

Holmes Harbor Water Company, Inc. (HHWC)
Minutes of the Board of Directors Meeting
Saturday, March 19th, 2022

Open the HHWC Meeting:

- Holmes Harbor Water Company President Nancy Sharp called the meeting to order at 9:52 am on March 19th, 2022.
- This meeting was conducted via a Zoom meeting due to COVID restrictions.
- This meeting was not recorded.

Roll Call:

HHWC Board members in attendance:

- Nancy Sharp, President
- Cyndy King, Vice President
- David Paull, Treasurer
- Lydia Sikes, Secretary
- Sharon Dunn
- Rick Waclawik

Excused absences:

- None

Holmes Harbor Residents in attendance:

- None

Review Agenda:

- The March 19th agenda was reviewed and accepted.

Approval of the January 15th and February 12th HHWC Meeting Minutes:

- The January 15th and February 12th Special HHWC Meeting Minutes were approved unanimously.

CONSIDERATION OF OPEN ISSUES

Treasurer's Report: David Paull

- Treasurer's Report was sent out to all Board members before the meeting.
- February Treasurer's Report was previously approved via email.

- March Treasurer's Report and payment of bills was approved unanimously.
- KWC invoice Amount due of **\$9,887.37 (20H)** includes the tax of all taxable items in the entire invoice but does not break down the total cost including tax on each Work Order. As a result of HHWC needing to break these items into expense categories, there arises a \$0.32 tax discrepancy, which David then adjusts accordingly, spread out to each category, as he has done in the past, in order for our books to balance.
- WO #22991 is for the heat strip installed on the storage tank drain pipe. Apparently the strip is ours to keep and is still wrapped around the pipe. *(See pump house report below.)*
- KWC invoices need to somehow be broken down for installation costs, so that we can bill the property owner for their costs. Current documented estimated cost is \$1200-1700, which needs to be updated for inflation. David suggested \$3500 as a top range. Also, the current DCVAs have been billed but are not yet completed. Nancy will contact King Water Company regarding the installation breakdowns and the parts billings. Can we perhaps get a standard cost? Then a change in the estimate will need to be made and changed on the website.
- TAXES
David intends to complete the 990 tax questionnaire sent to him by Dale Offret by the end of the month. Nancy will need to sign it. We can return it as an attachment to an email, but will also send it by snail mail.
- There will be a King Water Company cost increase, of 15% for the renewal contract in April. *(see attached letter from KWC)*

Repiping Report - Nancy Sharp

Update on remaining work and funds status:

- Well #1 pump:
USDA approved the change order for well #1 pump installation by Dahlman. On 3/16, Dahlman received the final part required for the installation. Corey reported that they have a large job starting Tuesday, 3/22, and have scheduled the work for HHWC after that.
- Cyndy will be doing the ceiling work in the Well #1 pump house on the hatch which needs to be cut out of the ceiling to allow the hatch to be fully open.
- Approval of Change Order for Well #1 pump replacement, was done via email.
- Should Heat Strip be removed on outflow pipe? Cyndy has unplugged and removed the extension cord already. Nancy will ask John (KWC).

Cyndy will look into crafting a protective cover for future cold protection.

- Operator Manual and Warranties, as well as labeling pipes: nothing yet.
- Wetland Restoration – Nancy Sharp
We have Shelterbelt's 2022 contract in hand, for \$2000 as agreed for each maintenance year. Need to vote to approve. Voted on and Approved.

Meg Amos of Marine Surveys and Assessments will make her first evaluation visit on April 6. Meg will let us know immediately after her visit if any replacements are needed to meet the USACE % survival standard. Noah's crew will not be able to get here this early in the year – their first maintenance visit will be late May/early June. If any replanting is required they will supply the plants but we will have to pick them up in Bellingham and plant them and keep them watered. At worst this would involve replacing a few woody plants.

USDA Audit Contract and Retainer – Nancy

- A-133 Audit
Sam Steele offers only vague responses to queries about when the audit will be completed. As of early March, he said he needs “a couple more confirms” (unspecified, and he has not asked for a signature on any requests) and then will complete the audit “in a few weeks” after he gets them. He has been informed that USDA will want to close out the project by mid-April and we need to have the audit done by then – three months after the date he specified in the contract. Nancy will contact Darla to ask her to reinforce the request for a mid-April delivery to USDA.

Water Testing – David Paull

- Arsenic Level
Remains at 0.0053 (*See attached report*)

Collections Update - Nancy Sharp

Payments are being kept up currently.

CONSIDERATION OF NEW BUSINESS

- Past due fees/lien on tax sale property:
Lot 10.20 on Van Dee was purchased at auction by Elise Gabelien and

her sister. After receiving the HOA dues invoice, Elise approached GBBC about paying the lien amount; she is happy to pay the dues owed but is asking for relief from the late fees assessed for non-payment by the previous owner. The boards have approved such requests in the past. The lien amount for the water reserve fund is \$745: \$445 in water reserve assessment and \$300 in late fees. Owners will not receive the water reserve fund invoice until September. Shall we extend the same offer of relief from the late fees? If so, should we ask for payment now or instruct King Water to credit the late fee amount on the September invoice? After discussion, Nancy will ask them to pay the reserve fund fees now and wave the \$300 late fees if paid now.

- Motion to approve waiver of the accumulated late fees of \$300 for Lot 10.20, if amounts for water reserve fund \$445 are paid in full now. Voted on and unanimously approved.

Member Comment

- David questioned the Farmhouse property sale becoming a B&B in which case we would need a commercial license. Cyndy noted that there is a Public Notice, recorded with IC in 1993, that HHE prohibits the farmhouse (“White House”) being used as a bed and breakfast Inn. It would show up in a title search of that property. Rick will not be able to attend the April meeting.

Adjourn Meeting

- The meeting was adjourned by Nancy Sharp at 10:46 am.

Next Board Meeting: Saturday, April 16th, 2022

Meeting minutes have been written by Lydia Sikes, Secretary of the HHWC Board.

Minutes were approved at the April 16th meeting, and a copy was put into the HHWC minute files and posted on the website.

KING WATER COMPANY
107 S. Main Street, Suite A-203
Coupeville, WA 98239
Office – (360) 678-5336
Fax – (360)678-8302

February 28, 2022

To: Holmes Harbor Estates

Proposed Contract Price Increases

Pursuant to the terms of our contract, I am requesting an increase in our monthly management fees on the renewal date in April, 2022. We have made every effort to ensure that increases are kept to a minimum. As you may be aware, our last major increase was in 2018. We have made every effort to ensure that increases were kept to a minimum, but the recent economy, gas and labor rates have taken a toll on a small company, such as ours.

Specifically, I am requesting an adjustment in our service fees effective on the contract renewal date for the suggested increase in the monthly fee of \$49.50, an increase of 15%. Your new fee will be \$382.00 per month. In addition, we are requesting an increase of \$13.25 per month for the water billing service and 8.35 for the bookkeeping; the new fees will be \$102.50 and \$67.00, respectively, a month.

If the above proposal is acceptable, the effective date will be March 1, 2022.

If you have any questions or feedback that you would like to share, please don't hesitate to call me, or to make an appointment to visit with me in person. Thank you for your business, we appreciate having you as a customer.

Sincerely,

Sandra V. Bodamer, Owner



Exact Scientific Services, Inc.

1555 Pacific Place
Suite 101

Ferndale, WA 98248

Phone: (360) 733-1205

Fax: (888) 818-2978

Email: lab@exactscientific.com

Water Chemical Analysis

174 12147

Client: King Water Company
PO Box 2243
Oak Harbor, WA 98277

Invoice Number: 22-02975
PO Number:
Project Name: Arsenic

Approved By: 

PWS Information

Date Collected: 2/23/2022
System Number: 33870
Lab Sample Number: 174 12147
Sample Location: Sample: Holmes Harbor SO3 = wells 1 & 2
Sample Purpose: Routine Compliance
Sample Composition: Samples from a single source

System Group Type:
System Name: HOLMES HARBOR WATER CO
County: ISLAND
Source Number: 03
Date Received: 2/24/2022
Date Analyzed: 2/25/2022
Date Reported: 3/3/2022
Sample Type: Post Treatment/Finished Water Sample

Sample Collected by:

DOH #	Analyte	Results	Units	SRL	Trigger	MCL	Method	Analyst
EPA Regulated								
4	ARSENIC	0.0053	mg/L	0.001	0.010	0.010	200.8_As	MH

MCL = (Maximum Contaminant Level) allowed by the State of Washington.
ND = (Not Detected) Compound was analyzed and not detected at a level greater than or equal to the SRL.
SRL = (State Reporting Level) The minimum reporting level required by Washington State Department of Health (DOH).
Trigger Level = DOH drinking water response level. System with compounds detected at concentrations in excess of this level are required to take additional samples.
< = (less than) indicates the analyte was below the detection limit.
OT = Out of Hold Time

174 12147