

HOLMES HARBOR WATER CO., INC  
BOARD MEETING  
12 DECEMBER 2020

Our regularly scheduled meeting was called to order via Zoom at 10:35 a.m. by President Nancy Sharp. In attendance: Nancy Sharp, Cynthia (Cyndy) King, David Paull, Carolyn Cliff, Rick Waclawick and Sharon Dunn. Sharon will be taking the minutes today.

Minute Approval: The notes created by Nancy Sharp for our October 17 meeting were approved for inclusion in the Minute Book. The November 14 Minutes were also approved.

TREASURER'S REPORT: Treasurer David Paull had sent his report to the board via email. It was moved/seconded and unanimously passed to pay the bills and approve the report.

BUDGET DISCUSSION: With information sent via email to the board, a discussion was held about the increase of water service rates. Rate increases had been approved by the membership in 2015 when planning for the use of the USDA loan/grant for replacement of the water system. A \$3.00 quarterly increase was decided upon and Nancy will draft a president's letter to the membership that explains the increase to users. David will draft a new version of the budget with the increase for review by the board.

REPIPING REPORT: As sent to the Secretary from the President: During an informational meeting on 12/2/20 the board discussed options for using the remaining USDA funds. See attached notes from NDS's 11/1/20 email. We do not have sufficient funds to install arsenic treatment and build a new reservoir without taking on additional debt, raising rates and/or assessing owners. David noted that our arsenic levels are already above the allowed maximum and that the Washington State Department of Health will be monitoring our testing in 2021 to determine what action we are required to take, so arsenic treatment is likely a necessity within two to three years.

Additional information since 12/2 meeting: Corey Johnson obtained a ball-park estimate for relining our old reservoir at \$37,000. There could be additional expenses for a temporary tank while the work is in progress (estimated at \$7,500), although King Water says other communities have been fine for a week while similar work was being done. At most the cost would be \$45,000 to \$50,000. The arsenic treatment cost proposal is \$105,075, including tax.

Fencing costs are estimated at \$13,600.

Total: \$168,675.

With these costs covered by USDA, the grant balance would be about \$50,000. Darla O'Conner, USDA representative, will determine if grant funds can be used for wetland maintenance and monitoring, which would be our additional expense in 2021 and beyond. The 12/2 meeting concluded with a plan to take a formal vote on how to proceed at the 12/12 regular meeting.

In a formal vote the board decided to proceed with a Change Order for an arsenic treatment system and reservoir relining with the understanding that there will be a cost estimate from Corey in a few days. Moved, seconded and unanimously passed.

SYSTEM FLUSH: David presented the attached report.

WETLAND RESTORATION: Jeff Ninnemann and firms Saratoga Environmental and Wetlands & Wildlife have declined to do the wetland monitoring required by USACE in years 2 to 5. We got a proposal from Frosty Hollow Environmental in July 2020 for \$3,000 per year for all monitoring and reporting but due to the change in project manager at USACE and the lack of a determination that we could do the first-year monitoring in 2020, we used Ninnemann this year. Nancy will continue to look for a cost effective monitor, and also determine if Frosty Hollow will still be willing to do the work if we can't find another firm. Noah Booker suggested that it would be a great idea to do some thistle and teasel removal in early spring to help keep noxious weeds down. Nancy has a yard worker who is available at \$20/hour to help with this activity. Nancy will follow up on this matter.

RECRUITMENT OF NEW BOARD MEMBERS: Several names were put forward for 2021 positions and Cyndy offered to determine the level of interest and report back to the board.

INSTALLATION OF FLATH'S WATER METER: This location is one where preliminary work was done during the main project in anticipation of hook-ups. A meter is all that is needed. Discussion took place with the conclusion that 50% of the total cost of \$1,700, or \$850 will be the cost to the new user. This fee allows HHWC to recoup the cost of work already paid by the community. A motion to this effect was made/seconded and passed.

MEMBER COMMENT: Cyndy was asked to send a sympathy card to the Sarge Lester Family. Carolyn Cliff will send a resignation letter to the secretary for the Minute Book. Carolyn was thanked for her contribution to the HHWC Board.

The meeting was adjourned at 11:39 a.m.

Respectfully submitted,  
Sharon Dunn, Corporate Secretary

Approved January 16, 2021/Sharon Dunn