

**HARTSTONE POINTE WATER-SEWER DISTRICT
REGULAR MEETING
DISTRICT OFFICE 119 E LIBERTY RD SHELTON WA 98584
August 1, 2024 1:00 P.M.**

AGENDA

1. Call to Order
2. Roll Call
3. Subscriber Remarks
4. Correspondence
5. Present Agenda
6. Minutes of the July 18, 2024 Regular Meeting (2-3)
7. Minutes of the July 27, 2024 Special Meeting (4-5)

REPORTS:

8. Commissioner Reports
9. Financial/Administrative Report:
 - Bills to Be Authorized:
 - Voucher 2024-31
 - Voucher 2024-32
 - Bills to Be Reviewed:
 - Voucher 2024-30
 - Monthly Financial Report: June 2024 (6-7)
10. General Manager's Report (8)

BUSINESS:

11. Commissioners & General Manager Sign Employment Contract
12. Review of Cross Connection Control Policy (9-13)
13. Accept Nomination(s) for Vacant Commissioner Position #2

OLD BUSINESS

**HARTSTENE POINTE WATER-SEWER DISTRICT
REGULAR MEETING of the BOARD OF COMMISSIONERS
July 18, 2024
DISTRICT OFFICE 119 E LIBERTY RD SHELTON WA 98584**

MINUTES

PRESENT: President E. J. Anderson (via telephone), Secretary S. Swart, Audit Commissioner Carl Anderson (via telephone), General Manager (GM) J. Palmer, Project & Accounts Manager (PM) J. Sartori

CALL TO ORDER: The meeting was called to order at 1:02 pm

SUBSCRIBER REMARKS: One subscriber present

CORRESPONDENCE: No correspondence

PRESENT AGENDA: *Commissioner Swart moved to adopt the agenda. Commissioner E.J. Anderson seconded. Hearing 3 aye votes and 0 nay votes, the agenda was adopted as presented.*

MINUTES:

The minutes of the July 11, 2024 special meeting were presented. *Commissioner Swart moved to approve the minutes. Commissioner C. Anderson seconded. Hearing 3 aye votes and 0 nay votes, the minutes were approved.*

REPORTS:

Commissioner Reports:

- Commissioner C. Anderson talked about a meeting he had with Matt M. with Century West Engineering and GM
- Commissioner Swart received a reminder of Oct. *Imagine A Day Without Water* campaign
- Commissioner Swart noted an AWWA posting of support for low income water assistance

Financial/Administrative Report:

- Bills to Be Authorized:
 - Voucher 2024-29 in the amount of \$32,413.07 was presented. *Commissioner Swart moved to approve voucher 2024-29 in the amount of \$32,413.07. Commissioner E.J. Anderson seconded. Hearing 3 aye votes and 0 nay votes, the voucher was approved.*
- PM noted that the second quarter, 2024, Payment Request/Progress Report is expected to be approved by WA Dept. of Ecology and nutrient-related reimbursable expenses totaling \$2,349.50 from that period will be deposited in the District's 010 Operating Account.

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

President E.J. Anderson called for a pause to the GM report for a scheduled teleconference call with Matt M. with Century West Engineering

Meeting with Century West Engineering: Matt M. with Century West Engineering provided updates to the Wastewater Infrastructure Rehabilitation Project and discussed with Commissioners the upcoming public hearing.

General Manager’s Report Part II: GM concluded his report on the current state of the District

BUSINESS Part I:

Adopt Resolution 2024-03, Passing the Supplemental 2024 Budget: *Commissioner C. Anderson moved to adopt Resolution 2024-03, Passing the Supplemental 2024 Budget. Commissioner E.J. Anderson seconded.* PM discussed the reasons passing a supplemental 2024 budget are necessary. Commissioner Swart noted a correction to fix revenue rates to reflect the budget that was passed in November 2023. *Hearing 3 aye votes and 0 nay votes, Resolution 2024-03 is adopted with the noted amendments.*

Approve Well #2 Project Contract: *Commissioner Swart moved to approve the Well #2 Contract. Commissioner C. Anderson seconded. Hearing 3 aye votes and 0 nay votes, the contract is approved.*

Approve & Sign General Manager Contract: *Commissioner Swart moved to approve and sign the GM contract. Commissioner C. Anderson seconded.* Commissioners and GM discussed and agreed to make minor edits. *Hearing 3 aye votes and 0 nay votes, the contract is approved as amended. GM to review the approved contract in preparation for negotiation & acceptance at the next regular meeting.*

Prepare for July 27, 2024 Special Meeting: Commissioners agreed that this was discussed at length during the teleconference call and that no further discussion was needed.

OLD BUSINESS:

Safety Policy: Commissioners tabled this until GM has time to craft a safety policy specifically for the District and staff

Water Board Bible: Commissioners discussed whether or not to continue discussing *Water Board Bible* chapters at meetings or agree to read independently. Commissioners tabled this until a new commissioner is sworn in.

BUSINESS PART II:

Accept Commissioner Resignation: Commissioner E.J. Anderson submitted his written resignation, effective 7/31/24, which the Board accepted with regret.

Accept Nomination(s) for Vacant Commissioner Position #2: Commissioners tabled this until the next regular meeting, as the position is not presently vacant.

Commissioner C. Anderson moved to adjourn the meeting. Commissioner E. J. Anderson seconded. Hearing 3 aye votes and 0 nay votes, the meeting adjourned at 2:50 pm.

Respectfully Submitted By:

Signature

Stacy Swart, Secretary, Commissioner #3

Name and Title

Approved at the Regular Meeting of the Board on: 8-1-2024

HARTSTENE POINTE WATER-SEWER DISTRICT
REGULAR MEETING of the BOARD OF COMMISSIONERS
July 27, 2024
HPMA CLUBHOUSE 202 E POINTES DR E SHELTON WA 98584

MINUTES

PRESENT: President E. J. Anderson, Secretary S. Swart, Audit Commissioner Carl Anderson, General Manager (GM) J. Palmer, Project & Accounts Manager (PM) J. Sartori, Matt M. & Ron W. with Century West Engineering

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

SUBSCRIBER REMARKS: There were about 20-25 subscribers present in-person and via teleconference

Updates to the Wastewater Infrastructure Rehabilitation Project: Matt M. and Ron W. from Century West Engineering presented project updates and fielded questions.

A subscriber asked if there was going to be interruptions of service at the homes whose sewer lateral would be worked on. Matt M. noted that such interruptions are not anticipated, but in the case where there would be an interruption, it would be brief and anyone affected would be notified.

A subscriber asked if the bluff relocation portion of the project would be prioritized early on in the overall project. Matt M. conveyed that the CIPP portion of the project is prioritized in order to address the more urgent Inflow & Infiltration problems.

A subscriber asked about the purpose of a “cleanout” and will shrubs and excavation work be necessary to install where needed. Matt M. explained the purpose of a cleanout, how they are installed and the value of having one at each property. Matt further added that there is a lot of flexibility in choosing an install point where a 6’x6’ area would be excavated, so avoiding vegetation will be manageable.

A subscriber asked about how many qualified contractors are expected to bid on the project and how the project is being promoted. Matt M. shared that CWE has reached out preliminarily to qualified contractors to get an idea of the level of interest for bid submittals. Matt M. added that certain construction methods were not considered in the project design because they would exclude most contractors from bidding.

A subscriber asked what the anticipated cost per each property owner will be. Matt M. noted that each property owner would be equally affected. Commissioner C. Anderson shared that the project is being funded through a \$14M loan from the WA Department of Ecology with an interest rate of 0.4% and \$5M of that will be forgivable principal; he estimated that this will add \$80 to each owner’s sewer bill once loan repayment begins.

A subscriber asked if the loan is a “grant.” Matt M. explained that \$5M of the \$14M is “forgivable loan principal” that, like a “grant,” will not have to be repaid, but that Ecology cannot use the “grant” in this case.

A subscriber asked how Ecology determined the loan amounts. Matt M. and Commissioner C. Anderson conveyed that many factors were considered by Ecology in determining the interest rate and loan to forgivable-principal ratio, including the District's current financial status and debt service, community median income, importance of the project to the community and the state. Ecology also funds project across the state and factors in all project when determining how it allocates funds. \$5M was the highest amount Ecology was able to allocate toward this project's forgivable principal amount and the assigned 0.4% interest rate is considered favorable in comparison to other loans.

A subscriber asked about pipe bursting. Ron W. explained the differences of pipe bursting compared to CIPP lining and how it can be used as a method of pipe replacement.

A subscriber asked when the current Ecology Loan will be paid off. PM noted that the Effluent Outfall loan from Ecology will be repaid by the end of 2027.

Commissioner C. Anderson moved to adjourn the meeting. Commissioner Swart seconded. Hearing 3 aye votes and 0 nay votes, the meeting adjourned at 10:40 am.

Respectfully Submitted By:

Signature

Stacy Swart, Secretary, Commissioner #3
Name and Title

Approved at the Regular Meeting of the Board on: 8-1-2024

Hartstene Pointe Water Sewer District Monthly Financial Report - Fund Activity

June 2024

	Beginning Balances	Payments & Transfers Out	Deposits & Transfers In	Ending Balances	Fund Balance Change
Reserve Funds					
030 - Ecology Reserve	43,973.43	-	190.67	44,164.10	190.67
050 - DWSRF Loan Reserve	53,916.23	-	6,557.74	60,473.97	6,557.74
060 - Bond Fund	0.00	-	-	0.00	-
070 - USDA Revenue Bond Reserve	45,887.26	-	198.97	46,086.23	198.97
Total Reserve Funds	143,776.92	-	6,947.38	150,724.30	6,947.38
Unreserved Funds					
EFT Account - Umpqua Bank	33,337.96	(58,063.78)	72,557.01	47,831.19	14,493.23
Petty Cash Account	2,300.33	(254.40)	936.81	2,982.74	682.41
Xpress Deposit Account	4,902.55	(47,830.99)	44,839.02	1,910.58	(2,991.97)
010 - Operating Fund					
<i>Operating Investment Fund</i>	121,332.79	-	-	121,332.79	-
<i>010 - Operating Fund - Other</i>	142,467.50	(377,448.22)	385,142.45	150,161.73	7,694.23
Total 010 - Operating Fund	263,800.29	(377,448.22)	385,142.45	271,494.52	7,694.23
065 - Capital Project Account	0.00	-	-	0.00	-
Total Unreserved Funds	304,341.13	(483,597.39)	503,475.29	324,219.03	19,877.90
Committed Funds					
020 - Water/Sewer Committed Fund					
Asset Replacement Fund	36,344.37	-	-	36,344.37	-
Capital Improvement Fund					
<i>I&I Repair</i>	90,683.27	-	304.06	90,987.33	304.06
<i>Reservoir Repair</i>	110,020.69	-	-	110,020.69	-
Total Capital Improvement Fund	200,703.96	-	304.06	201,008.02	304.06
Risk Management Fund	202,945.83	-	1,957.69	204,903.52	1,957.69
Total 020 - Water/Sewer Committed Fund	439,994.16	-	2,261.75	442,255.91	2,261.75
Total Committed Funds	439,994.16	-	2,261.75	442,255.91	2,261.75
Total Funds	888,112.21	(483,597.39)	512,684.42	917,199.24	29,087.03

I hereby certify that the above statement is true.

Project & Accounts Manager

Date

Audit Commissioner

Date

**Hartstene Pointe Water Sewer District
 Profit & Loss Budget vs. Actual
 June 2024**

	<u>Profit & Loss</u>	<u>Budget v Actual</u>			
	<u>June '24</u>	<u>Jan - Jun '24 (50% of Yr)</u>	<u>Total 2024 Budget</u>	<u>\$ Over (Under) Budget</u>	<u>% of Total Budget</u>
Ordinary Income/Expense					
Income					
Non-Operating Revenue	311,855.89	794,450.39	1,355,035.00	-560,584.61	58.63%
Operating Revenue	86,689.88	543,765.25	1,080,940.00	-537,174.75	50.31%
Total Income	<u>398,545.77</u>	<u>1,338,215.64</u>	<u>2,435,975.00</u>	<u>-1,097,759.36</u>	<u>54.94%</u>
Gross Profit	398,545.77	1,338,215.64	2,435,975.00	-1,097,759.36	54.94%
Expense					
534 · Water Expenditures	9,051.03	70,105.04	378,313.00	-308,207.96	18.53%
535 · WW Treatment Expenditures	332,081.51	916,041.44	1,662,828.00	-746,786.56	55.09%
538 · Combined W/S Expenditures	27,864.22	171,865.37	379,883.00	-208,017.63	45.24%
591.38 · Leases	1,000.00	6,000.00	12,300.00	-6,300.00	48.78%
Total Expense	<u>369,996.76</u>	<u>1,164,011.85</u>	<u>2,433,324.00</u>	<u>-1,269,312.15</u>	<u>47.84%</u>
Net Ordinary Income	<u>28,549.01</u>	<u>174,203.79</u>	<u>2,651.00</u>		
Net Income	<u><u>28,549.01</u></u>	<u><u>174,203.79</u></u>	<u><u>2,651.00</u></u>		

GM REPORT FOR BOC MEETING ON 8/1/24

- WWTP flows in last 2 weeks ranged 34k to 64k
- Wells averaged 50,560 GPD
- Higher flows were on weekends
- Tree trimming around WWTP
- Safety meeting on 8/6 topic: hard hats
- Lab sample changes
- Work schedule
- CW contract
- PUD email
- EPA lead & copper requirements
- Trailer update



Hartstene Pointe Water-Sewer District Cross-Connection Control Program, Conditions of Service & Water Use Questionnaire

PURPOSE: Prevention of Contamination

Water normally flows in one direction, from the public water system through the customer's cold or hot water plumbing to a sink tap or other plumbing fixture. The plumbing fixture is the end of the potable water system and the start of the waste disposal system. Under certain conditions water can flow in the reverse direction. This is known as backflow.

Pollutants or contaminants can enter the public drinking water system through uncontrolled cross connections when backflow occurs. To prevent contamination of the public water system, the Hartstene Pointe Water-Sewer District operates a Cross Connection Control Program (CCC).

In general, the installation of plumbing in compliance with the plumbing code will provide adequate protection from contamination. However, the District requires, as a condition of service, an evaluation of your water use to help determine if there exists special plumbing that increases the risk of contamination above the normal level found in residential homes. If a risk is identified, you will be required to install a backflow prevention assembly.

To help determine if a backflow prevention assembly is required, you are required to complete the attached questionnaire which will help the District assess the risk of contamination to the public water system. Based on the results of the evaluation, the installation of backflow prevention assemblies may be required.

Conditions of Service

To remain in compliance with the District's Cross Connection Control Program all customers must adhere to the following, as a condition of receiving service.

Water service is provided based on the following terms and limitations:

1. The customer agrees to take all measures necessary to prevent the contamination of the plumbing system within his/her premises and the District's distribution system that may occur from backflow through a cross connection. These measures shall include the prevention of backflow under any backpressure or backsiphonage condition, including the disruption of the water supply from the District's system that may occur during routine system maintenance or during emergency conditions, such as a water main break.
2. The customer agrees to install, operate, and maintain at all times his plumbing system in compliance with the current edition of the Uniform Plumbing Code as it pertains to the prevention of contamination and protection from thermal expansion, due to a closed system

that could occur with the present or future installation of backflow preventers on the customer's service and/or at plumbing fixtures.

3. For cross-connection control or other public health-related surveys, the customer agrees to provide for the District's agents free access to all parts of the premises during reasonable working hours of the day for routine surveys and at all times during emergencies.

4. The customer agrees to install all backflow prevention assemblies requested by the District and to maintain those assemblies in good working order. The assemblies shall be of a type, size, and make approved by the Washington State Department of Health and acceptable to the District. The assemblies shall be installed in accordance with the recommendations given in the most recently published edition of the Cross Connection Control Manual, Accepted Procedures and Practice, published by the Pacific Northwest Section, American Water Works Association, or latest edition thereof. The assemblies shall be installed in accordance with District standards as stated in this program.

5. The customer agrees to:

a. Have all assemblies (e.g., RPBA's and/or DCVA's) that the District relies upon to protect the public water distribution system tested upon installation, annually thereafter and/or more frequently if requested by the District, after repair, and after relocation.

b. Have all testing done by a District-approved and currently DOH-certified Backflow Assembly Tester (BAT).

c. Have the RPBA or DCVA tested in accordance with DOH-approved test procedures; and

d. Submit to the District the results of the test(s) on District-supplied test report forms within the time period specified by the District.

6. The customer agrees to bear all costs for the aforementioned installation, testing, repair, maintenance and replacement of the RPBA, RPDA, DCVA or DCDA installed to protect the District's distribution system.

7. At the time of application for service, if required by the District, the customer agrees to submit a Water Use Questionnaire. The Water Use Questionnaire shall assess the cross-connection hazards and **list the backflow preventers provided within the premises**. The results of the Questionnaire shall be submitted prior to the District turning on water service to a new customer.

8. Within 30 days of any request by the District a residential customer shall agree to complete and submit to the District a "Water Use Questionnaire" for the purpose of surveying the health hazard posed by the customer's plumbing system on the District's distribution system. Further, the residential customer agrees to provide within 30 days of a request by the District a cross-connection control survey of the premises by a Washington State Department of Health certified Cross Connection Specialist acceptable to the District.

9. The customer agrees to obtain the prior approval from the District for all changes in water use, and alterations and additions to the plumbing system, and shall comply with any additional requirements imposed by the District for cross-connection control.

10. The customer agrees to immediately notify the District and the local health jurisdiction of any backflow incident occurring within the customer's premises (i.e., entry of any contaminant/pollutant into the drinking water) and shall cooperate fully with the District to determine the reason for the backflow incident.

11. The customer acknowledges the right of the District to discontinue the water supply within 72 hours of giving notice to the customer, or a lesser period of time if required to protect public health, if the customer fails to cooperate with the District in the survey of premises, in the installation, maintenance, repair, inspection, or testing of backflow prevention assemblies or air gaps required by the District, or in the District's effort to contain a contaminant or pollutant that is detected in the customer's system.

Without limiting the generality of the foregoing, in lieu of discontinuing water service, the District may install an RPBA on the service pipe to provide premises isolation, and recover all costs for the installation and subsequent maintenance and repair of the assembly, appurtenances, and enclosure from the customer as fees and charges for water. The failure of the customer to pay these fees and charges may result in termination of water service in accordance with the District's water billing policies.

12. Where the District imposes mandatory premises isolation in compliance with Washington State Department of Health regulations, or agrees to the customer's voluntary premises isolation through the installation of a RPBA immediately downstream of the District's water meter, the customer acknowledges his obligation to comply with the other cross-connection control regulations having jurisdiction (i.e., Uniform Plumbing Code). Although the District's requirements for installation, testing, and repair of backflow assemblies may be limited to the RPBAs used for premises isolation, the customer agrees to the other terms herein as a condition of allowing a direct connection to the District's service pipe.

13. The customer agrees to indemnify and hold harmless the District for all contamination of the customer's plumbing system or the District's distribution system that results from an unprotected or inadequately protected cross connection within the customer's premises. This indemnification shall pertain to all backflow conditions that may arise from the District's suspension of water supply or reduction of water pressure, recognizing that the air gap separation otherwise required would require the customer to provide adequate facilities to collect, store, and pump water for his/her premises.

14. The customer agrees that, in the event legal action is required and commenced between the District and the customer to enforce the terms and conditions herein, the substantially prevailing party shall be entitled to reimbursement of all incurred costs and expenses including, but not limited to reasonable attorney's fees as determined by the Court.

15. The customer acknowledges that the District's survey of a customer's premises is for the sole purpose of establishing the District's minimum requirements for the protection of the public water supply system, commensurate with the District's assessment of the degree of hazard.

It shall not be assumed by the customer or any regulatory agency that the District's survey requirements for the installation of backflow prevention assemblies, lack of requirements for the installation of backflow prevention assemblies, or other actions by the District's personnel constitute an approval of the customer's plumbing system or an assurance to the customer of the absence of cross connections therein.

16. The customer acknowledges the right of the District, in keeping with changes to Washington State regulations, industry standards, or the District's risk management policies, to impose retroactive requirements for additional cross-connection control measures.

The District will enforce all water, sewer and cross connection control program regulations. All property owners within the Hartstene Pointe Community are customers of the Hartstene Pointe Water-Sewer District and will abide by the governing documents, rules, regulations and resolutions of the District.

I agree to the Conditions of Service Outlined Above

Please answer the following questions and return the questionnaire to the Hartstene Pointe Water-Sewer District, 772 Chesapeake Dr. Shelton, WA 98584 no later than 30 days from the

_____.
Date Received

YES	NO	QUESTION
		Do you have any of the following:
		Swamp Cooler
		Hot Tub
		Swimming Pool
		Jacuzzi
		Underground Sprinkler System
		Drip Irrigation System
		Green House
		Solar System
		Utility Sink (with threaded faucet)
		Fire Sprinkler System
		Ghost Pipes
		Waterbed
		Ornamental Fountain
		Bird Bath
		Do you use:
		Antifreeze Flush Kits
		Insecticide/Fertilizer Sprayers
		Dark Room Equipment
		Do you or anyone in your home use a portable dialysis machine?
		Do you have a bathtub that fills from the bottom; or does not have an overflow drain and is not air gapped?
		Do you have a water softener or any other type of treatment connected to the drinking water supply?
		Do you have an auxiliary water supply on your premises?
		Do you receive irrigation water from another source?
		Does a creek, river, or spring run through your property?
		Is there 30 feet in elevation from your meter to the point of use?
		Do you have a backflow preventer on your property at this time?

YES	NO	QUESTION
		Do you have a booster pump?
		Do you have any situation that you are aware of that could create a cross-connection contamination?

Please notify the District immediately if any of the above condition(s) ever change on your property.

I agree to comply with the preceding Conditions of Service enumerated above,

Signature Date

Print Name

Property Address: _____

Home Phone Number _____, Cell Phone Number _____

Email Address: _____

Thank you for your cooperation.