

MADRONA BEACH COMMUNITY WATER SYSTEM

Board Meeting Minutes

December 11, 2025

BOARD MEMBER ATTENDANCE

Laurie Cook
Jeff Erwin
Scott Lawhon
Diana Nestor
Jeff Patt
Ryan White

SHAREHOLDER ATTENDANCE

None

I. CALL TO ORDER

The meeting was called to order at 6:33pm by Ryan.

II. SHAREHOLDER COMMENTS

None.

III. MEETING MINUTES

The minutes of the November meeting were unanimously approved.

IV. TREASURER'S REPORT

A. Balance Sheet, 2025 YTD P&L

Diana presented the financials, with these highlights:

Total assets as of 12/11/2025: \$245,616.44

2025 YTD income: \$221,525.96 (water fees, property transfer fees, interest earned)

2025 YTD expenses: \$221,411.62

2025 YTD net income: \$414.34

Moving forward, Jeff requested that we include both YTD and monthly P&L for Board review.

B. Water Testing Fees

We discussed the water testing fees being higher since the acquisition of the testing company. These tests are mandated by the State Department of Health. They test once per month (\$35), then add another test every year (\$100), another test every two years (\$300), and another test every three years (\$350-\$400).

Diana will pull an invoice history from QuickBooks for the next meeting.

C. Accounting Support

Jeff contacted the local bookkeeper (Susan), an expert at helping non-profit organizations with QuickBooks support. Susan can help us on an hourly basis to clean up issues, make journal entries, support annual invoicing, and provide ongoing review/oversight of our books. The group agreed it would be a good idea to have this type of support from outside the Board. Laurie motioned to contract with Susan, Scott seconded, all in favor. Jeff will ask Sue to send her rates and terms in writing and schedule the first meeting.

Coastal Bank is working on the issue with the sweep account not showing in QuickBooks.

D. 2026 Annual Invoicing

Diana and Laurie will be working on invoices to be sent in early January. Laurie will pull the data from Access and the meter read spreadsheet and will write up a letter to be sent to accompany the invoices. Diana will work with Susan to generate the invoices in QuickBooks.

V. WATER SYSTEM OPERATIONS & UPGRADES

A. Q3 and Q4 High Water Use

Jeff contacted most high-use shareholders for Q3. Jeff Erwin's meter read was reported by QWC in error by 100,000 gallons too high and has been corrected.

B. Ravines at Henning/Olympic

Testing in the Henning/Olympic ravine still needs to be scheduled by QWC.

C. Lead Service Line Inventory

We received a serious violation notice from the State for not completing the required lead service line inventory. It is mandatory that we provide information for each property from the well to the meter (system-owned portion) and from the meter to the house (shareholder-owned portion).

Laurie will send this form out to all shareholders via email/USPS requesting that page 3 be completed and returned to us as soon as possible, then follow-up in February/March. We will provide guidance to homeowners to safely presume the lines are non-lead plastic if the home was built after 1986. Homes built before 1986 could have an issue with the lines and they may need to be replaced. We will need to pursue this diligently to collect the surveys from all shareholders and send the results to the State as we go.

D. Generator Service Contract

Washington Generator Service billed us for services on 11/13/2025. Ryan will call to find out what services they provided.

E. Clean Pump House

QWC has proposed that they clean the pump house (at an hourly charge). Jeff will follow up to find out what this entails. We have other more pressing priorities.

VI. CUSTOMER SERVICE REPORT

A. Shareholder Feedback

Covered in previous discussions.

B. Website Updates

Laurie updated our website with the new payment schedule and information about the hydrant flushing.

C. Communicate 2026 Rates

Laurie sent all shareholders a letter via email with the 2026 rates and payment schedule, or via USPS for those without email.

VII. OLD BUSINESS

A. Quality Water Care 2025 Contract

Tabled for next meeting. We will take our existing contract and draft an update to be negotiated with QWC.

B. Open Board Member Position

We will continue looking for a shareholder to join our Board as a Trustee.

VIII. NEW BUSINESS

A. Meter Read Process

We further discussed the current laborious copy/paste process to populate our Access database with quarterly meter reads. Jeff shared his idea to build a new tool that would provide shareholders with 24/7 access to meter reads through our website. This would involve adding a database to house the information (behind the website); developing a process to import quarterly meter reads from an Excel spreadsheet; and creating a new webpage where shareholders can look up their usage on demand. The initial development estimate from our website guru (Scott Bothel) for this project is 24 hours = \$2,400. Laurie will set up a Zoom call to review the project with Scott in more detail.

Laurie shared the written procedures we currently have for processing the meter reads and sending shareholder communications through Word's Mail Merge.

We will continue to assess the quarterly spreadsheets sent by QWC to identify and proactively contact high usage properties.

XI. ADJOURNMENT

The meeting was adjourned at 8:02 pm.

Next Board meeting: January 14, 2026 at 6:30pm.

Respectfully submitted, Laurie Cook, Board Secretary