

**Welches Water Company
Board Work Session
Saturday, February 1, 2024
11:00 a.m. - 3:00 p.m.
27260 E Elk Park Rd (Skenderian/Schuberg's home)
Minutes**

Meeting called to order: 11:05am

Attendance:

Board Members: Maggie Skenderian, Randy Stephens, Lucas Moore, Jaye Miller
Consultants: Jeremy Tower, Jayme Wantowski

Loan

The current loan application request \$229K. Timing of project activities; early summer 2025 drill new well and Jeremy to pick up 2 new water tanks in California, summer 2025 install and hook up new treatment building, fall 2025 install 3 new water tanks at spring location.

Treatment Building Workplan

Maggie will provide a project scope and schedule to the board. Estimated project schedule; early summer 2025 drill new well, Jeremy to pick up 2 new water tanks in California, build treatment shed: summer 2025 install electric line and connect electricity to new treatment building, fall 2025 install 3 new water tanks at spring location and bring system online.

Specific items mentioned, No-Rise analysis from AKS, EID from Pacific Habitat, County Land Use application for Miller and Weidenweber properties, drill well, and Bull Run Electric for power, OHA requirements, Plan Review.

Treatment Building will come from Ridgeview Mini Barns 10'x12'. Forest green steel. Single slope roof with commercial man door. A lockbox will be installed for keyed access. We will have a locking handle and deadbolt. The building should take one week to install. Tanks have a one-week lead time. Jeremy will be able to pick up tanks in California and bill WWC for his time and expenses because it is extremely costly to have the tanks delivered by the vendor.

Meter Installation Workplan

There are 3 properties without meters; 1) B&B home on Birdie Lane (Emmerling) with missing meter, 2) residence at 26711 E. Welches Rd (Kaster) where the meter cover was paved over with blacktop, and 3) rental at 26701 E. Welches Rd (Kaster) with a missing meter Options for resolving these situations include: 1)Add meters within the structures and ask the owners to send picture of the meter read-out each month. 2)Wait until Birdie Lane's main is replaced and put in the meters at that time (smart meters). Installing these meters will be included in the Master Plan to be done by 2030. Until we get the meters in, we will average the members monthly usage and bill the three properties based on the average use for all WWC customers per quarter.

Birdie Lane Water Rights

A potential buyer for the Kipp property on Birdie Lane contacted Jeremy in December asking about the potential for water service from WWC. Jeremy has not received any follow up inquiries since that initial communication. After looking into the records, Jeremy found that the WWC membership for the Ronald Kipp property was sold to Asa Mueller in 2004 for use on the lot across the street. The Kipp property has its own operational well so they did not need water service from WWC. The Kipp property has paid annual membership fees to WWC since 2005. Maggie will contact our attorney for his recommendations on how to move forward.

Weidenweber Easement

Discussed the history of the Weidenweber easement. Revised easement for the Weidenweber property was purchased in 2014 and additions to the easement in 2017. Jaye will scan in the Weidenweber documents and add it to our document's depository.

Operating Budget

In working with Jayme and Maggie, Randy revised the FY25 Operations budget with expenses that had not previously been included. The current Operating Budget is \$57K for FY25 is higher than prior years (\$38K FY24) in part because it captures expenses that were either unknown, unaccounted for or re-occurring / one-time expenses (e.g. cyber security, website hosting and maintenance, 5-yr SAM registration). We anticipate that FY26 budget will be reduced with less of Jayme's time needed to revise records and the one-time \$3K cost for SAM covering the next 5 years. Jayme will send out the check registrar information.

Master Plan

We discussed the need to apply for loans and grants to cover Capital projects. Our rates are very low, especially compared to other small, local water districts. We will not be able to fund future Capital Improvements through our current income. It could be possible to institute a Special Assessment for Automated Meters which cost approximately \$375.00 each. This topic needs more research on potential funding opportunities. Maggie provided examples of various studies, inventories and very large projects that have been funded through the State Revolving Loan Fund. She is in the process of contacting some of the folks who've been funded for work similar to what WWC has in our Capital Projects Master Plan to see if they can share budgets, SOWs or other information that could be helpful to us.

Rate Considerations

WWC user fee of 3 cents/gal is the lowest usage rate in the area according to Jayme. The average user rates for other districts according to Jayme are \$0.07 to \$0.21 cents/gal. The WWC base charge of \$33/month is also lower than other districts that range between \$35 to \$80/month. Our closest water district neighbor (Salmon River) has a usage fee of \$0.06 cents/gal and base rate of \$52/month. We may need to have a rate study done to document data to bring to our members should we need to make rate changes. This work could potentially be funding through a loan or grant.

Website

The consensus is to update the website at a lower cost and defer the higher cost for refreshing the entire site (approx. \$6500 saving). Yearly cost to have NW Media Collective to maintain website without refresh would be \$1069/yr after 2025. We can reduce the web domain portal fee cost provided by Dream Host from \$571.73 for full range of services to \$17.99/year for the domain name. Since we are not going to have online bill pay, Jaye requested to get a 2nd bid. Jaye will work on finding a second bid.

Billing Issues/Options

Due to significant inefficiency, Jayme requested we pause Online bill pay. We are her only water district using Online bill pay and it is difficult to track if/when WWC has received the money from the different payment platforms with different services fees. There was an agreement that for the next quarter the only option will be to pay by check. Member can be notified of this pause in electronic payment in April. Jayme requested having quarterly statements and breaking up the Annual fee (\$400.00) into quarterly amounts.

Recordkeeping/Email Accounts

Suggested we ask the web designers to include email options as part of their design.

Board Recruitment/Succession Planning:

Maggie will take the 6 contacts provided by the group and contact them to see if they will join the board.

Review Board To-Do List:

Next meeting Feb. 15th

Maggie to send Board a checklist for upcoming Treatment building, Well, and Tanks.

Maggie will provide updates on loan as soon as available.

Maggie will provide updates from the lawyer on Kipp/Mueller at the next meeting.

Randy to update Operations budget and draft Master Plan to reflect updates.

Jaye will scan Weidenweber documents, Kipp/Mueller letter and Ray's loan calculations from 2020.

Jaye to find another Web hosting and design company and provide information before next meeting.

Pause Online Bill pay from website.

Maggie to contact possible new board members.