

WEST SOUND UTILITY DISTRICT
Minutes of Regular Meeting of the Board of Commissioners
Held in Office Building
2924 SE Lund Avenue, Port Orchard, WA 98366
Monday, December 7, 2009

Chairperson: Jerry Lundberg
Vice Chairperson: James Hart
Secretary: Bill Huntington
Commissioner: Jeannie Screws
Commissioner: Susan Way

Attending: Larry Curles, General Manager
John Poppe, Plant Manager
Denita Patton, Finance Manager
Sue Fowler, Customer Service Manager
Deena Carpenter, Customer Service Assistant
Richard Gross, District Attorney

The meeting was called to order by Commissioner Lundberg at 4:30 PM

PUBLIC COMMENTS ON NON-AGENDA ITEMS

None

OATH OF OFFICE

Ms. Susan Way was re-elected to Board of Commissioners Position 5. Commissioner Lundberg administered the oath of office to Commissioner Way.

BOARD DISCUSSION/ACTION

Approval of Board Minutes of November 16, 2009

Commissioner Huntington moved to approve the minutes of the November 16th Board meeting. The motion, seconded by Commissioner Screws, passed unanimously.

Approval of Study Session Minutes of November 18, 2009

Commissioner Hart moved to approve the minutes of the November 18th Study Session. The motion, seconded by Commissioner Screws, passed unanimously.

Resolution 171-09 Contracting with CR Hydrogeological

Resolution 171-09 would authorize the redevelopment of Well 17. Commissioner Hart moved to approve Resolution 171-09 to redevelop Well 17 for an estimated cost of \$43,773. The motion, seconded by Commissioner Huntington, passed unanimously.

Resolution 172-09 Engineer Intern for SKWRF

Resolution 172-09 would hire Paul Young as an intern to assist at the South Kitsap Water Reclamation Facility. Commissioner Hart moved to approve Resolution 172-09 to hire Paul Young as an engineering intern at \$15.00 per hour with no employee benefits. The motion, seconded by Commissioner Way, passed unanimously.

Resolution 173-09 Solar Water Heater

Resolution 173-09 would authorize hiring the contractor to install a solar water heater at the South Kitsap Water Reclamation Facility. This is 70% funded by Puget Sound Energy. Commissioner Hart moved to approve Resolution 173-09 to contract with Thermal Systems to install the solar water heater for a cost of approximately \$22,480.23 plus tax. The motion, seconded by Commissioner Way, passed unanimously.

Resolution 174-09 Developer Extension Contract for Willey Estates

Willey Estates is a proposed residential plat on Harris Road. Commissioner Hart moved to approve Resolution 174-09 to sign the Developers Extension Contract for Willey Estates. The motion, seconded by Commissioner Screws, passed unanimously.

Resolution 175-09 Step Increase for Kyle Galpin

Supervisor Galpin received a satisfactory evaluation and has been recommended for the scheduled step increase. Commissioner Way moved to approve Resolution 175-09 to promote Kyle Galpin to Utility Supervisor Pay Grade 15, Step 6 with a wage of \$4889.73 per month (\$28.21 per hour). The motion, seconded by Commissioner Screws, passed unanimously.

Discussion of the Proposed 2010 Budget

The Board continued its discussion of the proposed 2010 Budget. Highlights of the budget are attached. Commissioner Screws noted that she will not be attending a national conference in 2010. The discussion also included line items such as temporary employees, Costco expenses, participation in the Navy League, fuel costs, and various contingencies. It was noted that the third increase (to \$50/ERU) will be implemented in 2010, as recommended by the financial study. There is no COLA in 2010.

Standby will no longer be a water person and sewer person each getting \$20 per day. In 2010, standby will be one employee overseeing water and sewer getting \$30 per day. The SKWRF standby will also be \$30 per day.

The final budget will include the following:

1. Add \$10,000 for additional legal fees (Water)
2. Delete both lobbyists
3. Delete national conference for Foreman and General Manager
4. Delete seal coat of parking lot, \$17,000
5. Delete Sewer Utility Truck, \$72,000
6. Transfer GM's truck to District-funded contract operations
7. Purchase 4WD Ford for \$20,000
8. Purchase new Go-4 for \$25,000 plus \$3,000 trade-in or sale
9. Purchase 2 Mission dialers, \$10,000

Commissioner Hart moved to accept the draft budget with the noted corrections. The motion, seconded by Commissioner Screws, passed unanimously.

The 2010 Budget will be on the next agenda.

ATTORNEY'S REPORT

District Attorney Gross made his report in order to depart early. He reviewed a proposed contract from CH2M-Hill and recommended that the contract be rejected. The payment structure and contract complexity favored the consultant more than the District.

PLANT MANAGER'S REPORT

Plant Manager John Poppe reported on the following:

- The plant is running well.
- The staff has completed a grant application to be included in the Kitsap County Energy Efficiency Conservation Block Grant.
- A contract cost has been submitted to State Parks for operating Larrabee State Park. The District is awaiting acceptance of the proposal.
- The digester has been cleaned by a contractor and is stabilizing.
- The second geo-thermal unit is installed in the conference room. The first unit is in the utilidor.
- The Department of Health is prepared to approve the District's application for a State Reclaimed Water permit.
- The reclaimed water pipeline is almost complete. It will be pressure tested after the cold weather abates. Paving and restoration will also commence then.
- State Representative Rockefeller and Gordon Walgren toured the SKWRF.
- Mason County paid to have 40,000 gallons of sludge treated at the SKWRF.
- The blower unit should arrive next week.
- The staff is using the 10 kw blower at the headworks instead of the larger 40 kw. This improved operation will reduce electrical expenses.
- The staff is seal coating the maintenance shop floor.

- The new storage area is now being used for dirty work, such as grinding.

Plant Manager Poppe also reported on the treatment plant at Hartstene Pointe. The plant has several operational problems and the staff is working closely with the Department of Ecology to identify and resolve them. A Consent Order may be issued to define what is being accomplished. A new control system is being made for the plant. The existing controls have failed and the plant is bypassing the secondary process.

OPERATIONS FOREMAN'S REPORT

- Operations Foreman Joe Redfern was not able to attend the meeting.

FINANCE MANAGER'S REPORT

Finance Manager Denita Patton reported that the 2010 budget will be inputted to prepare for next year.

CUSTOMER SERVICE MANAGER'S REPORT

Customer Service Manager Sue Fowler reported on the following:

- The employee Christmas party is December 18th.
- Budget billing is a success. 44 accounts are using it and it is working well.
- The staff is billing the Hartstene Pointe accounts.

GENERAL MANAGER'S REPORT

General Manager Larry Curles reported on the following:

- A joint meeting with Hartstene Pointe is recommended to review the operation of their system.
- The sewer collection crew has met with City staff and a cost is being prepared to help maintain the step system at McCormick Woods.
- It is recommended that the District use Northern Con-Ag to construct the slope stability wall at the parking lot at the SKWRF. The previous contractor closed his company before the contract was implemented.

Commissioner Screws moved to approve construction of the slope stability block wall for a cost of about \$8,500 plus tax. The motion, seconded by Commissioner Hart, passed unanimously.

SIGN VOUCHERS AND RESOLUTIONS

The Board signed the accounts payable vouchers, as indicated on the attached summary sheet.

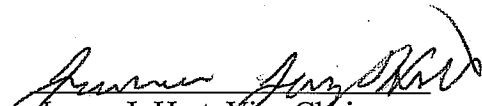
COMMISSIONER'S REPORT

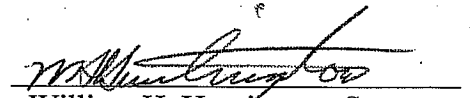
There were no Commissioner reports.

ADJOURN

Commissioner Screws moved to adjourn the Board meeting. The motion, seconded by Commissioner Hart, passed unanimously. The meeting was adjourned at 6:00 p.m.

Jerry Lundberg, Chairman


James J. Hart, Vice Chairman


William H. Huntington, Secretary


Jeannie Screws, Commissioner


Susan Way, Commissioner

Page	Item	Modification	Comment
	Cola at 0%		
5	Retro Refunds, \$1,000		This revenue is dependent on the District/Risk pool claims
27	Map Room Display \$8,000		Provide access to digital map for contractor conferences
27	Off-Site Backup \$4,000		Moves backup from the SK WRF to outside the seismic region.
28	Upgrade TV Truck \$3,500		Allow better use of new DVD formats
30	Legal \$12,573	Add \$10,00	For additional legal services
31	Lobbying, \$35,000	Delete both lobbyists	
53	Employee Benefits from \$850 to \$900 per month		
62	Wastewater employee training		Sewer crew will attend WOW, WWCPA, and WEFTEC, 1 each
70	Installing radio reads \$5,000		Replacing touch read, a few a year.
72	Leak Detection \$7,000		Annual program
79	Purchase new sewer utility truck \$72,000	Defer to 2010 or , if revenues allow, late 2009	
80	Redevelop Well 17 \$60,000		Prepared to proceed in January
80	Well 22 \$700,000		Prepared to proceed in January

80	Paint Powell Interior and aeration tower \$325,000		Second half of 2009, into 2010
80	Salmonberry Tank Repairs, \$50,000		Planning for February
81	Manchester Intertie \$20,000	Purchase new Go-4 \$25,000 with \$3,000 trade-in	The existing model will need to be replaced in a few years. Manchester did not budget the intertie,
81	Kerry Lane Water Main, \$45,000		Coordinate with SSWM
81	Salmonberry Generator and Building, \$100,000		Summer project, after Well #7 is drilled
81	Seal coat, \$17,000	Recommend deferral to 2010	
82	New small dump truck, \$50,000		Used for residential access
83	SCADA, \$220,000		Replaces existing unit

Changes:

10. Add \$10,000 for additional legal fees (Water)
11. Delete both lobbyists
12. Delete national conference for foreman and General Manager
13. Delete seal coat of parking lot, \$17,000
14. Delete Sewer Utility Truck, \$72,000
15. Transfer GM's truck to District-funded contract operations
16. Purchase 4WD Ford for \$20,000
17. Purchase new Go-4 for \$25,000 plus \$3,000 trade-in or sale
18. Purchase 2 Mission dialers, \$10,000

**PAYROLL AND ACCOUNTS PAYABLE VOUCHER INFORMATION
DECEMBER 07, 2009 WSUD BOARD MEETING**

DECEMBER 2009 PAYROLL:	91926	N/A
	91928	N/A

	VOUCHER NUMBERS	
ACCOUNTS PAYABLE:	91926	15,979.48
	17496 - 17515	5,419.31
	17516 - 17529	25,772.10
	17532 - 17571	
	TOTAL 91926:	47,170.89

91928	8786 - 8798	4,307.72
	8802 - 8810	7,852.08
	8811 - 8832	32,561.85
	TOTAL 91928:	44,721.65

91932	8799 - 8801	798.07
	8833 - 8835	2,285.35
	TOTAL 91932:	3,083.42

91933	17530	93,447.56
	17531	548,518.90
	TOTAL 91933:	641,966.46