

Holmes Harbor Water Company, Inc. (HHWC)
Minutes of the Board of Directors Meeting
Saturday, January 15th, 2022

Open the HHWC Meeting:

- Holmes Harbor Water Company President Nancy Sharp called the meeting to order at 10:16 am on January 15th, 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 January 15th agenda was reviewed and accepted.

Approval of the December 18th HHWC Meeting Minutes:

- The December 18th 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. Reserve fund mailing never billed from KWC in 2021. We have now been billed, so will show double amount in 2022, as 2021 will be paid in that

budget. PSE bill will most likely be higher due to the heaters in the pump house over the winter. Treasurer's Report approved unanimously.

- Approve proposed 2022 HHWC Budget
Line 16 Capital Expenses note removed. Line 17 Dues corrected to \$355 with removal of explanation. Line 31 Note removed. Annual Budget approved unanimously with those changes.
- Tax prep for 2021 - Motion to return the engagement letter and continue relationship with Dale Offret. Approved unanimously.
- After David asked attorney about revoking the Right to Connect on one property, it was decided to keep the lien and wait until sold. Overdue fees will hopefully be paid at that time.

Repiping Report - Nancy Sharp

Update on remaining work and funds status:

- The situation has changed for the good from last month. First, the USDA engineer approved use of USDA funds for replacing the pump in well #1 as part of the arsenic treatment plant. Robert will prepare a change order to task 5, Arsenic Treatment and Reservoir Repair, to include this work once we have selected a contractor. It's unclear if this will have to go through C Johnson as the construction contractor.
- Darla approved the transfer of any unspent funds to our contingency account, which can be used for the well pump replacement and the A-133 audit. Nancy has moved \$13886.09 from interim loan interest and fees and \$6993.71 from the DCG contract (\$3650.75 from preliminary work and \$3342.96 from permit support, both tasks that have been completed) so that we now have \$20,879.80 in the contingency account to offset additional project costs. DCG has \$18,435.95 remaining in their contract as of today. DCG will be invoicing us for additional work on the pump replacement and project closeout, but it's likely that some additional funds will be available from their contract.
- Operator Manual and Warranties – Nancy has continued to remind Robert about these. On Monday, 1/10, he stated that he had “almost everything” we asked for but is still working on a flushing protocol. Cyndy reminded us that KWC flushing protocol was already available. Nancy may send email to Corey to see what they have.

- **Well #1 Update**
Aquatech submitted a cost proposal to DCG on December 28, which we received on January 3rd. The total with tax is estimated to be about \$28k. We were alerted by Sandra Bodamer at King Water that Aquatech does not do electrical work. Robert Bennion confirmed this on January 14 after consulting with Aquatech; Robert will get a cost estimate for the electrical. Sandra and Robert have been trying to reach Ryan at RH Drilling, a company both of them recommend highly. As of Friday, 1/14, they have not been successful at contacting him. Corey Johnson is also running the Aquatech proposal by his drilling subcontractor but has not yet sent a counter proposal. Cyndy will contact RD Electric to see what they would charge for electrical work, Also electric for the exhaust fan. Sharon suggested Troy at Yale Electric. Currently not in the position to sign the Aquatech cost estimate until we know full cost. Hopefully by the 21st and will be updated to the Board via email.

Wetland Restoration – Nancy Sharp

- There has been no response from the USACE Compliance Officer as far as we know.

USDA Audit Contract and Retainer – Nancy

- Steele was expecting to complete the audit by December 15, but not completed yet. He still is asking for documentation. Nancy will ask him to finish, as Darla, (USDA) wants to wrap it up.

Water Testing – David Paull

- Well #2 was .003. Well #1 is currently not operating.

Collections Update - Nancy Sharp

- All is going well with this plan. Payments are being made on time.
- Nancy will draft an email to a second property to ask for payment.

Consideration of New Business

- Upcoming Elections/Board members' terms
Sharon and David terms are up. David would like to pass on the Treasury at some point once USDA is done. Nancy will stay as President until the USDA project is complete. Sharon will stay on as long as she is not keeping a newcomer from joining. Allowed to have 9 people on Board. Discussed emailing an Invite to residents to join a meeting.

Member Comment

None

Adjourn Meeting

- The meeting was adjourned by Nancy Sharp at 11:18 am.

Annual Meeting: Saturday, February 12th, 10 am
(HHWC special meeting to follow)

Next Board Meeting: Saturday, March 19th, 2022

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

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