

**Holmes Harbor Water Company, Inc. (HHWC)**  
**Minutes of the Board of Directors Meeting**  
**Tuesday, August 20, 2024**

**Open the HHWC Meeting:**

- Holmes Harbor Water Company President Cyndy King called the meeting to order at 6:09 pm on August 20, 2024.
- This meeting was conducted via Zoom.

**Roll Call:**

HHWC Board members in attendance: There is a quorum.

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

Unexcused absences:

- None

Excused absences:

- None

Holmes Harbor Residents in attendance:

- Diana Butler (GBBC President)

**Review Agenda:**

- The August 20th agenda was reviewed.
  - The agenda was accepted with one addition – David asked us to add Report about DCVA research (looking for possible vendors who can conduct this testing), it is being added as the final item in the “Consideration of Open Issues” section (after “Insurance Renewal”).

**Approval of the July 16th HHWC Meeting Minutes**

- A motion was made to approve the July 16th HHWC Meeting Minutes, and the motion was approved unanimously.

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**CONSIDERATION OF OPEN ISSUES**

**Treasurer's Report:** Nancy Sharp

Approval of July TR

- The July Treasurer's Report (TR) was reviewed during the July HHWC board meeting, but it was not approved during the meeting. Two minor corrections were made to the July TR.
- A motion was made to approve the updated July TR and past payment of the invoices. The motion was approved unanimously.

Approval of August TR

- The August Treasurer's Report (TR) was sent out to all Board members before the meeting.
- The bills/invoices that need to be made this month include – the standard PSE invoices, Branch Business Services, Shelterbelt' final invoice, and our insurance renewal (discussed in more detail just below).
- We are still waiting to receive an email notification/invoice for our insurance coverage payment – but we know the amount that will be in on invoice, and we'll be asked to electronically sign a docu-sign document with this information. Nancy will go ahead and make this payment.
- We are still waiting to receive an invoice from Northwest Natural Water / King Water Company (NNW/KWC). Nancy contacted NNW/KWC and they are late sending out their invoice do to team member vacations. This payment will not happen until the board can review and approve payment after the invoice has been received from NNW/KWC.
- Nancy pointed out that our cash balance is high now due to transfers from our money fund account to cover our pending bi-annual loan payment to the USDA – This payment will automatically happen by

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the end of August.

- Nancy also reported that our money fund account balance is dropping quickly due to expenses running higher this year than anticipated. When our long-term CDs come due later this year, we will need to discuss how much of this money should be moved into our money fund account vs. how much can be rolled over into a new CD.
- A motion was made to approve the August TR as amended to cover our insurance payment, and to pay the remaining available invoices. The motion was approved unanimously.

Accounts in Arrears: How to Manage

- We have two accounts in arrears that owe more than a couple of billing cycles – Our board will send out a courtesy letter to these homeowners with information about pending actions that will be taken if their outstanding water use and reserve fees are not paid. NNW/KWC will send out certified letters to these homeowners to notify them when the water will be turned off if the outstanding balances are not paid.

Branch Business Services Billing Costs Discussion

- Nancy has informed Branch Business Services that we want to move forward with option 3 – to include the water reserve fund billing with the 3<sup>rd</sup> quarter water use billing.
- We've told Branch Business Services that we are tabling the discussion about using a new tablet to record meter readings and to create a file of water meter readings could then be downloaded from the tablet and used by both NNW/KWC and Branch Business services.

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Windermere Property Management Proposal (for possible replacement of Branch Business Services for bookkeeping and billing services)

- Nancy has received a proposal from Windermere Property Management for handling the HHWC bookkeeping. Nancy sent back an initial set of questions for Windemere about their proposal and they responded. Nancy forwarded this information, the proposal, questions, and responses, to the HHWC board members.
- Nancy is continuing to review the scope of the services we want them to provide to ensure we are clear on what work will be done for us and how much it will cost.
- The board agrees that we need additional time to evaluate the proposal, ask additional questions, and communicate with the GBBC board to determine if they (GBBC) are going to move to Windermere Property Management for their bookkeeping services. Windermere Property Management has indicated that the costs will be different if only one of the boards utilizes their services.

**USDA Loan Maintenance - Cyndy**

- Next USDA loan repayment is due this month, August, and will be paid automatically before the end of the month.

Wetland Restoration - Cyndy

- Shelterbelt completed their required maintenance visit on July 23<sup>rd</sup>. This was their final visit to perform the required maintenance. Payment to Shelterbelt is pending.
- Meg completed her final visit and review. She will now prepare her final report which will satisfy our wetland restoration requirements from the USDA. Nancy anticipates receiving the last invoice from MSA with a \$1000 credit for the retainer that we paid at the beginning of this contract.

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**Water Testing Report - Cyndy**

- Cyndy reported that test results have been received – for ~~chloroform~~ → choliform testing, 3 arsenic tests (two using well untreated water, and a combined test using treated water) Results were consistent with previous results and the combined treated results are within EPA limits.
- Chloride & Conductivity tests, and Static Water level testing results are still pending.
- David sent an email to Chris Kelly (Island County Hydrologist) on July 17<sup>th</sup>, at 5:54 p.m. asking him to send us information that documents the requirements for Chloride & Conductivity test, and Static Water level testing. We are still waiting for a response from Chris. We will forward this information to NNW/KWC once we receive this information from Chris.

**Calendar for HHWC tasks - Rick**

The following tasks were reviewed:

- Hydrant/Blow-Off Assembly service – April – Done on July 31st. David will order additional gaskets for future hydrant servicing. Cyndy is going to follow-up with NNW/KWC to ask them to follow-up on post hydrant blow off assembly service for homeowners who noted issues with area cleanup for previous work service work completed by NNW/KWC.
- Chloride & Conductivity test – April – pending – to be done in August.
- DCVA Testing – still pending. David continues to follow-up with other possible testing resources.
- Well Static Water level testing (August) – still pending.
- Deliver the SWL (Static Water Level) report to Island County – still pending and will be done after the SWL testing is completed.
- Renew insurance (Complete questionnaire) – In Progress – checks will go out within the next couple of business days.

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- Send Insurance Certificate to Island County and USDA – pending – (need to verify with the insurance company to ensure that they send out the certificate after the policy has been issued).
- Has KWC/NNW notified us about the pending system flush? - If no, call KWC/NNW to verify the schedule (September) – pending – David believes the fire department will do a flow test by the end of the year. The fire department has told us that we only need to do a system flush once per year given the recent updates to our water system.
- USDA Loan payment of \$17,210 automatically deducted from checking – August – pending and will go out in the next 8 days. This should happen automatically in August and the funds are in the appropriate account.
- Wetland maintenance – August (Shelterbelt) – Done.
- Wetland monitoring (MSA) – August (Shelterbelt) – Done – but we are waiting to receive the final report (should be received in October) which will be sent to the Army Corp of Engineers.

**Lead & Copper Service Line Inventory – Cyndy**

- Cyndy and Nancy completed the required report (due October 16<sup>th</sup>), but we are holding it to see if we can contact the dozen or so homeowners with old (built before 1986) homes to see if we can obtain additional information from homeowners before sending it in (to the EPA) by the required October due date. Cyndy will share with the board members before we return the report.

**System Flush & Hydrant Service – David**

- Covered during our “Calendar” discussion – see that section above for additional details.

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**Insurance Renewal – Cyndy**

- We approved making the final payment for this insurance.
- Cyndy has completed the insurance renewal forms for continuing this coverage with our current insurance provider. Cyndy will mail in the completed renewal forms in the next one to two days.

**DCVA vendor research report – David**

- David is doing additional research about possible testing resources in the area – more details will be provided by our September meeting.

**CONSIDERATION OF NEW BUSINESS**

**Board Member Comment**

- Cyndy will add an agenda item starting in September to get updates about possible options for replacing NNW/KWC as our water management company. Rick will be making additional calls to see if we can find any potential candidates for handling this work.
- Board member meeting announcement signs – David and Diana are willing to work with the signs for future board meetings.
- Nancy will be on vacation starting September 25 (until October 21) – David will handle creation of the October TR while Nancy is on vacation.
- Matt had the following comments / questions about changes he would like us to see us make as a board:
  1. Matt would like us to create a list of ongoing tasks and responsibilities. We discussed the fact that our calendar serves this purpose.
  2. Matt would like us to document action items (maybe send them out separately in addition to including them in the minutes. Rick has agreed to take on the task of documenting and sending out a list of Action Items from each HHWC board meeting and he

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will include them in the minutes.

3. Matt would like in-person meetings. This was discussed in more detail and a suggestion was made that we conduct some of our meetings in person and some via zoom. We also discussed having hybrid meetings where we offer both in person and a zoom option for board members who may not be available to attend in person.
4. Matt also commented that the volume of board related emails seems excessive – we discussed options for reducing the volumes of emails but in most cases the various replies provide additional information for board members.

**Community Member Comment**

1. None

**Adjourn Meeting - 7:42 p.m.**

***Next Meeting: September 17, 2024, at 6:00 pm***

**Action Items from the August 20 HHWC meeting**

1. Amend the agenda for today's (August 20, 2024) HHWC to include a report from David about researching potential DCVA testing vendors for our possible use to do this testing. Cyndy added this item to the agenda as the last item to be discussed in the "Consideration of Open Issues" portion of our meeting. This item is complete.
2. DocuSign a pending document from our insurance company that will detail our insurance coverage. (Nancy/Cyndy)
3. Add review of CD rollovers to the appropriate future HHWC board meeting to determine how we want to handle these funds when these CDs approach maturity.  
Nancy
4. Send out a courtesy letter to two homeowners with significant water bills (usage and reserve fees) with information about pending actions that will be taken if their

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outstanding water use, and reserve fees are not paid. This will happen in late August (with return receipt) by the HHWC board (Cyndy).

5. Follow-up with NNW/KWC to get them to send out certified letters to these homeowners of required payments and when the water will be turned off if the outstanding balances are not paid. These certified letters need to go out within 30 days of the sending of the courtesy letters to be sent out by our HHWC board.
6. Continue follow up with Windermere Property Management for handling the HHWC bookkeeping and billing services – Nancy
7. David asked Cyndy to forward his July 17, 2024, email back to David. David will follow up with Chris Kelly (Island County Hydrologist) about state requirements for Chloride & Conductivity test, and Static Water level testing.
8. Follow-up with NNW/KWC to ask them to follow-up on post hydrant blow off assembly service cleanup for homeowners who noted issues with area cleanup for work completed by NNW/KWC (Cyndy).
9. Follow up with our insurance company after our payment has been completed to ensure that they send an insurance certificate to Island County and USDA. (??)
10. We need to follow-up with KWC to determine when they plan to complete the next system flush needs to be done – October?
11. Contact homeowners with older homes (from the 1960s or earlier) to enquire about the possible presence of lead pipes. (Cyndy/Nancy)
12. Continue to research possible water management companies who would be willing to look at replacing NNW/KWC – Rick
13. Rick will take on the task of sending out action items after each meeting.
14. Board members will review Matt’s concerns (expressed during Board Member Comments) and capture possible responses/suggestions to his concerns/suggestions.