

## PSA Board Meeting Minutes

July 14, 2007

2:28PM

### IN ATTENDANCE

The 2007 Annual meeting of the PSA board was called to order at 2:28pm by president Boyd Smith

Present were: BOD members: Tim Vack, Boyd Smith, Rick Galvin, John Vitzhum, Perry Wynn, Bob Johnson, Rob Koenig, John Wardean, Larry Pazaski.

The minutes of the 2006 July 8, 2006 meeting were distributed and approved.

President's Report: Thanks to Rob K, Alan McKay, Larry P, Tim V.

Law Enforcement report Deputy Rankin from Mason County Sheriff. Presented on Neighborhood watch program and boating/water safety. Made available information on Crime/Block Watch program. Presented point of view on golf carts and non-licensed motorized vehicles on county roads. If not licensed it is illegal.

Fire Marshall Report: Craig Haugan Mason County Fire Marshall. He explained the interim fire flow standards brought in from the international building codes. All communities that are new or existing will need to adhere to the interim fire flow standards. Can be found on the county website. Explained that any change or upgrade to delivery system will have to adhere to these standards. 500 gal. per minute for 30 min. minimum, but recommend more than that. Most standards are 15,000. gal per day. We will not get proper fire flow out of our current system.

Water Hydrologist Report:

[Insert from email](#)

Water system engineer presentation: Reg Hearn from NW Water Systems. Provide water systems to over 350 systems in Washington State. He pointed out that most water system costs about \$35/month/per connection. One role is to assist Jack Fisher another role is to help board comply with Washington State regulations and stay abreast with new laws and regulations as efficiently easily as possible. They act as an advisory board to the community. We have 4" AC water mains.

AC= asbestos/cement and raised some concern as to the integrity of those mains. Currently there is no asbestos found in our water. In 1997 GoDat Engineering produced a report for PSA to stay in compliance which included a new water source and replacement of delivery system. Nothing was done. JB engineering did further reports and agreed with GoDat engineering findings and recommendations. NW Water engineers recommend the upgrades should be done to stay in compliance with the mandates of the State of Washington WAC246.2a. Recorded water usage totals 119.7 acre ft. and we are granted 120 acre ft of water right by the State of Washington. Objective of installing water meters is to monitor water usage to encourage conservation so we will bring our total usage down so we can provide water to all connections. The law mandates that we, as a small water system, serve all of its members in the water service area.

By putting in meters (which are required by 2017 anyway), constitutes us requiring to comply to the interim fire flow standards.

Explained advantages and disadvantages of having our own owned system vs. PUD1. Paradise is NOT in PUD 1 voting district.

A replacement well for well 1 is less expensive than storage and meets the interim fire flow standards.

NW Water charges now: \$495/month

NW Water would charge at full build out? Normal estimate guideline is direct cost of field technician x profit. Depends on meter placement and type. But about \$3-5 cost per meter to read.

Explained electronic water meters. Advantage is that it is easy for the meter reader.

Disadvantage is they are more expensive, they are not error free and require maintenance because they require batteries.

Where there is new construction, a water meter setter. Explained the requirement for water meters and that we won't necessarily be charged by water usage. The meters are required for conservation information by the State of Washington.

We are currently at our maximum water right usage at 119.7 acre ft. / yr. and no further connections via building permits will be granted by Mason County.

Reg read PUD1's hold harmless agreement which was presented to PSA BOD last summer. Phil Grebecki addressed the audience and is asking what the overall costs will be for total buildout? John Roney clarified why costs change by giving the example of the new fire suppression standards introduced in May of 2007.

Facilities Committee Report by John Vitzhum

Sports court is done, fence is in. The whole thing costs about \$15,000. Hut and bathrooms and building painted.. will be working on marina layout.

Vision Committee Report

Asking for volunteers and looking at redoing marina slots

Communications Committee Report

[Insert form Tim](#)

## Financial Report

Budget proposal you have in front of you. There was an increase in moorage and an increase in interest from savings. There are more expenditures proposed for marina and park expenses. Changes in water management fees.

Regarding the assessment: last year was a proposal of water upgrade expenditures not actual. 2 options were offered to pay for the upgrade. 1. to pay the entire amount or 2. to pay for it yearly over 6 years. We as the board decided to then collect funds in a phased manner to spend your money as needed not all at once. Water reserves are prudent and is collecting interest at 4.6% and have over \$106,000. in reserves. Having reserves allows us to be responsible for our water. Rick explained the prevailing wage requirements that would be used by PUD1.

We are on phase 1 of \$600 for the well and the well is in place. Where we go on to phase 2 and 3 is to do it sooner than later. How do we do this? Rick explained payment options with loans and alternate financing.

Tim Sayan asked if we could develop a program such as project share so that folks that cannot afford the water upgrade assessments could be subsidized by others.

The PSA board looked at PUD a year ago and from a financial point of view, the letter you received left out the fact that a system upgrade has to be done and that was not explained and what PUD would charge to do so.

Rick promised to find the best interest rates and that the money will be spent as judiciously as possible.

## Water Committee Report

By Larry Pazaski. Thanks to Jack Fisher for the years and years of work. The PSA BOD brought on NW Water on January 2007 who answer to us.

In Nov. 2006 we became legal owners of the Small Water Management Program assembled by JB Engineering to comply with the Washington State Department of Health and Department of Ecology. This was approved by the State of Washington. This provides us with Class A water system rights. Larry explained what a sanitary protection zone is and why our first application was failed. NW Water applied for a waiver. On May 9<sup>th</sup> some PSA members met with the office of drinking water which resulted in an additional meeting with the PSA Board and members of the community, along with Reg Hearn to clarify any questions regarding the placement of and necessity of a 3<sup>rd</sup> well and other key points including the water rights calculation. The membership was directed to read and see documentation regarding the water upgrade to the display on the fence. On June 28<sup>th</sup> we received the waiver granted for the Water safety zone. The drill has been drilled. Screening and filters will be installed the next week. Mason County went through a physical inspection and we are ready to go with our sanitary survey. Larry explained how the well replaces well #1 and how the pumping will work in alternating manner. Within several weeks after well / water testing we will be able to go to the next phase and get bids for construction.

## Question and Answer

It has been moved and seconded and carried to delete the Q & A section.

Voting on referendum, Annual budget and BOD candidates.

Meeting Adjourned at [4:57pm](#)