

THREE LAKES WATER ASSOCIATION – ANNUAL MEETING MINUTES

October 4th, 2022

The Three Lakes Water Association Board of Trustees conducted the October 4th, 2022, Annual Members meeting beginning at 7:00 p.m. in a virtual setting utilizing phone and webinar technologies. The meeting was hosted by Rodney Langer, Engineer of David Evans and Associates, Inc., on Zoom. The Association website and Facebook page provided information for members who wished to virtually participate in the meeting.

Meeting Called to Order by President Jay Klicker at 7:03 p.m.

Other present Board Trustees: Vice President Tyler Eshleman, Treasurer Donald Kemmis, Secretary Terra Nicolle, Trustee Doug Knorr, and Trustee Yvonne Craig.

Members, Guests & Employees

Rodney Langer, Engineer of David Evans and Associates, Inc.

Renee Clarke, Staff Member and Recording Secretary

Kaila Klicker, Staff Member

Seth Way, Staff Member

Dan Bhatthella, CPA

Several Association Members were also in attendance (a list is on file).

The Association President, Jay Klicker, welcomed everyone and thanked them for attending. He then introduced the Board Trustees and staff who were in attendance.

2022 HIGHLIGHTS- SEE ATTACHED SLIDE SHOW

Water Manager's Update and Overview

(Staff member Kaila Klicker summarized the Association's activities)

Kaila Klicker introduced herself as the assistant manager. Non-revenue water was 18.09% in the last fiscal year (7/1/21 to 6/30/22) and 14.07% as the last three-year running average. The water purchased from Everett was 16.96% more than last year, at a cost of 19.87% more, and the water used by Members was 9.29% more than last year. Staff maintained 24.6 miles of the water distribution system including 872 services, 143 hydrants, 175 valves, and 27 blowoffs. Staff completed 68 share transfers and 3 new shares were issued in the last fiscal year. Staff member Seth Way obtained a Cross Connection Control Specialist Certification from the Washington State Department of Health. Verizon paid the Association \$21,939.51 for the cell lease.

Dan Bhatthella CPA (see 2022 Fiscal Year Financial Statement)

Dan Bhatthella introduced himself to the members in attendance and provided the financial report to the Association. Dan Bhatthella gave an overview of the Financial Statement as presented to the members in attendance, generally reviewing each section and what information it contained. He believes that Three Lakes Water is doing well in terms of financial health. The assets of the Association are \$4,565,984 in equity, \$578,971 in debt, Revenue vs. Expenses -\$2,372, and \$1,302,452 in cash.

Other News...

Donald Kemmis, Kaila Klicker, and Rodney Langer presented the other news. The 171st Avenue SE Capital Improvement Project is underway as part of the Association's long-term goal to replace AC water main. The segment proposed for AC replacement is between the Association's two booster pump stations and standpipe and considered to be the "backbone" of the system. This project will replace approximately 14,000 linear feet of 6" AC water main with 8" ductile iron main in three phases over three years. A preconstruction loan for planning, design, and permitting work has been approved by the Washington State Department of Health Drinking Water State Revolving Fund program with 0% interest for five years. Staff is currently preparing for a construction loan through the same program. The water meter reading equipment and software was upgraded and has improved the efficiency and staff safety during the meter reading process. Approximately 450 feet of 6" AC water main from Weber Road to Wonderland Road was severed based on the completion of Wonderland Park Developer Extension along with a determination it was unnecessary to retain service in that segment. Equipment upgrades have been completed at the Association's Booster Pump Station #2 to improve and increase flow capabilities. The soft starter for Pump Three was also replaced. The Booster Pump Station #1 Capital Improvement Project is underway and so far, the failing pump has been replaced, and facility and electrical equipment upgrades have been completed. Staff is working with the Association's contracted engineering service to update the Comprehensive Water System Plan, with the plan to submit it to the Department of Health in 2023 for review and approval. Staff discovered that the Association's requirements for water quality sampling have been reduced. Staff is preparing a lead and copper service inventory, which will be required by the Environmental Protection Agency's new Lead and Copper Rules. Six major water main breaks were identified and repaired. Association staff is working to create an asset management inventory and GIS mapping database, which will be beneficial for future system improvement and maintenance. Staff has prioritized the replacement of aging infrastructure within the system. Department of Health officials completed a sanitary survey, which is a required survey conducted every five years. The report from the survey reported no deficiencies and praised staff for doing a good job managing the water system.

Trustee Vacancies

Trustee Positions 4 (Presently Yvonne Craig), 7 (Presently Donald Kemmis), 8 (Presently Doug Knorr), and 6 (Presently Vacant), are open due to expiring terms or vacancy. The Appointment and Election of Board of Trustees Policy was displayed for all meeting attendees to review. Kaila Klicker nominated Yvonne Craig to serve as Trustee. Tyler Eshleman nominated Donald Kemmis to serve as Trustee. Yvonne Craig nominated Doug Knorr to serve as Trustee. Donald Kemmis nominated Marek Jedrejwicz to serve as Trustee. Donald Kemmis nominated Heidi Mann to serve as Trustee. Doug Knorr declined the nomination and thanked the Board for his time serving. All other Members accepted the nominations.

NEW TRUSTEE VOTING: Completed paper ballots must be mailed to the Association office for the tallying of votes and election results to be presented at the next regular board meeting on October 11th, 2022.

New Trustee Voting Results

The board president will announce voting results at the next regular board meeting on October 11th, 2022. The Board will continue to meet the 2nd Tuesday of every month virtually or at the office location, 17503 58th St SE in Snohomish.

Questions

Some questions were asked by members in attendance. Board trustees and staff responded to the questions posed.

Adjournment of the Annual Meeting: The general meeting is adjourned at 7:58 p.m.