

## TREASURE ISLAND COUNTRY CLUB

**MINUTES OF THE BOARD OF TRUSTEES SPECIAL MEETING held September 4, 2014**, at the Grapeview Firehall/Horton Community Center, 4350 East Grapeview Loop Road, Grapeview, WA. The meeting was opened at 5 PM by President Mike Croke and attended by Larry Grumme, Roger Hansen, David Madson; Morina Dustan, Marta Brown, and Ken Sanberg were absent. Also attending were members Linda Pryor, Daryl Axelson, Rod Wilkinson, Jack McLauchlan, and Marilee Fawcett.

President Mike Croke stated the primary purpose of the meeting was to discuss the Water System Renovation Plan prepared by Gray & Osborne's consulting engineers with the objective of developing a plan for the an Informational Member Meeting that would include a recommendation from the Board based on an in-depth study of the report.

The Trustees agreed to move Other Business forward on the agenda.

### OTHER BUSINESS

A subscription for the online version of Quickbooks that was recommended for the Association can only be purchased with payment by credit card; payment by mail will not be accepted. **MOTION** to approve of Mike Croke or David Madson submitting an application in the Association's name for a credit card with a \$1,000 limit, with Mike Croke and David Madson authorized to approve of charges made to the card, was made by Roger Hansen, seconded by Larry Grumme and passed.

**MOTION** to approve of hiring consultant, Nita Easley, at a cost of \$35 per hour to assist Executive Secretary, Linda Pryor, with setting up the Association's accounts on QuickBooks and providing instruction for its use was made by David Madson, seconded by Larry Grumme and carried.

### WATER SYSTEM RENOVATION PLAN

Water Commissioner, Larry Grumme, provided a report for Board discussion. He included an overview (with his pros and cons) of the engineer's recommendations from the Water System Renovation Plan developed by Gray & Osborne. Three major projects were recommended - water reservoir seismic stabilization, installation of a pressure booster station, and installation of water mains to provide fire flow capability.

Water Reservoir Seismic Stability – The estimated cost for this project is \$253,000. Larry reported the reservoir was designed in 1967 and does not meet the current seismic structural codes (International Building Code and American Water Works Foundation). The anchor bolts anchored to the foundation are overstressed by 600%, there are an insufficient number of anchor bolts and the foundation is undersized.

Pressure Booster Pump – The estimated cost for this project is \$572,000 if the pump is housed in a new building (recommended by G&O) or \$382,000 if it is on a skid. This upgrade would increase residential water pressure from a minimum of 20 psi (about 50 psi maximum at low elevations) to a minimum of 30 psi (about 60 psi maximum at low elevations). The current system is grandfathered by the State Department of Health at 20 psi. Increasing residential water pressure is not a requirement, but this upgrade is required to obtain a higher fire flow capability.

If the seismic stability upgrade is initiated concurrently with the pressure booster pump upgrade, some piping connections to the reservoir piping could be done while it is down for seismic upgrades and a cost savings of \$5,000 to \$10,000 may be expected. Gray and Osborn recommended doing the seismic upgrade and pressure booster system at the same time however they are for the most part separate projects and could be completed that way.

Fire Flow Capability – There are three options for this upgrade to increase fire flow capabilities. 1.) Install 8" lines for 1,000 gpm (recommended by G&O) at a cost of \$1,156,000. 2.) Install 6" lines to get 1,000 gpm at a cost of \$1,376,000. 3.) Install 6" lines for 500 gpm at a cost of \$769,000. These upgrades also require the residential pressure booster pump upgrade to achieve the fire flow capabilities.

The current distribution system was designed (in 1968) to provide 400 gpm. A recent test of the seven fire hydrants on our system determined that they ranged from 400 to 800 gpm. Mason County code currently requires 500 gpm and the International Fire Code requires 1,000 gpm. Because our water system is grandfathered it, it does have to meet these current codes.

The new lines are intended to provide fire flow to the hydrants as an addition to the existing distribution system. The 8" water main project would replace about 2,910 feet of our existing mains or about 15% of our water distribution system. With the exception of the segment related to the 8" lines, the existing distribution lines would not be replaced.

The floor was opened for questions and comments.

A suggestion was received to look into earthquake insurance for the reservoir until such time as the seismic upgrade is completed.

An existing option for members with low pressure is to install an individual pressure booster on their own residential system for an estimated cost of \$700 plus installation.

The total cost to complete the seismic stability, pressure booster pump, and 8" line to upgrade fire flow would be \$1,981,000.

Larry Grumme and Roger Hansen recently met with Debbie Harper of the USDA Rural Development to discuss possible funding options. Larry noted that the Club may not qualify for a USDA grant because of our low water costs and high household income. The USDA also offers a low interest loan program; phased projects can be funded through this loan program, borrowing in increments as the projects are initiated over a number of years. Low interest loans are also available through Washington's Drinking Water State Revolving Fund.

More study and discussion is needed with regard to the feasibility of the upgrade options before presenting a recommendation to the membership; the various scenarios for funding any or all of the upgrades should be researched and analyzed to determine the most cost effective approach; it's possible that financing with a low income loan would cost less per member on an annual basis than increasing the contribution rate to the Asset Replacement Fund to finance the projects. A study session to develop a plan for proceeding was suggested.

#### ADJOURNMENT

Mike Croke adjourned the meeting at 6:05 PM.

Written by Linda Pryor/Executive Secretary