

HARTSTENE POINTE WATER-SEWER DISTRICT  
REGULAR MEETING

District Office

772 Chesapeake Dr., Shelton, WA 98584

October 13, 2016 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. Financial/Administrative Report:
  - Bills to Be Authorized:
    - Early Voucher 2016-28, in the amount of \$25,407.90
    - Voucher 2016-29
  - Quarterly Financial Report *pgs. 5-13*
9. Manager's Report

BUSINESS:

10. Upcoming Meetings:
  - Emergency Management Plan Work Session
  - 2017 Budget Meeting Schedule
11. Annual Management/Operations Contracts Review *pgs. 14-22*
  - Jeffreys Management Services
    - General Management *pg. 15*
    - Water Operations *pg. 16*
    - Sewer Collection System Operations/Management *pg. 17*
    - Other Services, Facilities Maintenance and Repair *pg. 18*
    - Accounting and Administrative Services *pgs. 19-21*
  - MDG Water and Wastewater
    - Wastewater Treatment Plant Operator *pg. 22*
12. BIAS Software 2017 Agreement *pgs. 23-24*
13. Online Payment System/Electronic Bills, Proposals *pg. 25*
14. Capital Improvement Plan *pg. 26*
15. 688 E Portage Rd., Owner Request for Reduced Payoff *pgs. 27-28*
16. Newsletter Topics

**HARTSTENE POINTE WATER-SEWER DISTRICT  
REGULAR MEETING of the BOARD OF COMMISSIONERS  
September 22, 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:** No subscribers present.

**CORRESPONDENCE:**

- FROM: Polly Barber RE: 128 Barnacle Blvd, past due account
- FROM: Department of Health RE: Drinking Water State Revolving Fund Loan Increase Approval
- FROM: Carolyn Vivian RE: Chromium 6
- FROM: Regina Grimm RE: District's response to Sanitary Survey findings, requesting further clarification.

**PRESENT AGENDA:** The agenda for the September 22, 2016 regular meeting was presented. AAS requested the addition of 128 Barnacle Blvd Payoff under Financial/Administrative Report. *Commissioner Hospador moved to adopt the agenda as amended. Commissioner McNabb seconded. Hearing no objections, the agenda was adopted as amended.*

**MINUTES:** The minutes for the September 8, 2016 regular meeting were presented. *Commissioner Hospador moved to approve the minutes. Commissioner McNabb seconded. Hearing no objections, the minutes were approved.*

**REPORTS:**

**Commissioner Reports:**

- Commissioner McNabb:
  - Presented a recent report from the EPA regarding climate change in the Northwest. He noted that, due to the Wastewater Treatment Plant's (WWTP) proximity to Puget Sound, the District should be looking at how to protect the WWTP from flooding. He also noted that rising temperatures increase the need for adequate fire flow. Commissioner McNabb suggested dedicating Well 2 to fire flow availability and working with HPMA to upgrade the fire flow system. The GM commented that the Pointe currently has six hydrants which are capable of filling fire truck tenders and the District can dedicate up to 80,000 gallons per hour to fire flow, while the fire department requires 60,000 gallons.
  - Presented two guides for developing crisis management plans.

### **Financial/Administrative Report:**

- Bills to Be Authorized:
  - Voucher 2016-27, in the amount of \$16,195.95, was presented. *Commissioner Hospador moved to approve the voucher. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the voucher was approved.*
  - Voucher CP 43, in the amount of \$11,744.82, was presented. *Commissioner Hospador moved to approve the voucher. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the voucher was approved.*
- 128 Barnacle Blvd. Payoff: 128 Barnacle Blvd. has gone back to the bank through foreclosure. The bank's asset manager has requested a reduced payoff on the account. The request and proposed payoff amounts were discussed. *Commissioner McNabb moved to remove \$8,529 in late fees from the account for 128 Barnacle Blvd, resulting in a total balance due of \$8,528.80. Commissioner Hospador seconded. Hearing no objections, the motion passed.*
- Billing Report: Presented and discussed.
- Upcoming Training Opportunities: AAS requested authorization to attend three upcoming training opportunities. *Commissioner McNabb moved to authorize the AAS to attend the BARS Roundtable, Open Government training, and Purchasing and Contracting Workshop. Commissioner Hospador seconded. Hearing no objections, the motion passed.*

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

*Meeting recessed at 3:05 pm. Meeting reconvened at 3:15 pm.*

### **BUSINESS:**

**Well 1R Drilling and Testing Contract, Tacoma Pump & Drilling:** Presented. *Commissioner McNabb moved to approve the contract with Tacoma Pump & Drilling Co., Inc. for Well 1R Drilling and Testing. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the contract was approved.*

**Pressure Reducing Valve Replacement Contract, Pape & Sons:** Presented. *Commissioner McNabb moved to approve the contract with Pape & Sons Construction, Inc. for the Pressure Reducing Valve (PRV) Replacement. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the contract was approved.*

**Pump Rebuild Proposals, Grundfos:** Proposal for Effluent Pump Rebuild from Grundfos in the amount of \$12,105.35 was presented. *Commissioner McNabb moved to accept the proposal. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the motion passed.* The proposal for Lift Station 8 ABS Pump Repair from Grundfos, in the amount of \$4,660.08, was presented. *Commissioner McNabb moved to accept the proposal. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the motion passed.*

**Wastewater Treatment Plant Operator Cell Phone:** AAS reported the District could add a line to the current wireless plan for \$60 per month before taxes and fees. The line would come with a free phone and a two-year contract. *Commissioner Hospador moved to add a cell phone*



*to the District's wireless plan with a two-year contract for the Wastewater Treatment Plant Operator's use. Commissioner McNabb seconded. Hearing no objections, the motion passed.*

**Project Schedule Review:** Reviewed and discussed.

**Technical Library:** It was suggested that the District begin compiling a library of technical resources for water and wastewater operations to be utilized by staff and commissioners. It was suggested the District could adopt an annual amount in the budget for building this library. No action was taken.

*Meeting adjourned at 4:20 pm.*

Respectfully Submitted By:

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Andrew Hospador, Secretary

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



1:53 PM  
10/06/16  
Cash Basis

Hartstene Pointe Water Sewer District  
**Profit & Loss**  
July through September 2016

	<u>Jul - Sep 16</u>
Ordinary Income/Expense	
Income	
Non-Operating Revenue	69,624.04
Operating Revenue	<u>158,105.99</u>
Total Income	227,730.03
Expense	
534 · Water Expenditures	97,809.21
535 · Treatment Expenditures	56,850.14
538 · Combined W/S Expenditures	<u>33,853.79</u>
Total Expense	<u>188,513.14</u>
Net Ordinary Income	<u>39,216.89</u>
Net Income	<u><u>39,216.89</u></u>

# Hartstene Pointe Water-Sewer District

## Balance Sheet 3rd Quarter, 2016

<b>ASSETS</b>		<u>As of 09/30/2016</u>
<b><u>CURRENT ASSETS</u></b>		
<u>Reserve Funds</u>		
Ecology Reserve		38,286.51
DWSRF Loan Reserve		66,000.00
USDA Revenue Bond Reserve		15,731.98
Total Reserved Funds		\$120,018.49
<u>Unreserved Funds</u>		
Operating Account		173,433.34
Capital Project Account		59,238.79
Electronic Funds Transfer Account		412.95
Petty Cash Account		1,924.94
Total Unreserved Funds		235,010.02
<u>Committed Funds</u>		
Asset Replacement Fund		36,000.00
Capital Improvement Fund		
I&I Repair	26,000.00	
Reservoir Repair	75,000.00	
Other Capital Improvements	50,000.00	
Total Capital Improvement Fund		151,000.00
Risk Management Fund		142,748.61
Total Committed Funds		329,748.61
<b>TOTAL CURRENT ASSETS</b>		<b>\$ 684,777.12</b>
<b><u>FIXED ASSETS</u></b>		
<u>Land and Improvements</u>		
Water		391,661.50
Wastewater/Sewer		1,679,874.50
<u>Equipment</u>		
Water		369,016.19
Wastewater/Sewer		1,376,893.92
<b>TOTAL FIXED ASSETS</b>		<b>\$ 3,817,446.11</b>
<b>Total Assets</b>		<b>\$4,502,223.23</b>
<b>LIABILITIES AND EQUITIES</b>		
<b><u>LIABILITIES</u></b>		
USDA Revenue Bond		505,730.23
DWSRF Loan		330,658.72
Dept. of Ecology Loan		401,076.54
<b>TOTAL LIABILITIES</b>		<b>\$ 1,237,465.49</b>
<b><u>EQUITY</u></b>		
Net Income for the Period		13,777.73
Equity		\$3,250,980.01
<b>TOTAL EQUITY</b>		<b>\$ 3,264,757.74</b>
<b>Total Liabilities &amp; Equity</b>		<b>\$4,502,223.23</b>

CERTIFIED CORRECT	Date 10/6/2016	
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Miceal Carnahan, Acct. & Admin. Services Manager

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Hartstene Pointe Water Sewer District  
Profit & Loss Budget vs. Actual  
January through September 2016

Ordinary Income/Expense	Jan - Sep 16	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
<b>Non-Operating Revenue</b>				
379.40 · Capital Contributions - Water	3,400.00	1,700.00	1,700.00	200.0%
379.50 · Capital Contributions - Sewer	4,800.00	2,400.00	2,400.00	200.0%
391.80 · Intergovernmental Loan Proceeds	65,524.04	570,000.00	-504,475.96	11.5%
<b>Total Non-Operating Revenue</b>	<b>73,724.04</b>	<b>574,100.00</b>	<b>-500,375.96</b>	<b>12.84%</b>
<b>Operating Revenue</b>				
343.40 · Water Sales	238,821.70	311,040.00	-72,218.30	76.78%
343.50 · Sewer Sales	204,794.86	258,120.00	-53,325.14	79.34%
359.90 · Penalties and Fees	3,934.89	7,399.00	-3,464.11	53.18%
361.11 · Interest earned	1,380.46	652.00	728.46	211.73%
369.90 · Miscellaneous Revenue	15.00	500.00	-485.00	3.0%
<b>Total Operating Revenue</b>	<b>448,946.91</b>	<b>577,711.00</b>	<b>-128,764.09</b>	<b>77.71%</b>
<b>Total Income</b>	<b>522,670.95</b>	<b>1,151,811.00</b>	<b>-629,140.05</b>	<b>45.38%</b>



Hartstene Pointe Water Sewer District  
Profit & Loss Budget vs. Actual  
January through September 2016

Expense	Jan - Sep 16	Budget	\$ Over Budget	% of Budget
534 · Water Expenditures				
534.30 · Supplies - Water				
31 1010 · Supplies - Water	836.35	13,000.00	-12,163.65	6.43%
31 1011 · Chemicals - Water	3,047.04	3,500.00	-452.96	87.06%
Total 534.30 · Supplies - Water	3,883.39	16,500.00	-12,616.61	23.54%
534.40 · Services - Water				
Professional Services - Water				
Meter Reading	0.00	6,000.00	-6,000.00	0.0%
41 1010 · Attorney Fees - Water	0.00	500.00	-500.00	0.0%
41 1020 · Consultant Fees - Water	1,060.88	500.00	560.88	212.18%
41 1040 · Operations - Water	22,372.00	29,988.00	-7,616.00	74.6%
41 1041 · Operations - Non-routine Water	210.00	420.00	-210.00	50.0%
41 1050 · Lab Testing - Water	978.00	1,700.00	-722.00	57.53%
Total Professional Services - Water	24,620.88	39,108.00	-14,487.12	62.96%
Water Repair and Maint.				
48 1030 · Repair & Maintenance - Water				
Water Leak Repair	10,179.89			
48 1030 · Repair & Maintenance - Water - Other	5,689.14	75,000.00	-69,310.86	7.59%
Total 48 1030 · Repair & Maintenance - Water	15,869.03	75,000.00	-59,130.97	21.16%
Total Water Repair and Maint.	15,869.03	75,000.00	-59,130.97	21.16%
47 1010 · Electric - Water	5,015.41	11,458.00	-6,442.59	43.77%
Total 534.40 · Services - Water	45,505.32	125,566.00	-80,060.68	36.24%

Hartstene Pointe Water Sewer District  
Profit & Loss Budget vs. Actual  
January through September 2016

	Jan - Sep 16	Budget	\$ Over Budget	% of Budget
534.50 · Intergov - Water				
53 1010 · Excise Tax - Water	9,981.29	15,642.00	-5,660.71	63.81%
53 1020 · Permit Fees - Water	758.80	788.00	-29.20	96.29%
534.50 · Intergov - Water - Other	1,122.00			
Total 534.50 · Intergov - Water	11,862.09	16,430.00	-4,567.91	72.2%
594.34 · Capital Expenditures - Water				
DWSRF Reimbursable	77,268.86	570,000.00	-492,731.14	13.56%
Other	0.00	26,000.00	-26,000.00	0.0%
Pressure Reducing Valve Replace	4,266.13			
Well #1 Replacement	5,702.02			
Total 594.34 · Capital Expenditures - Water	87,237.01	596,000.00	-508,762.99	14.64%
59X.34 · Debt Service - Water				
5913470 · Debt Service Principal - Water				
DWSRF Loan Principal	0.00	27,816.00	-27,816.00	0.0%
78 1010 · USDA Loan Principal	24,892.67	24,907.53	-14.86	99.94%
Total 5913470 · Debt Service Principal - Water	24,892.67	52,723.53	-27,830.86	47.21%
5923480 · Debt Service Interest - Water				
DWSRF Loan Interest	0.00	12,000.00	-12,000.00	0.0%
83 1010 · USDA Loan - Interest	14,437.33	14,422.47	14.86	100.1%
Total 5923480 · Debt Service Interest - Water	14,437.33	26,422.47	-11,985.14	54.64%
Total 59X.34 · Debt Service - Water	39,330.00	79,146.00	-39,816.00	49.69%
Total 534 · Water Expenditures	187,817.81	833,642.00	-645,824.19	22.53%

## Hartstene Pointe Water Sewer District Profit & Loss Budget vs. Actual January through September 2016

	Jan - Sep 16	Budget	\$ Over Budget	% of Budget
<b>535 · WW Treatment Expenditures</b>				
535.30 · Supplies - WW Treatment				
31 3010 · Supplies - WW Treatment	1,007.72	4,200.00	-3,192.28	23.99%
31 3011 · Chemicals - WW Treatment	914.86	3,400.00	-2,485.14	26.91%
35 3010 · Tools/Equip - WW Treatment	6,337.96			
Total 535.30 · Supplies - WW Treatment	8,260.54	7,600.00	660.54	108.69%
<b>535.40 · Services - WW Treatment</b>				
Professional Services - WWT				
41 3010 · Attorney Fees - WW Treatment	0.00	500.00	-500.00	0.0%
41 3020 · Consultant Fees - WW Treatment	0.00	500.00	-500.00	0.0%
41 3040 · Operations - WW Treatment	35,454.17	38,588.00	-3,133.83	91.88%
41 3041 · Operations - Non-routine WWT	5,207.91	4,200.00	1,007.91	124.0%
41 3050 · Lab Testing - WW Treatment	8,776.45	11,276.00	-2,499.55	77.83%
Total Professional Services - WWT	49,438.53	55,064.00	-5,625.47	89.78%
<b>WW Treatment Maint. and Repair</b>				
48 3010 · Biosolids Disposal	4,980.15			
48 3020 · SCADA - WW Treatment	3,640.00			
48 3030 · Repair & Maint. - WW Treatment				
Sewer Collection	18,917.22			
48 3030 · Repair & Maint. - WW Treatment - Other	13,644.62	28,000.00	-14,355.38	48.73%
Total 48 3030 · Repair & Maint. - WW Treatment	32,561.84	28,000.00	4,561.84	116.29%
Total WW Treatment Maint. and Repair	41,181.99	28,000.00	13,181.99	147.08%
47 3010 · Electric - WW Treatment	5,979.33	10,200.00	-4,220.67	58.62%
Total 535.40 · Services - WW Treatment	96,599.85	93,264.00	3,335.85	103.58%



# Hartstene Pointe Water Sewer District

## Profit & Loss Budget vs. Actual

### January through September 2016

	Jan - Sep 16	Budget	\$ Over Budget	% of Budget
535.50 · Intergov - WW Treatment				
B&O/Excise Tax				
B&O Tax - Wastewater Treatment	3,006.06			
53 2010 · Excise Tax - Sewer	395.38			
B&O/Excise Tax - Other	0.00	3,872.00	-3,872.00	0.0%
Total B&O/Excise Tax	3,401.44	3,872.00	-470.56	87.85%
53 3020 · Permit Fees - WW Treatment	937.44	2,070.00	-1,132.56	45.29%
Total 535.50 · Intergov - WW Treatment	4,338.88	5,942.00	-1,603.12	73.02%
594.35 · Capital Expenditures - WWWT				
Other	18,743.67	61,000.00	-42,256.33	30.73%
WAS Pump Station Improvements	71,756.86	75,000.00	-3,243.14	95.68%
Total 594.35 · Capital Expenditures - WWWT	90,500.53	136,000.00	-45,499.47	66.55%
59X.35 · Debt Service - WW Treatment				
5913570 · Debt Service Principal - WWWT	15,918.45	31,956.66	-16,038.21	49.81%
78 3010 · Ecology Loan Principal	15,918.45	31,956.66	-16,038.21	49.81%
Total 5913570 · Debt Service Principal - WWWT				
5923580 · Debt Service Interest - WWWT				
83 3010 · Ecology Loan - Interest	3,137.25	6,154.74	-3,017.49	50.97%
Total 5923580 · Debt Service Interest - WWWT	3,137.25	6,154.74	-3,017.49	50.97%
Total 59X.35 · Debt Service - WW Treatment	19,055.70	38,111.40	-19,055.70	50.0%
Total 535 · WW Treatment Expenditures	218,755.50	280,917.40	-62,161.90	77.87%



# Hartstene Pointe Water Sewer District

## Profit & Loss Budget vs. Actual

### January through September 2016

	Jan - Sep 16	Budget	\$ Over Budget	% of Budget
538 - Combined W/S Expenditures				
538.10 - Salaries & Wages				
10 0010 - Commissioner 1	1,997.59	3,306.00	-1,308.41	60.42%
10 0020 - Commissioner 2	3,209.00	3,306.00	-97.00	97.07%
10 0030 - Commissioner 3	2,736.00	3,306.00	-570.00	82.76%
Total 538.10 - Salaries & Wages	7,942.59	9,918.00	-1,975.41	80.08%
538.20 - Payroll Tax				
20 0010 - FICA/Medicare				
Federal Withholding	-40.00			
20 0010 - FICA/Medicare - Other	558.85	759.00	-200.15	73.63%
Total 20 0010 - FICA/Medicare	518.85	759.00	-240.15	68.36%
Total 538.20 - Payroll Tax	518.85	759.00	-240.15	68.36%
538.30 - Supplies - Combined W/S				
Tools/Equip/Supplies	1,108.34	4,800.00	-3,691.66	23.09%
31 4010 - Office Supplies	994.55	700.00	294.55	142.08%
Total 538.30 - Supplies - Combined W/S	2,102.89	5,500.00	-3,397.11	38.23%
538.40 - Services - Combined W/S				
Management				
41 4010 - General Manager	33,558.00	45,313.00	-11,755.00	74.06%
41 4020 - Acct & Admin Services	24,480.00	29,000.00	-4,520.00	84.41%
Total Management	58,038.00	74,313.00	-16,275.00	78.1%
Other Services - Combined W/S				
Bank Fees	41.00	1,200.00	-1,159.00	3.42%
Customer Service	8,220.97	12,730.00	-4,509.03	64.58%
Information Technology	2,861.53	2,700.00	161.53	105.98%
Storage Unit Rental	294.49			

## Hartstene Pointe Water Sewer District Profit & Loss Budget vs. Actual January through September 2016

	Jan - Sep 16	Budget	\$ Over Budget	% of Budget
361.19 · Investment Service Fees	1,468.87	2,000.00	-531.13	73.44%
42 0010 · Postage	1,331.49	1,900.00	-568.51	70.08%
42 0020 · Telephones	6,423.76	8,500.00	-2,076.24	75.57%
44 0010 · Legal Notices & Publications	114.00	81.00	33.00	140.74%
46 0010 · Liability Insurance	1,165.00	7,854.00	-6,689.00	14.83%
49 0010 · Professional Dues	1,511.07	1,100.00	411.07	137.37%
49 0020 · Printing to Subscribers	1,134.94	2,000.00	-865.06	56.75%
<b>Total Other Services - Combined W/S</b>	<b>24,567.12</b>	<b>40,065.00</b>	<b>-15,497.88</b>	<b>61.32%</b>
43 · Travel/Mileage/Training				
43 0010 · Commissioner Travel/Mileage	1,151.94			
43 0020 · General Manager Travel	490.72			
43 0040 · Operations Mileage	552.35			
43 · Travel/Mileage/Training - Other	616.25	2,550.00	-1,933.75	24.17%
<b>Total 43 · Travel/Mileage/Training</b>	<b>2,811.26</b>	<b>2,550.00</b>	<b>261.26</b>	<b>110.25%</b>
<b>Total 538.40 · Services - Combined W/S</b>	<b>85,416.38</b>	<b>116,928.00</b>	<b>-31,511.62</b>	<b>73.05%</b>
538.50 · Intergov - Combined W/S				
B&O Tax - Fees/Penalties	48.98	180.00	-131.02	27.21%
Other	49.00	449.00	-400.00	10.91%
State Audit	6,034.50			
51 0010 · County Election Costs	206.72	208.00	-1.28	99.39%
<b>Total 538.50 · Intergov - Combined W/S</b>	<b>6,339.20</b>	<b>837.00</b>	<b>5,502.20</b>	<b>757.37%</b>
<b>Total 538 · Combined W/S Expenditures</b>	<b>102,319.91</b>	<b>133,942.00</b>	<b>-31,622.09</b>	<b>76.39%</b>
<b>Total Expense</b>	<b>508,893.22</b>	<b>1,248,501.40</b>	<b>-739,608.18</b>	<b>40.76%</b>
<b>Net Ordinary Income</b>	<b>13,777.73</b>	<b>-96,690.40</b>	<b>110,468.13</b>	<b>-14.25%</b>
<b>Net Income</b>	<b>13,777.73</b>	<b>-96,690.40</b>	<b>110,468.13</b>	<b>-14.25%</b>



# Hartstene Pointe Water-Sewer District

## Contract Operations/Management Cost History

	2010 (WSUD)	2011	2012	2013	2014	2015	2016 (Projected)
General Manager/Water Operator							
General Management	-	37,610	40,500	36,400	42,670	42,840	44,804
Water - Routine	55,428	25,074	27,500	31,600	28,447	28,560	29,869
Water - Non-routine	3,422	5,187	665	280	280	280	280
<b>Total General Manager/Water Operator</b>	<b>\$ 58,850</b>	<b>\$ 67,871</b>	<b>\$ 68,665</b>	<b>\$ 68,280</b>	<b>\$ 71,397</b>	<b>\$ 71,680</b>	<b>\$ 74,953</b>
Wastewater Treatment Operations							
Wastewater Treatment - Routine	83,840	38,810	35,150	34,605	36,346	37,574	48,954 *
Wastewater Treatment - Non-Routine	3,160	13,366	16,463	1,330	4,494	4,919	5,208 *
<b>Total Wastewater Treatment Operations</b>	<b>\$ 87,000</b>	<b>\$ 52,176</b>	<b>\$ 51,613</b>	<b>\$ 35,935</b>	<b>\$ 40,840</b>	<b>\$ 42,493</b>	<b>\$ 54,162 *</b>
<b>Total Accounting/Administrative Services</b>	<b>\$ -</b>	<b>\$ 4,716</b>	<b>\$ 23,458</b>	<b>\$ 17,363</b>	<b>\$ 16,938</b>	<b>\$ 26,649</b>	<b>\$ 33,750</b>
AAS Hourly Rate	-	\$25/\$15	25	25	25	30	30

## “APPENDIX A”

### MANAGEMENT SERVICES

JEFFREYS MANAGEMENT SERVICES LLC shall serve as General Manager of Hartstene Pointe Water-Sewer District as follows: Manage and be responsible for the daily operations of The District as directed by the Board of Commissioners and in conformance to applicable federal and state laws and regulations.

### SCOPE OF WORK

- Recommend policies and procedures for the operation of the District.
- Recommend resolutions, policies and other documents as required.
- Present draft budgets for the District.
- Implement policies and procedures adopted by the District for operation of the District.
- Manage the adopted District budget.
- Assist the Board with decisions for capital improvements.
- Assist the Board with the selection of engineers and contractors and other professional service providers.
- Represent the District with the State Departments of Health and Ecology and with other governmental agencies at the county, state, and federal levels.
- Represent the District with the Hartstene Pointe ratepayers.
- Respond to ratepayer calls for service, questions and complaints.
- Maintain records of ratepayer contacts and actions taken for resolution.
- Schedule relief and backup services.
- Manage selected engineers, consultants, contractors and other professional service providers.
- Represent the Board to the Wastewater System Contractor and the Financial Contractor.
- Represent the Board in preparing bid procedures for capital improvement projects and negotiating project contracts.
- Assist contracted engineers in preparation of the Water System Plan and wastewater/sewer system update plans.
- Prepare Consumer Confidence Reports, Water Utilization Efficiency Reports.
- Prepare or review reports by others to be submitted to state or federal agencies.
- Maintain the District’s water facility inventory.
- Prepare letters of water and sewer availability for District for approval by the Board of Commissioners.
- Coordinate and process discontinuation and resumption of water service.
- Maintain knowledge of State and Federal regulations and requirements that effect the District operation.
- Proceed to obtain Wastewater Treatment Operator certification Group II.
- Maintain liaison with HPMA management and cooperate with HPMA within a reasonable manner.

## **“APPENDIX B”**

### **WATER SYSTEM**

**JEFFREYS MANAGEMENT SERVICES** will operate and maintain the HARTSTENE POINTE WATER-SEWER DISTRICT WATER SYSTEM in accordance with the WATER SYSTEM OPERATING PERMIT as follows:

Manage and be responsible for the daily operation of the Hartstene Pointe Water System as directed by the Board of Commissioners and in conformance with the Washington State Department of Health (WSDOH) requirements for a Group A system outlined in Washington Administrative Code 246-290.

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### **SCOPE OF WORK**

- Register with the WSDOH as the District Water Manager.
- Operate and maintain the well pumps, water treatment process and all other parts of the system, this includes ordering routine supplies and materials and advising the District on needed overhaul or replacement of equipment.
- Take required water samples and be responsible that the proper tests be performed.
- Inspect the water distribution system for visible leaks.
- Respond to water quality and customer service concerns.
- Respond to call outs after normal work hours, be available for emergencies 24 hours/day, or have arrangements for backup manager when unavailable for responding and/or when needing assistance.
- Develop and implement a Cross Connection Control program.
- Develop and implement a Coliform Monitoring program.
- Develop a Preventative Maintenance Program for approval.
- Carry out discontinuation and resumption of water service.
- Meter reading activities shall be performed by **JMS** under separate contract under terms approved by the **District**.
- Obtain and/or maintain certifications as required by law, such as: Water Distribution Manager II, Cross Connection Control Specialist and Confined Space Certification.
- The district will provide office supplies, suitable communication equipment, small tools, repair supplies and equipment. All such items remain the property of the district. Vendors will be instructed to bill the district directly.

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**“APPENDIX C”**  
**SEWER COLLECTION SYSTEM**

**JEFFREYS MANAGEMENT SERVICES** will operate and maintain the HARTSTENE POINTE WATER-SEWER DISTRICT SEWER COLLECTION SYSTEM in accordance as follows:

Manage and be responsible for the daily operation of the Hartstene Pointe Sewer Mains and Sewer Pumps, except for the sewer lines running from homes or buildings, as directed by the Board of Commissioners.

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**SCOPE OF WORK**

- Respond to sewer collection customer concerns.
- Operate and maintain the sewer pumps.
- Periodically inspect and clean the sewer mains as agreed to by the district.
- Complete emergency repairs on the sewer mains that are not contracted out to third parties.
- Carry out discontinuation and resumption of sewer service.

For purposes of this appendix, the “sewer main” is the sewer pipe in the street. The property owner is responsible for the entire sewer service line from the property line of the home to the sewer main in the street.

**“APPENDIX D”  
OTHER SERVICES**

**JEFFREYS MANAGEMENT SERVICES** will provide other services to the **HARTSTENE POINTE WATER-SEWER DISTRICT FACILITIES** in accordance as follows:

**District Facility Maintenance:**

General maintenance of District grounds and equipment including:

- housekeeping of structures, walkways, entrances
- lawn care
- pressure wash outside buildings
- paint and maintain exposed pipes, walkway railings, etc.
- other general maintenance

**Facility Repair:**

Minor routine and non-routine repair of structures, water distribution and sewer collection systems including but not limited to:

- minor water line leaks
- minor structure repairs
- Pumps
- water treatment equipment

**Other:**

- Water Service meter reading.

## “Appendix A”

### Accounting Services – Scope of Work

**JEFFREYS MANAGEMENT SERVICES LLC** shall provide accounting services and serve as the **Accounting Manager of Hartstene Pointe Water-Sewer District** as follows: Manage and be responsible for the regular and timely delivery of the District’s accounting needs as directed by the Board of Commissioners and General Manager in conformance to applicable federal and state laws and regulations.

- Establish and maintain District Accounting System.
- Reconcile cash receipt records received from Customer Service Contractor, Mason County Accounting Office and Mason County Treasurer.
- Prepare and present Monthly Financial Reports to the District Board of Commissioners.
- Process district payments and record in District Accounting System.
- Schedule and perform fund transfers to District Reserve/Investment Funds.
- Prepare Governmental Financial Reports including but not limited to:
  - Quarterly WA Department of Revenue
  - Quarterly WA Department of Labor & Industries Reports
  - Quarterly and Annual Federal Social Security/Medicare Reports
  - Annual 1099 Forms for Vendors
  - Annual Financial Reports to Subscribers and WA State Auditor
  - Annual WA State Auditor Annual Audit Assessment
- Prepare draft Annual Budget in consultation with District Manager and District Commissioners.
- Represent the District to District vendors and to County and State financial representatives.

## “Appendix B”

### **Administrative Services – Scope of Work**

**JEFFREYS MANAGEMENT SERVICES LLC** shall provide administrative services and serve as the **Administrative Manager of Hartstene Pointe Water-Sewer District** as follows: Manage and be responsible for the regular and timely delivery of the District’s administrative needs as directed by the Board of Commissioners and General Manager in conformance to applicable federal and state laws and regulations.

- Maintain office filing system and records storage in accordance with Washington State records retention laws.
- Maintain property control records.
- Prepare regular and special Board of Commissioner meeting agendas in consultation with General Manager and Board President.
- Make a record of Board of Commissioner regular and special meeting minutes.
- Prepare for adoption by District, draft resolutions, policies and procedures as directed by the General Manager and Board of Commissioners.
- Prepare bi-monthly newsletter for distribution to District customers.
- Implement policies and procedures adopted by the District for operation of the District.
- Maintain inventory of office equipment and supplies.
- Serve as District Public Information Officer; respond to public information requests in accordance with RWC 42.56 Produce District correspondence and communications as requested by Commissioners.

## “Appendix D”

### Billing and Customer Service – Scope of Work

**JEFFREYS MANAGEMENT SERVICES LLC** shall provide billing and customer service support to the Hartstene Pointe Water-Sewer District. Duties shall include:

- Management of the Hartstene Pointe customer accounts in the District’s utility billing software database;
- Perform utility billings on behalf of Hartstene Pointe pursuant to direction provided by the District;
- Administer customers’ electronic payments;
- Respond to customer calls and correspondence;
- Ensure that payments collected and deposited to the District bank account by payment processing vendors are posted to the correct customer accounts;
- Coordinating and processing discontinuation and resumption of service;
- Prepare and record liens and lien satisfactions on behalf of the District.



# MDG Water and Wastewater

## Exhibit A Scope of Work

- General operation of the Hartstene Pointe Water-Sewer District wastewater treatment plant (WWTP) in accordance with the District's National Pollutant Discharge and Elimination System (NPDES) permit
- Daily monitoring of the WWTP
- Prepare/perform all required sampling and lab testing
- Prepare all required reporting, including:
  - Monthly and annual Daily Monitoring Reports (DMR)
  - Annual Biosolids Report
  - Annual Waste Load Assessment
- Prepare all WWTP permit applications, including:
  - Biosolids Permit renewal
  - NPDES Permit renewal
- Create and manage a WWTP Preventative Maintenance Program
- Perform routine maintenance of WWTP equipment, i.e. greasing of equipment, oil changes, including lab equipment.
- Maintain WWTP logs and records
- Order routine supplies and materials
- Respond to regulatory agency and customer concerns/questions/correspondence
- Advise the District regarding repair/replacement of WWTP equipment
- Update and maintain the wastewater treatment plant Operation & Maintenance Manual
- Create and maintain an inventory of wastewater treatment plant assets and equipment

Hartstene Pointe Water-Sewer District  
 772 Chesapeake Dr.  
 Shelton, Washington 98584



Order form for: **Hartstene Pointe Water-Sewer District**

Prepared on: **September 29, 2016**

Account Contact: Miceal Carnahan

**2017 Annual Service Fee: \$2,934.90**

## ORDER FORM

**ORDER PREPARED FOR:**

**ORDER PREPARED BY:**

Company: **Hartstene Pointe Water-Sewer District**  
 Contact: **Miceal Carnahan**  
 Address: **772 Chesapeake Dr.  
 Shelton, Washington 98584**  
 Phone: **(360) 427-2413**  
 Email: [acct@hpwatersewer.com](mailto:acct@hpwatersewer.com)

Company: **BIAS Software**  
 Contact: **Sue Cronk**  
 Address: **327 E. Pacific  
 Spokane, WA 99202**  
 Phone: **(509) 443-3332**  
 Email: [sue@biassoftware.com](mailto:sue@biassoftware.com)

## ORDER DETAILS

ORDER DETAILS			
PRODUCT	DESCRIPTION	QTY.	SUB-TOTAL
Annual Support	Utilities	1	\$1,380.00
Total IT Services:		BIAS Hosted	\$1,200.00
Total Cloud Licenses:		1	\$120.00
		Other Fees:	
<b>SIGN &amp; RETURN BY 11.30.16</b>		Discounts:	
		Tax:	\$234.90
<b>Remarks:</b>		<b>Grand Total</b> (Tax Included)	<b>\$2,934.90</b>

**ENHANCEMENTS**

Utility Interface,

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### CONTRACT SUMMARY

**Contract Period:** January 1<sup>st</sup> – December 31<sup>st</sup>, 2017

**Licensed Services:**

| Utilities

**IT Services:**

BIAS Hosted

**Support Remarks:**

**Enhancements:**

Utility Interface,

**Annual Support (Includes Tax) - \$2,934.90**

### PAYMENT

Annual Support Fee is due on the contract year by January 31<sup>st</sup>. Invoice will be generated upon receiving signed Order Form.

### REMARKS

Upon signature by Customer and submission to BIAS, this Order Form shall become legally binding and governed by the [Master Subscription Agreement v.6.10.16](#) between BIAS and Customer unless otherwise agreed by BIAS and Customer.

During the Contract Term and for one year thereafter, Customer shall not disclose the pricing or terms hereunder to any third party (unless required by law) without BIAS prior written consent.

<p><b>Name:</b> _____</p> <p><b>Title:</b> _____</p> <p><b>Date:</b> _____</p>	<p><b>Signature:</b></p>
--------------------------------------------------------------------------------	--------------------------

PLEASE SIGN DIGITALLY OR PRINT AND FAX TO 888.228.0030 OR EMAIL TO [SUE@BIASSOFTWARE.COM](mailto:SUE@BIASSOFTWARE.COM)

# Hartstene Pointe Water-Sewer District

## Online Payment System Proposals Comparison

	Payment			Current Systems
	Service Network	Xpress Bill Pay	Retail Lockbox	
<b>Total Monthly Fees</b>	\$ 39.95	\$ 94.00	\$ 175.00	\$ 43.00
<b>Total Annual Fees</b>	\$ 89.00	\$ -	\$ -	\$ -
<b>Total Average Monthly Transaction Fees</b>	\$ 85.00	\$ 45.50	\$ 85.50	\$ 20.75
<b>Total One-time Charges</b>	\$ 2,649.00	\$ 2,500.00	\$ 4,000.00	\$ -
<b>Estimated 1st year cost (2017):</b>	\$ 4,237.40	\$ 4,174.00	\$ 7,126.00	\$ 765.00
<b>Estimated annual cost after 1st year:</b>	\$ 1,588.40	\$ 1,674.00	\$ 3,126.00	\$ 765.00
<b>Potential Savings</b>				
Printing/mailling bills (estimated 10% reduction)	(270.00)	(270.00)	(270.00)	NA
Upload EFT Payments, AAS time reduction	(900.00)	(900.00)	-	NA
C/C Autopay processing, AAS time reduction	(270.00)	(270.00)	(270.00)	NA
Paytrace Ecommerce monthly fees savings	(216.00)	(216.00)	(216.00)	NA
<b>Total Potential Savings</b>	\$ (1,656.00)	\$ (1,656.00)	\$ (756.00)	\$ -
<b>Total Estimated cost 1st year after savings:</b>	\$ 2,581.40	\$ 2,518.00	\$ 6,370.00	\$ 765.00
<b>Total Estimated cost in subsequent years after savings:</b>	\$ (67.60)	\$ 18.00	\$ 2,370.00	\$ 765.00

Assumes the same volume of bank bill pay, online, and cc payments as current. If (when) those payments increase the cost will be more with PSN than with Xpress due to PSN's higher per item charges.

Assumes the same volume of bank bill pay, online, and cc payments as current. If (when) those payments increase the cost will be less with Xpress over PSN due to Xpress's lower per item charges.

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# Hartstene Pointe Water-Sewer District

## Capital Improvement Plan

2016 Budget Projected 2016

	2016	Projected	2017	2018	2019	2020	2021
<b>Wastewater/Sewer Collection Capital Expenditures</b>							
<i>Inflow &amp; Infiltration Abatement (transfer to reserves)</i>							
WWTP Sludge Pump Upgrade	16,000	16,000	18,000	20,000	22,000	24,000	26,000
Replace Gaseous Cl2 System	75,000	71,757	-	-	-	-	-
New Lift Station 8 Pump and Rebuild for Spare	10,000	15,619	21,500	-	-	-	-
Lift Station 5 Spare Pump	16,000	-	-	-	10,000	-	-
Rebuild Effluent Pump	-	16,103	-	-	-	-	-
Lift Station Generators	15,000	-	30,000	30,000	30,000	-	-
Phase 3 WWT SCADA/Lift Station Telemetry Upgrade	20,000	-	?	-	-	-	-
In-Plant Lift Station New Pump and Spare Rebuild	-	5,390	-	-	-	-	-
Influent Gate Actuator Motor Spare	-	-	2,000	-	-	-	-
Clean WWTP SBRs	-	-	6,000	-	-	-	-
<b>Total Wastewater/Sewer Capital Expenditures</b>	<b>136,000</b>	<b>108,869</b>	<b>59,500</b>	<b>30,000</b>	<b>40,000</b>	-	-

## Drinking Water Capital Expenditures

Reservoir Inspection and Cleaning	-	-	?	-	-	-	-
Reservoir Mixer	11,000	-	12,000	-	-	-	-
Reservoir Cathodic Protection	10,000	-	-	20,000	-	-	-
Booster Pump Generator	-	-	-	-	15,000	-	-
Wells 2 and 3 Inspection, Rehab, and Test Pump	-	-	-	-	-	-	35,000
Reservoir Interior Painting/Repair	-	-	-	150,000	-	-	-
Well 1 Replacement	-	110,464	-	-	-	-	-
Well Generator	-	-	30,000	-	-	-	-
Lateral Replacements	5,000	-	-	5,000	-	50,000	50,000
Pressure Reducing Valve Replacement	-	27,700	-	-	-	-	-
Replace Housing for Well 1 and Well 2	-	-	?	-	-	-	-
Leak Detection	-	-	-	35,000	-	-	-
<b>Total Drinking Water Capital Expenditures</b>	<b>26,000</b>	<b>138,164</b>	<b>42,000</b>	<b>210,000</b>	<b>15,000</b>	<b>50,000</b>	<b>85,000</b>

<b>Total Capital Expenditures/Major Repairs</b>	<b>162,000</b>	<b>247,034</b>	<b>101,500</b>	<b>240,000</b>	<b>55,000</b>	<b>50,000</b>	<b>85,000</b>
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Updated 10/10/16



688 E. Portage

To whom it may concern,

Hello we are the Perry's and we bought the home at 688 E. Portage and found out that there was an astronomical water bill of over \$1600 owed by the previous owner and that we would owe this amount. We did some searching by contacting other water districts and found that almost all charge only up to the last 3 months of service usage and that the fines and penalties would be waived from previous owners. We feel that 3 months would be fair to both parties as we should not be punished for the previous owners non payments. We also read the Harstine Pointe Water-Sewer Districts resolutions which states that the water district will shut off service within 48 hours of non payment. We wonder how this bill could continue to accrue if the service was cut off. We are very fair people and want to be fair to the district and also to ourselves and wish to reduce the overdue balance to a dollar amount that would be fair to both parties. Please review our file and help us resolve this situation.

Thank you,

Erne and Kim Perry

4252807736

## CUSTOMER BALANCES

Harstene Point WSD  
MCAG #:

Date: 10/06/2016  
Acct #: 148

EARNEST PERRY	Water	Sewer		
Basic:	500.00	476.00		
Overage Balance:				
Tax Balance:				
Surcharge Balance:				
Other Balance:	244.00			
Late Fee Balance:	356.53	41.47		
Interest Balance:				
	1,100.53	517.47	0.00	
		Utility Deposit Balance:		0.00
Current: 216.00	30 Days: 76.00	60 Days: 76.00	90+: 1,250.00	1,618.00
Service Address:	688 E PORTAGE RD			