

**Camano Water Association
Board Meeting Minutes
November 20, 2018**

Call to Order: The meeting was called to order at 8:31 am.

Roll: Board members present: Dave Weir, Lois Bloom, Dick Pelland, Danae Willson, Gael Fisk, Michael James, and Ron Cooper. Staff present: Lenore Heffernan, Dan Peterson and Peter Turner.

Guests:

CWA Member(s): Jon Hudson reviewed several 2018 actual budget amounts compared to the proposed 2019 budget amounts; the staff and board members answered his questions about the differences. He also had questions about the water rates increasing; Peter noted the rates are based on the requirements of CWA. All reports were provided at the annual meeting.

Approval of Minutes: The October minutes were reviewed and approved as written with a motion by Lois Bloom and seconded by Ron Cooper; all accepted.

Communications:

Finance/Office Report:

The October finance reports and check register were in balance and approved as written, with a motion by Lois Bloom and seconded by Gael Fisk; all accepted.

CD's maturity dates – Crestmark Bank CD matured on November 5, and the funds were deposited in the Heritage Bank money market account.

October newsletter review – everyone said it was another great job; Lenore thanked everyone for participating with the mailing. Michael James had a suggestion for the next issue: to show the upcoming or potential costs planned; then members will have an idea of what is happening that year.

LOC – The application, 2016 and 2017 tax returns and financials are ready to submit to Heritage Bank. Lois said other water systems are using LOC's for emergency planning. She will find out more information about the state and DOH mandate for water systems to have emergency funding in place. The board also talked about the emergency reserve fund of \$200,000. There is a Coastal Bank money market; Lenore and Dick will plan to increase it incrementally over time. CWA has another money market at Key Bank.

Audit letter from CPA – Lenore gave board members a copy of the letter to read regarding the 2017 audit. If there are any questions, please let Dick Pelland know, so they can be addressed. Lois noted the CPA's should have answered some financial questions from members at the annual meeting and suggested they be available for the entire meeting. Dave asked Lois to meet with them to review their reporting at the annual meeting.

Operations Manager's Report:

Source – On Thursday 11/15, at midnight, Dan had an alarm call for the chlorine generator. The water feed line for the salt brine tank came apart. The hose was replaced, and the generator put back into service.

Storage – Results from the fourth quarter DBP samples came back. Cascade View is 41.5 ppb, and Cavalero Road is 52.7 ppb. We now have a running annual average of under 60 ppb. Results have been turned into the DOH and we are waiting for a response. Greg sent a letter to the DOH.

CCC progress – Continuing to work on the installations; 273 have been installed to date.

Distribution – Larry Brown Construction has passed the pressure and chlorination test on the first section of the watermain and 52 services on Beach Drive.

On Wednesday 11/7 there was a watermain break at 1299 Beach Drive caused by a tree root.

On Tuesday 11/13 a new water service was installed on View Street, lot C; the permit from Island County took a few months.

General – Gael Fisk and Dan met on Thursday 11/8. Gael is showing Dan how to create and modify drawings with the new CAD program.

Pete and Dan showed some pictures of the Beach Drive project and other items of interest.

Dan and Peter did not attend the recent Pierce County Co-op meeting.

Dave asked Dan and Peter about the status of the check from Edge regarding the DBP tests and their faulty testing equipment. Dave will meet with the owner to resolve financial differences and seek reimbursement for CWA expenses. Dan will arrange the meeting.

Gallons produced – September 4,254,921 October 4,064,188

Data Analytics:

Well 6 continues to show good aquifer recovery. Well 7 aquifer recovery matches last year's recovery pattern. Well 8 aquifer recovery continues to increase.

Sales continue to increase and are 1.5% above Peter's projections.

The Expenditure spreadsheet only shows the water, base fee and CIP projections planned for the beginning of the year. The report also shows the new truck and two payments to date for Beach Drive. This information is a very useful forecasting tool which Peter sends to Dick.

Old Business:

- a. Company goals for 2018 and assignments – Dave has asked each person to assume responsibility for accomplishing our goals for this year, as follows, and to report on updates at the board meetings.

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|---|------------------------|
| 1. DBP compliance (MCL below 80 ppb)
<i>Dan indicated we are doing fine.</i> | Dan, Greg |
| 2. Monitor accrued finances, and planning for Beach Dr pipe, meter and DCVA
<i>Peter reported we are in good shape.</i> | Dick, Peter, Dan, Greg |
| 3. Begin the planning, priority, and projected timeline for future pipe replacement
<i>Gael and Dan have begun working on CAD.</i> | Dave, Greg, Dan, Gael |
| 4. Upgrade and refine our Comp Plan for DOH
<i>Greg sent in to DOH before 10-31 – Phase One.</i> | Greg, Dan, Peter, Gael |
| 5. Develop and refine our asset replacement plan
<i>Peter maintains and updates.</i> | Danae, Peter |
| 6. Recruit and encourage potential board members
<i>We have a full board now.</i> | Danae |
| 7. CWA Future Expansion
<i>Nothing new to report.</i> | Board/Staff |
| 8. Provide help and support for the development of a Camano Island Water Project (CIWP) | Danae, Dave, Lenore |

Next meeting is planned for April. Danae noted she is having computer issues and will need help. Dave said we are 2 years into the project and asked about forming a co-op; Danae indicated the group is not ready yet.

- b. Potential new hire – Dan and Peter provided additional information and Peter asked about the compensation packet. They also talked about a backflow testing machine’s cost, the mower and other equipment costs. Dick asked for a budget showing how certain accounts will be affected. Peter and Dan will provide the information to Lenore; another budget will be sent to Dick then.
- c. Emergency Preparedness – The next meeting is Wednesday, January 9, 1 - 2 pm.

New Business:

- a. Selection of Officers – Dave led the discussion for the board members in the next term. Ron Cooper moved to make a motion, Danae Willson seconded, all approved.

Motion 2018-11-20-1: To adopt the slate of officers and with discussion of approval.

Lois Bloom moved to make a motion, Michael James seconded, all approved.

Motion 2018-11-20-2: Regarding the terms of existing board members all ending within the same year, the move is made to structure the board to stagger the retirement of the existing terms.

Note: The board rotation schedule was adjusted to a more balanced 2, 2, 3 pattern, as the board members fulfill their 3 year terms.

President:	Lois Bloom	2021	Trustee:	Gael Fisk	2019
Vice President:	Dave Weir	2019	Trustee:	Michael James	2021
Treasurer:	Richard Pelland	2020	Trustee:	Ron Cooper	2021
Secretary:	Danae Willson	2020			

- b. Gift cards – Lenore asked to purchase the usual four, \$25 gift cards for CWA service providers; the board approved.
- c. Checks will be signed on Friday, November 30 – Dick and Danae will sign checks.
- d. Vacations – refer to the calendar.

Adjourned: D. Weir moved to adjourn the meeting at 11:08. All board members approved.

Reported by: L. Heffernan, Business Manager

Next Board Meetings: December 18, 2018, Tuesday 8:30 am
January 15, 2019, Tuesday 8:30 am