

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

Open the HHWC Meeting:

- Holmes Harbor Water Company Acting President Cyndy King called the meeting to order at 10:22 am on January 21, 2023.
- This meeting was conducted via Zoom.

Roll Call:

HHWC Board members in attendance: There is a quorum

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

Excused absences:

- None

Holmes Harbor Residents in attendance:

- None

Review Agenda:

- The January 21st agenda was reviewed and accepted.

Approval of the December 17th HHWC Meeting Minutes:

- The December 17th HHWC Meeting Minutes were approved unanimously.

CONSIDERATION OF OPEN ISSUES:

Treasurer's Report: David Paull

- Treasurer's Report (TR) was sent out to all Board members before the meeting.
- First check (3221) to AESI was unsigned.
- Charged for meter reading and billing but invoices not received by clients.

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- Price of Chlorine went from \$8.54 per gal to \$5.61 per gal in one month due to a new vendor.
- Prepaid UULC \$30 following suggestion of Melissa Jackson on staff in an attempt to reduce cost of checks, mailing and processing expenses for few or no locates most months.
- Treasurer's Report voted on and unanimously approved.

Approval of Corrected December '22 Treasurer's Report

- After the meeting with Brenda Davies, David realized that since no expenses should be charged to the project at this point, the MSA expenses should no longer be charged to Acct #3022 C (USDA Consulting) but to #3012 (Professional Services). See 33F on TR.
- Voted on and unanimously approved changes.

2023 Budget & Annual Meeting Docs

- Final copy is in B/W for mailing as well as color for presentation at live mtg and on Zoom.
- Due Dates doc will be printed on the reverse side of the budget.
- Fee breakdown doc will be posted on the website.
- 2023 Budget was voted on and unanimously approved.

KWC Meetings - Cyndy King/David Paull

- Dec 19, 2022 Mtg. See Cyndy's Synopsis in her Email of 12/26. ***** ADD SYNOPSIS TO MINUTES *****
- Jan 9, 2023 Meeting with Nate. Invoice discrepancies discussed. Nate stated that he would approach Sandra for refunds for cost of work that should have been absorbed by KWC or were double charges. Refunds should appear on next KWC Invoice.
- Jan 9, 2023 meeting with Brenda. (Cyndy not in attendance) Brenda and David sorted out some minor and major discrepancies in expense accounts on EOY financials before she went on vacation. Doc may need changes on her return in late Jan. Considerable time was spent going over invoices for multiple connections and separating HHWC expense responsibilities for Capital improvement from client responsibilities for connection expenses.

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At the end of the meeting Brenda sent out invoices to several clients for a total of \$2,839.80.

- KWC agreed to individual well arsenic tests. Cyndy spoke with Nate in the neighborhood, who said Jeremy had done that, and should see results on next report.

USDA Loan Maintenance – Cyndy King/David Paull

- Nancy sent Budget and P/L to Konni at USDA. The Debt Service Reserve would equal ten years at approximately \$3500/year which should be put into a separate reserve account. Could we fund the entire reserve by using an interest bearing CD? Nancy asked Konni to see if that is acceptable.
- Nancy mentioned the need to look into what to do with excess money in our checking account and put it into an interest bearing account.

Wetland Restoration - Nancy Sharp

- Nothing until next visit.

Water Testing Report: David Paull

- We were charged for a single combined Arsenic test, but there was no report provided in documentation sent by mail. Tests of individual wells prior to treatment should begin this month. No arsenic test from this month from KWC.

Calendar for HHWC tasks - Rick Waclawik

- Things to get added:
 - January 17th , 2024 date for Systems Award Management (SAM) renewal.
- Rick shared the current version of the calendar and went through individual entries. Rick will send the document to the Board for review and comments.

Collections Update - Nancy Sharp

- Lot 5.6.2 water bill should be up to date. \$350 owed on water reserve bill.

DCVA Tests with KWC: David Paull

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- Ron conducted 12 tests and provided reports for all of them. Three were recent (Kelsberg) and/or unused connections (Chiles and Hefflinger)
- Am still unsure as to how/why any given connections were selected for testing this year.
- I have also still not received a list of 'at-risk' connections that will require annual testing.
- David will make a list of the lots that were billed and send to Cyndy.

Salt Water Intrusion Considerations

- AESI had begun work on the analysis. See well water testing below.
- Anton opined that he did not anticipate a second on-site visit and would ask for more data on pumping and/or other test results.

Well Water Level Testing

- On Jan 17, Anton, of AESI, came out and did static well depth testing on both wells as part of the SWI analysis necessary for permission for additional 15 possible future hookups
- His demonstration proved that while feasible for board members to do each April and August (as required by ODW for compliance regarding the HHWC water right) it is David's opinion that we would be better served if we paid KWC the \$100 per test that Nate told us was the typical rate charged by KWC for other wells/systems. (Nate was a bit surprised that our requests for well-depth measurements were rebuffed by Sandra in the past. Nate, Cyndy and I all suspect that it may have something to do with the possible loss of the sensor in our old #One well; not an issue with the new pump, which has a sounding tube.) A testing device would cost the Board at least \$500-600 and would require some training with the device to result in accurate readings.
- Motion to approve the contract with AESI for analysis of salt water intrusion to be sent to Island County was voted on and approved unanimously.

CONSIDERATION OF NEW BUSINESS

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Increase Grace Period for 4th Quarter Water Bill - Cyndy

- Due to late bill mailing, no late fees will be charged.
- Motion to delay any late fees on 4th quarters until February. Voted on and approved unanimously.

Re-visit Connection Protocol and Fees - David & Cyndy

- In speaking with Sandra on Dec 19, she suggested we consider rolling in all connection fees with the RTC fee, suggesting that the fee be increased to \$18K for future connections.
- She also cautioned us about charging the client for the cost of the meter, as that is technically/legally owned by HHWC. The DCVA tests would still be the responsibility of the client.
- Water system adjustment to be mentioned at Annual meeting.

Water Leak Adjustment - Sharon

- Sharon presented her water break information (see attached) and asked for an adjustment under HHWC Leak Adjustment Policy. Motion to an adjustment of \$38.55 (50%) to Sharon was voted on and approved. Cyndy will notify KWC.

Board Member Election - Cyndy

- Officers will be elected at the special meeting after the Annual Meeting.
Slate of Officers:
President - Cyndy King
Vice President - David Paull
Secretary - Lydia Sikes
Treasurer (3 years) - Nancy Sharp

Member Comment

- None

Adjourn Meeting

The meeting was adjourned by Cyndy King at 11:32 am.

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Next Annual Meeting: Saturday, February 11th, 2023, 10 am.

Meeting minutes have been written by Lydia Sikes, HHWC Board member.

Minutes were approved at the March 23rd meeting, and a copy was put into the HHWC minute files and posted on the website.