

**Camano Water Association
Annual Meeting Minutes
November 3, 2018**

Call to Order: 9:30 a.m. by President David Weir

Introductions: Board members: President David Weir, Vice President Lois Bloom, Treasurer Richard Pelland, Secretary Danae Willson, Trustee Gael Fisk, Trustee Michael James, and Trustee Ron Cooper.
Staff: Business Manager Lenore Heffernan, Operations Manager Dan Peterson, Office/IT Peter Turner.

Nineteen members attended; introductions were made, and several newer members attended.

Dave Weir acknowledged our loss of long-time Board member Richard Duane Atkins in September. Duane served as Treasurer and Secretary for CWA and contributed on several committees for CWA.

Guests: Russell Martinson, CPA, Michael Dane, CPA Terry Greer's office
Greg Cane, P.E. Cane Engineering

Approval of 2017 Minutes: The minutes from the November 2017 annual meeting were read. Ron Cooper made a motion, and seconded by Richard Pelland, and approved by all.

Motion: To approve the 2017 Minutes as written.

Review Financial Report for 2018: The financial report for the past year was given by Russell Martinson, CPA. An audit was completed in 2017 following the Generally Accepted Accounting Principles (GAAP). Russell and Michael met with Lenore to review pre-selected accounting and banking items. The CPA's recommendations for internal affairs are followed by the Business Manager. CWA has a minimum 10-year plan for CIP, diversified investments, and the board members were acknowledged for doing a great job managing the many facets of CWA.

Treasurer's Report: Copies of the report were available for members.

Richard Pelland reported on the past year's financial highlights: CWA worked within the budget established in January. The Beach Drive and Holloway Lane project is underway, self-funding with CIP and normal revenue funds. Several CD's were opened to ensure funds were protected within the FDIC limit. Recent unexpected expenditures: installing vents, fans, and recirculation pumps to control DBP at a cost of \$181,000; replaced the Variable Frequency Drive (VFD) to control the distribution pump motor at a cost of \$4,000; and replaced the well-worn truck at a cost of \$34,712, including safety yellow flashing lights, tools boxes, and signs on truck. Expected expenses: the electricity for the treatment plant (TP) at \$18,229; bulk salt used to create the chlorine to treat the water prior to distribution at \$4,848; and permanganate used to rejuvenate the filter media at the TP at \$3,556.

A Line of Credit of 100K was applied for to cover an unexpected, significant expenditure during the Beach Drive project. The LOC will be reviewed at one year.

Monthly check signing – the Treasurer reviews all invoices, bank statements, and signs the checks; a second board member's signature is also required on checks.

Operation Manager's Report: Copies of the report were available for members.

Dan and Peter gave a presentation of before and after photos of various projects in the system.

Source – Dan Peterson reported the VFD for the 60 hp transfer pump was replaced.

Storage – All the pumps and blowers in the second phase of the DBP plan have been installed in the three main storage tanks and are showing great removal of the DBP. We have tested under the MCL of 80 ppb for three quarters. If the fourth quarter comes back under 80 ppb, we have met the DOH requirements and our Bilateral Agreement will be terminated.

Distribution – On July 10, bids for the Beach Drive/Holloway Lane watermain replacement project went out to C Johnson Construction and Larry Brown Construction. On July 17, bids were opened, and LBC was awarded the project with the lowest bid at \$900,580.37. LBC moved in on September 9th to start the

project and as of October 24 they have installed 2,033 feet of pipe out of the 5,006 total and 24 water services have been installed out of 92. The project is scheduled to be completed February 17, 2019. DCVA's – 267 have been installed since the cross-connection control (CCC) program began in 2016.

System Facts: Peter Turner presented several graphs used in reporting information with reference to the aquifer recovery, production in distribution, and financial reporting for water sales used for capital project planning. He prepares the Water Use Efficiency Report (WUER) and the Consumer Confidence Report (CCR) for reporting to the DOH annually. The reports are available on the website and at the office. Peter explained the data logger's information for the reports and graphs. He maintains many spreadsheets providing a wealth of information about CWA. He also showed a video he and Dan made "From Aquifer to Tap: Your Water Works".

Company Goals: Danae Willson talked about the Camano Island Water Systems (CIWS) forums, held at the Camano Center in April and October as an on-going way to stay connected. She has coordinated with the DOH, inviting water systems to participate and learn from each other. The recent discussions have been about Class A and Class B systems, aquifers, the size of systems, and presented a chart showing total connections, water charge, billing method, CIP, usage, seasonal fees, charges for leaks and water loss, and base fees. A sampling of seven systems were shown from the previous questionnaire sent out.

President's Report: Dave Weir addressed the Beach Drive pipe and meter replacement, including backflow devices, beginning in September. Beach Drive has the oldest pipe in the system, and the line will be bored under driveways and the street where necessary. CWA's engineer Greg Cane will manage the project and Peter will be taking photos daily. CWA self-funds these projects instead of borrowing money because the money saved on interest can be put back into the system's capital projects. Dave talked about a new committee for emergency preparedness managed by the staff and three board members. The meetings are held monthly, and they are making good progress with contacting contractors to assist us as needed in an emergency, and we are including emergency planning in the newsletters. We have propane generators at this site and the treatment plant.

New Business: No new business to report.

Election Results: Lenore gave the results from the ballot count and a total of 90 ballots were received and six board members were re-elected for a 3-year term.

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

Destroy Ballots: Richard Pelland made a motion. John Moore seconded the motion, all approved.

Motion: To accept the voting and then destroy the ballots per CWA's Bylaws.

Questions/Discussion: Some members had the following comments and questions.

There was a suggestion to review the fees for Membership and Hookups – are they comparable to other systems? A question about financials asking about last year's balances. How long are members paying for the CIP and the future projects. What about the DBP and are we all using the same aquifer.

Door Prizes: This was the first year we had about 15 door prizes to give away – a fun few minutes.

Adjourn: Dave Weir made a motion to adjourn at 11:30 am. The motion was seconded by everyone present.

Reported by Lenore Heffernan, Business Manager

Next Board Meeting November 20, 2018 Tuesday 8:30 am