

**MINUTES OF THE MEETING
OF THE BOARD OF COMMISSIONERS OF
SNOQUALMIE PASS UTILITY DISTRICT
OF KING AND KITTITAS COUNTY, WASHINGTON**

Held April 9th, 2018

A meeting of the Board of Commissioners of Snoqualmie Pass Utility District was held at the Snoqualmie Pass Fire and Rescue Department at 1211 SR 906, Snoqualmie Pass, Washington, on April 9th, 2018. The meeting was called to order by President Powers at 6:05 PM. Commissioners Holman and Harja were present.

Roll Call

District Commissioner	William Powers (President)
District Commissioner	Lloyd Holman (Secretary)
District Commissioner	David Harja
General Manager (GM)	Tom Hastings

Approval of Agenda

Motion was made by Commissioner Harja and seconded by Commissioner Holman to approve the agenda with no changes. Motion Passed

Public Comment on agenda items

Tom Hastings the General Manager "GM" gave an update on why the District was chlorinating and why this process needs to continue through the busy winter season. The District plans to chlorinate through the ski season and during the summer while staff works on various projects that will benefit from the chlorine providing a disinfection barrier. The GM introduced the WA State DOH officials that were in attendance. The GM will ask that the commissioners sign the District 2018 Chlorination Plan.

There were 22 residents in the meeting. Several people voiced their dislike about the District using chlorine. They asked that the District stop using chlorine as they do not like the taste. The Gm explained that we are required to chlorinate by law due to the system loosing pressure in January. The chlorine is needed as we continue to flush the system. The GM believes that residents are tasting the results of the chlorine interacting with their galvanized service lines,

not the chlorine itself. The chlorine is being injected at approx. 0.40-0.60mg/l. This is much lower than many cities in our state. The District has a plan and we ask that the public support it. The DOH addressed the board that the District is in fact required to chlorinate due to the system losing pressure. The DOH is working with the GM and believes that the District is taking the proper steps by leaving the chlorine on while they flush the system. The DOH answered several questions from the public. The conversation continued with residents asking that the District stop chlorinating. The GM presented the board with the chlorination plan that states the steps that will be taken this summer and that this discussion will be addressed again at the September meeting.

Commissioner Powers motioned that the Commissioners accept and sign the District chlorination plan. Seconded by Commissioner Harja. Motion pass.

Comment period ended at 7:20pm

Public Comment on non-agenda items

None

Executive Session

No discussion

Commissioner Reports

None

Public Hearing- to discuss water and sewer connection fees, monthly water and sewer fees, and miscellaneous fees.

The public hearing was opened at 7:22pm. The GM reported to the Commissioners that costs continue to rise and that the District has a lot of projects this summer and next summer that we will need to pay for. Note that even if we raise the rates that we will still have to dip into our reserves to pay for water and sewer engineering work this year. Consultants are not cheap, but we need them to write our plans so that we can move forward with construction on capital projects. The GM reviewed the current rate study plan written by HDR in 2015. The GM noted that there will be some deviation to their plan in regards to the costs for single family rates. The GM presented the Commissioners with resolution 2018-03 for connection charge increase. The District has not raised the rate since 2015. The GM reviewed the Engineering CPI index for Seattle at the rate study plan describes.

The GM presented resolution 2018-05 for miscellaneous fees. The change to this will be adding a \$25 account transfer fee for when a home sells.

The GM presented the Commissioners with resolution 2018-04 water and sewer monthly fees. The significant change here is that the fixture count calculations will be suspended. All customers will pay the same rate regardless of the size of their home. Another change is that the minimum rate will now include 200 cu ft of water and sewer. In the past the minimum charge included 0 cu ft. The GM also added a water reserve fee and sewer reserve fee to help pay for capital projects and the planning needed for these projects.

Note that most of the people in attendance got up and left the meeting. There were now six people left in the meeting. Only one person spoke, and she asked that we please raise the rates enough each year to avoid some large adjustment in the future that could cost customers thousands of dollars.

Public hearing closed at 8:00pm

Board Action

- A. Approval of Vouchers dated 4-9-18 for \$43,189.31 Includes customer credits/refunds. Board members to approve and sign. Motion made by commissioner Hollman and seconded by commissioner Harja. Motion Passed
- B. Approval of the March 2018 meeting minutes. Motion made by commissioners Harja and seconded by commissioner Holman to approve meeting minutes. Motion Passed
- C. Motion to purchase a new sewer camera and items to replace our current worn out items in the sewer camera truck. Motion made by commissioner Hollman and seconded by commissioner Harja. Motion passed
- D. Motion to approve Resolution 2018-03 Connection Charges. Motion made by commissioners Harja and seconded by commissioner Holman to approve meeting minutes. Motion Passed
- E. Motion to approve Resolution 2018-04 Water & Sewer Monthly Fees. Motion made by commissioners Harja and seconded by commissioner Holman to approve meeting minutes. Motion Passed
- F. Motion to approve Resolution 2018-05 Miscellaneous Fees. Motion made by commissioners Harja and seconded by commissioner Powers to approve meeting minutes. Motion Passed

G. Motion to approve Resolution 2018-06 Commissioner Compensation. Motion made by commissioners Harja and seconded by commissioner Holman to approve meeting minutes. Motion Passed

GENERAL MANAGER REPORT

- Update on the water issue including chlorination and flushing. Staff continues to test the chlorine residuals daily. For the month of March, the chlorine injection was set at 0.50-0.70 ppm so that the residual would remain above 0.40 ppm at the end of the water system in Hyak. Customers were encouraged to flush and were all given a second and final flushing credit on their monthly utility bill.
- Current sales \$93,679.67 (water \$39,615.58 and sewer \$56,763.09) Approx. 75 people owe \$10,000 and did not pay in March.
- Current connection fees- have \$41,226 to collect from 8 customers.
- Discuss the number of connections available for the District to issue to new construction. The current approved water comp plan states that we have 1,053 total connections allowed. We have issued 813 (including saving 230 for Darland legal case). There are 240 available. Currently reading 531 active meters, need to install 30 meters for new construction this summer. Already issued 12 this year. Developers still discussing large project within the District boundaries.
- Continue to work on water data with engineers. Hope to review water comp plan by the end of this week. If the usage per home increases, then the DOH will decrease our connections from 1053 available to something less.
- Arsenic- we operated both wells 5 and 4 due to an increase in demand this month. The blended sample for arsenic was 0.010 mg/l. On March 26 we transitioned to just well 5 that has a lower arsenic level.
- Darland legal case update- attorneys continue to work on the case. Received a summary judgement from Kittitas County superior court judge in our favor. Darland is filling an appeal and we hope to reach a settlement.
- Continue to work with our water rights attorney on securing future water rights so that we can activate/drill new wells.

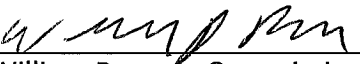
- We have been experiencing a large amount of communication interruptions due to weather and radio equipment age. We have ordered a received a new radio and antenna and are planning on a date in which we will climb the reservoir and install.
- We are also working on installing Mission Control SCADA equipment that uses cellular signal so that we have redundancy. It is installed at the reservoir, well, and one lift station. Will add the other lift station and improve/add more controls at all sites.
- GM continues to negotiate the contract with HLA Engineering.
- Discuss the need for an updated rate study. We need a new rate study to look at current situation and future situation with capital expenditures being planned. Once we have some figures from the water and wastewater engineers we will need to hire a firm to conduct a rate study. Budget approx. \$50,000
- Discuss sewer camera truck. The cost to install new camera and gear is \$71,072. A new complete truck would cost approx. \$160,000
- Discuss the fixed radio read system. Working with contractor on a budget. Expect the cost to be \$150,000

Commissioner Comment

None

Adjourn

Commissioner Holman made a motion, seconded by Commissioner Powers to adjourn the meeting at 8:45 PM. Motion Passed



William Powers, Commissioner



Lloyd Holman, Commissioner



David Harja, Commissioner