

**Sallal Water Association
Board of Trustees
Minutes of Meeting
Tuesday, February 19th, 2019**

The regularly scheduled meeting of the Board of Trustees of the Sallal Water Association was called to order on Tuesday, February 19, 2019 at 6:03 pm by President Andy Velebir.

Board members present: Andy Velebir, Gerry Prior, Harold Ellebracht, Daylin Baker and Eric O’Brien.

Board members absent: Sheldon Lynne and Dave Edwards

Consultants present: Richard Jonson, Attorney, Warren Perkins, Engineer and Peter Kitchen from Stepherson & Associates.

Employees present: Ted Stonebridge, General Manager.

Guests present: Anne Herman, Jean Buckner, Michael Thomas, Jack Winchester, Dean Pattermann and Rich Formisano.

GUEST COMMENTS

Michael Thomas – Mr. Thomas expressed concerns and questions about consumption water usage data, earlier versions of the bylaws, status of the WSP and costs of projects. Mr. Thomas requested more information about capital improvement projects.

Jean Buckner – Ms. Buckner gave kudos to Daylin and Ted about improved communications. Ms. Buckner stated that information on the River is coming. Ms. Buckner requested that her responses to the Fact sheet and FAQ be posted on the Sallal website. Ms. Buckner stated that we want to protect Sallal and its members from North Bend, possibly with an injunction. Ms. Buckner requested Sallal to get an independent hydrologist to review the mitigation study being done by Golder Associates.

Anne Herman - Ms. Herman stated the Board agreed to call a special meeting if she followed all of the Board’s requirements which she feels that she has done. Ms. Herman is upset with the letter to USDA. Ms. Herman stated that several members are calling/emailing her upset at the Board. Ms. Herman requested to look at the previous Bylaws to ensure proper approval. Mr. Velebir stated that a special meeting will be held after USDA responds to the letter.

Rich Formisano – Mr. Formisano submitted another bylaw amendment and requested that it be included in the annual meeting packet to be voted upon.

Jack Winchester – Mr. Winchester mentioned USDA approval may be needed for the supply contract. Mr. Jonson stated there is no contract to present.

Dean Pattermann – Mr. Pattermann asked the Board to consider his request to exchange meters. He left the meeting at 7:00 pm.

CONSENT AGENDA

Board minutes of the January 15th, 2019 regular Board meeting, three consultant billing statements (amounts below), changes to miscellaneous fees in the 2019 master rate schedule and updated master rate schedule were presented.

Jonson & Jonson statement included----- \$9,846.00

Gray & Osborne statement included-----\$40,273.41

Helsell Fetterman statement included ----- \$2,074.10

- Increase credit card convenience charge from \$1 to \$3/per transaction, transfer fee (user/non-user) from \$20 to \$25 and delinquent \$20 to \$25.

MOTION NO 2019-15 Motion to approve the consent agenda by Eric O'Brien and seconded by Daylin Baker. Passed unanimously.

REPORTS

Engineer Report

Mr. Perkins reported on the status of the Well #1 VFD: snow delayed the shipment
New office/shop: working on the footprint and elevations for the Conditional Use Permit (CUP)
Water System Plan (WSP): Chapters 1-4 in typing, hope to have out by next week. A question from Mr. Thomas about coordinating with North Bend.

MOTION NO 2019-16 Motion to approve payments to King County in amounts not to exceed \$10,000 each for CUP and well #4 building permit applications by Eric O'Brien and seconded by Harold Ellebracht. Passed unanimously.

Attorney Report

Mr. Jonson presented the extension request on the McEwan membership cancelation. Recommended rescheduling the hearing before March 11th or after March 25th. Mr. Velebir will circulate dates to Board members. Mr. Jonson distributed a draft amendment to the moratorium rule. Ms. Buckner asked what the rush is to amend this and requested that her group be allowed to review and comment. This was distributed to all visitors. Mr. Velebir stated that we'll listen to comments, send comments in before the next Board meeting, will defer until next meeting.

General Manager Report

Mr. Stonebridge reported a water main break on Saturday January 26th, 2019. This is second water main break on the Mt. Si Road after the King County overlay project. He will follow up with King County about possible cost recovery.

He discussed the Terrell tank – the ladder enclosure is being built, the survey was completed, and pre-con is scheduled for next week.

He reported that GC systems is scheduled at the end of March for annual PRV maintenance.

He discussed 2018 water production/usage, compared flushing the water system in winter vs the summer, replaced meters to date, January samples all satisfactory, staff will continue with current flushing program.

He stated that Tree Bergman, System Operator is continuing with fire hydrant maintenance throughout the system.

He reported that 2018 audit was completed by Blodgett, Mickelson and Adamson.

He discussed the status of the three conditional COW's issued. The Dahlgren project expects to have final permits by April, the Ichijo project certificate expired in December, but still working on and the Kusak project certificate was renewed.

He stated the staff email that was hacked has been resolved.

He stated that an analysis of user and non-user members was still ongoing.

He recommended to close the bank accounts at Chase and Banner and deposit balances at Bank of America.

He recommended to dissolve the agreement with the Roger's Group/Truck stop due to possible exposure to liability. The Board requested to notify the owner of non-compliance for the possible cross-connection. Mr. Stonebridge stated that he will work with the owner to solve the issue.

He recommended to hold this year's annual meeting at the Sallal Grange. The Board agreed.

He recommended to form a Member Advisory Committee. The Board requested a charter to define the committee's purpose.

He requested Board approval to personally contribute to 401k.

MOTION NO 2019-4 Motion to approve the General Manager to contribute to 401K by Eric O'Brien and seconded by Daylin Baker. Passed unanimously.

UNFNISHED BUSINESS

Peter Kitchen from Stepherson & Associates updated the Board about the fact sheet and FAQ. Mr. Kitchen stated this will be posted on Facebook and Nextdoor.

The Board discussed Mr. Pattermann's request to exchange meters.

MOTION NO 2019-5 Motion to authorize exchange of one two inch meter for four 5/8th's by ¾ inch meters (with no refund of any excess charges) as requested by Dean Pattermann by Daylin Baker and seconded by Harold Ellebracht. Passed unanimously.

NEW BUSINESS

Mr. De Libran requested a COW for detached garage. Is this an Additional Dwelling Unit (ADU), which would be a separate membership? The Board requested more information.

Three Board members are up for re-election, Ms. Baker, Mr. Ellebracht, and Mr. Edwards. The deadline to submit bio is March 4th.

ITEMS TO TRACK

The GM reported on the River Run project. He spoke to the developer's representative regarding why the City of North Bend issued a certificate of water when they received one from Sallal and why are they requesting chlorinated water. The Representative stated it was a back-up plan if Sallal was unable to serve and the developer requested chlorinated water. Sallal could add a chlorinator.

EXECUTIVE SESSION

An executive session was convened at 8:13 pm to discuss with counsel legal and related matters including the North Bend Supply Contract. The Executive Session was concluded at 9:51 pm and the regular session of the meeting resumed.

MOTION TO AJOURN AT 9:51 pm – made and seconded. All voted in favor.

Submitted by:
Ted Stonebridge, GM