

**HARTSTENE POINTE WATER-SEWER DISTRICT
REGULAR MEETING**

District Office

772 Chesapeake Dr., Shelton, WA 98584

November 10, 2016 1:00 P.M.

AGENDA

1. Call to Order
2. Roll Call
3. Subscriber Remarks
4. Correspondence
 - FROM: Nancy Scarola, Community Early Responder Training (CERT) Committee RE: CERT Committee would like to attend an upcoming District meeting to discuss emergency planning.
5. Present Agenda
6. Minutes
 - October 27, 2016 Regular Meeting Minutes (pgs. 2-3)
 - November 3, 2016 Special Meeting Minutes (pg. 4)

REPORTS:

7. Commissioner Reports
8. Financial/Administrative Report:
 - Bills to Be Authorized:
 - Early Voucher 2016-31
 - Voucher 2016-32
 - Utility Billing Report (pgs. 5-7)
9. Manager's Report

BUSINESS:

10. Xpress Bill Pay Agreement for Online Payment System
11. Chase Paymentech Agreement for Merchant Services
12. Evolution Controls Contract Amendment
13. MDG Water and Wastewater Services Contract
14. Budget Hearing Presentation (pg. 8)

**HARTSTENE POINTE WATER-SEWER DISTRICT
REGULAR MEETING of the BOARD OF COMMISSIONERS
October 27, 2016
District Office, 772 Chesapeake Dr., 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: Jim Anderson present.

CORRESPONDENCE:

- FROM: 128 E Barnacle Owner RE: Past Due Balance Payment
- FROM: 688 E Portage Owner RE: Past Due Balance Payment
- FROM: Department of Ecology RE: August 2016 DMR Notice

PRESENT AGENDA: The agenda for the October 27, 2016 regular meeting was presented. GM requested two agenda item additions under “Business”: (1) Drinking Water State Revolving Fund Loan Contract Amendment; (2) RH2 Engineering Water Treatment Plant Improvements Services During Bidding Contract. *Commissioner McNabb moved to adopt the amended agenda. Commissioner Hospador seconded. Hearing no objections, the amended agenda was adopted.*

MINUTES: The minutes for the October 13, 2016 regular meeting were presented. *Commissioner McNabb moved to approve the minutes as presented. Commissioner Hospador seconded. Hearing no objections, the minutes were approved.*

REPORTS:

Commissioner Reports:

- Commissioner McNabb: Reported his book, Managing America’s Water, will be published.

Financial/Administrative Report:

- Bills to Be Authorized: Voucher 2016-30, in the amount of \$12,370.05, was presented. Commissioner Hospador moved to approve the voucher. President Cary seconded. Hearing 3 aye votes and 0 nay votes, the voucher was approved.

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

BUSINESS:

Asset Replacement Fund Transfer Approval: AAS requested authorization to transfer \$32,460 from the Asset Replacement Fund to the Operating Fund, \$6,168.00 for the District’s new

composite sampler and \$26,292.00 for engineering and construction on the Pressure Reducing Valve Replacement Project. *Commissioner Hospador moved to authorize the transfer of \$32,460 from the Asset Replacement Fund to the Operating Fund. Commissioner McNabb seconded. Hearing no objections, the motion passed.*

RH2 Engineering Water Treatment Plant Improvements Contract, Services During Construction: The contract with RH2 for services during construction of the Water Treatment Plant Improvements Project, for \$58,974, was presented. *Commissioner Hospador moved to approve the Contract with RH2 Engineering for Water Treatment Plant Improvements – Services During Construction. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the contract was approved.*

Drinking Water State Revolving Fund Loan Contract Amendment: The amendment to the District’s Drinking Water State Revolving Fund Loan contract with the Washington State Department of Commerce was presented. *Commissioner McNabb moved to approve the Amendment to the DWSRF Loan Agreement. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the motion passed.*

2017 Preliminary Budget: Presented and discussed.

Commissioner Hospador moved to adjourn. Commissioner McNabb seconded. Hearing no objections, the meeting was adjourned at 4:15 pm.

Respectfully Submitted By:

Andrew Hospador, Secretary

Approved at the Regular Meeting of the Board on: _____

**HARTSTENE POINTE WATER-SEWER DISTRICT
SPECIAL MEETING of the BOARD OF COMMISSIONERS
November 3, 2016
District Office, 772 E Chesapeake Drive, Shelton, WA 98584**

MINUTES

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

CALL TO ORDER: The meeting was called to order at 10:00 AM.

BUSINESS:

2017 Budget: The 2017 Preliminary Budget was presented and discussed. The Board agreed to propose the budget at the 2017 Budget Hearing. The Board discussed the budget hearing presentation. AAS will prepare the presentation for review by the Board at the November 10, 2016 regular meeting.

The meeting was adjourned at 11:45 pm.

Respectfully Submitted By: _____
Andrew Hospador, Board Secretary

Approved at the Regular Meeting of the Board on: _____

Utilities Trial Balance

Hartstene Pointe Water-Sewer District

09/01/2016 To 10/31/2016

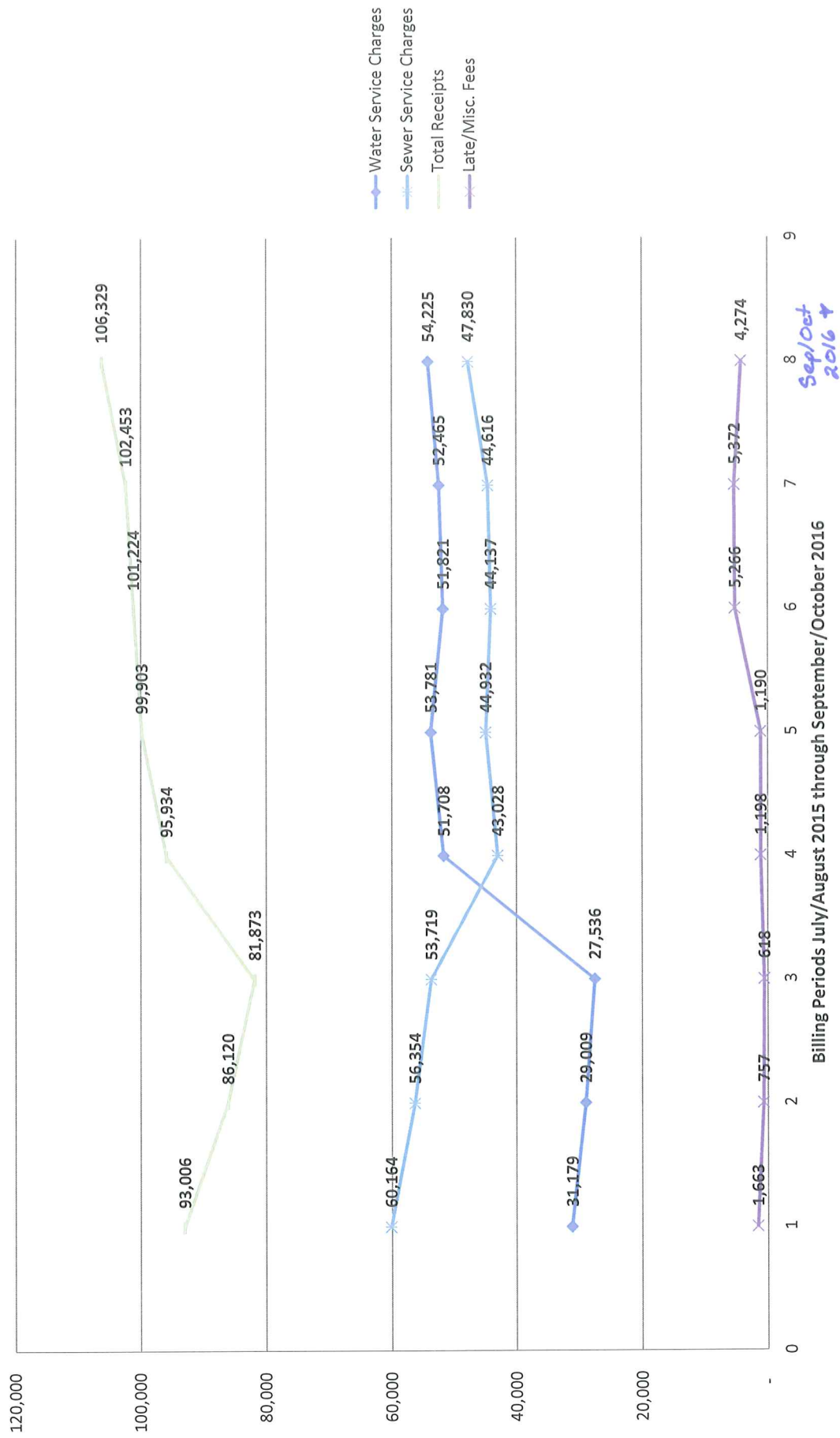
Utility		Beginning A/R Balance	Receipts	Billing	Ending A/R Balance
Water	Basic	6,983.48	54,224.84	52,152.54	4,911.18
	Other	608.84	479.00	250.00	379.84
	Late Fees	11,812.45	2,629.00	(6,241.05)	2,942.40
		<u>19,404.77</u>	<u>57,332.84</u>	<u>46,161.49</u>	<u>8,233.42</u>
Sewer	Basic	7,090.61	47,830.44	43,350.05	2,610.22
	Other	-	-	-	-
	Late Fees	3,016.86	1,165.69	(1,681.77)	169.40
		<u>10,107.47</u>	<u>48,996.13</u>	<u>41,668.28</u>	<u>2,779.62</u>
Totals		<u><u>29,512.24</u></u>	<u><u>106,328.97</u></u>	<u><u>87,829.77</u></u>	<u><u>11,013.04</u></u>

Notes:

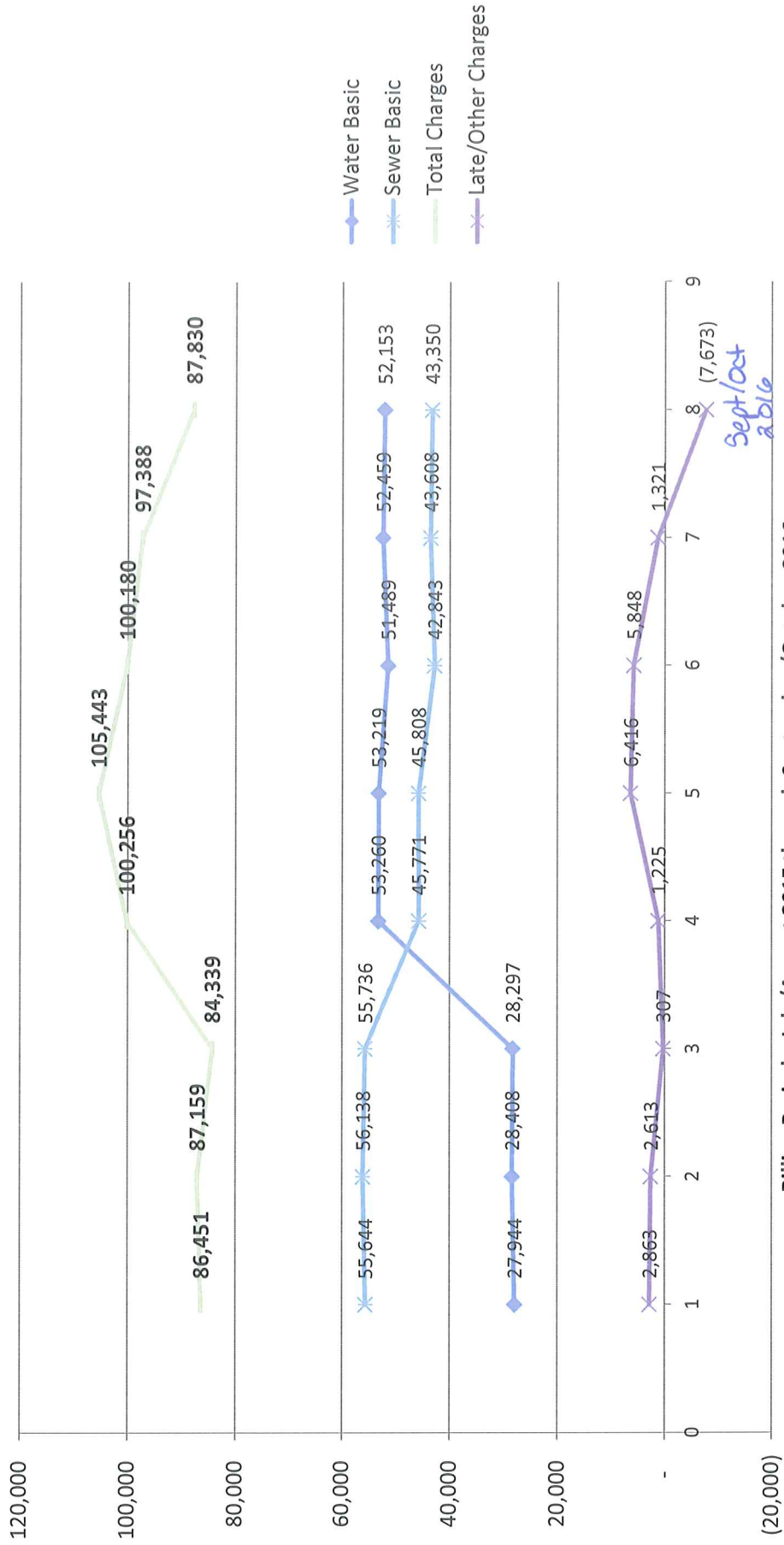
In response to reduced payoff requests, the Board authorized waiver of a total of \$8,927 in late fees on two severely delinquent accounts with liens on the properties. Resulting payment on the accounts reduced the District's accounts receivable amount by \$9,748.80.

AMC 11/7/16

Utility Receipts



Utility Billing Totals



Billing Periods: July/August 2015 through September/October 2016

Hartstene Pointe Water-Sewer District 2017 Proposed Budget

	2016	2017	2018	2019	2020	2021
	Budget	Budget	Projected	Projected	Projected	Projected
Beginning Balances:						
Operating Account	172,275	119,024	119,026	101,454	100,255	98,471
Capital Project Account	70,984	70,984	-	-	-	-
Asset Replacement Fund	36,000	12,540	1,540	10,540	9,540	18,540
Capital Improvement Fund	151,000	154,500	220,000	100,000	132,000	166,000
Risk Management Fund	141,789	108,005	93,977	104,823	115,767	126,809
Total Beginning Balances:	572,047	465,053	434,543	316,817	357,562	409,819
Revenues						
Water Sales	311,040	313,572	313,980	314,688	315,396	316,104
Sewer Sales	258,120	270,641	292,683	308,011	324,140	324,868
Late Fees/Other Fees	7,399	5,738	5,746	5,759	5,772	6,410
Connection Fees	4,800	4,300	4,300	4,300	4,300	4,300
Interest	659	1,272	1,051	1,153	1,257	1,141
Total Revenues	582,018	595,523	617,760	633,911	650,864	652,823
Expenditures						
Water Operating Expenditures	158,496	94,350	94,697	96,641	97,141	99,084
Wastewater Treatment Operating Expenditures	106,806	145,340	145,810	147,309	148,839	151,816
Combined Water/WWT Operating Expenditures	133,942	145,616	151,297	137,660	146,070	148,991
Total Operating Expenses	399,244	385,306	391,805	381,610	392,050	399,891
Total Debt Service	117,257	142,566	142,566	142,566	142,566	142,566
Total Capital Expenditures	162,000	104,990	200,000	65,000	60,000	57,000
Total Expenditures	678,501	632,862	734,371	589,176	594,616	599,457
Total Operating Account Transfers Out (In)	(7,328)	(37,341)	(99,039)	45,934	58,033	53,132
Total Operating Fund Gain (Loss):	\$ (89,155)	\$ 2	\$ (17,572)	\$ (1,199)	\$ (1,784)	\$ 234
Ending Balances:						
Operating Account	83,120	119,026	101,454	100,255	98,471	98,705
Capital Project Account	(2,547)	-	-	-	-	-
Asset Replacement Fund	45,000	1,540	10,540	9,540	18,540	20,540
Capital Improvement Fund	242,000	220,000	100,000	132,000	166,000	202,000
Risk Management Fund	152,001	93,977	104,823	115,767	126,809	137,950
Total Ending Balance:	519,574	434,543	316,817	357,562	409,819	459,195

Updated 11/03/16

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