

# MADRONA BEACH COMMUNITY WATER SYSTEM

## Board Meeting Minutes

March 6, 2024

Camano Island Yacht Club

### **BOARD MEMBER ATTENDEES**

Frank Waterworth, President

Jeff Patt, Vice President

Dave Ballard, Treasurer

Jeff Erwin, Trustee

Raven Messinger, Trustee

Eileen Peterson, Trustee

### **OPEN**

Board Trustee Position

### **SHAREHOLDER ATTENDEES**

Laurie Cook, Customer Service Manager/Recording Secretary

Michelle Ballard

## **I. CALL TO ORDER**

The meeting was called to order at 6:31pm. All six board members, our recording secretary, and one shareholder were in attendance.

## **II. MEETING MINUTES**

The minutes of the February meeting were reviewed. Eileen motioned to approve, Jeff E. seconded the motion, all in favor.

## **III. Shareholder Comments (Limited to 15 minutes total)**

Speaking as our former long-time secretary, Michelle encouraged the Board to stand up for each other and continue to improve communications between Board members and QWC.

## **IV. TREASURER'S REPORT & UPDATE ON ANNUAL PAYMENTS**

### **A. Financials**

Dave presented the balance sheet as of 2/29/2024 and P&L for February 2024:

- Total assets: \$430,066.25
- February income: \$38,115.32
- February expenses: \$2,615.40
- February net income: \$35,499.92

### **B. Update on Annual Payments**

The new online payment process continues to go well, is resulting in quicker payments, and Dave has received positive feedback from Shareholders. 90% of payments have been received, with approximately 30 accounts still outstanding.

**C. Tax Return**

Dave has submitted tax return information to our accountant.

**D. QWC Communication and Invoice Approval Process**

Dave expressed concerns about paying invoices from QWC without confirmation the work was completed. The invoices also come to Jeff. We need to find a way to connect the dots between the work performed and payment needed. Could Laurie create a shared document to track?

Dave also stated that we need QWC to improve communication and notification of work they are performing, including upgrading connections and meter boxes. It will help to have a work order plan for replacement/repair that we can all reference, which is in progress.

**V. WATER SYSTEM OPERATIONS**

**A. New Connection on Melissa St.**

Complete.

**B. Confirm Hydrant Flush by QWC**

Our contract includes two line/hydrant flushes per year; currently, flushing is only being done with connection upgrades or on an emergency basis. This procedure will be updated once we have the new well.

**C. Determine Instructions for QWC to Upgrade Connections in 2024**

Need a list we can all work from (MBCWS and QWC). Discuss at April meeting.

**D. Underground Locates**

Jeff reported that QWC has agreed to handle locates when we email requests requiring action, and we will only be charged for requests that require an actual locate. Dave will send these to Becky.

**E. Confirm Meters Readings the Second Week of the Quarter**

Jeff confirmed with QWC.

**F. New System Requests/Updates**

No new requests at this time.

**VI. THIRD WELL INSTALLATION PROGRESS**

**A. Record Board Email Vote for Approved Estimates**

1. Aquatech: \$32,944.72

2. Swift Electrical: \$9,776.06

YES votes: Frank, Jeff P., Dave, Jeff E., Eileen, Raven

**B. Current Status**

Chad is satisfied with the plumbing and the meter for backwash. He has put a hold on the pump due to nuances with DOH paperwork and Department of Ecology requirements. **We need a report from Chad before the April meeting.** We need more water before summer and are considering various options to accomplish this and bring capacity up.

## **VII. OLD BUSINESS**

### **A. MBCWS Liability and D&O Insurance Policy**

Jeff researched our insurance coverage and learned that our policy has been sold by Thomas & Associates to WA Federal. Currently, our policy is covered by two different companies, including D&O insurance for all board members and their vehicles. Our policy renews in June.

Jeff recommends that we carry at least \$5M in a commercial liability umbrella. We want to get three quotes. He requested a quote from WA Federal but hasn't received a response yet. Raven will reach out to his insurance broker.

### **B. Recruitment of New Board Members**

Frank is retiring, Don has moved, and Raven is not sure if he will continue on the Board. Dave's term is also up this year. We are looking for board members and have a few people in mind. Laurie will provide verbiage to announce this in the first quarterly meter reads and add it to the website.

### **C. Date for Annual Meeting**

Space is on hold at the yacht club for two hours on 5/25/2024; it may now be June 1 from 10am to noon. Frank to confirm. A "save the date" reminder will be included with the first quarterly meter reads and announced on the website.

## **VIII. NEW BUSINESS**

### **A. Move CD to U.S. Bank**

Jeff stated that the interest on our CD should be at least \$1,000 per month; however, the account is currently earning a much lower rate. He proposed that we close this out and move the funds to our Money Market at U.S. Bank, which is currently earning 4% interest. We will make back the \$479 early-closing fee in just two months. Dave will provide the MM account number and Jeff will move the funds. Jeff E. motioned to approve, Raven seconded the motion, all in favor.

### **B. Budget/Cash Flow Plan**

Jeff has prepared a budget/cash flow plan, indexed to inflation. The Board needs to review/finalize this and vote to adopt, then it will be presented at the annual meeting, along with the current situation, planned upgrades vs. emergencies, and dues increases.

## **IX. EXECUTIVE SESSION**

Confidential discussion about a 2023 water share overage and how it will be handled.

## **X. GOOD OF THE ORDER – OPEN DISCUSSION**

No discussion topics.

## **XI. ADJOURNMENT**

The meeting was adjourned at 8:10 pm.

Next Board meeting: April 3, 2024, at 6:30pm.

Respectfully submitted,  
Laurie Cook, Recording Secretary