

# MADRONA BEACH COMMUNITY WATER SYSTEM

## Board Meeting Minutes

May 13, 2026

### 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 by Ryan at 6:36pm. A quorum was present.

#### **II. SHAREHOLDER COMMENTS**

None.

#### **III. MEETING MINUTES**

Jeff E. moved to approved the minutes of the April meeting. Jeff P. seconded. All in favor.

#### **IV. TREASURER'S REPORT**

##### **A. Balance Sheet, 2026 YTD P&L**

Diana presented the financials, with these highlights:

Total assets as of 4/30/2026: \$406,218.99

YTD 2026 income: \$217,805.89 (water fees, interest on late payments, interest earned, transfer fees)

YTD 2026 expenses: \$35,489.26

YTD 2026 net income: \$182,316.63

Further discussion about the -\$20,000 accumulated depreciation and negative retained earnings on the balance sheet. We need to conduct an inventory and costs incurred for all fixed assets (including new well, new generator) and advise our CPA for tax depreciation. Diana will work with Susan in July to sort this out.

##### **B. Status Report: 2026 Water Fee Invoicing**

A number of shareholders still have not paid their annual invoices or completed their payment plans, despite multiple invoices sent via email and USPS. Interest and \$75 penalties are being added. Ryan will make phone calls to these individuals to advise them their water will be turned off if payment is not received by June 1.

##### **C. Contract/Terms for QB Support**

Jeff is requesting this from Susan.

## **V. WATER SYSTEM OPERATIONS & UPGRADES**

### **A. Status Report: Overall System, New Generator, Surge Protector**

Everything is running well. The new generator has arrived and will be up and running next week. The new power switch arrived early and has been installed. The new 1,000-gallon propane tank is hooked up, and the old tank will be discarded.

Our water loss rate has grown substantially, and we are aggressively working to find and fix the leaks. Quality Water Care (QWC) has hired a sub-contractor who specializes in identifying leaks and they are in the process of checking every connection in our system. They have already identified two significant leaks on Olympic and High Road which are being repaired as emergency projects. Jeff will confirm with QWC that they are keeping track of this process to provide a detailed report so we can prioritize repairs, starting with the worst leaks. Jeff will request that QWC provide the Q2 meter reads and loss rate before the annual meeting.

### **B. Connection Upgrades**

We will identify the next 20 connection upgrades based on the new list of leaks provided by QWC.

### **C. Testing for Leaks in Henning/Olympic Ravine**

Brett assured Jeff that this is on the calendar and will be completed. Jeff will research options for hiring a contractor to test for leaks in the ravines, with remote cameras, etc.

### **D. Lead Service Line Inventory**

This document has been added to our REPORTS page for shareholders to complete this online inventory form. We will also distribute printouts at the annual meeting.

## **VI. CUSTOMER SERVICE REPORT**

### **A. Shareholder Feedback**

No additional customer feedback.

### **B. Technology Status Report**

Laurie gave an update on the new online water usage tool, website hosting, and new Office 365 environment. There was a short period of time when we were unable to access our info@ and billing@ email accounts, but this has been resolved and email history has all been preserved. Everything is working well.

### **C. Shareholder Data**

Laurie will post a PDF from our Access database to the share drive for Board members to access shareholder contact information.

## **VII. OLD BUSINESS**

### **A. 2026 Annual Meeting**

Discussion of shareholder notification, agenda, and overall game plan. We will finalize everything in our June meeting.

### **B. Quality Water Care 2025 Contract**

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

### **C. Yacht Club Meeting Rental Contract**

Laurie is following up to finalize the contract and get an invoice.

## **VIII. NEW BUSINESS**

### **A. June Board Meeting**

Laurie reported that the Yacht Club has asked us to change our June meeting date from June 10 to June 3, due to a conflict with another event.

## **IX. ADJOURNMENT**

The meeting was adjourned at 8:03pm.

Next Board meeting: June 3, 2026 at 6:30pm.

Respectfully submitted, Laurie Cook, Board Secretary