

# ROOSEVELT WATER ASSOCIATION, INC.

P.O. Box 345  
Snohomish, WA 98291-0345  
(360) 568-3450  
RooseveltWater@frontier.com

## ANNUAL MEETING MINUTES for the year ended 12/31/2017

February 15, 2018

The 53rd annual meeting of Roosevelt Water Association, Inc. (the Association) was called to order at 7:08 pm by President John Olsen. The meeting was held at the Monroe PUD building.

A quorum was present by the attendance of President John Olsen, Treasurer Mike Carlson, and Trustees Jim McDaniel and Orville Pearl. Also present: Secretary/Manager Janelle MacDicken and Rose Fowler. President John Olsen announced when and how the meeting notice was sent to each member of the Association.

President John Olsen asked the Board of Trustees and guests to introduce themselves. In addition to the above, five members were present.

Minutes from the February 16, 2017 annual meeting were approved as read.

**President's Report:** President John Olsen expressed appreciation for the service of Marilyn Gauthier who resigned as Trustee during the course of 2017, and for Orville Pearl who stepped forward to complete Marilyn's term of service.

Regarding the City of Monroe, negotiations continue. The Association has settled with SeaPac in the amount of \$13,060.76 as pertains to damage to our water main line on Roosevelt Road during construction of the development called Bear Mountain Estates. The Association is still in settlement discussions with Quadrant Homes, and seeks restitution of \$30,718.49.

The Association ended 2017 with 1135 connections and anticipates adding up to 200 more members over the next two or three years. Those seeking a connection must purchase a membership, pay a water meter/connection fee and a capital improvement fee. Large developments generally pay for an improvement to the system such as new pipe to replace, extend or upgrade the old line.

Financial protocols put into place several years ago are working well. The Association is in a good financial position, which will be covered in the Treasurer's Report below. Many thanks to the Trustees for the time and effort put in managing the Association's business.

Pump station, new water tank/reservoir and anticipated growth – see Manager's Report.

Water rate increases will be discussed by Trustees at the Annual Reorganization meeting in about two weeks. The Association anticipates a modest rate increase of about 2% before summer. If you see anyone taking water from one of our hydrants, please call. Often they have permission/have paid for the water, but sometimes they don't. Businesses such as hydro seeding companies are required to pay for the water they use. Better to call than assume they have permission! Also, please call if you notice any water bubbling up from the ground or if your water pressure suddenly drops – it could be caused by a leak.

**Treasurer's Report:** The 2017 Treasurer's Report was presented by Mike Carlson. As the CPA firm was not able to complete a full Financial Statement in time for this meeting, data presented is based on information recorded in QuickBooks. The current balances of Association funds in various local banks in Certificates of Deposit, Money Market and Checking accounts and an investment firm (CD's and bonds only, no stocks) total \$1,331,515 which is down from last year by \$17,723. At the end of 2017 the Association had drawn \$2,206,375 on the loan. Due to the state legislatures delay in passing the state budget, loan funding for the planning and construction of the new pump station and reservoir was not available for part of 2017, so funds were spent from savings/reserves. A budget deal was finally reached and loan funding is available for 2018. Expenses for the year ended 12/31/17 were \$369,137 which is 5.7% less than what was budgeted for, excluding draws on the revolving fund loan from the state for planning and construction of the new pump station and water reservoir.

With the added burden of administration duties for Manager Janelle MacDicken during the planning, permitting, site acquisition and construction of the Pump Station and Water Reservoir projects, as well as the new developments planned within the Association, a third full-time employee was hired. This ensures two people can always be in the field as is necessary when working on the water system. The added expense of a full-time employee over a part-time employee as needed was offset by hours charged to new developments installing water systems and pipe in new plats. We must have someone on site as work is done to ensure it is up to the Association's specifications because it will become part of our water system when complete.

Water losses this year were at 9.53%, which is still below the 15% level that the Department of Health says is acceptable. After factoring in the flushing of hydrants and new lines installed, the rate drops to 3.81% which is likely caused by breaks or leaks in the system.

The Association is in good financial health, and has planned for the future well with an eye to the construction loan repayment. We continue to make improvements to and/or replacements of the water lines and equipment as needed. This proactive approach will ensure the Association remains healthy, both financially and in infrastructure, to serve future generations while keeping water rates reasonable. We continue the policy of keeping a reserve to cover at least 3.5 months of expenses, which currently is just under \$100,000.

Thank you, Janelle, for continuing to do a great job managing expenses and ensuring the budget is adhered to as closely as possible. A copy of the Treasurer's Report is filed as part of these minutes.

**Manager's Report:** The 2017 Manager's Report was presented by Janelle MacDicken which will be filed as part of these minutes. The total number of services at year end was 1135. Six new services were added in 2017, but 1 service was lost.

A major highlight in 2017 was the completion of the 710 Zone/Booster Pump Station in June. This station provides adequate pressure to properties in the higher elevations and will also provide water out of the existing tank to the lower service area in the event of a short term service disruption from the City of Everett line. The Dept. of Health has allowed the Association to add 200 additional customers due to the increased service ability of the new station.

Pump Station 1 was also upgraded in 2017. It had not been operating at peak efficiency and will now provide constant pressure to the homes it serves in the event of a high demand downstream, such as high usage for water during a fire, or in the event of a mainline break. The new water reservoir project is proceeding slowly; the land easement is secure, design and public hearings are complete, yet the County is ever in need of more information in order to secure permits. We remain hopeful this project will be completed in 2018.

The Association continues to make improvements to existing infrastructure and lines, some of which is done by developers building within our service area. 1260' of new main line was added to serve the 14 new homes to be built in 2018 as the Windsor Park development (Trombley & Robinhood.) The water line was extended to 116<sup>th</sup> St SE where another six 5 acre parcels are being built upon (Trombley Heights.) The developer will be required to tie into the Windsor Park and upgrade the old 6" AC water main line with new 8" DI line. Snohomish Golf Course Estates, 28 homes planned, (88<sup>th</sup> & 159<sup>th</sup>) added 4500' of new main and also upgraded 1100' of water main on 88<sup>th</sup> and 1800' of 6" PVC in Homestead Estates. The Association has also upgraded several air vacs by raising them up to conform to Dept. of Health standards.

The annual exercising of valves in preparation for flushing (March and April) has been complete. Flushing will begin following the City of Everett water main shut off scheduled for February 28 and March 1. Notifications and requests for extreme conservation and patience for these two days have been going out. Keeping customers informed is a priority, so please ensure we have current contact info for you (phone, email, etc.)

April is time for annual backflow test reporting. If you need info on whether or not you are required to have backflow testing done, please contact us by email or phone.

Drew Zissel has been hired on staff to assist Sam Nicholls and manager Janelle MacDicken in daily operations of the Association. Mike Carlson continues in his capacity of maintaining the customer alert list, website, and tasks associated with the State Revolving Fund loan (Booster Station/Reservoir projects.) Vicki Goetz handles billing, member payments and updating customer information, and Rose Fowler handles bookkeeping duties.

**Elections:** The Trustee terms of April Farrimond and Clarence Prins have come to an end. The Nominating Committee (Mike Carlson) proposed the names of April Farrimond and Clarence Prins as nominees for three year terms as Trustee. Nominations from the floor were requested, none were heard. A voice vote elected the nominees to new three year terms as Trustees.

**Old Business:** None

**New business:** None

Hearing no additional new business, President John Olsen entertained a motion to adjourn the 52nd annual meeting. The motion was heard, seconded and carried. The meeting adjourned at 8:08 pm.

Respectfully submitted,  
Rose Fowler  
Recording Secretary