

MADRONA BEACH COMMUNITY WATER SYSTEM

Board Meeting Minutes

August 14, 2024

BOARD MEMBER ATTENDANCE

Laurie Cook

~~Jeff Erwin~~

Scott Lawhon

Diana Nestor

Jeff Patt

Jerry Piontkowski

~~Ryan White~~

SHAREHOLDER ATTENDANCE

None

I. CALL TO ORDER

The meeting was called to order at 6:35 pm by Jeff Patt, Vice President. Five Board Trustees were in attendance, constituting a quorum.

II. SHAREHOLDER COMMENTS

None.

III. MEETING MINUTES

The minutes of the annual shareholders meeting were unanimously approved, with no changes. The minutes of the July monthly meeting were also unanimously approved, with no changes.

IV. TREASURER'S REPORT

A. Balance Sheet and P&L

Diana presented the financials for July. We had a negative net income for the month due to the expenses incurred for well #3.

Total assets as of 7/31/2024: \$326,780.02

July income: \$6,300.10

July expenses: \$34,285.70

July net income: \$-27,985.60

B. Transition to Coastal Community Bank

Our U.S. Bank money market account has been closed and moved to Coastal Community Bank. Coastal agreed to match the U.S. Bank rate of 4.5%. The checking account will be closed and moved to Coastal after all pending transactions have cleared. We established a "sweep account" whereby any balance over \$225k will be held by a different bank so that all funds are 100% insured by the FDIC. Diana and Laurie are the signers on these accounts, and Pearson Financial can now pull statements. Diana reported that it's been very positive working with both Deborah at Coastal and Edna at Pearson.

C. Update Bylaws Signature Page

Coastal requested that we provide an updated Bylaws signature page for their records. Ryan (President) and Laurie (Secretary) will sign.

V. WATER SYSTEM OPERATIONS & UPGRADES

A. Water Supply Status

We did not see a significant summer increase, as we have in the past. Our message of conservation is working! Well #2 is performing at 50/gallons per minute, and it will be adjusted to fill the well sooner after dropping by one foot.

B. Third Well

We are still awaiting response/approvals from the State of Washington to bring well #3 online. Jeff reported that we have new equipment in the filter room to dispenses chemicals and auto-adjust mixing ratios. All lines are in, and the well is set up and ready to go.

C. Connection Upgrade Status

Jeff has given QWC a list of the first 25 connections to upgrade, and parts have been ordered. We will start with the older section of our district, especially the beach properties, and those with high water use. For now, we will postpone upgrades for any properties where driveways/concrete would need to be torn up to access the connection. We will start the next 30 upgrades in the Spring of 2025, after annual shareholder fees are received.

D. Notifications to High Users

Jeff has followed up with the shareholders who had high water usage in Q2.

VI. OLD BUSINESS

A. Water Rate Chart

Laurie provided a report of gallons used by shareholder for 2023 and 2024 to-date to help us evaluate overages and tiers. Scott will review/sort the data to get to sub-totals for each tier to help inform our decision. Overage fees need to be determined and adopted at next month's meeting.

VII. TRANSITION OF DUTIES

Diana and Laurie have continued to make great progress in the transition from our prior Secretary/Treasurer. Diana is handling all property transfers, updated escrow documents, and water share certificates/welcome letters. Laurie updated our Access database with the Q2 meter reads and was able to successfully use the Mail Merge process to generate personalized emails/usage reports for each shareholder. The annual water quality report was posted to the website and a link was included.

VIII. CUSTOMER SERVICE REPORT

Laurie shared that several shareholders have reached out recently to thank the Board for our ongoing efforts and support.

IX. NEW BUSINESS

A. WAV Forms x 2 Plus Available Water Share

We received two requests for WAV (Water Availability) forms, which are sent to Island County to confirm water availability for these properties. One of these owners does not currently have a water share and wants to purchase one in order to build on the lot. At the same time, we also received an inquiry from a shareholder who wants to sell his share. Jeff will follow up to see if we can arrange an agreement between the two property owners.

B. Monthly Stipends

This agenda item will be moved to next month, led by Ryan.

C. Well Site Maintenance

Jeff would like to hire our new landscaper to clean out the gutters on our sheds and paint the trim. Jerry motioned to proceed, Laurie seconded, all in favor. The group discussed taking a field trip to the well site.

X. ADJOURNMENT

The meeting was adjourned at 7:57 pm, followed by a short Executive Session.

Next Board meeting: September 11, 2024 at 6:30pm.

Respectfully submitted,
Laurie Cook, Board Secretary