

**Holmes Harbor Water Company, Inc. (HHWC)**  
**Minutes of the Board of Directors Meeting**  
**Saturday, October 21, 2023**

**Open the HHWC Meeting:**

- Holmes Harbor Water Company President Cyndy King called the meeting to order at 10:16 am on October 21, 2023.
- 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
- Rick Waclawik, Secretary
- Sharon Dunn

Excused absences:

- N/A

Holmes Harbor Residents in attendance:

- None

**Review Agenda:**

- The October 21st agenda was reviewed – and accepted as is.

**Approval of the September 16<sup>th</sup> Minutes**

- September 16th HHWC Meeting Minutes were approved unanimously.

**CONSIDERATION OF OPEN ISSUES:**

**Treasurer's Report:** Nancy Sharp

- The Treasurer's Report (TR) was sent out to all Board members before the meeting.
- Nancy discussed past issues with deposits (KWC/NNW) and the accounts used for those deposits (deposits were made into the Money Market account in error – in excess of \$9,000). This is an issue that needs to be worked out with KWC/NNW.

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- Nancy detailed how she is handling these deposits in the books and believes that KWC/NNW has resolved these issues. (They were using old deposit slips with the wrong account number which was directing deposits into the Money Market account)
- Nancy reviewed the bills that will need to be paid – no questions from the board.
- Motion made to approve the Treasurer’s report and pay the identified bills. It was approved unanimously.

**2024 Budget:** Nancy Sharp

- Nancy has completed a draft budget and will send it to USDA in the beginning of December (they require it to be delivered 30 days before the end of the year). Nancy presented the draft budget to the board for review and comment. Items of note include the following:
  - Proposed income will be lower this year – we are not anticipating any RTC (Right to Connect) payments this year, so they are not included in the budget.
  - The amount listed for the reserve fund is lower than anticipated. Nancy will need a deposit report from Courtney (KWC/NNW) to validate and update the reserve fund totals.
  - We anticipate an increase in the water use fee from 120.00 to 123.00 per quarter.
  - **Expenses** – most proposed 2024 expenses are based on 2023 numbers.
  - We are assuming a 5% increase in insurance costs.
  - Discussed various other expenses and in most cases, Nancy took this year’s numbers with a slight bump up to cover possible increased costs.
- Nancy anticipates additional updates to the budget as we get closer to the end of this year.

**USDA Loan Maintenance / Wetland Restoration – Cyndy King**

- Nothing to report on either topic.

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**Water Testing Report:** Nancy / Cyndy

- No arsenic done this month – all the remaining tests look fine.

**Calendar for HHWC Tasks** - Rick Waclawik

- Cyndy asked if we need to add a task for generator maintenance – David confirmed he does the maintenance once every two years and yes, we should add it to the calendar.
- The dehumidifier needs to be winterized in addition to being turned off – the task will be updated to include the work to winterize.
- We are still trying to verify if the most recent static water level test results are available and have been sent to Island County – David will send an email to his Island County contact to verify that the results have been received.
- We are still waiting to hear from KWC/NNW for the various October tasks – it may be several weeks before we receive the results.

**Collections Update** - Nancy Sharp

- The water was turned off and payment was made in full for lot 5.6. Water service was restored.

**DCVA Tests with NNW:** David Paull

- No reply from KWC/NNW about how to handle the repairs and fees.
- Cyndy would still like to have KWC/NNW do the repairs.
- Nancy wants us to inform homeowners in advance of what is coming in terms of costs and that repairs will be made by KWC/NNW who will bill the homeowners for this expense.

**CONSIDERATION OF NEW BUSINESS**

**Meter Replacement Cycle – David & Cyndy**

- KWC/NNW has made these repairs/replacements in the past when they notice issues, and then charges the HHWC for this work.
- KWC/NNW has recommended that we get on some kind of schedule for doing these replacements.

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- The anticipated life of these meters is about 15 to 20 years and original meters were installed in 2007/2008.
- The board agrees we should set up a plan to replace them over a 5-year period starting at the lowest elevations (salt flats). The board will review this plan with KWC/NNW.
- We can also check on using remote read meters – David will check on the costs vs. using a standard meter.

**HHWC Resolution 2023-01 – Cyndy** (for the right to repossess a RTC for non-payment of bills)

- No updates for this month.

**Board Member Comment**

- Sharon – On the walk up from Sharon’s house to Well Number 1 there are two dead alder trees that could potentially fall on her home – they are on the property of Well Number 1. Sharon will check with Jim Caveness to see if he is interested in taking down these two trees. If Jim isn’t interested in taking down the two trees then we need to hire a tree service – If needed, we will reach out to Henry’s Tree service plus two additional tree service companies for bids.

**Member Comment**

- None

**Adjourn Meeting**

The meeting was adjourned by Cyndy King at 11:23 am.

Next Meeting: Saturday, November 18, 2023, 9 am.

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

September 16th Minutes were approved at the October 21st meeting, and a copy was put into the HHWC minute files and posted on the website.