t been fully defined. Questions were asked about including more properties.
4. Workshop or June meeting for presentation of estimates for sewer plan options and pro’s & con’s of each option.

New Business:

Andy reported on Water rights at Harbor Hills: all the water rights are still in Terry Otey’s name. DOH still has the golf club as contact address. Andy suggested to rename the water rights: Harbor Hills Water Rights c/o FWSD. Andy will draft forms to submit to DOH, get Terry Otey’s release of ownership on the forms. DOE doesn’t care if wells are not used as long as they’re sealed and sanitary. Andy will write a memo to the Commissioners containing all this info.

Terri Campbell reported she won’t be at the 6/11/12 Regular Meeting. Andy will present her reports.

PUBLIC COMMENT:

Bob Miller: spoke about the Harbor Hills Water System Capital Improvement fund. He asserts that it should have been a restricted fund. He stated that on June 27, 2007, \$200,000 was taken out of the HH Capital Improvement Fund. He’s requesting an accounting of that money back to Jan. of 2007.

Vouchers: 5 minute recess for Commissioners to review and sign vouchers. Reconvened. After reviewing the vouchers presented for payment, Commissioner Abrahamson moved and it was seconded by Commissioner Malzone to approve and sign the vouchers dated:

- FWSD Operations & Maintenance – Fund #702 (5-001 thru-010 in the amount of \$9,813.50)
- HH Operation & Maintenance – Fund 702 (5-001 thru-003 in the amount of \$5,867.64)
- SVF Operation & Maintenance – Fund702 (5-001 thru -002 in the amount of \$94.11)
- FWSD SEWER/CONSTRUCTION – Fund 742 (5-001 thru -003 in the amount of \$4,231.97)

Total All Vouchers: \$20,007.20

Motion approved and passed unanimously:

Meeting Recessed at: 7:55 pm. **and Continued** to 12 noon, May 24, 2012.

Respectively Submitted

Marilynn Abrahamson
FWSD Commissioner/Secty, Treas.

Approved:

Commissioner: Eric Hansen

Commissioner: Lou Malzone

Commissioner: Marilynn Abrahamson