

***Whitworth Water District No. 2***  
***Board Meeting Minutes***  
***December 7, 2017***

***Call to Order/Confirm Quorum***

The meeting was called to order by Irene Anderson Chairperson, at 4:00 p.m. Those present were Dennis Brown, Secretary-Treasurer; Chris Johnson, Commissioner; Rick Koller, Commissioner; Chan Bailey, Commissioner; Tim Murrell, Tom McInerney, Doug Babin, Tom Davis, Ron Gillies, and District Counsel Brian Werst.

***Approve/Revise Agenda***

The Agenda was submitted, with one item added, Tim Murrell asked to add Medical Insurance Renewal to the Managers Report. Chan Bailey made a motion to approve the Agenda as revised. The motion was seconded by Rick Koller and approved unanimously.

***Review and Approve Minutes***

Chan Bailey made a motion to approve the minutes of November 16, 2017. The motion was seconded by Rick Koller and approved unanimously.

***Manager Report***

- a. 2018 Rate and Conservation Strategy Hearing** – Tim Murrell opened the hearing and discussion for the 2018 projected Budget and Conservation Strategy Plan. He indicated the hearing had been advertised as required and that he had not received any public input. The Conservation Strategy was discussed and no additional items were added to the list for 2018. Discussions followed about the specifics in the budget and a general discussion relating to water use efficiency actions the District is undertaking. Tim mentioned the premium increases for the medical insurance were also included in the Budget. Tim stated the budget is balanced as presented. Dennis Brown made a motion to approve the 2018 Budget as submitted. The motion was seconded by Chris Johnson and approved unanimously.
  
- b. New Building Bond Term Financing Acceptance** – Tim Murrell presented the new building and bond term financing to the Board. Tim said the Ron Gillies had been working very hard with the Bond financing. Tim explained to the Board the need for Resolution 17-23, which designates Ron Gillies as the District Treasurer. Ron said that he received three responses back from the request for bids we had submitted. The bank with the best proposal was Commerce Bank. Ron explained the details of the loan, a ten year loan with a fixed rate of 2.71%. A discussion about the details of the loan ensued with the Board. Chan Bailey made a motion to accept the proposal with Commerce Bank and to authorize Tim Murrell and Ron Gillies to move forward with the paperwork involved with the financing of the new building and to notify the other two banks. Rick Koller had a couple of

questions about the loan. Brian Werst answered Rick's questions. The motion was seconded by Rick Koller and approved unanimously. Chris Johnson made a motion to approve Resolution 17-23, designating Ron Gillies as the District Treasurer. The motion was seconded by Rick Koller and approved unanimously. After a discussion about the amount to bond Ron Gillies, Chris Johnson made a motion to approve Ron Gillies for a Public Official Bond in the amount of \$50,000.00. The Motion was seconded by Rick Koller and approved unanimously.

- c. Specifications** – Tim Murrell presented the final copy of the revised District Specifications to the Board. Tim talked about the changes within the handout. After a discussion about the amended language, Chan Bailey made a motion to approve the changes in the updated Specifications. The motion was seconded by Chris Johnson and approved unanimously.
- d. District Policy – Customer Payments** – Tim Murrell presented the Board with Resolution #17-22, which describes the policy for handling customer payments. Tim Murrell explained the policy and the reasons for creating the policy. After a discussion, Chan Bailey made a motion to accept Resolution 17-22, a policy related to the handling, processing, and communication related to customer payments utilizing credit cards. The motion was seconded by Rick Koller and approved unanimously.

- e. Officer Elections** – Irene Anderson opened the floor for the Election of Officers for 2018:

Chan Bailey made a motion, and nominated Dennis Brown as Board Chairman and Chris Johnson as Secretary/Treasurer for 2018.

The motion was seconded by Chris Johnson and approved unanimously

- f. Website/Logo** – Tim Murrell showed the Board the design for the Districts new logo. Tim Murrell directed the Boards attention to the wall where the projector was showing a mockup of the newly designed website. Tim said that Tom McInerney was the staff lead on the web project with the Districts consultant. Tim showed the Commissioners the highlights of the new website and explained what is left to add before the site goes live. A discussion ensued around the need of the new website, functionality and design.
- g. Holiday Office Hours** – Tim Murrell asked the Commissioners for approval to close the office on December 22, 2017 for the whole day as a "Holiday" instead of just the approved half day. Tim said that the staff had performed incredibly well through the transition of general managers. Chris Johnson made a motion to allow an extra 4 hours of Holiday pay. The motion was seconded by Chan Bailey and approved unanimously.
- h. Medical Insurance** – Tim Murrell mentioned that the District's medical insurance plan through Asuris is set to increase by 17% for 2018. A number of competitor plans were analyzed and were rejected due to either higher prices or decrease in service compared to that of Asuris. Tim stated that he and Tom McInerney have been talking with our insurance broker, and will have an all staff meeting next week to provide additional information to staff about our continuation with Asuris.

### **Operations Report**

No updates

### **Financial**

- a. Pay Estimate #4, Red Diamond Construction, 16” Water Main – Kaiser North/Costco Supply – Dennis Brown presented and made a motion to approve Pay Estimate #4, from Red Diamond Construction for the amount of \$165,345.51. The motion was seconded by Rick Koller and approved unanimously.
- b. Dennis Brown presented and made a motion to approved Payroll Vouchers 34928-34933 in the amount of \$ 26,601.48, withholding and FICA in the amount of \$10,323.81, with a net payroll of \$26,547.11. The motion was seconded by Chan Bailey and approved unanimously.
- c. Dennis Brown presented and made a motion to approved Payroll Vouchers 34934-34938 in the amount of \$ 9,628.16, withholding and FICA in the amount of \$10,245.06, with a net payroll of \$25,962.96. The motion was seconded by Chan Bailey and approved unanimously.
- d. Dennis Brown presented and made a motion to approve Expense Vouchers 34939-34975 in the amount of \$28,337.54. The motion was seconded by Rick Koller approved unanimously.
- e. Dennis Brown presented and made a motion to approve Expense Vouchers 34976-34983 in the amount of \$52,949.80. The motion was seconded by Rick Koller and approved unanimously.
- f. Dennis Brown presented and made a motion to approve Expense Voucher 34994 in the amount of \$3,314.46. The motion was seconded by Rick Koller and approved unanimously.
- g. Dennis Brown presented and made a motion to approve Construction Vouchers 1133-1137 in the amount of \$36,592.49. The motion was seconded by Chris Johnson and approved unanimously.
- h. Dennis Brown presented and made a motion to approve Resolution 17-21 calling for the transfer of \$70,000 from the Expense Account to the Construction Account and the transfer of \$65,000 from the Expense Account to the Bond Money Market Account. The motion was seconded by Chan Bailey and approved unanimously.

### **Open Forum**

Bill Pay: Tom Davis said that Tom McInerney and he set up his personal Whitworth Water account for Bill Pay. Tom stated that it processed quickly and was easy to setup.

Architecture Design – Chris Johnson mentioned that the architecture designs for the new building will be done by Christmas and that the Board’s Building Committee was pleased in the direction the effort is going. Chris pointed out the most recent building renderings on the conference room wall

Toys for Tots: Tom McInerney mentioned that the Toys for Tots drive is coming to an end on December 15<sup>th</sup>.

Christmas Party: Tom McInerney reminded the Commissioners that the Staff Christmas Party is on Friday December 15<sup>th</sup> at 11:30.

**Executive Session**

At 4:58 p.m. Irene Anderson announced that the Board of Commissioners is convening to Executive Session to discuss with legal counsel the litigation in per RCW 42.30.110(1)(i) and to review the performance of a public employee per RCW 42.30.110(1)(2)(g). The Executive Session will conclude at approximately 5:35 p.m.

Irene Anderson brought the Board out of Executive Session at 5:35 after discussing litigation in per RCW 42.30.110(1)(i) and to review the performance of a public employee per RCW 42.30.110(1)(2)(g).

Chan Bailey made a motion to approve the contract amendments for Tim Murrell as discussed in Executive Session. The motion was seconded by Rick Koller.

With no further business, the meeting was adjourned at 5:36 p.m. by Irene Anderson.

Respectfully Submitted,

Tom McInerney

---

Dennis Brown, Secretary-Treasurer