

## **WWA Information Meeting on Water Share Sales Process**

**Tuesday, October 25, 2022, 7:00 PM Zoom Meeting**

Board Members present: Adrian Witherspoon, Jeff Thurlow, Peter Meyers, Jim Cross, Holly Shull

This is an informal meeting; no votes will be taken and the board is not making any policy decisions at this meeting.

History: A lot of time and effort has gone into developing this share sales process. It started about 3 years ago when the Board at the time bought the additional well and realized that with the additional capacity, that King County would likely require WWA to offer more shares. The then existing by-laws and share sales process were examined by the board. After reviewing by-laws and share sales process, there were enough different interpretation of the process that a committee was put together consisting of a couple of board members and some members at large. That committee reviewed the by-laws and share sales process and suggested recommended changes to both. The by-law changes were voted on and approved by WWA membership at a Special Meeting on March 16, 2022.

### Key items in the water share sales process:

- \$100 non-refundable application fee
- Each applicant can apply for only one (1) share in any sales cycle
- Any WWA member can buy only one (1) share every two (2) years (if shares are offered yearly).
- Each application must be linked to a specific parcel.
- If there are more applicants in any sales cycle than there are water shares available, the Board will hold a lottery drawing to determine who gets the opportunity to purchase a water share.
- The lottery order does not carry over from year to year. When additional shares are released in the future, the entire application process starts over.
- Per the WWA By-Laws, if an extension from the main line is needed for a new share, the shareholder is responsible for both the mainline extension and the connection costs.
- The holder for a new water share is also responsible for obtaining an estimate for the cost of a mainline extension to their house.

Four (4) WWA shares will be released for sale on January 1, 2023 @ \$17,000 per share.

The board is allowed to release 4 shares per year as per WWA By-Laws. As the Board previously committed to the membership (letter to members Feb '22), the initial release of 4 shares will occur and then the following year no shares will be released in order to allow additional time to gain experience with the new Back 40 well. In the 3<sup>rd</sup> year the next round of 4 shares may be considered by the Board for release for sale.

The sales process for the various tiers of applicants was reviewed, following the diagrams presented in the Share Sales document posted on the [WWA website](#) (diagram on page 6).

There are five (5) sales tiers. Each tier completes before offering to subsequent tiers.

Tier 1 – current WWA members

Tier 2 – non WWA members with residence with proof of public health issue with existing water supply

Tier 3 – non WWA member with residence and existing well

Tier 4 – non WWA member without residence on parcel, and existing well

Tier 5 – non WWA member without residence on parcel, without any supply of water

There is a 30-day application period when Tier 1 applicants (WWA Members) can request and submit an application to purchase a water share. The application process is closed after 30 days. The applications are then reviewed for accuracy, completeness, eligibility and parcel access to main line. If a parcel is not located close to a main line, the applicant will be notified so that they are aware of the potential additional cost to them of their connection.

If fewer than 4 applications to purchase a water share are submitted, the additional shares are offered to Tier 2, etc. until all offered water shares have been claimed or all tiers have been processed.

If more than 4 applications are submitted, a list will be made of all the applicants. Winners will be determined by a lottery. The top 4 winners will be notified. If any of the winners withdraw their application, the offer will be passed to subsequent persons on the lottery list. After all applications on the lottery list have been processed, any remaining water shares will be offered to Tier 2, etc. until all tiers have been offered any available water shares.

Question 1: How will Tier 2 applicants be notified about water shares available?

Answer: A notice will be posted on <https://westsidewater.org>, and also probably signs will be posted in the service area.

Question 2: When there are multiple Tier 2 to Tier 5 requests for these 4 water shares, and there is more demand than supply, do those people that are not fortunate enough to win the lottery have sort of an inside track for the next round of shares?

Answer: There is no wait list, so regardless of the tier of the applicant, once offered water shares are claimed, the process begins anew when additional shares are released by the Board.

Question 3: What happens if someone wins in the first lottery, and they apply again the second time shares are offered?

Answer: Per WWA By Laws a member can purchase only 1 share every 2 years. If someone wins the lottery and purchases a water share and then applies again in the following year, they will be notified that their application will not be processed that year.

Question 4: What is considered 'unsafe water' and what is needed to prove unsafe water?

Answer: The board will review the claims of an application in Tier 2 on a case-by-case basis.

Question 5: How much time do people have to hook up a water share once purchased?

Answer: Per the WWA By-Laws there is a 3-year limit to use a purchased water share for domestic water supply purposes, or the Board may repurchase the share. One can apply to the Board for an extension, when the 3-year time limit is coming up.

Question 6: Is there a rule in terms of the named person on a parcel and the purchase a water share?

Answer: To apply for a water share, the applicant must be the named person on that parcel.

Question 7: When shares are released and if there is a lottery, how will the lottery be held?

Answer: This has not been decided yet, but a decision will be made by the board before the offering of the shares for sale.

Thank you for attending. If anyone thinks of additional questions, send the board an email