

**HARTSTENE POINTE WATER-SEWER DISTRICT
REGULAR MEETING
DISTRICT OFFICE 119 E LIBERTY RD SHELTON WA 98584
TELECONFERENCE AVAILABLE
Per State of Emergency Declared in Washington State and Mason County
June 3, 2021 1:00 P.M.**

AGENDA

1. Call to Order
2. Roll Call
3. Subscriber Remarks
4. Correspondence
5. Present Agenda
6. Minutes of the May 20, 2021 Regular Meeting (2-3)

REPORTS:

7. Water Board Bible: Chapter Four
8. Commissioner Reports
9. Financial/Administrative Report:
 - Bills to Be Authorized:
 - Voucher 2021-22
 - Bills to Be Reviewed:
 - Voucher 2021-21
 - Monthly Financial Report (4-5)
10. General Manager's Report (6)

BUSINESS:

11. Discuss Logistics of Changing Rate Structure
12. Metering HPMA Water Connections
13. Allocate Funds to Century West Engineering for Sewer System Plan (7-11)

As per the State of Emergency, the district's Open Public Meetings will be held via teleconference. Until further notice, meetings WILL NOT be held at the District office.

To join a meeting, follow the instructions below:

- 1. Call (425) 436-6260 or (800) 719-6100**
- 2. Enter Access Code 535 9093 #**

If you have a webcam-enabled computer, you may try to connect to the meeting using the link below:

<https://hello.freeconference.com/conf/call/5359093>

Note: Due to limited internet connection speeds at Hartstene Pointe, joining meetings via webcam may lead to reduced quality

**HARTSTENE POINTE WATER-SEWER DISTRICT
REGULAR MEETING of the BOARD OF COMMISSIONERS**

May 20, 2021

Conducted Via Teleconference

Per State of Emergency Declared in Washington State and Mason County

MINUTES

PRESENT: President E. J. Anderson, Secretary S. Swart, Audit Commissioner A. Hospador, General Manager (GM) J. Palmer, Project & Accounts Manager (PM) J. Sartori

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

SUBSCRIBER REMARKS:

- A subscriber asked Commissioner Swart about water arrels and emergency contingencies for sewage
- One subscriber present

CORRESPONDENCE: None

PRESENT AGENDA: *Commissioner Swart moved to adopt the agenda. Commissioner Anderson seconded. Hearing 3 aye votes and 0 nay votes, the agenda was adopted.*

MINUTES: The minutes of the May 6, 2021 regular meeting were presented. *Commissioner Hospador moved to approve the minutes as presented. Commissioner Swart seconded.* Commissioner Swart noted a clarification needed. *Hearing 3 aye votes and 0 nay votes, the minutes were approved as amended.*

REPORTS:

Update from Steve N. from Century West Engineering: Steve N. and commissioners discussed the present state of the Sewer System Plan update and what to expect in the near future.

Commissioner Reports: None

Financial/Administrative Report:

- Bills to Be Authorized:
 - Voucher 2021-20, in the amount of \$50,592.44, was presented. *Commissioner Hospador moved to approve voucher 2021-20 in the amount of \$50,592.44. Commissioner Anderson seconded. Hearing 3 aye votes and 0 nay votes, the voucher was approved.*
- Bills to Be Reviewed: PM presented vouchers 2021-19 for review

General Manager's Report: GM presented his report on the current state of the District

BUSINESS:

Remove Old Commissioners and Outgoing GM as Petty Cash Account Signers: *Commissioner Swart moved to remove Robert Scarola, David McNabb and David Carnahan as signers on the District's "Petty Cash Account" ending in xxxxxx0914. Commissioner Anderson seconded. Hearing 3 aye votes and 0 nay votes, the motion is approved.*

Add Current Commissioners and Incoming GM as Petty Cash Account Signers: *Commissioner Swart moved to add Earl Jim Anderson, Stacy Swart and Jeffery Palmer as signers on the District's "Petty Cash Account" ending in xxxxxx0914. Commissioner Anderson seconded. Hearing 3 aye votes and 0 nay votes, the motion is approved.*

Approve Annual Report to the State Auditor's Office: PM presented the prepared final draft of the Annual Report required to be sent to the State Auditor's Office (SAO) no later than May 31, 2021 and indicated the report was reviewed by an outside consultant. *Commissioner Swart moved to approve the Annual Report to SAO. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the approved for submittal to SAO.*

Commissioner Hospador moved to adjourn the meeting. Commissioner Anderson seconded. Hearing 3 aye votes and 0 nay votes, the meeting adjourned at 3:20 pm.

Respectfully Submitted By:

Signature

Stacy Swart, Secretary, Commissioner #3

Name and Title

Approved at the Regular Meeting of the Board on: 6-1-2021

Hartstene Pointe Water Sewer District Monthly Financial Report - Fund Activity

April 2021

	Beginning Balances	Payments & Transfers Out	Deposits & Transfers In	Ending Balances	Fund Balance Change
Reserve Funds					
030 - Ecology Reserve	40,524.44	-	3.72	40,528.16	3.72
050 - DWSRF Loan Reserve	40,773.92	-	6,781.70	47,555.62	6,781.70
060 - Bond Fund	0.00	-	-	0.00	-
070 - USDA Revenue Bond Reserve	34,782.11	-	331.11	35,113.22	331.11
Total Reserve Funds	116,080.47	-	7,116.53	123,197.00	7,116.53
Unreserved Funds					
EFT Account - Columbia Bank	31,126.61	(54,781.14)	55,094.44	31,439.91	313.30
Petty Cash Account	1,592.43	(860.52)	477.69	1,209.60	(382.83)
Xpress Deposit Account	4,333.89	(40,566.16)	43,080.47	6,848.20	2,514.31
010 - Operating Fund					
<i>Operating Investment Fund</i>	50,000.00	-	-	50,000.00	-
<i>010 - Operating Fund - Other</i>	85,597.68	(50,527.58)	70,110.65	105,180.75	19,583.07
Total 010 - Operating Fund	135,597.68	(50,527.58)	70,110.65	155,180.75	19,583.07
065 - Capital Project Account	0.00	-	-	0.00	-
Total Unreserved Funds	172,650.61	(146,735.40)	168,763.25	194,678.46	22,027.85
Committed Funds					
020 - Water/Sewer Committed Fund					
Asset Replacement Fund	48,540.00	-	-	48,540.00	-
Capital Improvement Fund					
<i>I&I Repair</i>	80,617.25	-	-	80,617.25	-
<i>Reservoir Repair</i>	70,041.39	-	-	70,041.39	-
Total Capital Improvement Fund	150,658.64	-	-	150,658.64	-
Risk Management Fund	139,619.09	-	30.70	139,649.79	30.70
Total 020 - Water/Sewer Committed Fund	338,817.73	-	30.70	338,848.43	30.70
Total Committed Funds	338,817.73	-	30.70	338,848.43	30.70
Total Funds	627,548.81	(146,735.40)	175,910.48	656,723.89	29,175.08

I hereby certify that the above statement is true.

Project & Accounts Manager

Date

Audit Commissioner

Date

**Hartstene Pointe Water Sewer District
 Profit & Loss Budget vs. Actual
 January through April 2021**

	<u>Profit & Loss</u>	<u>Budget v Actual</u>			
	<u>Apr 21</u>	<u>Jan - Apr '21 (33.3% of Yr)</u>	<u>Total 2021 Budget</u>	<u>\$ Over (Under) Budget</u>	<u>% of Total Budget</u>
Ordinary Income/Expense					
Income					
Non-Operating Revenue	46.08	38,506.08	10,735.00	27,771.08	358.7%
Operating Revenue	72,933.66	285,745.75	846,186.00	-560,440.25	33.77%
Total Income	72,979.74	324,251.83	856,921.00	-532,669.17	37.84%
Expense					
534 - Water Expenditures	9,713.44	55,325.27	262,731.00	-207,405.73	21.06%
535 - WW Treatment Expenditures	13,973.99	60,628.50	311,827.00	-251,198.50	19.44%
538 - Combined W/S Expenditures	20,265.95	89,301.45	313,840.00	-224,538.55	28.45%
Total Expense	43,953.38	205,255.22	888,398.00	-683,142.78	23.1%
Net Ordinary Income	29,026.36	118,996.61	-31,477.00		
Net Income	29,026.36	118,996.61	-31,477.00		

HARTSTENE POINTE WATER-SEWER DISTRICT

General Manager's Report

June 3, 2021

Water Treatment and Distribution:

Water main flushing was scheduled May 17 – 28. However, due to leak repairs and meter reading, it was not able to be completed. The remainder will be finished this week.

We had another water leak appear the week of 5/17. At the time, it did not appear to be excessive, so we called in for locates and scheduled work to begin on Mon 5/24. However, the leak seemed to get worse before the weekend was over. Due to this and to ease resident concerns about it draining the reservoir, we started work on it on Sunday 5/23. Repairs were completed and the hole backfilled by 5/25. Dave Swart also volunteered in all 3 days of this work.

I also want to note that this was the 2nd leak in a week where we made use of our mini excavator.

Water consumption had been below 40,000 GPD, but went up over 70,000 GPD this last weekend. This was not surprising since it was a holiday weekend, the weather was nice and the pool reopened.

There has been a drought advisory issued for most of WA. While Mason County was not included yet, that could change. We will post something on the website and include something in the next newsletter.

Wastewater Collection and Treatment:

Things have been going well at the WWTP. We have seen increased flows due to increased usage of water.

We had a visit from Dept. of Ecology on 5/25. This was requested by EPA due to the permit violations we had last winter, all I&I related. While the overall visit went well, there were a couple of things she showed concern over. I am still waiting for her report.

Capital Improvements-2021:

Engineering Report: We have the written estimate and now just need BOC approval for payment.

Moving Forward with 2021 CIP: 200 new Kamstrup meters were delivered last week, so we will begin installing these meters soon.

General Comments:

There seem to be rumors being passed around about a moratorium on water connections. I received a call last Friday from a property owner who had heard others discussing it. We don't know where this is coming from, but will also add this to the newsletter and website.

Submitted by Jeff Palmer, General Manager

AGREEMENT AND AUTHORIZATION FOR ENGINEERING CONSULTING SERVICES



By this Agreement, effective [Contract Date], [Client Name] (Client) authorizes **Century West Engineering Corporation** (Engineer) to carry out and complete the Scope of Services in consideration of the mutual covenants set forth in this Agreement, the *ENGINEERING CONSULTING TERMS AND CONDITIONS*, and the following additional attachments: N/A

Project: Hartstene Pointe PER & ER

Project No.: [Project No.]

Scope of Services: **PART 1 – BASIC SERVICES**

A1.01 *Study and Report Phase*

A. Engineer shall:

1. Preliminary Engineering Report (PER) shall conform to the requirements of RUS Bulletin 1780-2.
2. Consult with Owner to define and clarify Owner's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility, and expandability, and any budgetary limitations, and identify available data, information, reports, facilities plans, and site evaluations.
 - a. If Owner has already identified one or more potential solutions to meet its Project requirements, then proceed with the study and evaluation of such potential solutions: None
 - b. In addition, Engineer must identify, study, and evaluate multiple potential alternative solutions potentially available to Owner, unless Owner and Engineer mutually agree with Agency concurrence that only one feasible solution exists. The number of alternative solutions should be appropriate to the specific project as concurred in by the Agency.
3. Identify potential solution(s) to meet Owner's Project requirements, as needed.
4. Study and evaluate the potential solution(s) to meet Owner's Project requirements.
5. Visit the Site, or potential Project sites, to review existing conditions and facilities, unless such visits are not necessary or applicable to meeting the objectives of the Study and Report Phase.
6. Advise Owner of any need for Owner to obtain, furnish, or otherwise make available to Engineer additional Project-related data and information, for Engineer's use in the study and evaluation of potential solution(s) to Owner's Project requirements, and preparation of a related report.
7. After consultation with Owner, recommend to Owner the solution(s) which in Engineer's judgment meet Owner's requirements for the Project.

8. Identify, consult with, and analyze requirements of governmental authorities having jurisdiction to approve the portions of the Project to be designed or specified by Engineer, including but not limited to mitigating measures identified in an environmental assessment for the Project.
 9. Prepare a report (the "Report") which will, as appropriate, contain schematic layouts, sketches, and conceptual design criteria with appropriate exhibits to indicate the agreed-to requirements, considerations involved, and Engineer's recommended solution(s). For each recommended solution Engineer will provide the following, which will be separately itemized: opinion of probable Construction Cost; proposed allowances for contingencies; the estimated total costs of design, professional, and related services to be provided by Engineer and its Consultants; and, on the basis of information furnished by Owner, a tabulation of other items and services included within the definition of Total Project Costs. The Report mentioned in Exhibit A to the Agreement is the Preliminary Engineering Report as defined in RUS Bulletin 1780-2. This document must meet customary professional standards as required by 7 CFR 1780.55. The Report must be concurred in by the Agency.
 10. Advise Owner of any need for Owner to provide data or services of the types described in Exhibit B, for use in Project design, or in preparation for Contractor selection and construction.
 11. When mutually agreed and approved by the Agency, assist Owner in evaluating the possible use of building information modeling; civil integrated management; geotechnical baselining of subsurface site conditions; innovative design, contracting, or procurement strategies; or other strategies, technologies, or techniques for assisting in the design, construction, and operation of Owner's facilities. The subject matter of this paragraph shall be referred to in Exhibit A and B as "Project Strategies, Technologies, and Techniques."
 12. If requested to do so by Owner, assist Owner in identifying opportunities for enhancing the sustainability of the Project, and pursuant to Owner's instructions plan for the inclusion of sustainable features in the design.
 13. Use ASCE 38, "Standard Guideline for the Collection and Depiction of Existing Subsurface Utility Data" as a means to advise the Owner on a recommended scope of work and procedure for the identification and mapping of existing utilities.
 14. Develop a scope of work and survey limits for any topographic and other surveys necessary for design.
 15. Perform or provide the following other Study and Report Phase tasks or deliverables: Provide an Environmental Report as defined at 7 CFR 1970 or other Agency approved format. The Environmental Report must be concurred in by the Agency.
 16. Furnish 2 review copies of the Report and any other Study and Report Phase deliverables to Owner within 30 days of the Effective Date and review it with Owner. Within 7 days of receipt, Owner shall submit to Engineer any comments regarding the furnished items.
 17. Revise the Report and any other Study and Report Phase deliverables in response to Owner's and Agency's comments, as appropriate, and furnish three (3) written copies and one (1) electronic copy of the revised Report and any other Study and Report Phase deliverables to the Owner within 7 days of receipt of Owner's comments.
- B. Engineer's services under the Study and Report Phase will be considered complete on the date when Engineer has delivered to Owner the revised Report and any other Study and Report Phase deliverables.

A1.02 *Completion Date*

- A. The termination date of this contract shall be 12/31/2022.

Opinion of Probable Cost:

Lump Sum - \$30,000

Hartstene Pointe Water/Sewer District

By: _____

Title: _____

Date: _____

Century West Engineering Corporation

By: _____

Matt Morkert
Title: Vice President

Date: _____

ENGINEERING CONSULTING ♦ TERMS AND CONDITIONS

1. SERVICES: Engineer agrees to perform the Scope of Services (Services) under the following terms and conditions. Additional Services will be provided only by written amendment to this Agreement.

2. TIMES OF PAYMENTS: Engineer will submit invoices on a monthly basis for the unbilled portion of Services actually completed. Client will pay the invoice within 30 days of the invoice date. Accounts remaining unpaid after said 30 days will be considered delinquent and assessed a late payment charge (currently at the rate of 1 1/2% per month) calculated each month from the date of the invoice. Engineer reserves the right to suspend all Services until account delinquencies have been remedied.

3. OPINIONS OF COST: Because Engineer has no control over the cost of labor, materials, equipment or Services furnished by others, or over contractors' methods of determining prices, or other competitive bidding or market conditions, any cost estimates provided by Engineer will be made on the basis of experience and judgment. Engineer cannot and does not guarantee that proposals, bids or actual Project construction costs will not vary from opinions of probable costs prepared by Engineer.

4. CLIENT-PROVIDED INFORMATION: Client will make available to Engineer, all information readily available to Client regarding existing and proposed conditions of the site which will aid Engineer in its performance of Services. Engineer shall be entitled to rely, without further inquiry or investigation, on all information furnished to Engineer by Client. Client agrees to advise Engineer of any hazardous substances or any condition existing in, on or near the site presenting a potential danger to human health, the environment, or equipment. Client will immediately transmit to Engineer any new information which becomes available to Client which may have a bearing on Engineer's performance of Services or which relates to information Engineer has requested from Client. If any hazards, not disclosed to Engineer, are discovered after the Services are undertaken, Client and Engineer agree that the Scope of Services, time schedule and rate schedule shall be modified accordingly.

5. STANDARD OF PERFORMANCE: Engineer represents that Services will be performed within the limits prescribed by Client, and that its findings, recommendations, specifications and/or professional advice provided hereunder will be prepared and presented in a manner consistent with the level of care and skill ordinarily exercised by other professionals under similar circumstances at the time the Services are performed.

6. ACCESS, APPROVALS, PERMITS: Client shall arrange for access to and make all provisions for Engineer to enter onto public and private property as required for Engineer to perform the Services. Unless otherwise agreed, Client will be solely responsible for applying for and obtaining such permits and approvals as may be necessary for Engineer to perform the Services.

7. REUSE OF DOCUMENTS: All documents, including computer files, drawings and specifications, prepared by Engineer pursuant to this Agreement shall remain the property of Engineer and are instruments of service with respect to the Project. They are not intended or represented to be suitable for reuse by Client or others

on extensions of the Services provided for the Project under this Agreement or on any other project. Any reuse without written authorization, certification or adaptation by Engineer for the specific purpose intended will be at Client's sole risk and without liability to Engineer.

8. ASBESTOS/PCBs: All asbestos/PCB related Services are excluded from Engineer's Scope of Services. Client shall notify Engineer at the start of the Project if the presence of asbestos/PCBs on the project is suspected. If asbestos/PCBs are suspected or encountered, Engineer will stop its own work to permit proper testing and evaluation. If requested as an additional Service, Engineer will assist Client in contacting regulatory agencies and/or identifying appropriate testing laboratories.

9. SUBMITTAL REVIEW: Review by Engineer of submittals by contractor is only for general conformance with the design concept of the Project and general compliance with the information given in the Contract Documents. The review does not affect the contractor's responsibility to perform all contract requirements with no change in contract price or time. Any action taken by the Engineer is subject to the requirements of the plans, specifications and other Contract Documents. Client shall indemnify Engineer against any claim by any contractor based on the review.

10. ENGINEER AT CONSTRUCTION SITE: The presence or duties of Engineer's personnel at the construction site, whether as on-site representatives or otherwise, do not make Engineer or its personnel in any way responsible for those duties that belong to the Owner and/or the construction contractors or other entities, and do not relieve the construction contractors or any other entity of their obligations, duties and responsibilities, including but not limited to, all construction methods, means, techniques, sequences and procedures necessary for coordinating and completing all portions of the construction work in accordance with the Contract Documents and any health or safety precautions required by such construction work. Engineer and its personnel have no authority to exercise control over any construction contractor or other entity or their employees in connection with their work or any health or safety precautions and have no duty for inspecting, noting, observing, correcting or reporting on health or safety deficiencies of the construction contractor or other entity or any other persons at the site except Engineer's own personnel.

11. INDEMNIFICATION AND INSURANCE:

(a) Client agrees to indemnify, hold harmless and defend Engineer, its directors, officers, agents and employees, from and against any and all liabilities, claims, penalties, forfeitures, suits and the cost and expenses incidental thereto, including but not limited to reasonable attorney fees, which Engineer may hereafter incur, become responsible for or pay out as a result of death or bodily injuries to any person, destruction or damage to any property, contamination of or adverse effects on the environment or any violation of governmental laws, regulations or orders caused by (1) Client's breach of any term or provision of this Agreement; (2) Client's negligent or wrongful act or omission in the performance of this Agreement; or (3) Client's generation, storage or release of waste products including hazardous waste..

(b) Engineer agrees to indemnify, hold harmless and defend Client, its directors, officers, agents and employees, from and against any and all liabilities, claims, penalties, forfeitures, suits and the cost and expenses incidental thereto, including but not limited to reasonable attorney fees, which Client may hereafter incur, become responsible for or pay out as a result of death or bodily injuries to any person, destruction or damage to any property, contamination of or adverse effects on the environment or any violation of governmental laws, regulations or orders caused by Engineer's (1) breach of any term or provision of this Agreement; or (2) any negligent or wrongful act or omission in the performance of this Agreement.

(c) In the event any claim arises as a result of the concurrent negligence of Engineer and Client, liability will be determined on the basis of the doctrine of comparative negligence. Each party shall promptly notify the other party, in writing, of any threatened or actual claim, action, or proceeding. Engineer and Client shall jointly control the defense.

(d) Notwithstanding any other provision contained in this Agreement, neither party shall be liable to the other party for any indirect, incidental, special or consequential damages of any kind, including without limitation, lost profits or loss of use, regardless of the cause, including negligence.

(e) Upon request, Engineer will provide Client with Certificates of Insurance for Workers Compensation, General, Auto and Professional Liability coverage. Client agrees to maintain, during the performance of Services, general liability and automobile liability insurance in the amount of one million dollars (\$1,000,000).

12. LIMITED LIABILITY: Client agrees that Engineer's liability to Client, contractors, subcontractors, and their agents, employees and consultants, and to all other third parties which may arise from or be due directly or indirectly to the negligent acts, errors and/or omissions of engineer, its agents, employees or consultants shall be limited to a continued aggregate not to exceed \$100,000 or the total amount paid in fees to Engineer, whichever is greater.

13. TERMINATION: Either party may terminate this Agreement upon thirty (30) days written notice to the other. Either party may terminate this Agreement immediately in the event of a material breach by the other party to perform in accordance with the terms hereof but only if said breach is through no fault of the terminating party and said breach is not corrected before the date of termination. If this Agreement terminates for Force Majeure, Client shall pay Engineer for all Services authorized and performed prior to the termination date including, if applicable, a prorated lump sum fee.

14. SUCCESSORS AND ASSIGNS: Neither Engineer nor Client may assign this Agreement without the prior written consent of the other. Engineer may, however, employ any other party or entity it deems necessary or proper for any part of the Services required to be performed by Engineer under the terms of this Agreement. The covenants, conditions and terms of this Agreement shall extend to and be binding upon and inure to the benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

15. MISCELLANEOUS:

(a) This Agreement shall be governed by the laws of the State of Washington.

(b) Any claim brought by Client against Engineer must be brought no later than two years after the date of substantial completion of the Services hereunder or the expiration of the appropriate statute of limitations, whichever is earlier.

(c) In the event this Agreement should be referred to an attorney at law or agent for collection, Client agrees to pay such reasonable attorney's or agent's fees and costs as Engineer may incur to any attorney or agent in such collection even if no action is instituted. In the event an action is instituted to enforce any of the terms or conditions of this Agreement, the losing party shall pay to the prevailing party, in addition to the costs and disbursements allowed by statutes, such sum as the court may adjudge reasonable as attorney's fees in such action, in both trial and appellate courts.

(d) No waiver by either party of any provision of this Agreement shall be construed or deemed to be a waiver of (a) any other provision of this Agreement or (b) a subsequent breach of the same provision, unless such waiver be so expressed in writing and signed by the party to be bound.

(e) The terms and conditions of this Agreement contain a series of separate agreements. If in any proceeding a court or arbitrator shall refuse to enforce any of the separate agreements, any unenforceable agreement shall be deemed reduced or eliminated from the terms and conditions for the purpose of such proceeding, but only to the extent necessary to permit the remaining agreements to be enforced in such proceeding.

(f) This Agreement constitutes the entire agreement between Client and Engineer regarding the Services and supersedes all prior or contemporaneous oral or written representations or agreements. This Agreement shall not be modified except by a written document signed by both parties.