

**Sun Vista/Sunlight Beach  
Home Owners Association  
Board of Directors Meeting  
April 27, 2013**

**Board Members Present:** Tom Kraft, Boyd Benson, Joel Shrut, Sharon Vanderslice, Karen Johnson, John Lovie, Bill Countner, Bob Brown

**Guest:** Ronda Skubi

**Secretary's Report:** The February 2, 2013 minutes were approved as corrected by email and resolutions from that meeting have been signed. The board unanimously approved changing the date of the annual member meeting from June 22nd to June 29th, 2013.

**Treasurer's Report:** A comparison of revenue for Q1 in 2012 under the old rate system and Q1 in 2013 under the new rate system was reviewed. There is virtually no difference in revenue for Q1 in 2012 and 2013.

There is \$6,222 in the operating account and \$44,810 in the capital reserve account. Accounts receivable ageing was about \$5000 a year ago and currently is about \$3,800. All of the new reservoir assessments have been paid.

Unaccounted for water loss was 17% in 2010, 10% in 2011 and 11% in 2012. The amount of unaccounted for water loss in 2012 reported in the draft Consumer Confidence Report submitted by King Water needs to be corrected. The error is due to their incorrect meter reading.

The automated invoicing system utilizing Quik Books is a work in progress.

The report to members at the annual member meeting will include discussion of rate comparison between the first quarter of 2012 and 2013. The revenue generated covers the cost of day to day operation of the system, but not replacement of major system parts or catastrophic failure from uninsured events such as an earthquake. A year under the new rate structure is needed before contemplating any changes to the rate structure to cover future capital expenditures. A facilities inventory is to be conducted which will document estimates of the life expectancy of the components and the replacement costs. The water system manager will be consulted to assist in developing this inventory.

Some accounting functions, mail processing and bank deposits will be outsourced to O'Brien Bookkeeping which is located in Freeland. They are Quik Books experts and also do Quik Books consulting. They will process expenses, but invoicing will be retained in house.

Account # 9151 will be billed for the stub fee and connection fee, but the HOA will cover the cost of the investigative digging at the property performed by King Water. Drilling

under the road to connect the property to the main line will be performed when soil conditions are drier. Account # 9014 will be invoiced for the cost of repairing his broken meter box.

**Finance Committee:** The audit committee has met, but needed more information from the Treasurer before proceeding further. The year end accrual entries were required to reflect accurate balances for the 2012 financial statements.

The footnotes for the 2012 financial statement will reference the original Agreement with the Kohlwes family and the account receivable due from them. A letter and a detailed calculation of the receivable has been sent to the attorney for the Kohlwes family. No financial recording of this receivable which is estimated at \$13,650 will be included in the 2011 or 2012 financial statement at this time.

**Operations Committee:** The repair of the break in the distribution system in the Kohlwes field has been completed. The generators have been serviced and are run automatically once a week for a few minutes. Propane levels will be checked before the cold weather season. Service to the generators will be performed annually. The repair of the shut off valve on Lincoln has not been completed. The railing on the top of the reservoir has been removed. The fence around the well house will be temporarily removed to allow servicing of the wells. A new gate will be installed to allow access by a service vehicle.

Water level logging indicates that the static level of the water in well #1 gradually increased through the winter months and as expected is dropping slightly a little now as rainfall decreases. The pumping water level stayed at about 10 feet lower below the static water level. There appears to be no change in the draw down and recovery rate of well #1. Another logger will be installed in well #2 in early May when it is scheduled to be cleaned. King Water will be required to test chloride levels in well #2 when it is running along with the samples they are already obtaining from well #1.

The pumping rate and pressure in well #1 has noticeably declined in a period of two days. The #1 well pump for will be pulled and inspected when the pump for well #2 is cleaned.

**Compliance Committee:** A cross connection control policy proposed by the committee (see attachment) was reviewed. In order to comply with the Department of Health drinking water regulations, the HOA is required to identify plumbing fixtures, (such as hot tubs or irrigation systems), on members' property that could contaminate drinking water if backflow from them entered the water system's main. If it is determined that a plumbing fixture presents a backflow risk to the system, the customer will be required to install a backflow prevention device at their expense and have it tested annually.

The HOA water system manager will survey the properties of members who have indicated that they have plumbing fixtures that could contaminate the water supply and determine if a backflow prevention device is required. If it is determined that a backflow prevention device is needed, the HOA may provide the member with a list of known

certified installers and testers. All new hook-ups or new construction will be required to satisfy the HOA cross control policy prior to commencement of water service.

Inasmuch as it is the HOA's responsibility to provide clean water to its members and a requirement of the Department of Health to establish a cross connection control program to prevent contamination of the water system, the following resolution was proposed.

**Resolution 13-4-27-001** (see attachment)

It was resolved, seconded and unanimously approved that the Sun Vista/Sunlight Beach HOA adopted the Cross Connection Service Policy drafted by the compliance committee. This policy shall become part of the rules and regulations of the HOA and will be posted on the HOA website. A copy of this policy will also be distributed with the packet of materials that is mailed to members prior to the annual member meeting and discussed at the meeting. The next step will be to have the HOA water manager appropriately assess the potential hazard of each plumbing fixture indicated by the customer survey that could result in backflow contamination.

The HOA has an easement of 100 feet around the well head to protect it from contamination, but it is recommended that steps be taken to secure a protective zone encompassing a 1000 foot radius around it to ensure that the water system is completely protected. Of particular concern is future development of the upslope hillside property due to the shallow nature of the wells and the aquifer at the bottom of the hill. The recent DOH Sanitary Survey recommended an update of the wellhead protection plan. The help of Dave Tysz of Evergreen Rural Water to produce the plan will be solicited.

The Small Systems Management Guide remains a work in progress. The Sanitary Survey determined our water supply needs to be tested for arsenic on a monthly basis. Our water may contain small amounts of arsenic which are removed by the same process utilized by our system's filtration system to remove iron from the water. The testing ensures that the arsenic is entirely removed post treatment. King Water has been instructed to perform this additional test.

The Consumer Confidence Report and the recent Sanitary Survey will be reviewed at the annual member meeting. The Sanitary Survey gave our water system excellent marks and the few recommendations noted were considered minor and are being corrected.

**Conservation Committee:** The amount of water used yearly has declined since 2010 as has the amount of unaccounted for water loss. The amount of water used for back wash has also decreased since 2010. From a conservation viewpoint the HOA appears to be close to meeting or exceeding the 5 year goal of saving 5 gallons per day per household. During the water system shut off last month to repair the broken main in the distribution system, the emergency call tree operated effectively in notifying patrons. Using twitter, email or text messages to cell phones was discussed as possible means for emergency notification of patrons in the event of a future emergency or shut off.

**Governance Committee:** Election materials have been pulled together and committee members will be assembled to prepare the packets to be mailed. The packets will include a cover letter from the President, a copy of the Cross Connection Policy, proxy statement, proxy return envelope, ballots, 6 year budget and agenda.

**Old Business:** Discussed earlier in this meeting

**New Business:** Account #9115 requested relief of 50% of her overage charges in Q2 which were due to a leaking sprinkler head in a newly installed irrigation system. Repairs to the valve controlling that section of sprinklers were made promptly, but the work was not invoiced because the irrigation system was still under warranty and the member did not make the request to the board in writing. Inasmuch as the HOA has in the past forgiven members for 50% of the overage fee resulting from such events when repairs are made in a timely manner, the following resolution was proposed:

**Resolution 13-4-27-002:** (see attachment)

It was resolved, seconded and unanimously approved that the HOA credit the member's account with 50% of the overage fee caused by the leaking sprinkler head if and when proper documentation of the repair is produced and the member makes the request in writing.

A board member attending the Whidbey Island Water Systems Association learned that the Small Water Systems Management Guide probably might be requested during the Sanitary Survey. Board members reviewed and updated most of the required documents prior to the survey of our system. At a Whidbey Resource Advisory Committee meeting, the Emergency Preparedness sub-committee which is responsible for getting Island County's emergency plan together reported that the County has no plan other than to commandeer water from functioning systems to give to other people who may be without water. It appears imperative that each water system have its own emergency plan as the County will not be able to provide much help other than temporary emergency water as may be available from other systems.

The following dates for board of directors meetings for the upcoming year were proposed and approved: 9/7/13, 12/14/13, 2/15/14, 4/19/14 and the annual member meeting 6/28/14. Following this year's annual member meeting on June 29<sup>th</sup>, there will be a special board meeting to elect officers and other business as necessary may be conducted.

**Adjournment:** The meeting was adjourned at 1:15 p.m. The next regular meeting will be September 7<sup>th</sup> at 10:00 a.m. in the Big Red Barn on Sunlight Beach.

**Submitted by:**

Sharon Vanderslice  
Secretar