

HARTSTENE POINTE WATER-SEWER DISTRICT
REGULAR MEETING

District Office

772 E Chesapeake Drive, Shelton, WA 98584

September 19, 2019 1:00 P.M.

AGENDA

1. Call to Order
2. Roll Call
3. Subscriber Remarks
4. Correspondence
5. Present Agenda
6. Minutes of the September 5, 2019 Regular Meeting (2-3)

REPORTS:

7. Commissioner Reports
8. *Water Board Bible* Chapter Review
9. Financial/Administrative Report:
 - Bills to Be Authorized: Voucher 2019-26
 - Monthly Financial Report (4-5)
 - Billing Report
10. General Manager's Report—Q & A (6-7)

BUSINESS:

11. Approve Board Retreat Agenda (8)
12. Approve Travel Expenses for Clerk to Attend SAO BARS Update Training (9)

**HARTSTENE POINTE WATER-SEWER DISTRICT
REGULAR MEETING of the BOARD OF COMMISSIONERS
September 5, 2019
District Office, 772 E Chesapeake Drive, Shelton, WA 98584**

MINUTES

PRESENT: President C. Swenson, Secretary A. Hospador, Commissioner D. McNabb, General Manager (GM) D. Carnahan, District Clerk (Clerk) J. Sartori.

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

SUBSCRIBER REMARKS: No subscribers present.

CORRESPONDENCE: Clerk noted that 389 printed invoices with newsletters were mailed and that the emailed newsletter will also be sent.

PRESENT AGENDA: Clerk requested to add Voucher 2019-25 to Bill(s) submitted under financial reports. *Commissioner McNabb moved to adopt agenda as amended. Commissioner Hospador seconded. Hearing 3 aye votes and 0 nay votes, the agenda was adopted as amended.*

MINUTES: The minutes of the August 15, 2019 regular meeting were presented. *Commissioner Hospador moved to approve the minutes as presented. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the minutes were approved as presented.*

The minutes of the August 5, 2019 special meeting were presented. *Commissioner Hospador moved to approve the minutes as presented. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the minutes were approved as presented.*

REPORTS:

Commissioner Reports:

- Commissioner Hospador noted a bottled-water marketing campaign discouraging drinking water delivered through pipes
- The board discussed a review of chapter from the *Water Board Bible*

Financial/Administrative Report:

- Bills to Be Authorized:
 - Voucher 2019-24, in the amount of \$15,516.97, was presented. *Commissioner Hospador moved to approve voucher 2019-24 in the amount of \$15,516.97. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the voucher was approved.*
- Bills Submitted for Review:
 - Voucher 2019-23, in the amount of \$4,098.39, was presented for review
 - Voucher 2019-25, in the amount of \$222.01, was presented for review

General Manager's Report

- David Carnahan presented his general manager's report on present state of the district.

BUSINESS:

Approve General Manager's Contract Amendment: *Commissioner Hospador moved to approve General Manager's contract amendment. Commissioner Swenson seconded. Hearing 3 aye votes and 0 nay votes, the General Manager's contract amendment was approved.*

Approval of Board Retreat Schedule: *Commissioner Swenson moved to schedule the September 21st board retreat from 10:00 am to 3:00 pm. Commissioner Hospador seconded. Hearing 3 aye and 0 nay votes, the board retreat is scheduled to begin at 10:00 am and conclude by 3:00 pm.*

Approve Refreshment Expense for Board Retreat: *Commissioner Hospador moved to approve refreshment expenses up to \$100 for the board retreat. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the expenses are approved.*

Commissioner Hospador moved to adjourn the meeting. Commissioner McNabb seconded. Hearing 3 aye votes and 0 nay votes, the meeting adjourned at 2:30 pm.

Respectfully Submitted By:

Signature

Name and Title

Approved at the Regular Meeting of the Board on: _____

Hartstene Pointe Water Sewer District
 Monthly Financial Report - Fund Activity

	Beginning Balances	Payments & Transfers Out	Deposits & Transfers In	Ending Balances	Fund Balance Change
Reserve Funds					
030 - Ecology Reserve	39,869.61	-	79.54	39,949.15	79.54
050 - DWSRF Loan Reserve	70,045.50	-	7,131.19	77,176.69	7,131.19
060 - Bond Fund	0.00	-	19,665.00	19,665.00	19,665.00
070 - USDA Revenue Bond Reserve	27,746.86	-	382.94	28,129.80	382.94
Total Reserve Funds	137,661.97	-	27,258.67	164,920.64	27,258.67
Unreserved Funds					
EFT Account - Columbia Bank	30,628.75	(42,221.04)	43,789.29	32,197.00	1,568.25
Petty Cash Account	1,190.75	(1,125.43)	841.80	907.12	(283.63)
Xpress Deposit Account	9,090.54	(47,446.93)	40,031.39	1,675.00	(7,415.54)
010 - Operating Fund	50,000.00	-	-	50,000.00	-
<i>Operating Investment Fund</i>	122,292.86	(72,103.75)	75,923.43	126,112.54	3,819.68
010 - Operating Fund - Other	172,292.86	(72,103.75)	75,923.43	176,112.54	3,819.68
Total 010 - Operating Fund	0.00	-	-	0.00	-
065 - Capital Project Account	213,202.90	(162,897.15)	160,585.91	210,891.66	(2,311.24)
Total Unreserved Funds	30,540.00	-	-	30,540.00	-
Committed Funds					
020 - Water/Sewer Committed Fund	69,540.00	-	-	69,540.00	-
Asset Replacement Fund	43,388.51	-	-	43,388.51	-
Capital Improvement Fund	112,928.51	-	-	112,928.51	-
<i>I&I Repair</i>	124,788.85	-	535.21	125,324.06	535.21
<i>Reservoir Repair</i>	268,257.36	-	535.21	268,792.57	535.21
Total Capital Improvement Fund	268,257.36	-	535.21	268,792.57	535.21
Risk Management Fund	619,122.23	(162,897.15)	188,379.79	644,604.87	25,482.64
Total 020 - Water/Sewer Committed Fund	619,122.23	(162,897.15)	188,379.79	644,604.87	25,482.64
Total Committed Funds	619,122.23	(162,897.15)	188,379.79	644,604.87	25,482.64
Total Funds	619,122.23	(162,897.15)	188,379.79	644,604.87	25,482.64

I hereby certify that the above statement is true.

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District Clerk

Date

Audit Commissioner

Date

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

Profit & Loss January through August 2019 Budget v Actual

	Aug 19	Jan - Aug '19 (66.7% of Yr)	Total 2019 Budget	\$ Over (Under) Budget	% of Total Budget
Ordinary Income/Expense					
Income					
Non-Operating Revenue	8,206.14	40,674.44	10,466.00	30,208.44	388.63%
Operating Revenue	62,547.38	464,620.63	689,863.00	-225,242.37	67.35%
Total Income	<u>70,753.52</u>	<u>505,295.07</u>	<u>700,329.00</u>	<u>-195,033.93</u>	<u>72.15%</u>
Expense					
534 · Water Expenditures	8,750.22	129,713.66	396,054.00	-266,340.34	32.75%
535 · WW Treatment Expenditures	18,080.60	111,686.86	259,429.00	-147,742.14	43.05%
538 · Combined W/S Expenditures	18,574.80	146,169.00	199,699.00	-53,530.00	73.2%
Total Expense	<u>45,405.62</u>	<u>387,569.52</u>	<u>855,182.00</u>	<u>-467,612.48</u>	<u>45.32%</u>
Net Ordinary Income	<u>25,347.90</u>	<u>117,725.55</u>	<u>-154,853.00</u>		
Net Income	<u><u>25,347.90</u></u>	<u><u>117,725.55</u></u>	<u><u>-154,853.00</u></u>		

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HARTSTENE POINTE WATER-SEWER DISTRICT

General Manager's Report

September 5, 2019

Main Objective: Sustainability

1. Sustainability through Asset Management

- a. Ernie Klimek and I are working together on completing a sustainability audit for HPWSD. At this point we are about 60% of the way through and will have a progress/findings update that we will present at the Board retreat on the 21st of September.

2. Sustainability through Operator Redundancy and Training

- a. I'm exploring the possibility of incorporating Evergreen Rural Water's Apprenticeship Program into our 2021 budget and beyond. I'll have a brief presentation about this at the Board Retreat as well. In short, this would mean that we would have access to potential funding and outside training help to prepare the HPWSD staff for the future.

3. Sustainability through Conservation

- a. We are closely monitoring water consumption. Our daily totals are running between 60,000 and 90,000. We believe that this high usage is the result of a sizeable leak at 127 Barnacle and an ongoing valve malfunction at Well #4.
 - i. The leak is scheduled for repair and Mont is going to get in touch with Emerson (the valve manufacturer) to set up a service time for the malfunctioning valve.

4. Sustainability through proactivity

a. Compliance: Well #4 Ferric

i. DOH Review: (September 15th-30th)

1. We have reached the review stage of the project. The DOH Regional Engineer is working through RH2 Engineer's report and will get back to us ASAP with final comments and approval.
2. Well #4 Startup: (October 1st)—*Still on target*
 - a. As soon as Well #4 has been approved, we will send out an email blast to the community letting them know that we are thankful for their patience and support and that this project is at last behind us.

b. Maintenance and : Items of Note

i. SBR#2

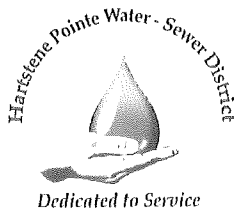
1. Jeff has been in touch with Flo-Hawks who came out and pumped down the Digester which will be used as a holding tank while we make the necessary repairs on Wastewater Basin (SBR) #2. I will have more updates on this at the October 3rd Regular meeting.

ii. Well #4 Fence

1. Joe is pulling the last bits of data together this week. I expect this project to get underway in early October.

- c. **Annual Budget: (Hopefully we'll be able to discuss some of these items at the board retreat)**
 - i. CIP (Ready for Commissioner review and approval)
 - ii. Staff Compensation (Ready for Commissioner approval)
 - iii. Operations and Expenses (Ready for Commissioner review)
 - iv. *Proposed Rate Adjustments (**hinges on the above three items**)*
 - v. *Modifications to rate structure (**Hinges on above discussion**)*
- 5. **Sustainability Through Strategic Alliances**
 - a. Washington Association of Sewer Water Districts
 - i. No new updates right now.
 - b. Hartstene Pointe Maintenance Association
 - i. I have invited HPMA to be a part of our monthly safety meeting on Wednesday the 25th. It sounds like Collin and Lloyd will be able to attend.
 - c. PUD #3
 - i. Fiber installation is moving forward: PUD #3 estimates that they are about a month away from beginning construction.
 - d. Evergreen Rural Water of Washington
 - i. I have a meeting with ERWOW's Energy Auditor on Tuesday the 24th to discuss ways that the District can decrease its energy consumption. I'll have a brief report for commissioners in October.

Submitted by David Carnahan, General Manager



Hartstene Pointe Water-Sewer District
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**HARTSTENE POINTE WATER-SEWER DISTRICT
BOARD RETREAT**

**Mason County PUD #3 Building, Johns Prairie Room
2621 E Johns Prairie Rd, Shelton, WA 98584
September 21, 2019 • 10:00 am**

AGENDA

10:00 – 10:15am	Coffee & Snacks
10:15 – 11:00am	Asset Management Presentation by Arnab Bhowmick (Aktivov)
11:00am – Noon	Sustainability Presentation by Ernie Klemick (ERWoW)
Noon Hour	Lunch (provided)
1:00 – 1:30pm	Review of Fiscal Policies and Accounts
1:30 – 3:00pm	Budget Discussion and Approval: <ul style="list-style-type: none">• Capital Improvement Plan (CIP)• Staff• Operating Expenses

Thank you, Joe!

You're all signed up for **2019 SAO Roadshow: We're coming your way.**

A confirmation email with an attached iCalendar has been sent to you.

✓ Roadshow: BARS Update




Government Name: Hartstene Pointe
Water-Sewer District
Thu., 10/31/2019 8:30am - 12:00pm
PDT
Location: Lacey Community Center

✓ Roadshow: Efficiency Toolbox

Government Name: Hartstene Pointe
Water-Sewer District
Thu., 10/31/2019 1:00pm - 4:00pm PDT
Location: Lacey Community Center

One more thing! Want to make it easier to sign up or edit your items in the future?
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