

**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
March 3, 2022 1:00 P.M.**

AGENDA

1. Call to Order
2. Roll Call
3. Subscriber Remarks
4. Correspondence
5. Present Agenda
6. Minutes of the February 3, 2022 Regular Meeting (2-3)

REPORTS:

7. Commissioner Reports
8. Financial/Administrative Report:
 - Bills to Be Authorized:
 - Voucher 2022-09
 - Bills to Be Reviewed:
 - Voucher 2022-08
9. General Manager's Report

BUSINESS:

10. Sign Letter to State Representative's Office (4-6)
11. Review Printer/Copier Replacement Proposals (7-8)
12. Allocate Funds, Authorize GM & PM to Select/Sign New Contract with Empire Equipment per Proposal

**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 Hartstene
Pointe, joining meetings via webcam may lead to reduced
quality*

**HARTSTENE POINTE WATER-SEWER DISTRICT
REGULAR MEETING of the BOARD OF COMMISSIONERS
February 17, 2022
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

CALL TO ORDER: The meeting was called to order at 1:05 pm.

SUBSCRIBER REMARKS: No subscribers present

CORRESPONDENCE:

- Commissioner Swart distributed an article given by a former commissioner
- PM noted a notice from chemical supplier informing of cost increases to chlorine

PRESENT AGENDA: *Commissioner Hospador moved to adopt the agenda. Commissioner Swart seconded.* PM noted a change to the Financial Reports. *Hearing 3 aye votes and 0 nay votes, the agenda was adopted as amended.*

MINUTES: The minutes of the February 3, 2022 regular meeting were presented. *Commissioner Anderson moved to approve the minutes. Commissioner Swart seconded. Hearing 3 aye votes and 0 nay votes, the minutes were approved as presented.*

REPORTS:

Commissioner Reports:

- Commissioner Anderson presented a newspaper article relating to Belfair's sewer district
- Commissioner Anderson shared information learned from an excavator/backhoe safety course
- Commissioner Swart attended a WASWD training targeted toward small districts regarding water main breaks and planning for auxiliary supplies of drinking water
- Commissioner Hospador noted a resource for cybersecurity consulting

Commissioner Water Bible: Commissioners reviewed and discussed Chapter Two (2) of the *Water Board Bible*

Financial/Administrative Report:

- Bills to Be Authorized:
 - Voucher 2022-07, in the amount of \$ 31,666.16, was presented. *Commissioner Swart moved to approve voucher 2022-07 in the amount of \$ 31,666.16. Commissioner Anderson seconded. Hearing 3 aye votes and 0 nay votes, the voucher was approved.*
- Monthly Financial Report: PM presented the monthly financial report for January 2022

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

BUSINESS:

Review/Accept Annual Report to USDA for Fiscal Year 2021: PM presented the annual report for FY 2021, which included FY 2021’s Profit & Loss actual data, a balance sheet as of December 31st, 2021 and the FY 2022 adopted budget. *Commissioner Swart moved to approve the annual report to USDA. Commissioner Anderson seconded. Hearing 3 aye votes and 0 nay votes the report is approved for submittal.*

Review/Adopt Additional Policy to the Employee Handbook: Commissioners discussed the proposed addition to the employee handbook creating a “Shared PTO Program.” *Commissioner Swart moved to adopt the additional policy to the employee handbook. Commissioner Anderson seconded. Hearing 3 aye votes and 0 nay votes, the policy is adopted.*

Commissioner Hospador moved to adjourn the meeting. Commissioner Anderson seconded. Hearing 3 aye votes and 0 nay votes, the meeting adjourned at 3:00 pm.

Respectfully Submitted By:

Signature

Stacy Swart, Secretary, Commissioner #3
Name and Title

Approved at the Regular Meeting of the Board on: 2-17-2022



Hartstene Pointe Water-Sewer District
772 Chesapeake Drive Shelton, WA 98584
(360) 427-2413 • info@hpwatersewer.com

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REPRESENTATIVE DREW MACEWEN
427A LEGISLATIVE BUILDING
PO BOX 40600
OLYMPIA WA 98504-0600

March 1, 2022

RE: Funding for Municipal Water and Sewer Projects

Representative MacEwen:

Water and Sewer Districts are facing a dire outlook, planning for major infrastructure improvements/replacements that will be needed in the near future, with grossly inadequate funding to address the inevitable failure of capital assets and the underground components of these systems. Add to this the fear that over 90 percent of certified water and wastewater operators will retire within the next five years, with few certified operators available to replace them.

Hartstene Pointe Water-Sewer District (District), formed in 2008, provides water and sewer services to the properties within the Hartstene Pointe boundaries in Shelton. The systems inherited by the District—installed poorly by laid-off Weyerhaeuser employees in the 1970s—were discovered to be in neglected disrepair after years of management by Mason County Public Works. The District, through asset management, inventory, and boots-on-the-ground knowledge, aided in identifying the weaknesses in the infrastructure, much of which is approaching, or has surpassed, its end-of-life.

The District also completed several capital projects to address pressing replacement needs through loan funding, including the upgrade of two water treatment plant facilities. With a debt-to-budgeted-expenses ratio over 20%, the WA State Auditor’s Office is uncomfortable with the District incurring any new debt; however significant infrastructure replacement is needed and cannot be underwritten through rate payer revenue alone. Water and sewer utilities across the country—unlike, say, electric or telecommunications utilities—have billed at rates far too low in terms of anticipating expensive replacements to deteriorating infrastructure

Major replacements needed include, but not limited to:

1. Underground water distribution infrastructure:

The Water Treatment Plant Facilities are state-of-the-art and replaced corroding filtration tanks bound for failure. The underground infrastructure does not match the quality of the treatment facilities, so delivery of quality water is not guaranteed from the treated source to each



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residence. District staff flush the water system on a quarterly basis to draw stagnant sediments from the water laterals.

2. Sewer main repairs/replacements of laterals:

The District treats wastewater to be discharged into Puget Sound. During especially rainy months, a surge in rain water enters the sewer system through cracks in the mains and laterals, overwhelming the treatment facility (known as Inflow & Infiltration, or I&I). It is also a waste of resources, treating hundreds of thousands of gallons of clean rain water.

3. Wastewater Treatment Processes:

The WA State Department of Ecology is being lobbied to add additional costly treatment processes to wastewater treatment. It is concerning to wastewater treatment plant operators all over the state, who all wonder where the money is going to come from to cover imposed process requirements.

4. Road Replacement:

Replacing underground infrastructure leads digging up roads, replacement of which is costly.

5. Fire Hydrant Replacements:

The District owns fire hydrants that were installed using undersized pipes, making them unusable for fire suppression. While they can help fill a fire engine's tank, a truck cannot use it while in operation, as it would crush the underground pipe. The nearest fire station to this community is x miles away, driving the fire insurance grade to 9A.

Of course, water and wastewater services are vital to communities' health. But these services are often taken for granted. People simply expect that clean drinking water will always be available on-demand from their taps and that their waste will be able to disappear to be treated 24/7. This is in large part because the infrastructure is underground and unseen. Customers just do not see how deteriorated the mains, laterals and sewerage components actually are.

The District has sought grant funding for projects, but the Household Median Income (HMI) is skewed by a select number of residents whose income is much higher than most residents in the community, leading to denials of grant funding.

Please advise if there are possible avenues for the District to fund needed infrastructure upgrades with state-allocated funding. While previous denials for funding were discouraging, District commissioners and staff are committed to offer vital, quality water and wastewater services to its community and will keep exploring options to fund these projects. Presently, an engineering firm is working to update the District's water and wastewater system plans and is also researching funding options.



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(360) 427-2413 • info@hpwatersewer.com

Sincerely,
Hartstene Pointe Water-Sewer District Board of Commissioners

Earl Jim Anderson, President

Stacy Swart, Secretary

Andrew Hospador, Audit Commissioner

Enclosures

Equipment Comparison

Prepared for
Hartstene Pointe Water Sewer District

Comparison

Current Equipment

Savin C9120

1,100 average black/white pages @ \$0.024/pg	26.40
800 average color pages @ \$0.14/pg	<u>112.00</u>

Total monthly payment	\$138.40
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Proposed Equipment

“New” Toshiba 2515AC

1,100 average black/white pages @ \$0.009/pg	9.90
800 average color pages @ \$0.049/pg	39.20

Total monthly payment	\$49.10
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Monthly savings	\$89.30
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“Used” Toshiba 3005AC

1,100 average black/white pages @ \$0.0175/pg	19.25
800 average color pages @ \$0.07/pg	56.00

Total monthly payment	\$75.25
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Monthly savings	\$63.15
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Dedicated to Service



Equipment Proposal

Prepared for

Hartstene Pointe Water Sewer District

*Proposed
Equipment
& Pricing*

TOSHIBA

Leading Innovation >>

“New” Toshiba

e-STUDIO 2515AC Color System

- 25 ppm B/W & Color
- 300 sheet Single Pass Feeder
- 2 x 550 Paper Drawers
- Stand
- 1200 dpi Standard
- Copy/Print/Scan/Fax
- Postscript 3
- Surge Protector (**Lifetime Warranty**)



Purchase Pricing

\$6,056.00 plus tax

Optional Finisher

\$1,283.00 plus tax

Maintenance Agreement

\$49.65 per month

Includes:

1,100 black/white pages
Overages will be billed @ \$0.0095 per page
800 color pages
Overages will be billed @ \$0.0.049 per page
All parts, labor and supplies

Excludes:

Applicable taxes, paper, staples and negligence

“Used” Toshiba

e-STUDIO 3005AC Color System

- 30 ppm B/W & Color
- 300 sheet Single Pass Feeder
- 2 x 550 Paper Drawers
- Stand
- 1200 dpi Standard
- Copy/Print/Scan/Fax
- Postscript 3
- Surge Protector (**Lifetime Warranty**)

Purchase Pricing

\$4,000.00 plus tax

Optional Finisher

\$700.00 plus tax

Maintenance Agreement

\$75.25 per month

Includes:

1,100 black/white pages
Overages will be billed @ \$0.0175 per page
800 color pages
Overages will be billed @ \$0.07 per page
All parts, labor and supplies

Excludes:

Applicable taxes, paper, staples and negligence



Dedicated to Service

Joe Sartori-Project Manager

PREPARED & PRESENTED BY:

Kelley Connect
Lee Bowman, Sr. Account Consultant
Phone: (360) 491-1854
Cell: 360-259-1342
Email: lee.bowman@kelleyconnect.com

Submitted: February 18, 2022

All Information is Company Confidential

