

**Camano Water Association
Board Meeting Minutes
October 20, 2015**

Call to Order: The meeting was called to order at 8:32 am

Roll: Board members present: Dave Weir, Ethel Bronson, Bob LaLanne, Duane Atkins, and Danae Willson. Staff present: Lenore Heffernan, Dan Peterson, and Peter Turner.

Guests: No guests.

Approval of Minutes: The September minutes were reviewed, and a motion made to approve as written, by E. Bronson and seconded by D. Atkins, all accepted.

Finance/Office Report: The September finance report and check register were in balance, and approved as written, with a motion to approve by D. Atkins and seconded by B. LaLanne, all accepted.

Proposed policy change – A committee of D. Willson, B. LaLanne, D. Atkins, and L. Heffernan will meet on Wednesday, October 28 to review Policy #4310 Wages and Salaries. CWA does not use comp time, and a draft for the policy shall be sent to all board members before the next board meeting.

Lenore was contacted by another C.I. water company to ask about CWA's lien process. The board members authorized Lenore to forward helpful information to them.

There has not been any response from the condo board and the CWA board members said to contact owners regarding the Memberships. We will give them a 30 day lien notice letter for the Memberships not being on record.

B. LaLanne pointed out that there should be two board members signatures on all contracts.

Communications: There are no member communications.

System Manager's Report: Please see the report for additional information. Some highlights follow: CCC progress – Dan showed the cross connection device. He and Peter had worked on it for several months with suppliers and it is finally ready according to their specs. The board members are very satisfied with their commitment to follow through and the successful outcome.

Reservoir progress – Dan reported that he and Peter will meet with the engineer in November. The soils tests have been done and we are waiting for the reports.

Source – The water treatment plant is in winter mode now, producing 300 gpm, alternating wells, running two wells per cycle. There are no issues with the chlorine generator. All well houses have been winterized.

Storage – Geotech came out on October 15 and dug 2 pits where the new reservoir will be built to test the soil and ground conditions. The report should be ready in about two weeks.

Distribution – Only 16 shutoff notices were delivered this month, the lowest amount so far and two meters were locked.

General – TJ Lurvey has moved to King Water Company. Lenore and I attended the monthly co-op meeting at Rainier Water Company. One of the topics was drought conditions and lack of snow pack here in the northwest – water when you don't need it and no water when you need it.

Visual Reports: Peter's reports showed the wells will be fully recovered by March 2016 – everything is doing fine. The water consumption was high in May through August, with less in September. He also had a great demo for cross connection backflow and it showed, very clearly, what can happen if there is a low water pressure situation. He will plan to video it for the annual meeting.

Old Business:

Review activities regarding DOH Grant – Dave reported that 8 out of original 10 water systems are interested and Greg Cane will finish contacting them. Jennifer, with the DOH, is very pleased with this outcome.

Budget progress presentation – The staff presented their recommendation to the board for self-funding the capital projects over the next 10 years. Peter developed a spreadsheet using information necessary to complete the projections as accurately as possible. Over the next 10 years, with as minimal increase as possible, there will be increases in water rates, base fee, and capital fees. This plan will make it possible for self-funding the projects instead of a large assessment to each member or borrowing money from USDA and carrying a loan for 40 years. The interest alone would be approximately two million dollars over 40 years, and the board and staff said that money could be put back into the CWA system. The treasurer noted that if a major situation came up CWA would still have the opportunity to borrow the money from the USDA. D. Willson asked about maintaining an emergency fund, and Peter explained there are emergency funds available, as well as reserve funds.

With that information, D. Willson made a motion, with the notes that B. LaLanne included about the loan, to accept this plan. E. Bronson seconded and all board members approved.

B. LaLanne supports the plan and mentioned the tremendous advances for CWA. D. Atkins does not favor the new rates, but does not want an assessment or borrow money from the USDA.

D. Willson talked about the letter to members for the 2016 Rates and the board made their recommendations for information contained on the other side. Danae and Lenore will prepare a draft.

Progress on loan application – B. LaLanne indicated the loan would be abandoned now that the board members have approved the self-funding of the capital projects over the next ten years.

Annual meeting planning – D. Weir would like to add Greg Cane, Engineer. Terry Greer, CPA, will be sending Russell from his office to present the 2014 Review. We all reviewed our specific topic(s) for the November 7 meeting. The board members discussed the rotation of board positions and they decided to keep their same rolls for the next year or terms. We will always welcome new members if anyone is interested.

New Business:

Evaluations – Dave and Danae met with the staff. Dave, Danae and Bob will discuss 2016 the budget.

Check signing and vacations – B. LaLanne and E. Bronson will sign the monthly checks. Vacations are noted on the calendar.

November meeting plans – This meeting will include the election of officers.

Adjourned: D. Weir moved to adjourn the meeting at 10:05 am. All board members approved.

Reported by: L. Heffernan, Office Manager

Next Board Meeting: November 17, 2015, Tuesday at 8:30 am