

WEST SOUND UTILITY DISTRICT

Board of Commissioners
Regular Board Meeting

November 7, 2022
3:00 PM

Please direct your smart device or computer to www.wsud.us/meetings for information on virtual attendance.

AGENDA

PUBLIC COMMENTS

CONSENT AGENDA

1. Approval of the Regular Board Meeting Minutes of October 17, 2022
2. Approval of the Special Board Meeting Minutes of October 24, 2022
3. Approval of Vouchers WSUD #30948 through #30996 in the amount of \$88,154.44
4. Approval of Vouchers SKWRF #17192 through #17219 in the amount of \$73,335.91

BOARD DISCUSSION/ACTION ITEM

1. Presentation of the Rate Study for the WATER/Sewer Utilities
2. Resolution 1034-22, Establishing A Green House Gas Policy
3. Resolution 1035-22, Appointing District Auditing Officer(s)
4. Resolution 1036-22, Amending Policy, Authority to Approve Vouchers

STAFF REPORTS

1. Plant Manager
2. Operations Manager
3. Finance Manager
4. General Manager

COMMISSIONERS' REPORTS

EXECUTIVE SESSION

Executive Sessions may be scheduled or announced for discussions per RCW 42.30.110.

FUTURE MEETINGS

November 8	SAC Meeting (Virtual)
November 21	Regular Meeting
December 5	Regular Meeting
December 19	Regular Meeting

Executive Sessions may be scheduled as needed for personnel, legal and other similar matters.

The Board may add and take action on other items not listed on the agenda

WEST SOUND UTILITY DISTRICT
Minutes of Meeting of the Board of Commissioners
2924 SE Lund Avenue, Port Orchard, WA 98366
Monday, October 17, 2022 at 3:00 p.m.

Chairperson: Jerry Lundberg
Vice Chairperson: Susan Way
Commissioner: James J. Hart

Attending: John Tapia, Operation Manager
Marty Grabill, Plant Manager
Joy Ramsdell, Finance Manager
Michaela Horishige, Accounting/Office Assistant

The meeting was called to order by Commissioner Lundberg at 3:00 p.m.

PUBLIC COMMENTS

None.

CONSENT AGENDA

1. Approval of the Regular Board Meeting Minutes of October 3, 2022
2. Approval of Vouchers WSUD #30901 through #30946 in the amount of \$126,635.20
3. Approval of Vouchers SKWRF #17169 through #17191 in the amount of \$164,649.86
4. October Payroll in the amount of \$195,249.41

Commissioner Hart moved to approve the items in the Consent Agenda. The motion was seconded by Commissioner Way; motion approved 3-0.

BOARD DISCUSSION/ACTION ITEM

Presentation of the Draft 2023 WSUD Water and Sewer Budget

Binders were given to all to review with an agenda for a Special Board Meeting which will be held Monday, October 24, 2022 to further discuss the budget.

Discussion, Street Lighting

Randy went over with the Board that we are working on getting the data together for the Lights and will be presenting it at a later date.

STAFF REPORTS

PLANT MANAGER'S REPORT

Plant Manager Marty Grabill Reported:

PSE Conservation Grant Agreement (2021-2023)

- Continuous work with PSE on Conservation Grant Agreement, year 2 of 3.
- Next workshop will be held 3rd of November.

Rotary Drum Thickener-ESCO (2022)

- Trane ordered the thickener from FKC.
- Piping order in process.
- Project kick off meeting on 9/26.
- No further updates.

Nutrient General Permit (2022)

- Ongoing testing and documentation.
- No updates on grant funding.

NPDES Reports

- Outfall inspection still pending.
- Currently, we are attempting to get accredited to run these tests in-house instead of relying on the outside lab.
- Industrial User Survey in progress.
- Industrial Storm Water Pollution Prevention Plan in progress.

OPERATIONS MANAGER'S REPORT

Operations Manager John Tapia Reported:

CIP - South Park Main Replacement

- Locate and survey completed for the site.
- WSE is working on the recommended easement.

Powell Booster Station Engineering

- Addendum for project received. This is for offsite pipe abandonment and upsizing, no update.

Sedgwick Water Main/Culvert Project

- We have been notified by WSDOT and Fisheries that the water main is in conflict with a new fish stream crossing culvert.
- Low bid came in at \$1,600,455.00 by Ceccanti.
- Project is paved. Punch list and clean up for completion.

Eisenhower Main Replacement

- Engineer's estimate is \$390,000.00.
- Low bid came in at \$401,455.00 by Pape and Sons.
- Project is complete pending County road inspection.

Fircrest/Mile Hill Main Replacement

- 2" galvanized to be replaced.
- Possible development going in, no update.

Olney Sewer Replacement

- Engineering contract has been signed with WSE.
- WSE is working on the design locate.
- WSE working on the survey schedule.

Well 21 Pump and Motor Replacement

- Holt has installed pump and motor.
- Mitchell Lewis agreed to warranty the pump, saving \$18,000.00.
- Pump and motor installed and pumping 640 GPM.

Crew:

1. St. Vincent DePaul project: City contacted about the permit. Casco gave the date October 20th.
2. Commercial water meter replacements continue, 55 commercial meters remain.
3. Flush and TV sewer work orders.
4. We have been watching multi smart units and under and over currents have been hitting that station. PSE has been notified 4 times and they repeat that it is not an issue.

Water Production:

- 2021- 530,258,000
- 2022- 484,726,000
- 2.26 million day average
- Difference- -45,532,000 less

Rain Gauge:

- 2021- 30.01”
- 2022- 32.11”
- Difference – 2.1” more than last year

FINANCE MANAGER’S REPORT

Finance Manager Joy Ramsdell Reported:

- As of 10/14/2022 there is 55 past due accounts and the total is \$24K with 20 shut offs and there is 2 remaining off.
- Continue to work on 2023 Budget.
- Audit is ongoing, it is going to be challenging due to a new auditor, new county system, staff shortage and changes and new GASB 83.

GENERAL MANAGER’S REPORT

General Manager Randy Screws Reported:

- Have been working on the 2023 Budget for WSUD.
- BKAT, Bremerton Kitsap Access Television has concluded the video for careers in the water industry for Water Purveyors Association of Kitsap County. A link to see the video has been forwarded via email.
- Reminder of the Special Board Meeting on Monday, October 24, 2022 at 1:00 pm for a budget work session.
- Updated budget schedule.

- Drafted a letter from the Board regarding leak at 3087 Harris Road SE has been forwarded to District Legal for review.
- No executive session is being requested.

COMMISSIONERS' REPORTS

Commissioner Hart reported his experience at the WASWD Fall Conference and discussions with other members on the effects of population growth. Commissioners Way and Lundberg had nothing to report.

EXECUTIVE SESSION

Way and Hart stated that they attended the SAC Meeting. Lundberg ask that we review changing the BOC Meetings to Wednesday instead of Monday's and at either 10:00 am or 1:00 pm.

ADJOURN

Commissioner Lundberg moved to adjourn the meeting at 4:00 p.m. The motion was seconded by Commissioner Way; motion approved 3-0.

Jerry Lundberg
Chairperson

Susan Way
Vice-Chairperson

James Jay Hart
Secretary

WEST SOUND UTILITY DISTRICT
Minutes of Special Meeting of the Board of Commissioners
Held via Microsoft Teams Meeting
2924 SE Lund Avenue, Port Orchard, WA 98366
Monday, October 24, 2022

Chairperson: Jerry Lundberg
Vice Chairperson: Susan Way
Secretary: James J. Hart

Attending: Randy Screws, General Manager
John Tapia, Operation Manager
JJ Johnson, Utility Foremen
Marty Grabill, Plant Manger
Kevahn Steinke, Maintenance Supervisor
Joy Ramsdell, Finance Manager (Virtual)
Amber Brooks, Accounting/Office Assistant
Ken Bagwell, Attorney (Virtual)

The meeting was called to order by Commissioner Lundberg at 1:00 p.m.

CONSENT AGENDA

1. Approval of Voucher WSUD #30947 in the amount of \$200.00.
Approved 3-0

2023 Budget work session with the Board of Commissioners, General Manager and Department Managers followed by questions and discussion.

ADJOURN

Commissioner Lundberg moved to adjourn the meeting at 2:50 p.m. The motion was seconded by Commissioner Way; motion approved 3-0.

Jerry Lundberg
Chairperson

Susan Way
Vice-Chairperson

James Jay Hart
Secretary

**WEST SOUND UTILITY DISTRICT
RESOLUTION 1034-22**

**A RESOLUTION OF THE WEST SOUND UTILITY DISTRICT
BOARD OF COMMISSIONERS
ESTABLISHING A
GREENHOUSE GAS EMISSION
REDUCTION POLICY**

WHEREAS, State, regional and local governments throughout the United States are adopting energy conservations programs and policies; and

WHEREAS, through the adoption of policies designed to reduce the District’s greenhouse gas emissions can help reduce the need for imported oil, promote reduced energy bills improve air quality and reduce traffic congestion; and

WHEREAS, a Greenhouse Gas Policy is required to be considered under RCW 70.235.070 as part of the “Threshold Requirements” for Public Works Board Loans of which the District has intent on applying now and in the future; **NOW THEREFORE**,

THE BOARD OF COMMISSIONERS OF WEST SOUND UTILITY DISTRICT HEREBY RESOLVES:

Section 1. The Board of Commissioners hereby establish and adopt a Greenhouse Gas Emission Reduction Policy. The policy shall be included within the District Administrative Code Book in the form attached hereto as Exhibit “A”. The policy and code change shall become effective upon approval by the Board of Commissioners.

APPROVED and ADOPTED by the Board of Commissioners of West Sound Utility District at a Board meeting scheduled on November 7, 2022.

WEST SOUND UTILITY DISTRICT
Kitsap County, Washington

Jerry Lundberg
Chairperson

Susan Way
Vice Chairperson

James J. Hart
Secretary

EXHIBIT A

10.7 Greenhouse Gas Emission Reduction Policy.

10.7.1 Public Building Policies

District funded buildings should incorporate cost-effective, energy- efficient design.

10.7.2 Employee Oriented Policies

The District shall encourage energy conservation practices in District buildings by raising the awareness of employees regarding energy use and conservation practices.

10.7.3 Purchasing Policies

District staff will encourage local purchasing to promote reductions in greenhouse gas emissions by the suppliers of District goods and services.

10.7.4 Operational Policies

District employees will monitor the efficiency of pumps and other equipment in the water/sewer systems, and operate and maintain them at peak efficiency whenever possible. When cost effective options are possible, the one using the least amount of energy shall be preferred.

10.7.5 Waste Reduction & Use Oriented Policies

The District will implement a solid waste strategy which:

1. Reduces the solid waste stream by recycling and other means
2. Investigates ways to convert non-recyclable solid waste to energy and
3. Promotes the purchase of recycled and recyclable goods
4. Where and when allowed by the building code, encourages the use of building construction materials made from recycled and recyclable materials

10.7.6 Public Education & Outreach Policies

The District will educate the public on the following practices to reduce the District's greenhouse gas emissions.

1. Water conservation measures to provide for reduction in pumping of wells
2. Acceptable waste disposal to the sewer system to make the sewer treatment process more energy efficient
3. Measures to be taken to reduce infiltration and inflow thereby increasing the energy efficiency of the sewage treatment process.

10.7.7 Other Policies

The District will coordinate with other agencies in the region where applicable to develop and implement effective waste management strategies and waste-to-energy technologies.

**WEST SOUND UTILITY DISTRICT
RESOLUTION 1035-22**

**A RESOLUTION OF THE
WEST SOUND UTILITY DISTRICT
BOARD OF COMMISSIONERS
APPOINTING OF AUDITING OFFICER(S) FOR THE PURPOSE
OF AUTHORIZING THE ISSUANCE OF WARRANTS
AND ELECTRONIC TRANSACTIONS PRIOR TO
BOARD OF COMMISSIONERS APPROVAL**

WHEREAS, there may be circumstances when the Board of Commissioners does not meet prior to a day in which they would need to approve vouchers for the District's warrants and claims; and

WHEREAS, there is a need by the District to process warrants and electronic payments in a timely and consistent manner; and

WHEREAS, it would be of financial benefit to appoint Auditing Officer(s) to certify the voucher approval document for the correct and certified submission of vouchers to the Kitsap County Auditor's Office without awaiting a Commissioners meeting to authorize specific payments; and

WHEREAS, RCW 42.24.180 authorizes the issuance of warrants before approval of the vouchers by the Board of Commissioners in order to expedite the payment of claims; and

WHEREAS, the Board of Commissioners has determined a need for the appointment of Auditing Officer(s) for the District; **NOW THEREFORE**,

THE BOARD OF COMMISSIONERS OF WEST SOUND UTILITY DISTRICT HEREBY RESOLVES:

Section 1. The Board of Commissioners hereby enact the following policies and procedures pursuant to RCW 42.24.180:

1. All routine operating claims against West Sound Utility District #1 will be pre-audited and signed by the Auditing Officer(s).
2. The Auditing Officer(s) shall be bonded for no less than \$50,000 to assure the faithful discharge of their duties.
3. District policies and procedures establishes the necessary purchasing and disbursing procedures that implements effective internal control for issuance of warrants and claims.
4. The Board of Commissioners shall review and approve the claims paid at its next regularly scheduled public meeting; and

5. If the Board of Commissioners disapproves some claims, the Auditing Officer(s) will recognize these claims as receivables of the District and will pursue collection diligently until the amounts are either collected or the Board of Commissioners approves the claims.

Section 2. The Board of Commissioners hereby appoint Glen R. Screws, General Manager as an Auditing Officer for the District. The appointed Auditing Officer is authorized to submit vouchers for payment and disbursement in accordance with Auditing Officers policy/procedures per this Resolution 1035-22 prior to the Board taking action to approve said claims.

Section 3. The Board of Commissioners hereby appoint Huan (Joy) C. Ramsdell, Finance Manager as an Auditing Officer for the District. The appointed Auditing Officer is authorized to submit vouchers for payment and disbursement in accordance with Auditing Officers policy/procedures per this Resolution 1035-22 prior to the Board taking action to approve said claims.

APPROVED and ADOPTED by the Board of Commissioners of West Sound Utility District at a Board meeting scheduled on November 7, 2022.

WEST SOUND UTILITY DISTRICT
Kitsap County, Washington

Jerry Lundberg
Chairperson

Susan Way
Vice Chairperson

James J. Hart
Secretary

**WEST SOUND UTILITY DISTRICT
RESOLUTION 1036-22**

**A RESOLUTION OF THE
WEST SOUND UTILITY DISTRICT
BOARD OF COMMISSIONERS
AMENDING THE POLICY FOR
AUTHORITY TO APPROVE VOUCHERS PRIOR TO
BOARD OF COMMISSIONERS APPROVAL**

WHEREAS, there may be circumstances when the Board of Commissioners does not meet prior to a day in which they would need to approve vouchers for the District’s warrants and claims; and

WHEREAS, there is a need by the District to process warrants and electronic payments in a timely and consistent manner; and

WHEREAS, the Board of Commissioners approved Resolution 1035-22 to appoint Auditing Officer(s) to certify the voucher approval document for the correct and certified submission of vouchers to the Kitsap County Auditor’s Office without awaiting a Commissioners meeting to authorize specific payments; and

WHEREAS, RCW 42.24.180 authorizes the issuance of warrants before approval of the vouchers by the Board of Commissioners in order to expedite the payment of claims; and

WHEREAS, the District Administrative Code Book Title 2 Administration Section 2.4 “Authority to Approve Vouchers” is required to be amended for consistency with Policy Changes and procedures as delineated by Resolution 1035-22; **NOW THEREFORE**,

THE BOARD OF COMMISSIONERS OF WEST SOUND UTILITY DISTRICT HEREBY RESOLVES:

Section 1. The Board of Commissioners hereby approve amendments to the Administrative Code Book, Title 2, Administration Section 2.3 “Authority to Approve Vouchers” to read as follows:

2.3 Authority to Approve Vouchers

Generally, the District’s payment vouchers shall be approved by the Board of Commissioners, however, designated District Auditing Officer(s) are authorized to approve vouchers and to certify voucher approval documents for the correct and certified submission of vouchers to the Kitsap County Auditor’s Office. A list of all such vouchers and supporting documentation shall be submitted to the Board of Commissioners for their review and approval at its next regularly scheduled public meeting. If the Board rejects a prepaid claim or payroll affidavit, the District shall diligently pursue collection of the prepaid funds until they are recovered, or until the Board otherwise approves the claim. All provisions of RCW 42.24.180 shall be followed, and individual

fidelity bonds shall be provided for the District Auditing Officer(s) at the District's expense by a surety acceptable to the Board in the sum of fifty thousand dollars (\$50,000) each.

(Compiled without markup for ease of reading)

2.4 Authority to Approve Vouchers

Generally, the District's payment vouchers shall be approved by the Board of Commissioners, however, designated District Auditing Officer(s) are authorized to approve vouchers and to certify voucher approval documents for the correct and certified submission of vouchers to the Kitsap County Auditor's Office. A list of all such vouchers and supporting documentation shall be submitted to the Board of Commissioners for their review and approval at its next regularly scheduled public meeting. If the Board rejects a prepaid claim or payroll affidavit, the District shall diligently pursue collection of the prepaid funds until they are recovered, or until the Board otherwise approves the claim. All provisions of RCW 42.24.180 shall be followed, and individual fidelity bonds shall be provided for the District Auditing Officer(s) at the District's expense by a surety acceptable to the Board in the sum of fifty thousand dollars (\$50,000) each.

APPROVED and ADOPTED by the Board of Commissioners of West Sound Utility District at a Board meeting scheduled on November 7, 2022.

WEST SOUND UTILITY DISTRICT

Kitsap County, Washington

Jerry Lundberg
Chairperson

Susan Way
Vice Chairperson

James J. Hart
Secretary