

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

**District Office
772 E Chesapeake Drive, Shelton, WA 98584
December 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. 2-5)

REPORTS:

7. Commissioner Reports
8. Emergency Preparedness Report
9. Financial/Administrative Report:
 - Bills to Be Authorized: Voucher 2017-35 in the amount of \$8,412.07
10. Manager's Report

BUSINESS:

11. Resolution 2017-06 Establishing the Place and Times for Meetings of the Board of Commissioners (pg. 6)
12. Washington Association of Sewer and Water Districts 2018 Commissioners Workshop (pg. 7)
13. Accountability Audit Exit Conference
14. Accounts Payable Procedures Adoption (pgs. 8-9)
15. Emergency Preparedness Plan
16. 2018 Project Schedule (pgs. 10-11)

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

MINUTES

PRESENT: Commissioner D. McNabb, Commissioner R. Scarola, 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.

ELECT OFFICERS PRO TEM: With the departure of President Cary from the Board of Commissioners, Commissioner Scarola coming on the Board in Position 3, and Commissioner Hospador coming on the Board in Position 1, nominations were received for Board Officers for the remainder of 2017.

Commissioner Scarola nominated Commissioner McNabb as President Pro Tem until the first meeting of 2018. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, Commissioner McNabb was elected Board President.

President McNabb nominated Commissioner Scarola as Board Secretary Pro Tem. Commissioner Scarola seconded. Hearing 2 aye votes and 0 nay votes, Commissioner Scarola was elected Board Secretary.

SUBSCRIBER REMARKS: No subscribers present.

CORRESPONDENCE:

- FROM: State Auditor's Office
 - RE: Accountability Audit Engagement Letter
 - RE: Accountability Audit Entrance Conference
 - RE: Accountability Audit Management Representation Letter Request
- FROM: Department of Health
 - RE: Well 1R (Well #4) Source Approval
 - RE: Request for Dept. of Ecology review of Well 1R (Well #4) Capacity Analysis
- FROM: Chase Merchant Services RE: Credit to District for overcharged interchange fees

PRESENT AGENDA: The agenda for the December 14, 2017 regular meeting was presented. AAS requested the addition of the 2018 A/P Calendar under Financial/Administrative Report. *Commissioner Scarola moved to adopt the agenda as amended. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the agenda was adopted as amended.*

MINUTES:

- November 9, 2017 Regular Meeting: Presented. *Commissioner Scarola moved to approve as presented. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the minutes were approved.*

- November 11, 2017 Special Meeting – 2018 Budget Hearing: Presented. *Commissioner Scarola moved to approve as presented. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the minutes were approved.*
- November 20, 2017 Special Meeting: Presented. *Commissioner Scarola moved to approve as presented. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the minutes were approved.*

REPORTS:

Commissioner Reports:

- Commissioner Scarola: Reported he came down to the office and worked to determine if the internet speed at the office could be improved. He concluded the issue is with CenturyLink's service. He is doing more research to see if any improvements may be made to the internet service at Hartstene Pointe.

Emergency Preparedness Report: GM is working on the Emergency Preparedness Plan draft, which will be distributed at the December 28th regular meeting. Commissioner Scarola reported HPMAs project to build an emergency command center has been put on hold. HPMAs has authorized \$5,000 for the purchase of medical supplies. He also reported on the work of the HPMAs Emergency Preparedness Committee.

Financial/Administrative Report:

- Bills to Be Authorized:
 - Early Voucher 2017-33, in the amount of \$18,042.72, was presented. *Commissioner Scarola moved to approve the voucher. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the voucher was approved.*
 - Voucher 2017-34, in the amount of \$12,438.58, was presented. *Commissioner Scarola moved to approve the voucher. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the voucher was approved.*
 - Voucher CP 54, in the amount of \$3,429.73, was presented. *Commissioner Scarola moved to approve the voucher. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the voucher was approved.*
- Mason County 2018 Accounts Payable Calendar: Due to Mason County's budget cuts, the county will only be printing checks twice per month in 2018, with vouchers due on the first and third Fridays of each month. Due to the District's meeting schedule, this would require every voucher to be an early voucher, audited and signed by the Audit Commissioner prior to the Board's approval. AAS recommended the Board consider changing the District's meeting dates to the first and third Thursdays of each month to coincide with voucher due dates.
- November Financial Report: Presented and discussed. *Commissioner Scarola moved to approve the November 2017 Financial Report. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the November 2017 Financial Report was approved.*
- Accounts Payable Policies and Procedures Draft: presented and discussed.

Manager's Report: A written report was presented (attached). GM also showed a portion of the reservoir cleaning and inspection video.

Meeting was recessed at 2:45 pm. Meeting was reconvened at 2:55 pm.

BUSINESS:

Washington Association of Sewer and Water Districts 2018 Commissioners Workshop: January 27th in Tukwila. Commissioner Scarola and Commissioner McNabb will both attend and drive there and back on the same day.

Accountability Audit: The auditor completed the on-sight portion of the audit from December 4th through December 7th.

- Engagement Letter: The Auditor's Office sent the District an Audit Engagement Letter to be reviewed and signed by the District. *Commissioner Scarola moved to approve the Audit Engagement Letter. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the letter was approved and signed.*
- Audit Management Representation Letter: The Auditor's Office provided a draft representation letter to be affirmed and signed by the District. *Commissioner Scarola moved to approve the Audit Management Representation Letter. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the letter was approved and signed.*
- Exit Conference: The Board determined to have the District Audit Commissioner attend the Audit Exit Conference along with the AAS and GM. The Exit Conference is tentatively scheduled for December 28th. The AAS will contact the auditor to finalize the scheduling of the Exit Conference.

Jeffreys Management Services Contract Amendments:

- Contract Amendment No. 2, Amendment to the contract agreement for Administrative and Accounting Management Services, was presented and discussed. *Commissioner Scarola moved to approve the contract amendment. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the contract amendment was approved.*
- Contract Amendment No. 4, Amendment to the contract agreement for service as General Manager and operating water system and sewer collection system, was presented. *Commissioner Scarola moved to approve the contract amendment. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the contract amendment was approved.*

Reservoir Mixer Quotes: GM found two reservoir mixers which would meet the District's needs. He presented quotes for the two mixers:

- Pax PWM100: \$12,152 including tax and shipping. Installation requires electrical connections and lowering mixer into reservoir via inspection hatch. Requires electrical work to run wiring in existing conduit, a single water proof through hatch penetration connection, junction box at the top of tank, and safety disconnect installed in reservoir enclosure. Mixer can be lowered into reservoir by electrician or staff.
- Kasco CertiSafe Circulator Model 2400C61-050-HM: \$ 10,508.22 (Includes tax, Freight, Startup & Training). The installation estimate by contractor is \$3,813.78. Total cost estimate of \$14,322 not including electrical work. Installation requires two tank penetrations, placement of two SS cables or chains to support mixer and placement in tank via access hatch. Requires electrical work to run wiring in existing conduit, a single water proof through hatch penetration connection, junction box at the top of tank, electrical connection to mixer stub and safety disconnect installed in reservoir enclosure.

The GM's recommendation was to purchase the Pax PWM100 mixer due to the lower overall cost, ease of installation, and no necessary additional modifications to the reservoir, which would increase potential corrosion issues in the tank. *Commissioner Scarola moved to approve the purchase of the Pax*

PWM100 for a total cost of \$12,152. Commissioner McNabb seconded. Hearing 2 aye votes and 0 nay votes, the motion passed.

January/February 2018 Newsletter Topics: Potential topics for the upcoming newsletter were discussed.

Commissioner McNabb moved to adjourn. Commissioner Scarola seconded. Hearing 2 aye votes and 0 nay votes, the meeting was adjourned at 3:35 pm.

Respectfully Submitted By:

Signature

Name and Title

Approved at the Regular Meeting of the Board on: _____

HARTSTENE POINTE WATER SEWER DISTRICT
MASON COUNTY, WASHINGTON

RESOLUTION 2017-06

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF HARTSTENE
POINTE WATER SEWER DISTRICT, MASON COUNTY, WASHINGTON
ESTABLISHING THE PLACE AND TIMES FOR MEETINGS OF THE BOARD OF
COMMISSIONERS.

WHEREAS, the Open Public Meeting Act, Chapter 42.30 RCW, provides that the Board of Commissioners of the District shall establish the time and place of regular meetings of the Board by resolution; now, therefore

BE IT RESOLVED by the Board of Commissioners of the Hartstene Pointe Water Sewer District, Mason County, Washington, as follows:

Section 1. Beginning January 1, 2018, regular meetings of the Board of Commissioners shall be held on the second and fourth Thursday of every month, commencing at 1:00 p.m., at the District Office, 772 Chesapeake Dr., Shelton, Washington, 98584. If the regular meeting date falls on a legal holiday, the regular meeting shall be held on the first business day following such regular meeting date, at the same time and place.

Section 2. If by reason of fire, flood, earthquake or other emergency, it shall be unsafe to hold the meeting at the place designated in Section 1 above, the meetings of the Board may be held for the duration of the emergency at such a place as is designated by the President of the Board.

Section 3. Resolution 2011-12, which previously established the time and place of regular meetings of the Board, is hereby repealed.

ADOPTED by the Board of Commissioners of Hartstene Pointe Water Sewer District, Mason County, Washington, at a regular meeting held on December 28, 2017.

Hartstene Pointe Water-Sewer District
Mason County, Washington

Andrew Hospador, Commissioner

Robert Scarola, Commissioner

David McNabb, Commissioner



Washington Association
of Sewer & Water Districts
EDUCATE ■ ADVOCATE ■ COLLABORATE

2018 Commissioners Workshop

Saturday, January 27, 2018
Tukwila Embassy Suites Hotel
15920 W Valley Hwy, Tukwila, Washington

SPONSORED BY



The WSRMP will sponsor up to 45 of their members to attend this workshop.



Enduris will sponsor their member's registration fee to attend this workshop.



CIAW will sponsor up to 10 of their members to attend this workshop.

For new commissioners & for those with years of experience, this workshop can help to understand those responsibilities

| | |
|-------------------------|--|
| 8:30 a.m. – 9:00 a.m. | Registration |
| 9:00 a.m. – 9:15 a.m. | Welcome |
| 9:15 a.m. – 9:45 a.m. | Jim Kuntz, WASWD Executive Director Update |
| 9:45 a.m. – 11:15 a.m. | Open Public Meetings Act and Public Records Request-New Law Update-Dawn Reitan, Attorney, Inslee, Best, Doezie & Ryder, PS |
| 11:15 a.m. – 12:30 p.m. | Ethics, Roles and Responsibilities of Commissioners and Managers, Brian Snure, Attorney, Snure Law Office, PSC |
| 12:30 p.m. – 1:30 p.m. | Lunch |
| 1:30 p.m. – 2:15 p.m. | King County Franchise Fee Update (Statewide Impact)-Eric Frimodt, Attorney, Inslee, Best, Doezie & Ryder, PS |
| 2:15 p.m. – 3:00 p.m. | Open Forum |

REGISTRATION FEE: \$100.00 (Continental Breakfast & Lunch Included!)

| | | |
|----------------------------------|---|---|
| Check if you are a member of: | | |
| Enduris <input type="checkbox"/> | CIAW first 10 member attendees <input type="checkbox"/> | WSRMP first 45 member attendees <input type="checkbox"/> |
| Name & Title: | | |
| District/Organization: | | |
| Address: | | |
| City, State & Zip: | | |
| Phone: | Fax: | Email Address(Confirmation of registration sent to this email address): |

CANCELLATION POLICY: Refunds for cancellations will be made if cancelled by January 18, 2018. Refunds will not be given for cancellations received after January 18, 2018. Substitutions welcome.

Please return this registration form and payment made payable to:

Washington Association of Sewer & Water Districts
12720 Gateway Drive, Tukwila, Washington 98168-3333
Phone: (206) 246-1299 Fax: (206) 246-1323 staff@waswd.org
Purchase Orders Accepted from Districts

For Office Use Only

Purchase Order #:
Date Paid:
Invoice #:
Check #:

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**Hartstene Pointe Water-Sewer District
Policies and Procedures
Accounts Payable**

INTRODUCTION

Unless otherwise authorized in the District's Petty Cash Account Policies and Procedures, all goods and services received by the District are paid by County issued warrant. Warrants are requested using a Voucher that shows the name of the vendor to be paid, the amount to be paid to each vendor, the District issued voucher number, the voucher date, and the signature of at least one District Commissioner authorizing the obligation of District funds.

APPROVAL

All District payments must be approved and initialed by the District General Manager, with the exception of the General Manager's pay which must be approved by a District commissioner. An approved invoice or purchase order is required for payment.

Once approved by the General Manager, each invoice or purchase order is included on an electronic voucher Excel workbook, provided by the County, and the matching District's voucher for presentation to and authorization by the Board of Commissioners. When applicable, invoices from the same vendor are combined on the voucher.

The warrants requested are also entered into the corresponding check register in the District's bookkeeping software, post-dated for the accounts payable run date the week after the voucher is due and listing the voucher number as the check number.

Once the voucher is complete, the Audit Review Form is prepared (see Audit Commissioner Policies and Procedures).

VOUCHER AUDIT AND APPROVAL

For review, the voucher packet should include:

1. District's Voucher for signature
2. Printed check register showing all of the voucher payments and the ending fund balance
3. Audit Review Form
4. Original invoices or purchase orders

Before the electronic voucher request form is submitted to the Mason County Auditor's Office, the matching District voucher must be audited and signed by at least one commissioner (see Audit Commissioner Policies and Procedures).

At the next Regular Meeting of the District Board of Commissioners the voucher is presented for approval. If approved, the voucher is signed by a quorum of commissioners.

WARRANT DISPERSEMENT

The District maintains a copy of the signed voucher and submits the original to the Mason County Financial Services office prior to or at the point of warrant dispersal. Warrants and warrant register are dispersed according to the Mason County Financial Services Accounts Payable Calendar.

Once the warrants and warrant register are received by the District, the top warrant stub is retained with the corresponding original invoice(s). The District's name, the District's vendor-provided account number (if applicable), and the corresponding invoice number (if applicable) is noted on the bottom warrant stub and submitted, with the attached warrant and any vendor-provided payment coupons, to the vendor.

The issued warrant numbers are entered in the District's check register for the corresponding payment, replacing the voucher number previously entered.

WARRANT VERIFICATION

The Audit Commissioner verifies that the warrants listed on the warrant register match the warrants requested on the retained copy of the approved voucher.

DOCUMENTATION

The final voucher packet includes:

1. A copy of the signed voucher
2. The audit review form
3. The original printed check register
4. A copy of each invoice included on the voucher
5. The warrant register provided by the County

The final voucher packet is then filed and retained for six years after the end of the current fiscal year.

Hartstene Pointe Water Sewer District 2018 Project Schedule

| Capital Improvement/Repair and Maintenance Projects | Estimated Start | Estimated Completion | Estimated Cost | Responsible Party | Progress/Notes |
|---|-----------------|----------------------|----------------|-------------------|---|
| Replace Gaseous Cl2 System | In progress | Spring 2018 | \$20,000 | GM | System/contractor has been selected. Awaiting RH2 to complete plans. |
| Well 1 Replacement | In progress | Spring 2018 | \$150,000 | GM | Drilling and testing completed November 2016. RH2 engineering completing final design. Final equipping to be completed in 2018. |
| Water system flushing & valve exercising | Annual | Dec-18 | \$ - | GM | |
| Install display board | Jan-18 | Jan-18 | \$500 | GM | |
| Influent Gate Actuator Motor Spare | Jan-18 | | \$2,000 | GM | Need to Purchase |
| Drinking water reservoir inspection and cleaning, install mixer, investigate cathodic protection repair | Nov-17 | Mar-18 | \$37,115 | GM | Cleaning/inspection completed, \$2,115; mixer quotes received, \$15,000; cathodic protection repair - need quotes, \$20,000. Cleaning and inspection should be inspected every 5 years. |
| Clean WWTP SBR | | Summer 2018 | \$6,000 | GM | Clean one basin in 2018, other in 2019. |
| Re-roof Well #1 Treatment Building | Jan-18 | Spring 2018 | \$5,000 | GM | Need to solicit quotes. |
| Refurbish Well #2 Housing | Spring 2018 | Spring 2018 | ? | GM | |
| Reservoir Repairs | | | | GM | Minor repairs as indicated in inspection report. |
| Water Lateral Lines Replacement | | | | GM | Begin investigation and planning after Water Treatment Project |
| Sewer Later Lines Replacement/Repair | In progress | | | GM | Investigating and mapping lines. Need to make a plan for complete repair and/or replacement of lateral lines. |
| Well Generator | | | \$30,000 | GM | |
| Test/Service WWTP Generator | Annual | Nov-18 | \$1,500 | GM | Applying for Credit with Cummins. Complete when Cummins is out to service Timberlakes'. |
| Install Jet Pumps | | Feb-18 | \$3,500 | GM | Also need to troubleshoot electrical |
| Install WWTP railings on stairs | | | | GM | |
| WWTP grounds cleanup | | Apr-18 | | GM | Dispose of filter media, move material back up hill, complete landscaping/terracing, divert rainwater from buildings |

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Hartstene Pointe Water Sewer District 2018 Project Schedule

| Policy/Procedure Development Projects | Estimated Start | Estimated Completion | Estimated Cost | Responsible Party | Progress/Notes |
|---------------------------------------|-----------------|----------------------|----------------|-------------------|---|
| Update Water System Plan | 2016 | Ongoing | \$0 | GM | DOH has approved the District changing to a Small System Plan. Will begin working on updates to current plan after water treatment plant upgrade. |
| Asset Management Inventory | Ongoing | Ongoing | | GM | Build inventory of Assets |
| Emergency Management Plan | In progress | Jan-18 | | GM/Board | |

| Accounting/Administrative Projects | Estimated Start | Estimated Completion | Estimated Cost | Responsible Party | Progress/Notes |
|--|-----------------|----------------------|----------------|-------------------|---|
| Closeout Water Treatment Project & Loan Contract | in progress | | \$0 | AAS/GM | Contractor working on punch list, O&M manuals, as-builts and facility signage. Filtration facilities under going optimization for contaminate removal for WSDOH project signoff. |
| Update Filing Systems | in progress | Fall 2018 | | AAS | A partial file inventory has been started. Need to make copies of all essential records for storage off-site. District has a climate-controlled storage unit for long-term storage of records. Need to investigate cloud solutions for electronic records database. |
| Change to New Lockbox Service | Feb-18 | May 2018 | | AAS | |
| District 10th Anniversary Celebration | | June/July 2018 | | AAS/GM | Host customer celebration/outreach including activities, demonstrations. |

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