

Holmes Harbor Water Company, Inc. (HHWC)
Minutes of the Board of Directors Meeting
Saturday, August 19, 2023

Open the HHWC Meeting:

- Holmes Harbor Water Company President Cyndy King called the meeting to order at 9:48 am on August 19, 2023.
- This meeting was conducted via Zoom.

Roll Call:

HHWC Board members in attendance: There is a quorum.

- Cyndy King, President
- Nancy Sharp, Treasurer
- Rick Waclawik, Secretary
- Sharon Dunn

Excused absences:

- David Paull, Vice President (excused absence)

Holmes Harbor Residents in attendance:

- None

Review Agenda:

- The August 19th agenda was reviewed, added the payment for and filing of the Secretary of State annual report to the Treasurer's Report (TR) agenda item. We also agreed to add an item to a review a request refund a portion of the water bill for the Sikes based on the sale of their home – this will also will be covered in the TR item of this agenda.

Approval of the July 15th Minutes

- July 15th HHWC Meeting Minutes were approved.

CONSIDERATION OF OPEN ISSUES:

Treasurer's Report: Nancy Sharp

- Treasurer's Report (TR) was sent out to all Board members before the meeting.
- An amended copy will be sent which will include the amount that needs to be paid with the filing of the Secretary of State report (\$ 20.00).

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- The bank that took our check to cover the expenses paid by David for the signage bill charged us \$1.00 over the actual check amount. Nancy will make an update in our records to cover the \$ 1.00.
- We have a CD that comes due on the 26th of August – CD current balance is \$ 25,569.83. We won't roll it over – because the current CD has a very low interest rate. Nancy suggests we put it in the checking/money market account for now. That will more than cover the next USDA bill that is coming due in September.
- The Sikes have asked for a prorated refund against what was paid on their Water bill reserve refund payment (the prorated refund will be under \$5.00). The board agrees that we approve that prorated refund for the Sikes. We should also ask NNW to bill the new homeowner to cover that amount.
- Glatfelter/Guide Insurance Renewal – Cyndy asked the board to approve allowing Cyndy to Docu sign the renewal of our insurance policy. A motion was made and unanimously approved.
- Motion 1 – approve the treasures report as amended and pay the documented bills and the Secretary of State annual report fee.
- Motion 2 – approve having NNW refund a prorated amount from Phil and Lydia's previously paid water reserve bill and to have NNW bill the new homeowners for that prorated amount.
- Motion 3 - Approve the moving of the CD amount that is maturing to our Money Market account.
- Motions 1, 2, and 3 were unanimously approved.

USDA Loan Maintenance – Cyndy King

- Nothing to report.

Wetland Restoration - Cyndy King

- Meg Amos from Marine Surveys and Assessments moved her late summer check-in to August 10th – she completed the assessment, and everything was positive. No actions required.

Water Testing Report: Nancy

- Arsenic levels from the most recent water testing were very high – higher than before we put in the arsenic treatment plant.

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- Cyndy spoke with Jeremy and Nate (NNW employees) and they will come up to review both wells and make adjustments. NNW will come over and do investigative testing. They will also schedule a cleaning of the reservoir since build ups in the reservoir can affect test results of the combined water tests. The reservoir has not been cleaned since the new lining was installed (in 2021).
- Discussed issues around NNW and their ability to properly service our water system. The board members agree that we should document (via email) the specific issues that we see with the services received from NNW. Cyndy will begin the email process. The goal would be to then have a sit-down meeting with NNW to review the issues and discuss solutions.

Calendar for HHWC Tasks - Rick Waclawik

- Nancy and the team will review due dates and will send that information to Rick – Rick will then produce a version sorted by due date.

Collections Update - Nancy Sharp

- We will ask NNW to send a certified letter to the owners of Lot 5.6 to notify them that they are no longer compliant with their payment plan and that their balances are now due in full. Nonpayment may result in turning off the water to their property. This would also result in a lien being placed against their property.
- We believe that no payment has been received since the last board meeting. Nancy will ask NNW to produce and send out the certified letter to the owners of Lot 5.6 as detailed above.

DCVA Tests with NNW: David Paull

- It's done – but no new actions for this month and no report of the results for this testing has been received.

Static Well Depth Tests per SWI Report - David Paull

- NNW now has the correct well numbers and the correct depths for each well. We still need to confirm if the results have been delivered to the appropriate government agency. Cyndy will verify with NNW.

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Repossess RTC on Shoreline - Cyndy

- Cyndy, David, and Sharon met with Matt Walker (Lawyer) – he stated that we don't have the authorization to repossess a RTC (Right to Connect). We would have to pass an amendment to our bylaws to allow that type of enforcement. He also suggested that we follow up with Island County to see if any records exist for this lot.
- Matt also suggested that we write a resolution (base on article 10 of the bylaws) to cover the details of needing to satisfy all liens before water service can be restored. We should also create/rewrite our policy about our rules and regulations for water service (in the form of a resolution).
- Passing an amendment to the By-Laws requires a simple majority of our households at an annual meeting or a special meeting, which is much higher count than getting a quorum.

CONSIDERATION OF NEW BUSINESS

HHWC Resolution 2023-01 - Cyndy

- Cyndy (with Sharon's assistance) will put out a first draft of this resolution which will allow our board to enforce our policies related to RTC based on Article 9 of our bylaws.
- A possible 2nd resolution would be to change/clarify our water system rules and regulations.
- The members area of the website contains copies of our communities' resolutions.

Board Member Comment

- Pump House Schedule – Cyndy believes it makes sense to back down to one pump house visit per week. Suggestion is that we do an early to mid-week check (Tuesday /Wednesday). Nancy will send out an email with the updated schedule.
- No additional board member comments.

Member Comment

- None

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Adjourn Meeting

The meeting was adjourned by Cyndy King at 10:58 am.

Next Meeting: Saturday, September 16, 2023, 9 am.

When approved:

Meeting minutes have been written by Richard Waclawik, HHWC Secretary.

July Minutes were approved at the August 19th meeting, and a copy was put into the HHWC minute files and posted on the website.