

WEST SOUND UTILITY DISTRICT  
Minutes of Meeting of the Board of Commissioners  
Held in Office Building  
2924 SE Lund Avenue, Port Orchard, WA 98366  
Monday, August 15, 2016 5:00 p.m.

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Chairperson: Jerry Lundberg  
Vice Chairperson: Susan Way  
Commissioner: Jim Hart

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Attending: Michael Wilson, General Manager  
Brent Winters, Operations Manager  
Randy Screws, SKWRF Plant Manager  
Michael Whitehead, IT Manager  
Tracy Fantz, Asst. Finance Manager  
Ken Bagwell, District Attorney  
Dave Trageser, D.A. Davidson & Co.  
Alice Ostdiek, Stradling Attorneys at Law

The meeting was called to order by Commissioner Lundberg at 5:00 p.m.

PUBLIC COMMENTS ON NON-AGENDA ITEMS

Members of the community were in attendance.

CONSENT AGENDA

1. Approval of Regular Board Meeting Minutes of July 11 and July 20, 2016
2. Approval of Vouchers WSUD #25464 through #25570 in the amount of \$180,667.52
3. Approval of Vouchers SKWRF #13743 through #13819 in the amount of \$154,337.40
4. Approval of August 2016 Payroll in the amount of \$170,604.88

Commissioner Way moved to approve items in the Consent Agenda. The motion was seconded by Commissioner Hart; motion approved 3-0.

BOARD DISCUSSION/ACTION

Resolution #616-16, Promotion and Salary Adjustment for Robert Williams  
Tabled for Executive Session

Resolution #617-16, 2016 Refunding Bonds

Commissioner Hart moved to approve Resolution 617-16. The motion was seconded by Commissioner Way; motion approved 3-0.

Resolution #618-16, Miscellaneous Expense Funds

Commissioner Way moved to approve Resolution 618-16. The motion was seconded by Commissioner Hart; motion approved 3-0.

Resolution #619-16, Rejection of Bids SKWRF HVAC System

Commissioner Hart moved to approve Resolution 619-16. The motion was seconded by Commissioner Way; motion approved 3-0.

Discussion: 2016 Kitsap County Comprehensive Plan – Appeal to Hearings Board

General Manager Wilson and Attorney Bagwell will be continuing conversations with Kitsap County and the City of Port Orchard. They will be exploring the possibility of proposing compromises and looking at potentially filing an appeal with the Urban Grow Hearings Board.

2016 Mid-Year Budget Status Report

General Manager Wilson provided the Board with a wide overview of all the financial activities of West Sound Utility District operations and the Joint Wastewater Treatment Plant (SKWRF) through June 30, 2016. In evaluating the financial health of the District, with the exception of the wastewater utility, overall the District ended the second quarter in relatively strong fiscal condition with more than sufficient cash flow to meet the expenditure requirements of all of the funds. The wastewater utility's capital fund is continuing to struggle to generate enough revenue from new sewer connections and sufficient transfers of wastewater operating revenues to fund capital projects.

ATTORNEY'S REPORT

Attorney Bagwell had nothing to report

PLANT OPERATIONS REPORT

Plant Manager Screws reported:

- Clarifier Hydraulic Modeling – have requested HDR to provide further clarification in the Executive Summary
- Have received the Biosolids Study draft report and commented for modifications
- Storage Building: Contractor will be onsite the week of August 28<sup>th</sup> for installation of the piles and 8/31/16 is the close date for bids
- LED Lighting Project is complete and we have received PSE grant funding
- Two doors have been installed as part of the 2016 Door Replacement project
- Still working with WDFW on Karcher Creek sedimentation issues within the facility's culvert

OPERATIONS MANAGER'S REPORT

Operations Manager Winters reported:

- We are reviewing plans for Well #1 Reservoir and Well #22 Pump House construction; projects will be out to bid on August 19<sup>th</sup>
- The Fircrest Standpipe painting project will begin August 16<sup>th</sup>
- REALM LLC is working to complete relining a manhole on Arnold Ave

- The contractor for Prosperity Plat plans to finish sewer installation and then pull off the project due to payment issues
- LED Lighting Conversion Project: interior lighting is nearly complete and exterior lighting has started
- August 16<sup>th</sup> we will be installing an insertion valve on Villa Carmel Dr, valve replacement work is scheduled to take place during the night of August 18<sup>th</sup>

#### IT MANAGER'S REPORT

IT Manager Whitehead reported:

- New Office 2016 installation is completed for Maintenance and SKWRF, Admin will begin this week
- Received all the software and hardware for the Exchange Server Upgrade to Exchange 2016
- Replaced six year old iPad for the SCADA tech
- Continued maintenance on the cellular radios for the fleet
- There are two computers in Finance that still need to be upgraded
- The SharePoint server has been cleaned up in preparation for the 2017-18 budget process
- SKWRF switch replacement and SKWRF file server migration needs to be completed

#### ASSISTANT FINANCE MANAGER'S REPORT

Assistant Finance Manager Fantz reported:

- On July 28<sup>th</sup> Finance staff attended a Kitsap County accounts payable roundtable session to discuss ACH vendor payments
- Melinda Seibert of the State Auditor's Office has communicated that our next audit will likely begin in November or December
- Our GIS Specialist position is open and we are currently receiving applications, the position closes September 6<sup>th</sup>

#### GENERAL MANAGER'S REPORT

General Manager Wilson reported:

- Discussed dates for our next Board Meeting, the Commissioners approved September 12<sup>th</sup>
- We are kicking off the budget process for 2017-18
- Will be attending a WCMA conference in Walla Walla on August 17 & 18<sup>th</sup>
- Plans to continue working with Kitsap County and the City of Port Orchard regarding the recently adopted Comp plan
- Met with a group of Phillips Road property owners
- Will be meeting with Allan Martin from the City of Port Orchard to discuss fund issues

#### COMMISSIONER REPORTS

- All three Commissioners attended the SAC meeting on July 20<sup>th</sup>
- Commissioners Way and Hart attended a Section II meeting July 28<sup>th</sup>, - this included a tour of LOTT

- Commissioner Hart attended an Association meeting July 25<sup>th</sup> and had an opportunity to meet the new Executive Director Jim Kuntz.

EXECUTIVE SESSION

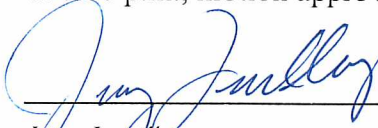
The Board of Commissioners went into Executive Session at 7:20 p.m. with General Manager Wilson and Operations Manager Winters to discuss employee performance. The Board returned to regular session at 7:25 p.m.


Resolution #616-16, Promotion and Salary Adjustment for Robert Williams

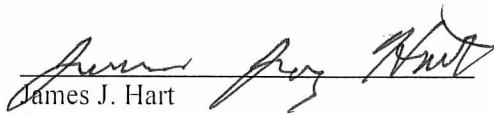
Commissioner Way moved to approve Resolution 616-16. The motion was seconded by Commissioner Hart; motion approved 3-0.

ADJOURN

Commissioner Hart moved and Commissioner Way seconded the motion to adjourn the meeting at 7:26 p.m., motion approved 3-0.

  
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Jerry Lundberg  
Chairperson

  
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Susan Way  
Vice-Chairperson

  
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James J. Hart  
Secretary

**PAYROLL AND ACCOUNTS PAYABLE VOUCHER INFORMATION  
AUGUST 15, 2016 WSUD BOARD MEETING**

AUGUST PAYROLL	91925	SEWER OPERATIONS	54,835.41
	91926	WATER OPERATIONS	53,147.64
	91927	INFORMATION TECHNOLOGY	7,106.65
	91928	SKWRF	55,515.18
	<b>GRAND TOTAL PAYROLL ALL FUNDS:</b>		<b>170,604.88</b>

**ACCOUNTS PAYABLE: DISTRICT**

District vouchers #25464 through #25465 issued 7/13/16 in the amount of \$13,169.90; and vouchers #25466 through #25503 issued 7/25/16 in the amount of \$70,279.70; and vouchers #25504 through #25531 issued 8/08/16 in the amount of \$26,537.34; and vouchers #25532 through #25570 issued 8/22/16 in the amount of \$70,680.58:

Fund 91924 - WTR/WW Rev Bond Debt Service Fund	0.00
Fund 91925 - Wastewater Operating Fund	30,753.00
Fund 91926 - Water Operating Fund	126,074.62
Fund 91927 - Information Technology Fund	20,529.90
Fund 91930 - Water Capital Improvement fund	3,310.00
Fund 91933 - Sewer Capital Improvement Fund	0.00
<b>TOTAL DISTRICT ACCOUNTS PAYABLE</b>	<b>180,667.52</b>

**SKWRF**

SKWRF vouchers #13743 through #13745 issued 07/13/16 in the amount of \$10,320.09; and vouchers #13746 through #13768 issued 7/25/16 in the amount of \$43,531.72; and vouchers #13769 through #13794 issued 8/08/16 in the amount of \$23,383.41; and vouchers #13795 through #13819 issued 8/22/16 in the amount of \$77,102.18:

Fund 91928 - SKWRF Operating Fund	124,792.52
Fund 91931 - SKWRF Capital Improvement Fund	29,544.88
<b>TOTAL SKWRF ACCOUNTS PAYABLE</b>	<b>154,337.40</b>

<b>GRAND TOTAL ACCOUNTS PAYABLE ALL FUNDS</b>	<b>335,004.92</b>
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