

Scatchet Head Water District

SCATCHET HEAD WATER DISTRICT (SHWD)
ISLAND COUNTY WASHINGTON

Minutes for February 27, 2024
7pm

MEETING PLACE

Scatchet Head Community Club Building, 3742 Driftwood Drive, Clinton, WA

IN ATTENDANCE:

Commissioner Lipoti
Commissioner Mach
Commissioner Mullins (by phone)

ABSENT:

None

ALSO PRESENT:

Nathan Driscoll (by phone)

COMMUNITY MEMBERS IN ATTENDANCE

Tom Peterson
Cynthia Butler

The meeting was called to order at 7:01 PM by Commissioner Lipoti. Commissioner Mach read the Land Acknowledgement.

Public Comment

Tom Peterson mentioned his water bill looked odd. Billing will be discussed later in the meeting.

Minutes

The December 19, 2023 minutes were approved unanimously.

The January 16, 2024 minutes were approved unanimously.

The January 24, 2024 minutes were approved unanimously.

Approval of Vouchers

The vouchers for the month were received. Moved by Dave Mullins, seconded by Jaci Mach, and passed unanimously. Dave Mullins questioned whether there was a reimbursement that was supposed to occur from NW Natural Water for a charge that was

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erroneous in December. That reimbursement did not happen, and Nathan Driscoll agreed to follow up on that for next month.

The Electronic Funds Transfer was approved unanimously.

The Vouchers for the Construction fund were approved unanimously.

Review of Financials

Paper copies of the financials were provided to Commissioner Mach and Lipoti during a visit of the King Water offices earlier in the afternoon, but they were not scanned and sent to Commissioner Mullins. Approval of the Financials were deferred until Commissioner Mullins receives a copy.

Accounts Receivable

The water meters were read during the week of February 15, and the results were uploaded to the software to generate the bills. However the bills were generated and mailed to all customers using the old water rates. Resolution 2023-12 was adopted in December raising the rates and these higher rates were not included on the bills. The loss of revenue due to the billing error is in excess of \$8,000. After discussion of various options to rectify the situation, Commissioner Mach moved that we have NW Natural Water issue corrected bills to all customers. Commissioner Lipoti seconded. Commissioner Mullins did not support the motion, but suggested that we pass another resolution deferring the rate increase to the second quarter. After further discussion, a vote was taken with Commissioners Mach and Lipoti voting in favor and Commissioner Mullins voting in opposition. The motion passed. NW Natural Water will rebill all customers at the rate adopted in December, and will all expenses associated with this rebilling will be borne by them. The Commissioners are aware of the confusion that corrected bills will cause, but are also concerned with ensuring that there is enough funding in the accounts to pay for the loan repayment and any additional operating expenses that may arise during construction.

The accounts receivable from before the most recent billing were reviewed and approved.

Operating Reports

Nathan Driscoll reviewed the operating reports. There is an electrical problem with the VFDs and Dylan from Jerry Beck electric who installed the VFDs will be coming to the treatment facility on February 28 to troubleshoot the issue. Booster pump #2 is running excessively, and the other booster pumps have fewer hours of operation. It would be better to even out the wear among all 4 booster pumps. There have been some customers who have experienced low water pressure due to the booster pumps not kicking on.

There is still excessive water usage due to the backwash (20%) but it is impractical to turn down the backwash further because the filter material is too old and is not

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functioning as well as it should. The filters will be replaced as part of the larger construction project later this year, which should allow the backwash to be lowered.

The next flushing event on March 14 will take longer since the water will be metered to get a better idea of how much water is lost during flushing. Flushing of the upper development will be on the first day, but flushing of Periwinkle loop will be done on the second day, along with Driftwood. During the flushing, technicians will write down the proper sizes for Storz fittings on each of the hydrants so that we can order these quick connections for use by firefighters.

Replacement of the valve on Whales Tail was postponed due to weather, but is scheduled for March 5.

The lock on the small room in the well building was removed and a new combination lock was installed. This room will be cleaned out for use as a file storage room.

Old Business

The Public Works Board sent the contract to our attorney for review. The Commissioners moved and seconded Resolution 2024-1 which finalizes the contract with PWB. We have a \$600,000 loan from PWB for a 20 year duration at 1.72% interest.

We are still awaiting the final permit before we can go out to bid for the project. Meanwhile we are working on submitting the paperwork for tribal concurrence.

Action Items – see attached

Radio Drill Statistics – see attached.

Purchasing rules were moved, seconded and adopted unanimously. They will be posted on the website.

New Business

A new contract with NW Natural Water has not yet been received. JJ Olsen has agreed to extend the King Water contract on a month to month basis until new contract language has been distributed, however, he wants to charge the new rates that were distributed at the end of December. Current cost for Operations, Treatment System Maintenance, and Documentation and Reports is \$1,313 per month. The new cost is \$1,310 per month. Commissioner Lipoti has tacitly accepted these rates for operations. There are additional charges for emergency call-outs, repairs, flushing, meter reading, etc. Current cost for Bookkeeping is \$525/month and NW Natural is proposing \$1,040/month. Current cost for billing is \$525/month, and NW Natural is proposing \$1,153/month. Commissioner Mullins has been actively seeing a new bookkeeping firm. Commissioner Lipoti posted an advertisement for a bookkeeper on the WASWD website. Commissioner Mach solicited names of bookkeepers at the WASWD conference.

Based on a recommendation from Commissioner Mullins after discussion with the Island

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County Treasurer, Commissioners Mach and Lipoti met with Branch Business Services in Coupeville on February 27. This small, women-owned business provides bookkeeping services for many businesses and water districts on Whidbey Island and is familiar with the Island County Treasurer's procedures and the audit requirements. In order to take over the bookkeeping responsibilities they need an unlocked copy of the quickbooks for SHWD on a thumb drive. SHWD would also need to have a PO box in Coupeville for correspondence. After discussion of the proposal from Branch Business Services, the Commissioners voted unanimously to approve them as our new bookkeeping service. Transition will be as soon as possible. The charge for bookkeeping is \$750/month with a one-time fee of \$300 to transfer the files and set up in their system.

Commissioners will discuss having Branch Business Services also take over billing after the current billing snafu is rectified by NW Natural Water. BBS has the capability to provide the quarterly billing at a rate lower than NW Natural and it would be charged quarterly, not monthly.

Commissioners are required to attend training for OPMA and PRA every 4 years. Commissioners Lipoti and Mach attended training at the WASWD meeting for OPMA, and there was additional training on line for 4 hours on PRA which Commissioner Lipoti took. Certificates of training were provided.

Whidbey Island Conservation District James Watson arranged for the District engineer, Chuck Gerdes, to tour the Well building property on February 9. They will provide their recommendations to the SHWD in writing, but the verbal reports were that the erosion which is occurring is slow, pictures should be taken annually so monitor the erosion, some digging out of catchment basins and pipes should occur, and there will be some recommendations for plantings that can help to uptake the excess water and keep the sediment in place with good roots.

The meeting was adjourned at 8:30PM.

Commissioner Mullins, Treasurer

Jaci Mach

Commissioner Mach - V.P.

Jill Lipoti

Jill Lipoti - President