

**LAKE LIMERICK COUNTRY CLUB
WATER COMMITTEE MEETING
August 9, 2014
Minutes**

The Meeting was called to Order at 9:00 a.m.

Roll Call: Chair Phyllis Antonsen, Secretary Don Bird, Treasurer Scott Carey, Committee Members; Brian Smith, Brian Parnell and Ken Ayers

Employees: Bill Bernier and Sheila Hedlund

Guests ~ None

Approval of Minutes for July 12, 2014

Don's analysis of power usage needs corrections as follows:

Don has determined that \$60-\$80 per month per well is for heating (during the winter months). This is a total of \$1,500 - \$2,000 per year per-well. Our total electrical expense per year is \$15,000 - \$20,000 which indicates that the heating portion of the annual billing is 10%.

A Motion was made by Scott Carey, seconded by Don Bird and passed with no nays as follows:

To Approve the Minutes of July 12, 2014 with the following amendment:

Don has determined that \$60-\$80 per month per well is for heating (during the winter months). This is a total of \$1,500 - \$2,000 per year per-well for all wells.

Additions to Agenda ~ None

Comments from Guests ~ None

Financial Report

1) The Monthly Review shows a significantly larger amount than budgeted for Net Income. This is due to lower than expected expenses year to date and an increase in collections.

2) Service disconnect status; 16 Accounts paid in Full and 7 accounts made their monthly payment plan agreement payments. Sheila reported that Sarah will begin sending out late notices this month and get the collection process restarted.

A Motion was made by Don Bird, seconded by Brian Smith and passed with no nays as follows:
To approve the Financial Report for July 2014

Water Distribution Manager's Report ~ Attached

Action List ~ Attached

Correspondence ~ None

Old Business

Budget

a) 2014-15 Budget

Discussion was had regarding the \$5.00 Fee added to each member's billing every month this \$5.00 fee is designated for the mainline replacement reserve account.

When the \$5.00 fee was originally added to member accounts it was designated for Meter replacements, non metered lots were not charged this fee.

One and one half years ago, the meter replacements were paid in full using the \$5.00 fee, the Water Committee opted to continue collecting the \$5.00 fee and to designate it for Mainline replacements. Now that the \$5.00 fee is designated for a system upgrade it is determined that Non Metered lots should also be charged this fee on a monthly basis.

The water system is owned and operated by the HOA, this makes each member an owner, and responsible for the maintenance and operations of the system. The mainline replacement is the responsibility of all owner members.

A Motion was made by Scott Carey, seconded by Brian Smith and passed with no nays as follows:

To add the \$5.00 mainline reserve account fee to Non Metered Lots so that they are also supporting the upgrade of the system.

b) Transfer of \$3.00 assessment to main replacement account?

Discussion was had regarding the \$3.00 fee added to each member's billing every month this \$3.00 fee originally funded the installation of the Cross Connection Control Devices to protect the Lake Limerick Water System. Once the installation costs were paid the Water Committee determined the \$3.00 fee would continue and would be used to support the repair, maintenance and testing of the Cross Connection Control Devices. This year funds were collected and tracked throughout the year, it was determined that the collections exceeded the expenses.

The Water Committee has opted to open a new reserve account using the excess funds collected in Fiscal Year 2013-2014, and to dedicate the Fiscal Year 2014-2015 \$3.00 per month per lot collections to upgrading Well #6. The upgrade will consist of an entirely new well system that will work side by side with the current system and will allow us to pump the amount allowed by the Department of Health.

A Motion was made by Brian Smith, seconded by Scott Carey and passed with no nays as follows:

For the \$3.00 per month per lot fee to remain in the operating budget for the purpose of upgrading Well #6.

A Motion was made by Brian Smith, seconded by Don Bird and passed with no nays as follows:

To recommend approval by the Board of Directors for the Water Operating and Capital Budgets for Fiscal Year 2014-2015.

2) Well #4

a) Note: The Nicholson bid was approved by an email vote and by the BOD.

b) Status (See Manager's Report)

Don's analysis of power usage

Don presented his research on temperature controlled plug ins and relays designed to activate when the temperature hits 35°. Both units are under \$20.00 and will be tested to see which device will work best in our Well Houses.

4) SCADA

An upgrade for the Control System was approved for the F.Y. 14-15 Budget.

New Business ~None

Announcements ~ Next meeting date - September 13, 2014@9:00am

Motion to adjourn.

A Motion was made by Brian Smith, seconded by Ken Ayers and passed with no nays as follows:
To adjourn the meeting at 10:35 a.m.

These minutes have not been approved by the Water Committee
Respectfully Submitted by: Sheila Hedlund

MOTIONS TO THE BOARD

A Motion was made by Scott Carey, seconded by Don Bird and passed with no nays as follows:

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A Motion was made by Scott Carey, seconded by Brian Smith and passed with no nays as follows:

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To recommend approval by the Board of Directors for the Water Operating and Capital Budgets for Fiscal Year 2014-2015.

Lake Limerick Water System
Financial Statement
Fiscal Year 2013 - 2014
as of July 31, 2014

	TOTAL	Annual Budget	YTD %	
Ordinary Income/Expense				Goal 83%
Income				
Gross Revenue - Administration				
NSF Check Fees	\$ 30.00	\$ -	0%	
Total Gross Revenue - Administration	\$ 30.00	\$ -	0%	
Gross Revenue Water				
Water Disconnect Fee	\$ -	\$ 150.00	0%	
Water Excess Use Charge	\$ 13,210.61	\$ 10,000.00	132%	
Water Meter Hookup	\$ 1,000.00	\$ 2,000.00	50%	
Water Meter Lock/Lockout	\$ 120.00	\$ 120.00	100%	
Water Meter Locked	\$ 8,066.00	\$ 10,000.00	81%	
Water Metered	\$ 304,020.00	\$ 364,000.00	84%	
Water Non Metered	\$ 18,190.00	\$ 22,200.00	82%	
Total Gross Revenue Water	\$ 344,606.61	\$ 408,470.00	84%	
Total Income	\$ 344,636.61	\$ 408,470.00	84%	
Gross Profit	\$ 344,636.61	\$ 408,470.00	84%	
Expense				
Accounting				
Accounting Assistance	\$ -	\$ 2,000.00	0%	
Accounting Audit	\$ -	\$ -	0%	
Accounting Review	\$ 1,545.30	\$ 2,000.00	77%	
Total Accounting	\$ 1,545.30	\$ 4,000.00	39%	
Bank Service Charges	\$ 335.00	\$ 400.00	84%	
Credit Card Service Charges	\$ 2,227.39	\$ 2,500.00	89%	
Depreciation	\$ 48,660.00	\$ 58,400.00	83%	
Dues & Subscriptions	\$ 510.00	\$ 800.00	64%	
Employee Expense				
Education of Employees	\$ 957.00	\$ 1,500.00	64%	
Health Insurances	\$ -	\$ -	0%	
L&I Insurance	\$ 860.42	\$ 1,100.00	78%	
Payroll Tax Expense	\$ 5,720.32	\$ 6,930.00	83%	
Salaries & Wages	\$ 51,821.94	\$ 59,409.00	87%	
Retro Tax Expense	\$ -	\$ -		
Vacation & Sick Leave	\$ -	\$ 3,990.00	0%	
Total Employee Expense	\$ 59,359.68	\$ 72,929.00	81%	
Engineering Services	\$ -	\$ 7,500.00	0%	
Equipment Rent	\$ 828.29	\$ 1,000.00	83%	
Insurance	\$ 7,536.37	\$ 9,500.00	79%	
Legal Fees	\$ -	\$ 1,000.00	0%	
License & Permits	\$ 1,335.00	\$ 3,000.00	45%	
New Equipment Purchase	\$ 10,982.40	\$ 10,000.00	110%	
Newsletter Expense	\$ 1,177.04	\$ 2,000.00	59%	
Office Expense	\$ 1,735.34	\$ 3,500.00	50%	
Postage	\$ 5,558.83	\$ 9,000.00	62%	
Professional Services	\$ 40,994.68	\$ 52,000.00	79%	
Repairs & Maintenance				
Equipment	\$ 2,993.59	\$ 5,000.00	60%	
General	\$ 6,807.40	\$ 52,000.00	13%	
Auto Maintenance	\$ 538.66	\$ -		

Total Repairs & Maintenance	\$ 10,339.65	\$ 57,000.00	18%
Security Service Contracts	\$ 4,620.00	\$ 6,400.00	72%
Service Contracts	\$ 1,400.94	\$ 1,500.00	93%
Supplies	\$ 2,121.67	\$ 5,000.00	42%
Taxes			
Property Taxes	\$ 1,225.01	\$ 2,500.00	49%
WA St Excise Tax	\$ 15,383.88	\$ 19,200.00	80%
Total Taxes	\$ 16,608.89	\$ 21,700.00	77%
Telephone	\$ 1,148.55	\$ 2,500.00	46%
Utilities	\$ 18,160.36	\$ 20,000.00	91%
Vehicle Expense	\$ 6,568.09	\$ 6,000.00	109%
Water Testing	\$ 1,836.00	\$ 200.00	918%
Well # 6 Annual Payment	\$ -	\$ -	
Total Expense	\$ 245,589.47	\$ 357,829.00	69%
Net Ordinary Income	\$ 99,047.14	\$ 50,641.00	196%
Other Income/Expense			
Other Income			
Interest Income	\$ 845.54	\$ 4,000.00	21%
Miscellaneous Income	\$ 727.80	\$ 500.00	146%
Service Charges	\$ 6,036.42	\$ 6,500.00	93%
Total Other Income	\$ 7,609.76	\$ 11,000.00	69%
Other Expense			
Interest Expense Well #6	\$ -	\$ 3,800.00	0%
Misc. Expense	\$ 106.99	\$ 200.00	53%
Total Other Expenses	\$ 106.99	\$ 4,000.00	3%
Net Other Income	\$ 7,502.77	\$ 7,000.00	107%
Net Income	\$ 106,549.91	\$ 57,641.00	185%

Lake Limerick Water System

Statement of Income and Expenses - Fiscal Year Oct 2013 through Sept 2014

Status as of 7/31/14

O.C.C.U. Savings Account	\$ 9,017.43
O.C.C.U. Checking Account	\$ 63,656.15
Klank Checking	\$ 114,782.19
ED Jones Designated Savings	\$ 156,183.63
Key Bank Main Line Replacement Account	\$ 106,666.57
Accounts Receivable	\$ 76,958.65
	\$ 527,264.62

Capital Improvements	Budget	Actual Cost	Budget Balance
Well #4, Replace Hydroneumatik tank with bladder tank	\$ 10,000.00	\$ -	\$ 10,000.00
Well #5, Replace Hydroneumatik tank with bladder tank	\$ 10,000.00	\$ -	\$ 10,000.00
Well #6, Retaining wall with steps up to wellhead	\$ 4,000.00	\$ 1,726.32	\$ 2,273.68
Well #6, Replumb the reservoir fill line to go into the pumphouse before going to the reservoir	\$ 20,000.00	\$ -	\$ 20,000.00
F.Y. 2013 - 2014 Totals:	\$ 44,000.00	\$ 1,726.32	\$ 42,273.68

Non Budgeted Capital Improvements

St of WA Dept of Public Works Loan Well #6	Loan Amt	Int Pymts	Principle Paid
Loan Amount	\$ 343,941.00		
October 2005 Loan Payment #1 (Int Only)	\$ 343,941.00	\$ 4,467.75	
October 2006 Loan Payment #2	\$ 325,838.85	\$ 5,159.13	\$ 18,102.15
October 2007 Loan Payment #3	\$ 307,736.70	\$ 4,887.58	\$ 18,102.15
October 2008 Loan Payment #4	\$ 289,634.55	\$ 4,616.05	\$ 18,102.15
October 2009 Loan Payment #5	\$ 271,532.39	\$ 4,344.52	\$ 18,102.16
October 2010 Loan Payment #6	\$ 253,430.23	\$ 4,072.99	\$ 18,102.16
October 2011 Loan Payment #7	\$ 235,328.07	\$ 3,801.45	\$ 18,102.16
October 2012 Loan Payment #8	\$ 217,225.91	\$ 3,529.92	\$ 18,102.16
October 2013 Loan Payment #9	\$ 199,123.75	\$ 3,258.39	\$ 18,102.16
October 2014 Loan Payment #10 (Estimated)	\$ 181,021.59	\$ 2,986.85	\$ 18,102.16

Cross Connection Control Devices: Collection & Expense Report:

Date	#of \$3 pymts	Amt Collected Per month	Maint. & Inspection Costs:
October-13	1425	\$ 4,275.00	
November-13	1264	\$ 3,792.00	
December-13	1311	\$ 3,933.00	
January-14	1553	\$ 4,659.00	
February-14	1174	\$ 3,522.00	
March-14	1289	\$ 3,867.00	
April-14	1391	\$ 4,173.00	
May-14	1184	\$ 3,552.00	
June-14	1155	\$ 3,465.00	\$ 3,736.04
July-14	1493	\$ 4,479.00	
August-14		\$ -	
September-14		\$ -	

Reserve Acct for Main Line Replacement Engineering	Budgeted Amt	Payments Made	Budget Balance
	\$ 70,742.00	\$ 59,480.00	\$ 11,262.00

Payments Collected for Mainline Replacements amount collected April 2013 - Sept 2013	#of \$5 pymts	Total / Month	Total Collected
October-13	1237	\$ -	\$ 36,613.87
November-13	1123	\$ 6,185.00	\$ 42,798.87
December-13	1188	\$ 5,615.00	\$ 48,413.87
January-14	1351	\$ 5,940.00	\$ 54,353.87
February-14	1085	\$ 6,755.00	\$ 61,108.87
March-14	1171	\$ 5,425.00	\$ 66,533.87
April-14	1266	\$ 5,855.00	\$ 72,388.87
May-14	1060	\$ 6,330.00	\$ 78,718.87
June-14	1047	\$ 5,300.00	\$ 84,018.87
July-14	1368	\$ 5,235.00	\$ 89,253.87
August-14		\$ -	\$ 96,093.87
September-14		\$ -	



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August 5, 2014

Lake Limerick Water System August Meeting

The general condition of the water system is good with no concerns as to system pressures or water availability to the customers.

Well Conditions:

Well #1. We were still having issues with the new pumping configuration. The pressure loss across the cycle-stop valve is too high to allow the existing pump to overcome system pressure. The cycle-stop valve was installed as pump protection if we were to operate the pump in a pressure range. Because we want to operate the pump on a timer; we can by-pass the cycle-stop valve for now and continue to use the well. If/when we want to use a pressure switch, we will need to lower the system pressure by about 5 psi (I do not think we will need to do this). We are dumping the reservoir in preparation of by-passing the cycle-stop valve.

Well #2 is still in stand-by and its use will only be required in extreme cases. We flushed this well for the nitrate sample and verified its operation with the SCADA system.

Wells #3A and B are operating normally.

Well #4 is operating normally.

Well #5 is operating properly.

Well #6 is operating normally.

Water Sampling:

The monthly routine bacteria samples were satisfactory.

The annual Nitrate samples were taken from all the well sites and the results were satisfactory.

The tri-annual lead a copper samples were also taken with satisfactory results. Sample results were reported to the customers who took them as required by DOH. The compliance report was prepared and mailed to DOH (also a requirement).

Water Usage:

The water use data is not available yet. I will send it out when available.

Customer Concerns:

We had 7 utility locates and replaced 4 meters.

The bid from Nicholson Drilling was accepted for the work at Well #4. They are beginning the ditch work this week.

Thoughts:

I will let Don update you on the SCADA improvements and electrical reduction investigations. We are buying some freeze protection devices that plug into an outlet to control the heaters.

I have prepared and attached a separate budget report.

Should you have any questions, or require further information, please call.

William Bernier

Lake Limerick Consumption 2014

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Well #1	0	0	0	0	77,049	79,817	3,336					
Well #2	0	0	0	0	0	0	0					
Well #3a	137,900	1,120,500	284,800	721,280	1,278,200	1,567,000	1,512,400					
Well #3b	184,000	1,249,800	406,400	901,600	1,719,600	1,924,200	2,072,300					
Well #4	133,200	120,100	201,600	505,100		156,300	1,321,200					
Well #5	725,100	6,300	0	0	1,794,800	1,972,600	1,752,500					
Well #6	2,516,000	1,106,000	2,413,500	2,686,100	387,200	1,751,400	2,718,000					
total:	3,696,200	3,602,700	3,306,300	4,814,080	5,256,849	7,451,317	9,379,736	0	0	0	0	0

Flushing				25,000	25,000		1,000					
Dumping	200,000					80,000						
Leakage		10,000	50,000	86,400								
Fire/Cnty		2,500		4,800	48,000		2,700					
total:	200,000	12,500	50,000	116,200	73,000	80,000	3,700	0	0	0	0	0

Meters	3,266,497	3,605,200	3,137,967	4,443,402	4,800,708	7,121,512	9,326,343					
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Loss	229,703	-15,000	118,333	254,478	383,141	249,805	49,693	0	0	0	0	0
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Percent **6.2%** **-0.4%** **3.6%** **5.3%** **7.3%** **3.4%** **0.5%**

	Right (acrf/yr)	Total	Acre-feet	%Water right
Well #1	117	160,202	0.5	0.4%
Well #2	166	0	0.0	0.0%
Well #3	84	15,079,980	46.3	55.1%
Well #4	79	2,437,500	7.5	9.5%
Well #5	152	6,251,300	19.2	12.6%
Well #6	160	13,578,200	41.7	26.0%

Year to Date Total Loss: 3.4%

Electrical Usage in Kwh

	Jan-13	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Well #1		888	861	855	614	181	304					
Well #2						101	134					
Well #3		6,765	2,943	6,321	7,628	8,816	8,628					
Well #4		659	843	751	219	532	3,288					
Well #5		1,061	941	875	5,049	5,376	4,630					
Well #6		6,193		10,820	2,900	7,649	11,166					
total:	0	15,566	5,588	19,622	16,410	22,655	28,150	0	0	0	0	0

Gallons Per Kwh

Well #1	0	0	0	125	441	11						
Well #2					0	0						
Well #3	350	235	257	393	396	415						
Well #4	182	239	673	0	294	402						
Well #5	6	0	0	355	367	379						
Well #6	179		248	134	229	243						
total:	231	592	245	320	329	333						

Historical Data

	Pumped	Sold	Loss
2010	69,790,309	66,840,300	4.2%
2011	60,958,882	56,483,665	7.3%
2012	56,874,086	53,685,498	5.5%
2013	56,859,553	54,275,297	4.4%
2014	36,971,782	35,701,629	3.4%

Gal/Kwh YTD

Well #1	96
Well #3	341
Well #4	298
Well #5	184
Well #6	207

WATER COMMITTEE MEMBERS ACTION ITEMS LIST

	ITEM	DATE TO BE DONE	STATUS
1.	Radio Communication License Fee	10 year Renewal, next due May 2015	Includes Rules and Updates
2.	System wide water line replacement to include: <ul style="list-style-type: none"> • Well #1, Clonakilty Loop • 4" water main, 04-030: Eliminate from the lot, relocate to greenbelt • Ballantrae/Aycliffe Valve Replacement 	Long-range planning.	Evaluation for total replacement completed Feb 2009; estimated cost \$10,000,000.
3.	WSP updates required in 6 years	Next update required July 2, 2020.	DOH APPROVED JULY 2, 2014 Includes ERU approval of 1307 connections
4.	Annual Consumer Education Meeting	April of each Year	Next Meeting April 18, 2015
5.	Secondary BFA testing	Every Three Years, last done May 2013	Next testing due: May 2016
6.	Annual Well Site Inspection	Annually In May for new Committee Members	April 2015 Next Inspection
7.	Sanitary Survey	Every 5 year	Next Scheduled Survey 2018
8.	Well #3 Steps	Scheduled for Fall	To be completed as weather permits
9.	Consumer Confidence Report to include Educational Materials	Annually Mailed with July 1 st Deadline	Next CCR Due July 2015
10.	Water Use Efficiency Report	Annually Reported with July 1 st Deadline	Next Report Due July 2015
11.	Nitrate Sampling	Annual Testing Required	Next Test Due July 2015
12.	Herbicide Sampling	9 Year Waiver	Next Test Due July 2022
13.	Volatile Organics (VOC) Sampling	6 Year Waiver	Next Test Due July 2019
14.	Complete Inorganic (IOC) Sampling	9 Year Waiver	Next Test Due July 2019
15.	Pesticides Sampling	3 Year Waiver	No Test Date Supplied on DOH Schedule
16.	Lead and Copper Sampling	Every 3 Years	Next Test Date July 2017
17.	Cross Connection Hazard Surveys	Every 5 Years	Next Survey Due 2017
18.	Reservoir Cleaning (done in-house)	Every 5 Years	Next Cleaning Due 2015
19.	Tops of Reservoir Cleaning	Every 5 Years	Next Cleaning Due 2017



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August 5, 2014

Lake Limerick Water System Budget Input:

Northwest Water Systems has become a significant influence on the operations and management of the Lake Limerick Water System. The following items are a list of the expected costs associated with this relationship for the year 2014.

- Base Fee- remains unchanged and charged on a monthly basis.
- Operations and Maintenance- expected to average 8 hours per week. An extra 42 hours was added to this total for estimated after hours work such as weekend meetings and emergency repairs.
- On-Call Services- Assumed 26 weekends + 8 additional weekdays for 2 weeks vacation.
- Emergency Phone System- remains unchanged and charged on a monthly basis.
- Laboratory Fees- These are fees that NWS pays on Lake Limerick's behalf.

Category	Rate	Amount	Total
Base fee:	\$1,032.26/mo	12 mo	\$12,387.12
Operations and Maintenance:	\$51.61/hr normal	416 hrs	\$21,469.76
	\$103.22/hr after hours	42 hrs	\$ 4,335.24
On-Call Services:	\$30.45 mon-fri	34 days m-f	\$ 1,035.30
	\$60.90 sat-sun/holidays	52 days s&s	\$ 3,166.80
Emergency Phone:	\$96.95	12 mo	\$ 1,163.40
Laboratory Fees:			\$1,835.98
			\$45,393.60

Totals are developed using assumptions and actual totals may vary based on system conditions. Rates are scheduled to increase with inflation.

NWS billing does not include Engineering costs but does include laboratory fees.

2013 total NWS bill:	\$47,517.24
2014 year to date:	\$25,343.04
2014 projected:	\$44,045.21

Sample	Cost per Sample	Number Required	Annual Cost
Bacteria	\$20.00	24	\$480.00
Nitrate	\$22.00	7	\$154.00
Volatile Organic Carbons	\$93.50	1	\$93.50
Gross Alpha	\$71.50	3	\$214.50
Radium 228	\$137.50	3	\$412.50
Herbicides	\$121.00	1	\$121.00
Pesticides	\$121.00	1	\$121.00
Total:			\$1,596.50

Additional Costs

Backflow Assembly Testing:	\$4,000
Radio License Fee:	\$?
Reservoir Cleaning (#1):	\$160

Potential Preventive Costs

Additional Source at Well #6:

Drilling a 450 foot well:	\$35,000
30 hp submersible pump:	\$7,500
Piping and meter:	\$7,500

Engineering/Regulatory Fees: \$6,000

Electronics:

Allen Bradley Software-	\$3,000
Programming-	\$4,600
25% Contingency-	\$1,900

Sub-total: \$65,500
15% Contingency- \$9,825

Total Estimate: \$75,000

Should you have any questions, or require further information, please call.