

HARTSTENE POINTE WATER-SEWER DISTRICT  
REGULAR MEETING

District Office

772 E Chesapeake Drive, Shelton, WA 98584

September 28, 2017 1:00 P.M.

AGENDA

1. Call to Order
2. Roll Call
3. Subscriber Remarks
4. Correspondence
5. Present Agenda
6. Minutes (pgs. 2-4)

REPORTS:

7. Commissioner Reports
8. Emergency Preparedness Report
9. Financial/Administrative Report:
  - Bills to Be Authorized:
    - Voucher 2017-26
    - Voucher CP 52
  - August 2017 Financial Report (pgs. 5-6)
10. Manager's Report

BUSINESS:

11. Department of Health Visit
12. Smoke Testing/I&I Report (pg. 7)
13. Reservoir Cleaning and Inspection Quotes and Award
14. Lockbox Services Proposals (pgs. 8-10)
15. Xpress Bill Pay Interactive Voice Response (IVR) Services and Pricing (pgs. 11-12)

**HARTSTENE POINTE WATER-SEWER DISTRICT  
REGULAR MEETING of the BOARD OF COMMISSIONERS  
September 14, 2017  
District Office, 772 E Chesapeake Drive, Shelton, WA 98584**

**MINUTES**

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

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

**SUBSCRIBER REMARKS:** Robert Scarola congratulated the District on a wonderful grand opening of the Water Treatment Facilities.

**CORRESPONDENCE:**

- FROM: Dept. of Ecology RE: June 2017 Discharge Monitoring Report
- FROM: Dept. of Ecology RE: Showing of Compliance to add Well 1R under existing water right

**PRESENT AGENDA:** The agenda for the September 14, 2017 regular meeting was presented. AAS requested addition of DWSRF Loan Fund under Financial Report and deletion of Smoke Testing Report under Business. *Commissioner McNabb moved to adopt the agenda as amended. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the agenda was adopted as amended.*

**MINUTES:** The minutes of the August 24, 2017 regular meeting were presented. *Commissioner McNabb moved to approve the minutes as presented. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the minutes were approved.*

**REPORTS:**

**Commissioner Reports:** Commissioner McNabb noted that the American Waterworks Association Pacific Northwest Subsection is hosting the 2017 Basic Waterworks Workshop in Oak Harbor on September 26th. The registration fee is \$78. Commissioner McNabb requested approval to attend. There will be no associated travel fees as he will stay with his daughter. *Commissioner Hospador moved to approve Commissioner McNabb's attendance and the registration fee. President Cary seconded. Hearing 2 aye votes and 0 nay votes, the motion passed.*

**Emergency Preparedness Report:** CERT plans to propose to the HPMA Board that there be an emergency command center established, preferably at the maintenance yard. They are looking into having a metal building as the command center, generator, and other equipment. There was discussion regarding the establishment of the District's emergency plan. *Commissioner McNabb moved to direct GM begin to draft an emergency plan, with a goal to have it within two*

*months. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the motion passed.*

**Financial/Administrative Report:**

- Bills to Be Authorized:
  - Early Voucher 2017-24, in the amount of \$9,361.37, was presented. *Commissioner Hospador moved to pay the voucher. President Cary seconded. Hearing 3 aye votes and 0 nay votes, the voucher was approved.*
  - Voucher 2017-25, in the amount of \$110,491.54, was presented. *Commissioner Hospador moved to pay the voucher. President Cary seconded. Hearing 3 aye votes and 0 nay votes, the voucher was approved.*
- July/August 2017 Billing Report: Presented and discussed. *Commissioner Hospador moved to approve the billing report. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the billing report was approved.*
- Finance Essentials Workshop: The Municipal Research Services Corporation is presenting a Finance Essentials Workshop in Dupont on November 1<sup>st</sup>. The registration fee is \$95. AAS requested authorization to attend. *Commissioner Hospador moved to authorize the AAS to attend the Finance Essentials Workshop as well as the associated travel costs and registration fee. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the motion passed.*
- Liquidate Investment and Transfer From DWSRF Loan Reserve Fund: The District's first annual Drinking Water State Revolving Fund (DWSRF) loan payment is due October 1<sup>st</sup>. The District, in accordance with the loan contract requirements, has established the DWSRF Loan Reserve Fund to accumulate annual loan payments. *Commissioner Hospador moved to liquidate the DWSRF Loan Reserve Fund invested amount and transfer the fund balance to the Operating Account for payment of the annual loan payment invoice. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the motion passed.*

**Manager's Report:** A written report was presented (attached).

*Meeting was recessed at 2:20 pm. Meeting was reconvened at 2:30 pm.*

**BUSINESS:**

**Review Water Treatment Grand Opening/Open House:** There was a really good turnout for the ribbon cutting and grand opening, estimated to be about seventy people in total. The feedback from the subscribers in attendance was very positive. The Board concluded it was very successful and would like to see the District do more events like this one in the future.

**Reservoir Cleaning Quotes and Contract Award:** GM sent out a request for quotes to four businesses on the small works roster, but received no responses. He will resend out the request in an effort to have quotes for review at the next meeting.

**Blower Pump Quote:** District's spare blower pump was damaged in the WWTP flood. Beckwith & Kuffel inspected the pump and advised that it would not be economic to rebuild the pump and provided a quote for a new unit of \$3,417.04. The cost will be reimbursed by the

District's insurance. *Commissioner McNabb moved to authorize purchase of the new pump. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the motion passed.*

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

Respectfully Submitted By:

\_\_\_\_\_  
Andrew Hospador, Secretary

Approved at the Regular Meeting of the Board on: \_\_\_\_\_

Hartstene Pointe Water Sewer District  
 Monthly Financial Report

August 2017

	Beginning Balances	Payments & Transfers Out	Deposits & Transfers In	Ending Balances	Fund Balance Change
<b>Reserve Funds</b>					
030 · Ecology Reserve	38,485.99	-	33.24	38,519.23	33.24
050 · DWSRF Loan Reserve	68,146.24	-	58.91	68,205.15	58.91
060 · Hartstene Pointe Bond Fund	0.00	-	19,665.00	19,665.00	19,665.00
070 · USDA Revenue Bond Reserve	19,048.92	-	343.89	19,392.81	343.89
<b>Total Reserve Funds</b>	<b>125,681.15</b>	<b>-</b>	<b>20,101.04</b>	<b>145,782.19</b>	<b>20,101.04</b>
<b>Unreserved Funds</b>					
EFT Account - Columbia Bank	500.00	(24,512.81)	26,197.25	2,184.44	1,684.44
Petty Cash Account	1,333.53	(541.79)	1,019.22	1,810.96	477.43
Xpress Deposit Account	1,947.29	(28,455.25)	27,161.84	653.88	(1,293.41)
010 · Operating Fund					
<i>Operating Investment Fund</i>	80,000.00	-	-	80,000.00	-
<i>010 - Operating Fund - Other</i>	114,110.82	(54,734.11)	52,349.72	111,726.43	(2,384.39)
<b>Total 010 · Operating Fund</b>	<b>194,110.82</b>	<b>(54,734.11)</b>	<b>52,349.72</b>	<b>191,726.43</b>	<b>(2,384.39)</b>
020 · Water/Sewer Committed Fund					
Asset Replacement Fund	12,540.00	-	-	12,540.00	-
Capital Improvement Fund					
<i>I&amp;I Repair</i>	31,540.00	-	-	31,540.00	-
<i>Reservoir Repair</i>	112,500.00	-	-	112,500.00	-
<b>Total Capital Improvement Fund</b>	<b>144,040.00</b>	<b>-</b>	<b>-</b>	<b>144,040.00</b>	<b>-</b>
Risk Management Fund	134,267.38	-	251.18	134,518.56	251.18
<b>Total 020 · Water/Sewer Committed Fund</b>	<b>290,847.38</b>	<b>-</b>	<b>251.18</b>	<b>291,098.56</b>	<b>251.18</b>
065 · Capital Project Account	144,090.61	(142,212.02)	67,985.21	69,863.80	(74,226.81)
<b>Total Unreserved Funds</b>	<b>632,829.63</b>	<b>(250,455.98)</b>	<b>174,964.42</b>	<b>557,338.07</b>	<b>(75,491.56)</b>
<b>Total Funds</b>	<b>758,510.78</b>	<b>(250,455.98)</b>	<b>195,065.46</b>	<b>703,120.26</b>	<b>(55,390.52)</b>

*[Signature]* 9/18/17

Acct. & Admin. Services Mgr. Date

Audit Commissioner Date

I hereby certify that the above statement is true.

5

## Hartstene Pointe Water Sewer District Profit & Loss Budget vs. Actual January through August 2017

	Jan - Aug 17 (67% of Year)	Total 2017 Budget	\$ Over (Under) Budget	% of Total 2017 Budget
<b>Income/Expense</b>				
<b>Income</b>				
Non-Operating Revenue	765,515.54	763,516.00	1,999.54	100.26%
Operating Revenue	407,037.96	606,754.00	(199,716.04)	67.09%
<b>Total Income</b>	<b>1,172,553.50</b>	<b>1,370,270.00</b>	<b>(197,716.50)</b>	<b>85.57%</b>
<b>Expense</b>				
534 · Water Expenditures	796,194.17	1,021,041.00	(224,846.83)	77.98%
535 · WW Treatment Expenditures	170,811.85	240,851.40	(70,039.55)	70.92%
538 · Combined W/S Expenditures	90,941.91	145,618.00	(54,676.09)	62.45%
<b>Total Expense</b>	<b>1,057,947.93</b>	<b>1,407,510.40</b>	<b>(349,562.47)</b>	<b>75.16%</b>
<b>Net Income</b>	<b>114,605.57</b>	<b>(37,240.40)</b>	<b>151,845.97</b>	

6

## I&I Report

On July 12th, August 8th and September 12th Jeffreys Management Services, with the assistance and expertise of Evergreen Rural Water, conducted smoke testing of Hartstene Pointe Water Sewer District's sanitary sewer system. The purpose of this testing was to allow us to quickly isolate obvious sources of Inflow and Infiltration within the system.

### **The result of the testing are as follows;**

On July 12th we focused our attention on the north end of the community from Barbary to Lagoon. We discovered some minor issues including a large root blockage at 519 E PDE. We were able to remove the mass with the help of Roto Rooter.

There were a couple of obvious issues exposed at a few addresses including; 783 and 785 Lagoon, 456 and 563 Chesapeake, and 424 E PDW where we did not see smoke. Further investigation of these properties is needed. We also discovered a leaky clean out at 525 E PDE and broken clean out caps at both 389 and 416 E PDW. Repairs will be made promptly.

On August the 8th we investigated the South end of the point which included the Clubhouse and Swimming pool area. We discovered a broken clean out next to the swimming pool and some internal plumbing issues at a few of the Island houses, 671 and 673 E PDE. Owners have been informed and are working to resolve the problem.

We also didn't see any smoke at the following addresses; 681 and 683 E PDE. Further investigation is warranted.

Our final investigation was completed on September 12th. No obvious issues were discovered.

### **Summary**

Overall we are happy with the results of the smoke test. However, because we were not in possession of real sewer plugs we could not do a pressurized test of the system. This means that we were not able to identify either minor or major leaks in the lateral and main sanitary sewer lines. Further investigation of these lines with HPWSD's sewer camera is needed. JMS plans on conducting this investigation as soon as we get some consistent and measurable rainfall. All relevant video and camera data will be uploaded to HPWSD's digital map where it will be accessible to anyone with an invite to view.

# Hartstene Pointe Water-Sewer District

## Lockbox Service Provider Comparison

	Retail Lockbox: Amended Agreement	Retail Lockbox: Current Agreement (no change)
<b>Lockbox Service Fees:</b>		
<b>Monthly Fees</b>		
Monthly Service Fee	225.00	440.43
Courier Fees	100.00	100.00
Document Shredding	25.00	51.82
PDF Image File	50.00	98.45
<b>Per Transaction Fees</b>		
Check Processing	0.48	-
Document Scan	0.10	0.12
Transactions > 100 per month	0.40	0.41
<b>Average Monthly Cost @ 75 checks/month:</b>	<b>36.00</b>	<b>700.03</b>
<b>Annual Fees</b>		
Annual Compliance Fee	245.00	420.00
PO Box Fee	275.00	231.00
<b>Average Annual Cost:</b>	<b>\$ 707.00</b>	<b>\$ 9,051.36</b>

Average Annual Savings: \$ 8,344.36 \$ 3,685.36 \$ -

**Additional Potential Savings:**

Manual input of check payments and upload to online payment system, AAS time reduction

1,170.00

**Total Estimated Average Annual Savings:** \$ 9,514.36 \$ 3,685.36 \$ -

Assumes the same volume of checks as current. If check payments decrease, the savings under Xpress will be greater.







Retail Lockbox, Inc.  
 105 14<sup>th</sup> Avenue, Suite 300  
 Seattle, WA 98122  
 206-624-2871

**Change Request Form**

Hartstene Pointe Water-Sewer District Change Request #9445002

**Description**

Pricing Revision and Agreement Extension

September 21, 2017

Mary Alice Cary  
 Commission President  
 Hartstene Pointe Water-Sewer District  
 772 E Chesapeake Dr.  
 Shelton, WA 98584

Dear Mr. Ray,

Please use this change request form as an Addendum to our Agreement to Provide "Lock Box" and Payment Processing Services. This Addendum provides for the following additional changes for Lockbox services and corresponding fees as listed under Attachment A of this document.

- Hartstene Pointe Water-Sewer District would like to reduce the charges associated with their processing to more closely match their current volumes.
- Hartstene Pointe Water-Sewer District and Retail Lockbox, Inc. agree to extend the Agreement for an additional 3 years.

The terms defined in the original Agreement, which are used herein, shall have the same meaning and duration except as stipulated below.

**Attachment A**

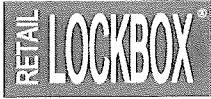
**Pricing for change(s) to Lockbox Processing Services and Corresponding Fees:**

**Fee Schedule:**

Monthly Minimum Wholesale Transaction Fee (Up to 100 transactions without OCR scanline, per month)	\$ 225.00 per month
Standard Daily Detail and Summary Deposit Report	Included
Manual & Exception (Wholesale) Transactions (> monthly minimum)	\$ 0.40 per transaction
Annual Compliance Fee (billed annually in December)	5% of annual billings one-time annually

**MISCELLANEOUS FEES:**

Overnight/Certified Mail Processing	\$ 4.15 per item
-------------------------------------	------------------



Retail Lockbox, Inc.  
105 14<sup>th</sup> Avenue, Suite 300  
Seattle, WA 98122  
206-624-2871

Cash Handling \$ 5.18 per item

P.O. Box Fees As Billed

Courier Fees As Billed  
(For returned unprocessable materials,  
Go-back work & deposits and daily mail pickup)

**OPTIONAL SERVICES:**

Index Fields Captured \$ 0.10 per field

Document Scan - .tif \$ 0.10 per page

PDF Image Upload \$ 50.00 per month

Secure Document Shredding \$ 25.00 per month

DVD Back-Up \$ 175.00 per DVD

Paper Copy \$ 0.2591 per page

Change Request or Maintenance Charges: \$ 185.00 per hour

**Hartstene Pointe Water-Sewer District**

**Retail Lockbox, Inc.**

Sign: \_\_\_\_\_

Sign: \_\_\_\_\_

Print: \_\_\_\_\_

Print: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Title: President/CEO

Address:  
772 E Chesapeake Dr.  
Shelton, WA 98584

Address:  
105 14<sup>th</sup> Ave., Suite 300  
Seattle, Washington 98122

## Interactive Voice Response (IVR)

Our Interactive Voice Response (IVR) system provides another fast and convenient way for your customers to pay their bills 24/7. No computer necessary.

### SIX-STEP SOLUTION TO PAY BILLS OVER THE PHONE



#### DID YOU KNOW?

The City of Arlington, WA is one of eight finalists nationwide in the America's Best Communities Competition! Maybe it has something to do with their great online payment system...Just kidding. Congratulations, City of Arlington!

#### What is the IVR system?

Our IVR (Interactive Voice Response) system provides your customers with a complete bill payment system over the phone.

Customers can pay their bills anytime and anywhere, 24/7. No live operator necessary. No computer necessary.

See "IVR" on Page 2

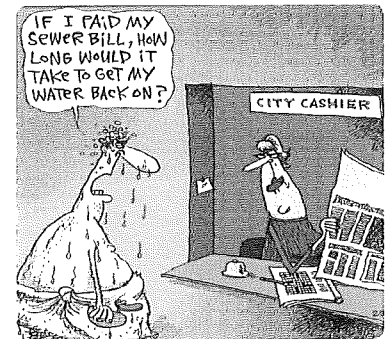


### ANNOUNCEMENTS

Check your mailboxes to read about our Director of Customer Service, Jana Openshaw! Our Customer Service Department is your helpline. It is their job to troubleshoot your issues and get answers to your questions. Admin Support can be reached at 800-768-7295. End User Support can be reached at 800-766-2350.



### THE LIGHTER SIDE



### TIPS & TRICKS

Do you have customers who are continually having returned eChecks? Did you know you can prevent them from paying with an eCheck by adding them to the "Account Blacklist"?

#### Here is how:

Step 1: Go to the "Account Blacklist" tool on your Xpress Bill Pay navigation bar and select "Add Account".

Step 2: Locate the account by entering any of the search criteria. You can enter the reason and "Add" the account. This reason will not be shown to the customer. Next time the customer logs in they will have a message stating they are unable to use eCheck.

If you are interested in learning more or have further questions, please contact Admin Support at 800-768-7295.

### How does it work?

The payments process the same way as online bill pay, except only a phone is needed!

Customers dial our toll-free number and provide their account number and zip code to locate their bill. The IVR system will tell them their account balance, the payment due date, and then prompt them to make their payment. Customers continue to make payments using a credit card, debit card, or eCheck.

Customers are provided with a confirmation number and are notified whether the transaction was successful or not. At the end of the call, they also have the option to set up autopay.

Additionally, during Xpress Bill Pay's business hours, your customers are able to call our payment center and make payments over the phone with a live operator, if they'd prefer.

Both the IVR system and our payment center offer service in English and Spanish. (Note: Payment center Spanish service hours vary.) The IVR system works 24/7 regardless of our business hours or your business hours.

All the payment information is captured on the Xpress Bill Pay system and integrated into your daily transaction reports and batch files in real time.

The IVR system provides another fast and convenient way for your customers to pay on time. No computer necessary, 24/7.

If you are interested in our IVR system or have questions, contact Kaitlin at **800-971-4313** or **kbrannelly@xpressbillpay.com**

Xpress Bill Pay is the premier online payment solution for nearly 500 billing organizations in the United States.

## TESTIMONIALS OF IVR

*"We decided to use the IVR system due to the high volume of customer calls in our office to pay over the phone. On a daily basis, it was taking up too much time. Due to the IVR system, we no longer accept payments over the phone in our office. All of our customers who want to pay over the phone are directed to the IVR phone number (1-800-720-6847). As a result of the IVR implementation, our employees have more time to help service customers at the front counter and catch up on their daily work."*

- **Sonya**, City of East Moline, IL

*"The main reason we started using the IVR was because we were receiving so many calls from customers wanting to make payments that we could hardly get any work done. When we decided to use IVR, we printed a message on our bills regarding over-the-phone payments and anytime someone would call in about making a payment, we would transfer them over to the IVR."*

- **Ashley**, City of Villa Rica, GA



### NEXT MONTH...

No more bank runs! Scan and deposit checks right in your office!



Comments or suggestions for our newsletter? Contact Keith Jenkins at [kljenkins@xpressbillpay.com](mailto:kljenkins@xpressbillpay.com)

## xpress BILL PAY

5252 Edgewood Drive, Suite 225  
Provo, UT 84604-5598