

**HARTSTONE 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
July 15, 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 July 1, 2021 Regular Meeting (2-3)

REPORTS:

7. Water Board Bible: Chapter Seven
8. Commissioner Reports
9. Financial/Administrative Report:
 - Bills to Be Authorized:
 - Voucher 2021-27
 - Bills to Be Reviewed:
 - Voucher 2021-26
 - Monthly Billing Report (4)
10. General Manager's Report (5)

BUSINESS:

11. Review State of Emergency Resolution & Policy (6-9)
12. Discuss Timeline for Repeal of Emergency Resolutions & Policies
13. Discuss "Juneteenth" Federal & State Holiday for 2022

As per the State of Emergency, the district's Open Public Meetings will be available via teleconference.

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 Hartstone Pointe, joining meetings via webcam may lead to reduced quality

**HARTSTENE POINTE WATER-SEWER DISTRICT
REGULAR MEETING of the BOARD OF COMMISSIONERS
July 1, 2021
DISTRICT OFFICE 119 E LIBERTY RD SHELTON WA 98584
TELECONFERENCE AVAILABLE
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, E. Klemick from ERWOW

CALL TO ORDER: The meeting was called to order at 1:03 pm.

SUBSCRIBER REMARKS: No subscribers present

CORRESPONDENCE: No Correspondence

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

MINUTES: The minutes of the June 17, 2021 regular meeting were presented. *Commissioner Anderson moved to approve the minutes. Commissioner Hospador seconded.* Commissioner Anderson noted a correction. *Hearing 3 aye votes and 0 nay votes, the minutes were approved as amended.*

REPORTS:

Water Board Bible: Commissioners reviewed and discussed Chapter Six of the *Water Board Bible*.

Commissioner Reports:

- Commissioner Swart suggested that the board address the new federal holiday, “Juneteenth” at the next board meeting

Financial/Administrative Report:

- Bills to Be Authorized:
 - Voucher 2021-25, in the amount of \$22,788.09, was presented. *Commissioner Anderson moved to approve voucher 2021-25 in the amount of \$22,788.09. Commissioner Swart seconded. Hearing 3 aye votes and 0 nay votes, the voucher was approved.*
- Bills to Be Reviewed:
 - PM presented Voucher 2021-24 for review
- Monthly Financial Report: PM presented the May 2021 monthly financial report

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

BUSINESS:

Discuss Fire Hydrant / Safety Concerns: Commissioners discussed the fire hydrant infrastructure and its limitations.

Discuss Rate Structure / HPMA Rate: Commissioners discussed logistics of updating the existing rate structure. Commissioners tabled this for future discussion.

Commissioner Hospador moved to adjourn the meeting. Commissioner Anderson seconded. Hearing 3 aye votes and 0 nay votes, the meeting adjourned at 3:40 pm.

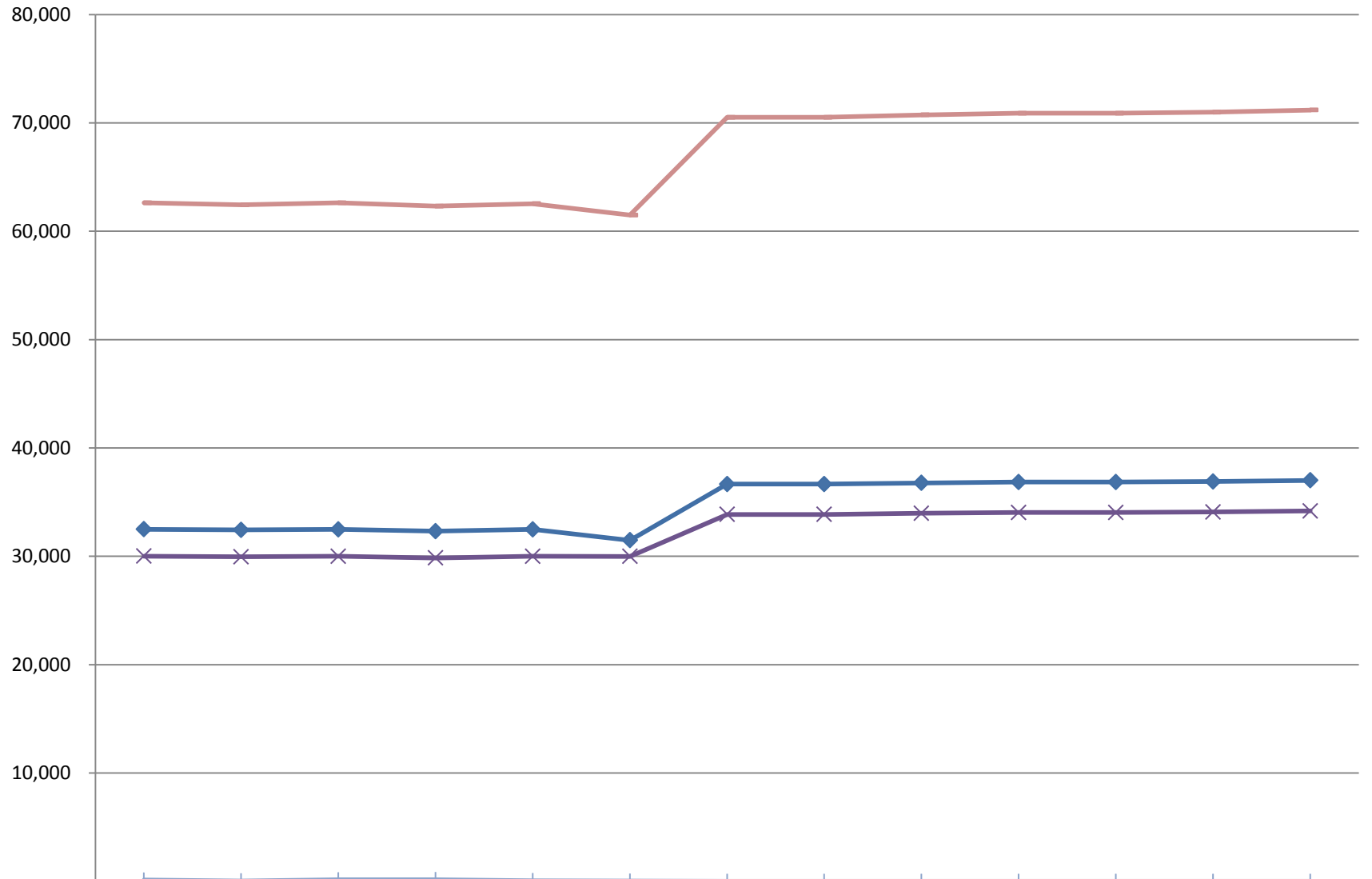
Respectfully Submitted By:

Signature

Stacy Swart, Secretary, Commissioner #3
Name and Title

Approved at the Regular Meeting of the Board on: 7-15-2021

Regular Utility Billing



| | July 2020 | Aug 2020 | Sept 2020 | Oct 2020 | Nov 2020 | Dec 2020 | Jan 2021 | Feb 2021 | Mar 2021 | Apr 2021 | May 2021 | June 2021 | July 2021 |
|-----------------|-----------|----------|-----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|
| Water Service | 32,493 | 32,435 | 32,481 | 32,315 | 32,482 | 31,472 | 36,656 | 36,656 | 36,772 | 36,854 | 36,854 | 36,901 | 37,004 |
| Sewer Service | 30,013 | 29,958 | 30,001 | 29,848 | 30,001 | 29,992 | 33,862 | 33,862 | 33,968 | 34,043 | 34,043 | 34,088 | 34,180 |
| Late/Misc. Fees | 120 | 40 | 140 | 155 | 60 | 20 | - | - | - | - | - | - | - |
| Total Charges | 62,626 | 62,433 | 62,622 | 62,318 | 62,543 | 61,484 | 70,518 | 70,518 | 70,740 | 70,897 | 70,897 | 70,988 | 71,184 |

HARTSTENE POINTE WATER-SEWER DISTRICT
General Manager's Report
July 15, 2021

Water Treatment and Distribution:

Wells produced a little more over the weekend, as expected for a summer weekend. We have one reported leak on PDE; it is very minor at this time, so while it is on list to get repaired, we are focusing on couple of higher priority items first.

Wastewater Collection and Treatment:

WWTP has been doing well.

The operator I had been talking to for the WWTPO position called this morning and turned it down. I did receive an email last week from an operator who expressed interest. I spoke to him today, told him about the position and our District. He wants to fill out an application.

Capital Improvements-2021:

Engineering Report: Steve Nelson has been working on updating our Water System Plan. He emailed me a copy today for me to look over. As soon as I do, I will call him to discuss it. I will also find out the status of the sewer system / lateral replacement project.

General Comments:

Due to a recent event of a contractor looking for the sewer stub-out on a lot, the question arose of who is responsible for costs incurred when extra time is spent due to difficulty in locating the stub-out, and when the digging has to extend out into the right-of-way. Cited from our Sewer Regulations (underlined for emphasis):

1. **Costs of building sewer or sewer-line extension borne by owner.** All costs and expense incidental to the installation, connection, maintenance, cleaning, repair and /or addition to or of the building sewer shall be borne by the owner. This responsibility includes paying all costs incidental to the aforementioned activities performed on all segments of the sewer and including but not limited to side sewer stub, sewer tee, sewer wye and all other sewer appurtenances.

While this doesn't explicitly explain the right-of-way issue, it does make it clear about the extra time that was spent. As we do with each lot that someone has paid their connection fee on, we tell them where to dig, based on the information we have and to the best of our abilities.

Submitted by Jeff Palmer, General Manager

**HARTSTENE POINTE WATER-SEWER DISTRICT
MASON COUNTY, WASHINGTON**

RESOLUTION 2020-02

**A RESOLUTION OF THE
HARTSTENE POINTE WATER-SEWER DISTRICT COMMISSIONERS
DECLARING AN EMERGENCY IN RESPONSE TO THE COVID-19 PANDEMIC**

WHEREAS, Hartstene Pointe Water-Sewer District (the “District”) is a special purpose district and municipal corporation organized under and governed by Title 57 RCW; and

WHEREAS, novel coronavirus (COVID-19), a respiratory disease that can result in serious illness or death, is caused by the SARS-CoV-2 virus, which is a new strain of coronavirus that had not been previously identified in humans and can easily spread from person to person; and

WHEREAS, the Center for Disease Control (CDC) identifies the potential public health threat posed by COVID-19 both globally and in the United States as “high”, and has advised that person-to-person spread of COVID-19 will continue to occur globally, including within the United States; and

WHEREAS, on January 31, 2020, the United States Department of Health and Human Services Secretary Alex Azar declared a public health emergency for COVID-19, beginning on January 27, 2020; and

WHEREAS, on February 29, 2020, Governor Inslee proclaimed that a State of Emergency exists in all counties in the state of Washington for COVID-19; and

WHEREAS, on March 11, 2020, the World Health Organization (WHO) declared COVID-19 a global pandemic; and

WHEREAS, on March 13, 2020, the Mason County Board of County Commissioners declared the COVID-19 outbreak a local emergency in Mason County; and

WHEREAS, Washington Governor Jay Inslee, in exercising his emergency authority, has further banned gatherings over 50 people, banned gatherings under 50 people unless strict criteria for hygiene and social distancing are met; prohibited the onsite consumption of food and/or beverages in a public venue, and prohibited the operation of public venues in which people congregate for entertainment, social, or recreational purposes; and

WHEREAS, on March 19, 2020, Governor Jay Inslee issued Proclamation 20-23 strongly encouraging water-sewer districts providing essential services to take certain measures to mitigate against the impact of COVID-19 and respond to the emergency; and

WHEREAS, reliable public water and sewer services are critical to compliance with the statewide emergency directives; and

WHEREAS, the District recognizes the state of emergency has resulted in unforeseen economic and social hardship conditions as well as the need to continue reliable services in a safe manner for all employees and customers.

THEREFORE, the Board of Commissioners of the Hartstene Pointe Water-Sewer District hereby resolves:

1. The Board of Commissioners of the District declares a state of emergency for the District, authorizing through the term of the emergency declaration measures to ensure the health and safety of the District's workforce, customers of the District, and the public at large, and the continued provision of safe and reliable utility services.
2. The General Manager is authorized to take any and all actions necessary or appropriate to protect the health and safety of District employees and the public, to mitigate the economic impacts to the District utility customers, and to ensure the continued provision of safe and reliable utility services, including, without limitation the waiver or adjustment of existing policies or procedures.
3. The General Manager, and authorized designees, shall have the power and authority to approve and grant deferred payment plans, including the waiver of late fees and interest charges. The District shall suspend utility disconnections for non-payment for customers notifying the District of economic hardship due to the COVID-19 emergency.
4. The District's General Manager is authorized and directed to take any and all actions necessary or appropriate to implement this Resolution. Further, the actions taken, and to be taken by the General Manager, and authorized designees, as reasonably necessary to prevent or minimize the loss of life and property, protect the health and safety of District employees, customers, and members of the public, and ensure continued safe and reliable utility services, are hereby confirmed.
5. Board Resolutions, meeting minutes, and such other District documents which require Commissioner signatures may be signed with a digital signature or signed in the following manner when authorized by the respective signee Commissioner: /s/ (name).
6. Pursuant to RCW 42.30.070 all meetings of the Board of Commissioners relating to the COVID-19 pandemic are and shall be deemed emergencies and exempt from the notice and meeting location restrictions of the Open Public Meetings Act.
7. This Resolution shall remain in effect for so long as the State of Emergency is deemed to exist in the State of Washington, or until revoked by the Board.

ADOPTED by the District Board of Commissioners at its scheduled meeting on this ___2___ day of April, 2020.

Hartstene Pointe Water-Sewer District
Mason County, Washington

/S/ **Earl Jim Anderson**

Earl Jim Anderson, President

/S/ **Stacy Swart**

Stacy Swart, Secretary

/S/ **Andrew Hospador**

Andrew Hospador, Commissioner

Hartstene Pointe Water-Sewer District
Interim Audit Control Procedures for Use During Declared State of Emergency
(Resolution #2020-02)

INTRODUCTION

Due to the state of emergency declared by the State of Washington, the County of Mason and the Hartstene Pointe Water-Sewer District (Resolution #2020-02), the Board of Commissioners wish to establish alternative internal audit control procedures to ensure transparent and appropriate management of District funds, as previously established procedures are not presently possible. These procedures will be retroactively effective from March 1, 2020 and will remain in effect until Resolution #2020-02 is repealed by the Board of Commissioners.

VOUCHER APPROVAL AND AUDIT RECORDS

During normal operations, vouchers and invoices are reviewed by a commissioner before meetings, payment of vouchers are approved and signed by commissioners, warrants are received and distributed by an authorized person, and warrant reports are verified against vouchers. In the interim, vouchers will be audited by the General Manager (GM) (who is independent of the voucher generation process) prior to meetings, voucher invoices will be described in full during teleconference meetings, vouchers will be signed digitally (if approved), distributed by an approved person, and warrant reports will be verified against vouchers by the GM.

PETTY CASH AUDIT REVIEW

The District does not wish to delay account reconciliations to ensure up-to-date bookkeeping and to ensure filing/remittance of Business & Occupation and Excise Taxes. The District also does not wish to delay replenishment functions, to ensure adequate funds are available for District operations. To ensure transparency and appropriate management of the Petty Cash Account, the GM and Project & Accounts Manager (PM) will reconcile the Petty Cash Account independent of the other on a monthly basis, then submit the replenishment amount required to meet imprest Petty Cash amount once audit forms agree. The replenishment amount required will be submitted in a voucher and replenished via warrant as usual. Additionally, reconciliation report and audit forms will be submitted in meeting packets, which will list every expenditure and deposit to demonstrate a good-faith effort of transparency and good management of funds during the state of emergency.

ACCOUNT RECONCILIATIONS

As the District does not wish to delay account reconciliations for reasons listed above, the PM will provide the GM with reconciled accounts to audit. Accounts to be audited by the GM will include any accounts out of which warrants/payments can be generated (accounts 010, 060, EFT).

EFT ACCOUNT REPLENISHMENT

Per usual, the PM will compile regular expenses paid via the District's EFT account and expenses will be verified against replenishment form by the GM, who is independent of the EFT expense process. Amount for replenishment will be submitted in a voucher and replenished via warrant as usual.

INTERNAL REPORTING

Internal reporting that is usually audited by the internally-designated audit commissioner will be audited by the GM, who is independent of the report generation process.