

LAKE LIMERICK COUNTRY CLUB -WATER COMMITTEE MEETING

Minutes of September 10, 2022, 8:30 am

Meeting Location: Online by Zoom for Committee & Community Members

Call to Order: Meeting called to order by Chairman Kelly Evans.

Members Attending: Chairman Kelly Evans, Secretary Anne Moen, Treasurer Don Bird, and Member Wally Montz. Dan Cossano excused

Board Members: John Ingemi, Esther Springer-Johannesen), Pat Paradise, Stevan Saylor & Dean Dyson

Employees Attending: Water System Manager Chris McMullen & CAM- Roger Milliman

Guests: Sue Hearron (2-296)

Approval of Minutes – August:

**Motion made by Don Bird to approve August's minutes, seconded Wally Montz, and carried with no nays.*

Additions to the Agenda:

- Kelly Evans gave a big shout out for getting the budget done!
- Water cannot solely purchase excavator; we will need to purchase with other departments.
- New Business Section
 - ✓ Well Fencing
 - ✓ Vice President
- Closed Session wording on the agenda needs rephrasing. Kelly will update future agendas to meet Lake Limerick guidelines.

Comments from Board members:

- **Roger (CAM report)**
 - Regarding water collections, 84 letters were mailed on Sept 3 to members that have not paid in 90 days totaling \$33,400. As of yesterday Friday, 26 have responded and paid or promised to pay \$8500 to not have their water turned off on Sept 26.
 - Our surveyor has conducted a survey of the shop and adjacent hole #9 golf course property. Purpose is to determine the Shop lot boundaries for the potential of positioning a structure for employee offices with setbacks. We may need to combine all lots into one County parcel.
 - Our insurance company and an attorney have been contacted to provide advice on LLCC's liability for providing fire protection from LL hydrants.
 - **Fire hydrants – Attorney & Insurance:**

- ✓ Our insurance company and an attorney have been contacted to provide advice on LLCC's liability for providing fire protection from LL hydrants.
- ✓ Our insurance agent confirmed that LL's Philadelphia insurance policy does not provide coverage for not supplying adequate water supply. Firefighting nor hydrants are not mentioned.

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – FAILURE TO SUPPLY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

This insurance does not apply to "bodily injury" or "property damage" arising out of the failure of any insured to adequately supply gas, oil, water, electricity or steam.

This exclusion does not apply if the failure to supply results from the sudden and accidental injury to tangible property owned or used by any insured to procure, produce, process or transmit the gas, oil, water, electricity or steam.

- ✓ CIAW, Cities Insurance Association of WA provides expensive coverage for lack of providing an adequate supply of water though specifically excludes "loss arising out of firefighting activities."
- ✓ We are waiting for the attorney's response.

Water Committee Vacancy Candidate Presentations:

Sue Hearron (2-296) gave a great presentation explaining her background and desire to join the Water Committee. The water committee agreed that Sue would be a great addition to the committee, she brings many great skills to the team.

**Motion made by Don Bird to fill the water committee vacancy by Sue Hearron, the position term runs through May 1, 2025. Seconded by Anne Moen and carried with no nays.*

Financial Report:

1) Water System Financial Report - See attached Budget to Actual for Month Ended August 2022

- Net income for August 2022 was \$30,103, bringing our year-to-date net income to \$198,799 (\$335,799 – \$119,000 Reserves – \$18,000 Well 6 loan payment).
- Month end revenue is under still under budget but starting to see an increase of water use with the warmer weather.
- Expense went up significantly, but professional fees are reducing. Chris explained the reason being is he needs to replace several supplies that are in high demand, and it is efficient to purchase those supplies in a larger quantity. Chris further explained that because we can perform more work/repairs in house, our professional fees will be less than before.

2) Accounts Payable / Receivable update –

- Office staff is working with members to bring accounts in good standing and moving forward with accounts that are still 90 days overdue.

3) Cash Accounts, CD & Money Market Review: *See attached Water Cash Accounts for Month ended August 2022*

- Total cash was \$1,496,831.84 which includes reserves of \$938,624.73.
- Monies have not been transferred to the reserve account; Don will follow up.
- Edward Jones interest has only increased slightly. This will increase once monies have been moved from Heritage to Edward Jones. Money needs to be moved out of Heritage that is not FDIC insured.
- Esther and the financial committee have a meeting Wednesday and she will get guidance / clarity on transferring monies.

**Motion made by Don Bird to transfer \$200,000.00 from the Heritage water operating account to the new Edward Jones savings account. Seconded by Anne Moen and carried with no nays.*

**Motion made by Anne Moen to approve the August financials, seconded by Wallace Montz, and carried with no nays.*

Water System Manager's Report: Chris McMullen

1) Mangers Report & Consumption Spreadsheet – See attached Manager's Report (August's data) written report not available at this time but data is as follows:

- 7,985,500 gallons pumped
- 8,104,366 gallons accounted for
 - Source well meters are **not registering correctly**, causing inaccuracies in readings. Chris continues to investigate and is getting closer to narrowing down exact meters that are inop.
- SCADA is working better than Chris has seen in the past. Coastal Controls performed repairs that were needed and it helped.
- Flows are up.

2) Project Status:

- **Well #2 project:**
 - Still working on obtaining quotes for all upgrades to Well #2. Quotes need clarification between electrical and SCADA work. Water filtration also needs to be added to the bids. Chris should be receiving the bids by mid-week.
- **Well Evaluation:**
 - Chris recommends evaluating the wells with a long-range vision including various electrical systems that can work for all the wells.
 - Kelly asked Chris to continue gathering clarified bid information so we can vote on it at the next meeting. Chris and Kelly both agreed a meeting between Lake Limerick and contractors submitting bids is needed. Chris will arrange meetings.

3) Maintenance status:

- **Customer meter maintenance-** 8 regular locates & 1 emergency
- **System leaks and repairs-**
 - Well #5 leak has been repaired. Chris noticed piping is not what was indicated on drawing.
 - Chris and Mike continue to work on a large leak of Pebbles.

4) Water Sample testing

- One sample came back positive for coliform, not E. coli. Resampled and no coliform was detected.
- PFAS samples will start being collected. The samples are at no charge right now and will be required by DOH in the near future.

5) Water sample station installation

- Equipment has been purchased but has not yet been installed. Chris estimates two will be put in by the end of October.

6) Source Meters – No updates. Company is not responding to Chris’s requests. He is looking into another brand of source meters to use that is compatible with Beacon.

Unfinished Business:

1) Water System Plan Completion-

- Anne & Wally need to send Don comments.
- Chris and Kelly, along with Don will be part of the communications with RH2 & NWS to complete the plan.

2) Fencing – Chris will be receiving another bid for fencing this week. The committee will vote electronically once the bid is received then determine forward action to complete the fence job.

3) Hydrant issues –

- RH2 is still gathering and analyzing data. At this time RH2 reports we have 45 hydrants that meet water pressure guidelines.
- Discussion of possibly creating an MOU vs Formal waiver between Lake Limerick and the Fire District. Don will discuss with Roger.

4) Ampstun late fee programming: Esther will bring it up at the finance committee and give an update at the October meeting.

5) Reserve Study – Stevan reminded the Water Committee that our reserve study is due. Esther and Don will extrapolate reserve data from the NWS Report.

6) Labor Fee -

- Chris, Don & Sue will work together and create a flat rate labor fee for water staff.
- Penalty charges on hold for now.

7) Water Billing Monthly Updates - Kelly would like to start including a monthly “tid bit” in with the water bills. Ideas discussed.

8) Water Manager Updated Equipment – New laptop with AutoCAD capability should be here by next Friday.

- 9) **New Committee Name** - To help avoid frequent confusion of the “Water Committee” and its function, discussion of a new name reflecting our work tasks was created.
- 10) **Budget Planning for 2023 – 2024** – Discussed need for working on this sooner than right before budget is due.

Motion made by Wallace Montz to change from **Lake Limerick Water Committee to **Lake Limerick Water Utility Committee**. Seconded by Don Bird and carried with no nays.*

New Business:

- 1) **Planning subcommittee** – Will be discussed more at the next meeting.
- 2) **Vice President** – Kelly stated as he reads it, a Vice President may be needed for the committee. Committee will discuss this further next month.
- 3) **Upcoming Study Sessions**- Study sessions are not scheduled yet. This will be a priority moving forward.
- 4) **Account Forgiveness Guidelines**- **Having** guidance for the following items would be helpful and will be discussed at a future meeting.
 - a. Members wanting locks on vacant lot meters.
 - b. Formal process for one-time forgiveness on late accounts. Finance committee may be able to help.

Announcements:

NEW FISCAL YEAR START OCTOBER 1, 2022!

Next meeting: October 8, 8:30 AM

Location: Zoom for committee members and guests

Motion to adjourn to closed session if needed: NO Items

Adjourn:

*Motion made by Anne Moen to adjourn the meeting, seconded by Don Bird, and carried with no nays

Action Items

- Monies have not been transferred to the reserve account; **Don** will follow up.
- Discussion of possibly creating an MOU vs Formal waiver between Lake Limerick and the Fire District. **Don** will discuss with Roger.
- Stevan reminded the Water Committee that our reserve study is due. **Esther** and **Don** will extrapolate reserve data from the NWS Report.
- **Esther** and the financial committee have a meeting Wednesday and she will get guidance / clarity on transferring monies.

- **Esther** will bring it up at the finance committee and give an update at the October meeting. (Ampstun Late Fee Billing).
- **Kelly** asked Chris to continue gathering clarified bid information so we can vote on it at the next meeting. Chris and Kelly both agreed a meeting between Lake Limerick and contractors submitting bids is needed. **Chris** will arrange meetings.
- **Chris** will be receiving another bid for fencing this week. The **committee** will vote electronically once the bid is received to determine forward action to complete the fence job.
- **Chris, Don & Sue** will work together and create a flat rate labor fee for water staff.

Motions for the Board

- **Motion made by Don Bird to fill the water committee vacancy by Sue Hearron, position term runs through May 1, 2025. Seconded by Anne Moen and carried with no nays.*
- **Motion made by Don Bird to transfer \$200,000.00 from the Heritage water operating account to the new Edward Jones savings account. Seconded by Anne Moen. and carried with no nays.*
- **Motion was made by Wallace Montz to change from “Lake Limerick Water Committee” to “Lake Limerick Water Utility Committee”. Seconded by Don Bird and carried with no nays.*

Lake Limerick Water Systems
BUDGET TO ACTUAL
Month Ended August 31, 2022

Variance	Month Budget	Month Actual		Year to Date Actual	Year to Date Budget	Variance	2022 Budget	% of Budget
			Revenue					91.7%
(10,059)	82,000	71,942	Gross Revenue Water	640,091	781,075	(140,984)	855,735	74.8%
429	0	429	Meter Insatallation	5,764	0	5,764	0.00	
11,000	-	11,000	Reserves	119,754	-	119,754	-	
-	-	-	Miscellaneous Income	13	-	13	-	
-	-	-	Refunds	(6,587)	-	(6,587)	-	
1,370	82,000	83,370	Total Revenue	759,034	781,075	(22,041)	855,735	88.7%
			Operating Expenses					
1,227	-	1,227	Bad Debt	1,610	-	1,610	-	
(1,112)	1,300	188	Fuel/Gas Expense	7,246	10,500	(3,254)	11,800.00	61.4%
(111)	350	239	Auto Repair & Maintenance	239	3,600	(3,361)	4,000.00	6.0%
(33)	80	47	Bank Service Charges_	626	900	3,200	900	69.5%
(940)	1,100	160	Computer and Internet Expenses	5,184	10,900	(5,716)	12,000	43.2%
(200)	200	0	Dues & Subscriptions	2,341	2,900	(559)	3,000	78.0%
(177)	290	113	401k	1,858	3,200	(1,342)	3,500	53.1%
0	0	0	New Hire Expense	11	800	(789)	800	1.4%
546	250	796	Education & Training	2,870	2,750	120	3,000	95.7%
(100)	100	0	Employee Expense other	0	1,100	(1,100)	1,200	0.0%
1,559	13,310	14,869	Salaries & Wages	202,399	150,900	51,499	164,850	122.8%
(147)	1,560	1,413	Payroll Expenses	19,215	17,660	1,555	19,300	99.6%
(256)	260	4	Payroll Tax Expense	122	2,930	(2,808)	3,200	3.8%
1,722	650	2,372	Equipment Rental	2,797	7,150	(4,353)	7,800	35.9%
(165)	1,790	1,625	General Liability Expense	10,256	11,110	(854)	12,900	79.5%
(751)	1,300	549	Health Insurance	6,742	13,700	(6,958)	15,000	44.9%
0	0	0	Interest Expense	1,087	1,160	(73)	1,160	93.7%
(750)	750	0	Legal Expenses	0	8,250	(8,250)	9,000	0.0%
521	200	721	License & Permits	2,655	2,700	(45)	3,000	88.5%
212	70	282	Meals and Entertainment	350	680	(330)	800	43.7%
50	670	720	Merchant Account Charges	8,084	6,830	1,254	7,500	107.8%
50	0	50	NSF Check Fees Returned Items	104	80	24	100	103.5%
99	70	169	Office Supplies	572	1,030	(458)	1,100	52.0%
(50)	50	0	Office Expense	287	2,650	(2,363)	2,700	10.6%
(1,048)	0	(1,048)	Postage and Delivery	(258)	4,160	(4,418)	5,200	-5.0%
(10,804)	12,000	1,196	Professional Fees	24,148	133,000	(108,852)	145,500	16.6%
(4,672)	4,800	128	Repairs and Maintenance	33,542	53,100	(19,558)	58,000	57.8%
(400)	400	0	Tree Felling / Trimming	0	4,500	(4,500)	5,000	0.0%
(300)	300	0	Small Tools and Equipment	2,047	2,950	(903)	3,200	64.0%
20,898	650	21,548	Supplies	33,628	6,850	26,778	7,500	448.4%
574	3,120	3,694	Taxes - Public Utility	29,091	29,095	(4)	32,845	88.6%
(41)	300	260	Telephone Expense	2,447	3,300	(853)	3,600	68.0%
(250)	250	0	Travel Expense	6	2,250	(2,244)	2,500	0.3%
32	100	132	Uniforms	585	900	(315)	1,000	58.5%
(415)	2,200	1,785	Utilities	20,934	24,200	(3,266)	26,400	79.3%
(354)	400	46	Water Testing	606	4,550	(3,944)	5,000	12.1%
4,413	48,870	53,283	Total Operating Expenses	423,430	532,335	(108,905)	584,355	72.5%
(3,043)	33,130	30,087	Operating Income (Loss)	335,604	248,740	86,864	271,380	123.7%
(184)	200	16	Interest Income	195	2,200	(2,005)	2,400	8.1%
(3,227)	33,330	30,103	Net Income (Loss)	335,799	250,940	84,859	273,780	122.7%

CASH ACCOUNTS

August 2022

Location	Type	Name	Balance	Operating	Savings	Reserve
<u>WATER</u>						
Heritage	Checking-8937	Water Operating	\$ 379,071.37	\$ 379,071.37		
	Money Market-8953	Water Mainline	\$ 15,004.50			\$ 15,004.50
	Money Market-8945	Well #6 Reserves	\$ 15,002.69			\$ 15,002.69
OCCU	Checking-0216S50	Water Committee	\$ 76,700.23	\$ 76,700.23		
	Savings-0216S7	Water Committee	\$ 102,435.51		\$ 102,435.51	
Edward Jones #11177	various length investments	LLWS Mainline Reserve	\$ 585,619.31			\$ 585,619.31
Edward Jones #20044	various length investments	LLWS Capacity Reserve	\$ 322,998.23			\$ 322,998.23
Upcoming Accounts Payable			\$73,220.37			
Total Water			\$ 1,496,831.84	\$ 455,771.60	\$ 102,435.51	\$ 938,624.73
TOTAL:			\$ 2,630,471.90	\$ 455,771.60	\$ 102,435.51	\$ 2,072,264.79

EDWARD JONES INVESTMENTS

August-22

WATER	Cert of Deposit	\$ 105,916.26	6/23/2022	Guilford Svgs Bk	1.05%	9/22/2022	\$ 105,916	\$ 277.27	yes	\$ 105,916
841-11177-1-9	Cert of Deposit	\$ 29,994.60	7/1/2022	Kearney Bank NJ	2.00%	10/3/2022	\$ 29,995	\$ 154.49	yes	\$ 29,995
Main Line	Cert of Deposit	\$ 29,947.20	4/12/2022	Bank Hapoalim	0.90%	10/12/2022	\$ 29,947	\$ 135.13	yes	\$ 29,947
	Cert of Deposit	\$ 99,986.00	7/29/2022	Union Bank Morrison VT	2.30%	10/31/2022	\$ 99,986	\$ 592.25	yes	\$ 99,986
	Cert of Deposit	\$ 49,765.50	2/18/2022	Bank of China	0.45%	11/18/2022	\$ 49,766	\$ 167.50	yes	\$ 49,766
	Cert of Deposit	\$ 105,641.72	6/13/2022	Mizrahi Tefahot Bk Ltd	1.45%	12/13/2022	\$ 105,642	\$ 768.00	yes	\$ 105,642
	Cert of Deposit	\$ 31,799.68	3/23/2022	Bank of China	0.70%	12/23/2022	\$ 31,800	\$ 167.71	yes	\$ 31,800
	Cert of Deposit	\$ 81,954.08	7/29/2022	Discover Bank Greenwood	2.60%	1/26/2023	\$ 81,954	\$ 1,056.65	yes	\$ 81,954
	Money Market	\$ 50,614.27		Edward Jones	0.01%				Yes	
		<u>\$ 585,619.31</u>								

WATER	Cert of Deposit	\$ 39,912.80	3/10/2022	Bank of India	0.40%	9/9/2022	\$ 39,913	\$ 80.04	Yes	\$ 39,913
841-20044-1-1	Cert of Deposit	\$ 110,830.17	6/10/2022	TBk Bk Ssb Instl Ctf	1.05%	9/12/2022	\$ 110,830	\$ 299.70	Yes	\$ 110,830
Well Reserve	Cert of Deposit	\$ 72,806.55	3/18/2022	Bank Baroda New York	0.45%	9/19/2022	\$ 72,807	\$ 166.06	Yes	\$ 72,807
	Cert of Deposit	\$ 25,922.78	4/12/2022	Bank Hapoalim	0.90%	10/12/2022	\$ 25,923	\$ 116.97	Yes	\$ 25,923
	Cert of Deposit	\$ 72,981.02	7/29/2022	Security Bank & Trust	0.90%	10/28/2022	\$ 72,981	\$ 163.76	Yes	\$ 72,981
	Cash	\$ 221.52		Edward Jones	0.01%				Yes	
	August Change	\$ 323.39								
		<u>\$ 322,998.23</u>								