

Westside Water Association 2024 Annual Meeting  
May 30, 2024@ 7:00p.m.  
Vashon Havurah, Westside Hwy.

## **AGENDA**

Call to Order

Sam Lanier stated that we had a quorum of members (60 members/proxies) which meant there were enough voting shareholders present to conduct business (82 members present).

2023 Annual meeting minutes were read aloud by Doug Swan.

**Motion was made to approve the minutes from 2023 Annual Meeting. Motion passed.**

### **Treasurer's Report for Fiscal Year 2024/ Holly Shull**

"We are doing well." Financial reports have been uploaded to the Annual Meeting 2024 webpage on the website – westsidewater.org.

Westside Water Association continues to be financially sound with a strong cash balance of \$263,870 on 4/30/2024 in our O&M, CAR, Repairs & Emergency Funds. Capital Asset Funds Report: As noted in the President's report, this fiscal year we have created the Capital Asset Fund (CAF) which houses the Capital Asset Replacement (CAR) account which is used for replacement/repair of capital assets and the Capital Asset New (CAN) account which will be used for acquisition of new "equipment which is being replaced". This CAN fund has been recommended by Doug D. and the Department of Health. The CAR balance at the end of fiscal year 2023/2024 included a remainder from the Back40 Well surcharge and 2023 water share sales of \$25,252. These monies have now been transferred to a new Chase Bank checking account dedicated to CAN only. Balance of Capital Asset Funds accounts 5/26/24 CAR checking/CDs: \$120,686 CAN checking/CDS: \$ 25,379 Total Capital Asset Funds: \$146,065

The Finance Advisory Committee, including WWA members Pat Call, Jeff Thurlow and Jessica Vreeswijk with Doug Dolstad in an advisory role, reviewed the CAR Schedule and recommended that intake for CAR be increased to keep up with increasing capital replacement costs. The Board voted to increase the water sales base/tier rates across the board 10% above the CPI of 3%. The total increase is 13%. The additional funds collected will be reserved for CAR 2024/2025 to help WWA stay on target for increased capital asset replacement costs. The Finance Advisory Committee will continue to plan for large capital asset replacement expenses such as replacing/relining storage tanks. We would welcome any members interested in working with us on pursuing outside funding/grants. Contact Holly at [frostflower2000@yahoo.com](mailto:frostflower2000@yahoo.com).

### **O&M Operations**

4/30/2024 Operation & Materials checking account: \$76,060. Repairs savings account: \$ 12,006. Total: \$ 88,067 Net Operating account improved over the previous year, mostly due to lower maintenance, repairs and outside services expenses compared to 2022/2023, resulting in a healthier net operating balance of \$11,876 at the end of this fiscal year.

#### Emergency Savings Account 4/30/2024

Emergency Savings Account/CDs: \$35,566. As Johnny Struck noted in his member review of WWA financials, our Standard Operating Procedures (SOP) states this fund should contain \$30,000 in 2017 dollars, e.g. \$38,226 in 2024. We will move funds from the O&M account to bring up the Emergency Fund balance. The funds in the Emergency account are being invested in 6-9 month CDs at 4-4.5% APY. Member Review WWA member Johnny Struck reviewed WWA Financials for the period 5/1/2023 through 4/30/2024. A copy of the member review is posted on the Westside Water Association website.

We are still collecting money for the King County Right-of-Way fund. We still haven't heard from the county as far as when they will begin charging us. The money in this fund is presently invested in CDs.

**Question: What is the anticipated deficit? In terms of cash flow, you're looking to increase our collections by 10%, but you are also indicating that the money we are raising is inadequate over time. How inadequate do you think it will be?**

"The increase of 10% will help us stay on target for the next ten years in terms of our outlays-CAR funds. And the board can also try to manage when these CAR funds are spent to keep us within our means."

#### President's Report- Sam LanierPresident's Annual Report 2023-24

It has been a busy year for WWA, with new board members and lots of water system education. Thanks to Pat and Doug for ushering us along in meetings and being patient with all of the questions. Please

welcome Paul Huss as the water system manager for IWM he is learning the ropes under Doug's tutelage. There's a lot to learn.

The Washington State DOE has declared a statewide drought as of mid-April, Westside Water Association is prepared and asks everyone to watch for leaks on their side of the meter, as well as any unusual spots out on the road shoulders that you might observe.

Water Sources: Our wells and well point sources are trending at historical levels, meaning the fluctuations of the Anderson Wells' static level is moving in the right direction for recovery for summer use. The Canyon well points were recharged earlier this year by Paul and are currently pumping at 25 gallons/minute. The Back 40 well is still on standby and a chlorine pump is on order and will be installed

soon. Leak Rates: Currently at 3.8 gallons/minute, a drop from 6.6 gallons/minute earlier in the year. DOH wants small systems to have a loss of less than 10% of water produced, so 3.3 gallons/minute is our goal.

Finances: WWA is currently in good financial health. For a more detailed study I will refer you to Pat's newsletter that was sent in mid-May. We are increasing rates due to an aging system which requires continuous replacement of pumps, valves, meters, and eventually, the 156th tank. While this is the norm for water systems, we have found that, in comparison to other island systems, we have been under charging for trenching on King Co. right-of-ways. Adding this to the CPI increase of 3%, it is necessary to have an overall rate increase of 13%.

Summer Projections: As noted above, a statewide drought has been declared for this summer/fall season in all smaller systems. The Back 40 well will be deployed if usage goes beyond what the normal sources can provide. Please be mindful of your water usage inside and around your gardens.

ROW fees: It is our best estimate that WWA is on target to pay King County's ROW fee in full when it becomes due. The due date is unknown at this time.

CAF (Capital Asset Fund): This is an umbrella for the CAR(Capital Asset Replacement) and the CAN(Capital Asset New) funds. Replacement funds maintain the system and CAN funds are separate monies from water share sales and will be applied to future new capital assets.

Projects this year have included the 153rd line that will be completed this summer, bringing better fire flow and a hydrant to the Westside Hwy. where it meets 153rd.

### **Water Manager's Report- Paul Huss**

Paul, as the new operations manager, introduced himself and identified himself as the new contact person for answering questions or solving problems. He thanked Doug D. for his wisdom and continued council. Doug D. will continue working on the Capital improvement projects this summer. Paul also thanked the board for their support.

Paul continued by informing members that he is currently working with the Department of Health to try and regenerate the spring that is in the canyon (S02). This spring could serve as another reliable source going into the future.

He issued a reminder about 'Cross Connections'. An example would be a swimming pool or a body of water that is connected to the system without backflow prevention. The goal is to isolate drinking water from any other source of water. Paul encouraged members to contact him if they had any questions or concerns. The Cross Connection policies are posted on the WWA website under 'Policies'.

**Question: What about drip irrigation?** Backflow prevention should be part of the assembly.  
Comment- A source of Cross Connection could be a hose in a horse trough.

**Question: How are the members not in attendance being made aware of Cross Connections?** Include information in the Newsletter or send out additional email notice.

Capital Projects include finishing the main connection on 153rd, Cove Road main connection, replacing old meters, and installing monitoring meters at the water tower on 156th.

**What is Paul's telephone number? (402) 659-8824 or (206) 567-4568 (#'s located on website)**

Doug Dolstad comments: Doug D. took an informal survey. "How many people here live on the upper system- that's Cove Road and 115th?" He made the point that when the pumps go out, the water pressure drops. "Jessica and Scott live at the highest places on that ridge, so when the pumps go out, they're the ones that call Paul. So thank you, both of you." The members who are living on the Westside Hwy. are all on the gravity side of the system and the water pressure

should be constant. Doug continued: "How many people here have served on the board or had partners that have served on the board? Take a look around. A lot of people have served on the board over the years. I think Westside Water would score very high marks for its transparency of the system; all finances, all records, everything is available to you. It's a membership organization...It's important that there is a high level of trust, and a high level of involvement."

**Question: Is the Canyon Well available for emergency use?** That water source has been redesignated. We pay for every active or seasonal source that we have on file with the Department of Health. So the Canyon Well has been redesignated as an Emergency source and is "exercised" or started up regularly.

**Question: Given the good status of the balance sheet this year and how well everything seems to be going, whether you might consider revisiting offering a small number of shares?** Sam Lanier (president)- We will take that under consideration as a board. Under our operating procedures that we have developed, we will revisit the share offers every two years after an assessment. But at this point, we are unable to truly assess the addition of the four new shares. No one is hooked up yet from the last sale, so we don't know what kind of pull there will be on the system. The board will discuss this topic at the next meeting.

Steve made the point that in the past, the sales of shares got ahead of the system's ability to provide that amount of water, and it took time to catch up.

Scott made the point that this summer may be the hottest yet, and that he supports the conservative approach of the board to see how the 'new norm' affects our system.

**Question: When you switched banking, did you consider the Credit Union or did they not have the services you needed?** They didn't have the services we needed.

**Question: Will the 153rd project replace the existing pipes?** The plan is to utilize the existing 3 inch main by sliding a new line through it to provide individual service.

### **Global Water Initiative- Mary Margaret Briggs**

Enid Dolstad began this project. This is our 18th year. (video on WWA website) In the last 18 years, we have collectively raised \$44,000.00 that's been sent to communities in Nicaragua to Provide water and sanitation. The program has served over 4,000 people by providing training, drinking water, latrines, and hand washing stations. To participate, you can add a payment to your water bill or make a one time payment. Paperwork for a tax deductible contribution is available. Communicate with Doug D. to make this happen. We are invited to visit Nicaragua and help with the projects.

### **Old Business**

Water shares were discussed.

### **New Business**

PSE easement issue- Peter stated that PSE is in the process of “improving the lines and replacing the poles”. It’s of special interest to WWA, because the easement issue involves our property on 156th at the location of the water tower. The issue is PSE is trying to move their power poles and lines outside of the King Co. right of way. At present, they have 22 out of 24 properties that have agreed on the extended easement. PSE will get that easement regardless, because they have been given eminent domain as a utility by the state of Washington. Our complication is that our pump house is within that area. Peter is working with a PSE lawyer on modifying some language that would restrict the easement to access over the property and not influence the infrastructure below the lines. He thinks that reaching an agreement is possible.

### **Election of Board Members**

**Motion was made to nominate Holly (treasurer) and Peter (member at large) for a second term. Motion passed.**

Meeting adjourned at 8:11pm.