

**MACKAYE HARBOR WATER DISTRICT
BOARD OF COMMISSIONERS
MINUTES
September 17, 2018**

CALL TO ORDER

The Board of Commissioners for MacKaye Harbor Water District met in regular session on September 17 at the Lopez Library meeting room. Chairman Olson called the meeting to order at 5:15 p.m. Present were commissioners Dean Anderson and KC Jennings, manager Wayne Haefele, clerk Helen Cosgrove and guest, Linda Noreen.

REGULAR BUSINESS

A. Approval of August 20 Minutes

Olson made one correction – add “our” under manager’s report before usage on last line of first paragraph. Olson moved, seconded by Jennings to approve the minutes of the August 20 meeting with correction. The motion passed unanimously.

B. Approval of Vouchers and Payroll

Cosgrove distributed the claims payment request form. Cosgrove informed the commission that OPALCO and CenturyLink bills had not been received but would probably arrive soon, asked the commissioners to approve the invoices presented along with the unknown dollar amounts for the two companies. By consensus, it was agreed to approve the payment without the two bills. Olson moved, seconded by Jennings to approve payment from the general fund vouchers as presented along with the two to be added in the amount of \$1,734.08 and payroll in the amount of \$256.00. The motion passed unanimously. (the final total was \$2,024.70 with addition of phone and electrical bills)

C. Financial Report

Cosgrove distributed the fund statement; reported that all customers have paid their invoices; currently have \$52,500 in the fund, with \$45,000 of that in the investment pool; budget is in good shape, all revenue’s have been collected, still have 63% remaining in expenditures. Jennings asked about parts reimbursement. Cosgrove explained that it was for any items that may need to be billed to a customer.

Cosgrove said that Mr. Sinibaldi sold his property to the Saylor’s, they plan to become full time residents. Checked Reeve’s file, original contract was not there, but there was an addendum regarding the increase in connections. Jennings asked if a new contract would be created for them. Cosgrove said that Haefele had prepared one and will be discussed later in the meeting.

D. Managers’ Report

Reported agenda and July minutes were posted to the website; didn’t have meter readings so was unable to update the usage graph.

Presented a draft conservation policy and related R.C.W rules, didn't want to put in language regarding droughts because of the source of the district's water and it doesn't directly affect the district. Jennings asked if draw down and recovery could be measured from the readings at the wellheads. Haefele said no. Cosgrove asked if the static levels that are measured every month would be an indicator of low water. Haefele said yes but only if it changes substantially and it might indicate a need for further checking. Olson asked how could the district be better informed about the affects of drought on the wells. Haefele said to buy the equipment to measure the well level on a continuing basis would be approximately \$4,000 to \$5,000. Jennings said that if work is going to be done on the old well, maybe the equipment would only be needed in one wellhead, look at the equipment then. Haefele said a static level below a certain level could be a reason to apply conservation usage.

Olson said that since the rainy season is upon us, wait until next spring to look at it again, gives time go get more information. Jennings said he would like to see a policy be established before next spring. Olson asked about livestock. Jennings said there were horses. Noreen said there were sheep, also. Anderson said need to define what a water shortage is, could use history of static levels. Olson noted that the commissioners have the ability to make the decision as to restrictions and as to what degree if water source is limited. Haefele said that the district would know when it has a problem. Olson said whatever is promulgated to the customers is fair and equitable and backed up by the R.C.W.

Haefele distributed a draft water users' agreement; read a section of the agreement that discusses water shortages. Olson asked if there are current water agreements with the customers and now do we want to. Haefele responded that currently there is no agreement; wanted to make sure the existing agreements that MHWC had, no longer applied and had not yet moved forward with a new agreement. Olson said out of district customers also do not have an agreement. Haefele said yes; clear in R.C.W.'s that existing customers in the district have an unchallengeable right to water service but not out of boundary customers; need to make it right to them with a contract to provide service. Jennings said MHWD should have a signed agreement from every customer. There was general discussion about requiring a connection to be identified to a specific parcel and requiring each connection to have a meter; activating a stand by connection would then require a meter. The agreement would be modified to accommodate any out of boundary customers.

Discussion continued on about the boundaries of the district, the service area, could it be changed without approval; the various boundaries don't have to coincide. Jennings asked how many hook up's there are. Cosgrove said 65 and to change that takes a number of steps; there was a requirement to provide 13,500 gallons a month to each residence, that then determines the number of hook ups granted based on the amount of water from the wells. Haefele said

that was one reason to void the previous agreements; 13,500 gallons is much higher than most water systems allow.

Haefele said he was looking for guidance from the commission for the water shortage policy; changes were suggested, should contact attorney for his review. Haefele will contact him to review the draft policy.

Haefele then asked about the water service agreement, was it acceptable. Olson said he would like to spend some more time reading the agreement as did the other commissioners. Haefele will create a new modified agreement for contract customers. Jennings asked that attorney review this document, too. Haefele said he would have him do that. Discussion to continue after review by attorney.

Haefele handed out a placard for distribution to customers regarding minimizing water usage, the cost was \$1.00 each; said he melded the language from two items Cosgrove gave him at the last meeting. Jennings said he liked it as did everyone else.

E. Commissioners Reports

Jennings said he met with Shannon Wilbur from the county regarding the road relocation at the park; isn't supposed to take place for a year, need to start thinking about the water line; Dona Wuthnow from the parks department for the county has ~~received~~ applied for a grant to remove the armoring along the beach which will hasten the district's need to move the waterline. Anderson asked why they don't move the water line since they are necessitating the move. Jennings said it doesn't work that way, all utilities will be responsible for moving their own infrastructure; wants to jump in OPALCO ditch.

Haefele said the new pipeline needs to be engineered and approved by DOH before it can be installed. Jennings noted that the county doesn't have the necessary permits, haven't done wetlands study, need to purchase property; the proposal is for the road go up Agate Lane and to continue to the park, turn left to go around the backside of the park and then come out by Seth Road, there has to be a turnaround in there large enough for a fire truck to turn around; the district needs to prepare for whatever the county decides to do; portions of properties would need to be acquired in order to accommodate the road and those property owners are not happy about what the county is planning to do. Olson asked if the county is going to keep the district informed. Jennings said no, they did not have plans to notify the district.

Olson asked how long would it take to install a new line. Haefele said the route would be surveyed, drawings would be created showing where it would go with specifications; would have to go to DOH for review and approval which should take about a month or so. Jennings noted it would be an interesting project, wet ground back there, good ditch bedding material critical with thrust blocks along pipe. Olson asked if ditch sharing was possible. Haefele replied yes

and terms would have to be negotiated with the other utilities. Jennings thought the county may do some of that negotiating with the utilities. Haefele said it may make engineering easier because the county would do the survey for the relocated road and define basically where the line will go. Jennings said the same contractor might be used for doing the road along with the ditching for the utility lines.

Olson said he was going to contact Shannon and insist that the county apprise the district of what their plans are and give the district sufficient warning as to when they will begin construction. Olson mentioned the need for money for the project. Cosgrove said there were several agencies that give grants or loans. Haefele said an assessment could be established to repay any loans.

F. Personal Appearances

Noreen mentioned that Reeve's are developing new parcels; a new road is being installed at the south end. Olson asked if Reeve's are intending to divide and sell. Noreen said that was her understanding and was told to her by Jamie Stephens from the county council after a recent meeting she attended. Anderson asked what she meant by it starting at the south end. Noreen said she wasn't 100% sure but thought it would start east of the park and would hook up with Seth Road or Tralnes Lane. Jennings thought it would come across Seth and hook up with Flint Road. The north end would be Agate Beach Lane and MacKaye Harbor Road and continue south and east to Seth Road.

G. Commissioners Additions to the Agenda

None

UNFINISHED BUSINESS

A. Insurance Update

Cosgrove said she received the application form and needed some additional information that she wanted Haefele to help with. He asked Cosgrove to send copy of form and show which questions needed to be answered; will wrap it up and send to WSRMP.

NEW BUSINESS

A. 2019 Budget

Cosgrove distributed a preliminary budget for review, noted that it needs to be approved in November, asked that \$4,000 be added to this preliminary budget for state audit; still needs to figure out ending/beginning cash, should have a better idea of what that will be in November; many items the same as 2018 budget, increased commissioners' compensation, decreased advertising and made minor changes to a few others. Will be discussed next month.

B. Commercial Billing Rates

Cosgrove said she brought this up after discussion on short term transient rentals, which are commercial operations as is MacKaye Harbor Inn. Jennings wondered if the water agreement specified commercial use. Olson thought MHWC did have rates for commercial services. Cosgrove to look at MHWC manual.

ADJOURNMENT

There being no further business, Olson moved, seconded by Anderson to adjourn the meeting at 6:58 p.m.

Commissioner

District Clerk