

Minutes
Sun Vista/ Sunlight Beach HOA Board Meeting
February 15, 2014 Meeting

The meeting was convened at 10 a.m. on February 15, 2014 at the Big Red Barn.

Attendees: Tom Kraft, Boyd Benson, Bob Brown, Bill Countner, Karen Johnson, John Lovie, Joel Shrut, Ronda Skubi, and Bob Winquist. Guest: Ed Sheets.

1. Secretary's Report by Ronda Skubi.

- a. Approval of December 14, 2013 Board Meeting and December 16th conference call minutes: **Action**: motion and second to approve the minutes; motion passed unanimously.

2. Treasurer's Report by Karen Johnson. All balances are as of December 31, 2013.

- a. Cash balance: Checking is \$13,093; the savings/reserve account has \$44,828.
- b. Accounts receivable and Accounts Payable aging: accounts receivable total \$4,657. \$2,459 in payments are 61 to 90 days overdue; \$1,399 in payments are over 91 days overdue; however the bookkeeper was on vacation so some payments may not be reflected in this report.
- c. Financial Statements for 2013: Karen Johnson reviewed the balance sheet, the Profit and Loss statement, and cash flow. The 2013 Draft financial report will be ready in a few weeks for the audit committee.
- d. Summary report of annual revenue including quarterly overage revenue: Karen reported that there was nothing significant. The Board discussed creating a wellhead protection plan fund because some of these costs could be capitalized and amortized over 25 years.
- e. Update on automated billing and hired service provider: The bookkeeper was on vacation so some things did not get done. So far, the system appears to be working.
- f. Billings for services: Account #9151 was billed \$1,163.13 for meter installation in October and has paid in full for these services. Account #9012 was billed in February 2014 for services rendered in October and December in the amount of \$2,225.54. That amount remains outstanding as of today. This account owes the HOA for these services, as we have paid King invoices that included these amounts.

3. Finance Committee by Boyd Benson.

- a. Tax Return: Boyd is working on the tax return; it is due by March 15th.
- b. Financial Audit: Boyd reported that the internal audit committee would begin soon. The Audit Committee is comprised of Boyd Benson, Norm Ledbetter, Ed Sheets, Linda Henderson, and Jerry Maxwell.

- c. Six-Year Budget: The Association is required to prepare a six-year budget with estimates of future costs and revenues. The Board reviewed the draft six-year budget. The Board will do a final review at the next meeting and then take the budget to the annual meeting for review and approval.
4. Operations Committee by Bill Countner and John Lovie.
- a. Well #1: The pressure is dropping on the pump and water levels are 4 to 5 feet lower; also, sediment has built up on the screens. The committee plans to clean the screens; this should provide more production and less drawdown of the water level. The water quality to be tested on Well #2. It appears that this supply may have more iron, manganese, and arsenic and may require additional or alternative treatment facilities.
 - b. Back wash system and holding tanks: The committee is exploring holding tanks and a sump pump to slowly drain the back wash water needed to clean the screens. It is also exploring the need to replace the filter heads and to install an automated back wash system that would clean the screens based on the amount of use rather than a period of time. They believe this would reduce the amount of back wash water which could reduce the use of the holding tanks and sump pump.
 - c. Contact tank and filters: The tank and filtration system is under review for alternation or replacement.
 - d. Generator service: Jerry Beck will be servicing the generators.
 - e. Update on Chloride analysis: Chloride levels are approximately 10 ppm.
 - f. Charting of water levels in wells and monitoring of drawdowns and recovery rates: the committee has been monitoring these issues and provided a report.
 - g. Well Head Protection Plan: The Operations Committee described the report from Golder and Associates, which has been submitted for approval to the Department of Health, Drinking Water Division. John Lovie will provide a presentation at the annual meeting.
5. Compliance Committee by Bob Brown.
- a. Status of Cross-Connection and Control Program: The committee reviewed the implementation of the Program. The first step was to define the risks and the survey determined that 22 water users potentially needed to install backflow prevention systems. The committee has been implementing a public information program to provide letters to homeowners. It has also specified the roles and responsibilities for the program. King Water will conduct on-site inspections to determine whether a backflow prevention system is needed. The homeowner would be told whether a system is needed and given a deadline for installing the system. If the water users did not act, King Water would install the systems and the Association would bill the homeowner.

- b. Kohlwes property: The committee is waiting for a proposal. The Board asked the Planning Committee to review the issue and report back to the Board.
6. Conservation Committee by Joel Shrut.
- a. Signs: The Board reviewed options for signs that would indicate when water supplies were good, when people need to conserve, and critical periods (no lawn and garden watering allowed). **Action**: The Board approved the concept of new signs and asked Joel to explore less expensive options and report back.
 - b. Water use efficiency report: The Association set a goal to reduce unaccounted for water to less than 10 percent. The Association has reduced the amount of water that is unaccounted for from 21 percent in 2010 to 7 percent this year. The Association also set a goal of reducing total water production per member per day by 5 gallons. The reduction in 2011 was 13 gallons, in 2012 it was 7 gallons, and in 2013 the reduction was 10 gallons.
 - c. Alternatives to address water conservation in the summer: A review of consumption indicates the highest consumption is isolated to ten members who use 20 percent of all water consumed. The Board discussed alternatives to address this problem and decided to start with conversations with the ten water users.
7. Governance by Bob Winquist and John Lovie.
- a. Board of Directors terms expiring: Boyd Benson, Joel Shrut, and Karen Johnson agreed to continue on the Board.
 - b. Election materials: Ronda Skubi will coordinate the materials for the election at the annual meeting. John Lovie will provide the ballots, check lists and help with the elections.
 - c. Volunteers for elections and members meeting: Tom, John, Bob and Ronda volunteered to help.
8. Old Business
- a. One-inch service line: The request for a one-inch service line was revoked.
 - b. Resolution on Application for Service: The Board reviewed the revisions to the Rules and Regulations for Water Service/Operation, Section 3(a): The amended resolution would do three things:
 - 1. It changes the current Application for Service to limit hook ups to an inside diameter of $\frac{3}{4}$ of an inch.
 - 2. It makes it clear that there is only one hook up per Island County taxable parcel.
 - 3. It adds language regarding the responsibility of a homeowner if they do any work between the meter and the main distribution line.

- c. **Action:** motion and second to approve the amended resolution; motion passed unanimously.

9. New Business

- a. Requests for credits on water bills: Two accounts (#9111 and #9006) experienced leaks that caused significantly higher water bills. In both cases, the association owners corrected the leak as soon as it was identified. The Board decided to approve a credit based on the following formula: the bills would be credited for one-half of the costs that exceed the base quarterly fee. **Action:** motion and second to approve the credits; motion passed unanimously; Karen will prepare resolutions for signature.
- b. Revise the time for the next meeting: The next Board meeting will start at 1 pm on April 19th to avoid a conflict with the Dike District #1 meeting that day.

10. Adjournment.

Action: motion and second to adjourn the meeting. Motion passed unanimously.

Submitted by:

Ronda Skubi, Secretary