

**HARTSTENE POINTE WATER-SEWER DISTRICT
SPECIAL MEETING of the BOARD OF COMMISSIONERS
March 8, 2018
District Office, 772 E Chesapeake Drive, Shelton, WA 98584**

MINUTES

PRESENT: President R. Scarola, Secretary A. Hospador, Commissioner D. McNabb, General Manager (GM) M. Jeffreys, Accounting and Administrative Services Manager (AAS) M. Carnahan.

CALL TO ORDER: The meeting was called to order at 1:00 pm.

BUSINESS:

GM Report:

- Well 2 Pump Condition: GM presented a report on the condition of the motor and pump for Well 2, an estimate to replace the pump, and the steps involved to replace the pump and rehabilitate the well.
- Well 4 Project Status: As reported at the March 1st regular meeting, the GM had sent out a request for quotes to well drillers through the small works roster, but the District received no quotes in response. In order to complete the project quickly and within budget, the GM and AAS discussed breaking the project up into three parts: well pump placement, mechanical/plumbing, and electrical. The AAS put in a question to the State Auditor's Client Helpdesk regarding whether the District could contract directly with would-be sub-contractors for completion the project without it being construed as an unlawful division of a project to avoid bid-law requirements. The State Auditor's Office said the District could, but would be expected to maintain documentation of the first attempts to bid out the project, use the small works rosters, discussion with contractors about the scope, and reason for splitting the projects based on the feedback. The District will still need to follow the small works roster procedures for the three different pieces of the project.

AAS Report:

- 2018 Budget Status: The AAS presented a report on current 2018 budget projections.
 - Operating/Maintenance Expenditures: The District is at or below budget projections on operating and expenditure line items, with a few minor exceptions.
 - Capital Expenditures: The District had to purchase a new composite sampler to replace the failing sampler, an un-budgeted expense. The reservoir mixer project is projected to cost \$8,000 more than budgeted.
 - Expenditure Projections: AAS reported on estimated capital budget over-runs and unanticipated capital costs in 2018, totaling an estimated \$112,950. Because the reservoir inspection report recommended only minor repairs, the \$150,000 in the Capital Improvement Fund: Reservoir Repair would be available to fund other capital costs. *Commissioner McNabb moved to utilize the funds in the Capital Improvement Fund: Reservoir Repair for unanticipated capital costs. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the motion passed.*

Well 2 Pump Replacement Project Timeline, Implementation Plan, and Budget Allocation: The Board and GM discussed proceeding with Well 2 rehabilitation and pump replacement, estimated to cost \$35,000. *Commissioner Hospador moved to authorize the GM to go out for quotes for the Well 2*

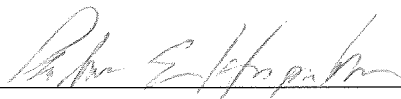
Rehab and Pump Replacement. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the motion passed.

Well 4 Project Completion Timeline, Implementation Plan, and Budget Allocation: The Board and GM discussed proceeding with requesting separate quotes for the three phases of the Well 4 Equipping and Fitting project. *Commissioner Hospador moved to authorize the GM to go out for separate quotes for the Well 4 pump placement, mechanical, and electrical. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the motion passed.*

Succession Planning Meeting Options: Commissioner McNabb contacted the Jim Kunz of the Washington Association of Sewer and Water Districts (WASWD) to meet with the District along with Reg Hearn, General Manager of Grays Harbor County Water District #2, to discuss potential District re-organization and succession planning. It was proposed the District have a special meeting on March 22nd to meet with Mr. Kunz and Mr. Hearn. President Scarola will contact Mr. Kunz and Mr. Hearn to set up the meeting.

Commissioner Hospador moved to adjourn the meeting. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the meeting was adjourned at 2:35 pm.

Respectfully Submitted By:



Signature

Andrew Hospador, Secretary

Name and Title

Approved at the Regular Meeting of the Board on: 3/15/18