

LAKE LIMERICK COUNTRY CLUB -WATER COMMITTEE MEETING

Minutes of May 13, 2023, 8:30 am – 11:36 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, and Treasurer Don Bird.
Members - Dan Cossano, Sue Hearron (Excused) and Wally Montz (excused).

Board Members: John Ingemi, Mike Berni, Dean Dyson

Employees Attending: Water System Manager Chris McMullen, Christy Smith, and CAM- Roger Milliman

Guests: Dan Bussler 05/092

APPROVAL OF MINUTES –APRIL:

*Motion made by Dan Cossano to approve Aprils' Minutes, seconded by Dan Cossano, and carried with no nays.

COMMENTS FROM THE CHAIR:

Discussed having a hybrid meeting in the future. We may be able to have a hybrid meeting in June.

BRIEF CAM REPORT

Water CAM report 5.13.2023

I have been contacted by the Navy who are preparing to start construction on the Mason Lake Road railroad trestle retrofit project. No start date has been announced. I have requested the meeting date of the pre-construction conference for LL to attend. It is anticipated the project will last several months.

We are concerned about the one-lane traffic control plan and the potential for vehicles to bypass the trestle via Saint Andrews Drive. The safety of our residents and potential waterline damage are of primary concern. I have contacted Mason County Public Works to determine an appropriate plan including signage at both entrances.

Chris McMullen will be our on-site project manager and engineer Doug Eklund will also support. I will be the Navy's point of contact for communication notices to our community.

Budget season has started for next year's plan. Historical and YTD actual expenses were created by Shauna. Board Treasurer Esther will support Sue Hearn to develop Water's assumptions and expense and capital budgets.

COMMENTS / QUESTIONS FROM GUESTS

Board of Director members John Ingemi and Mandy Paradise, spoke with a community member about the option of using her United Health Care card to pay her water bill. United Health Care card has authorized its card to pay for utilities. The member is working with Rhonda to complete the transaction.

FINANCIAL REPORT:

1) Bottom Line Net Income / Receivable update – See attached month end March

- Bad debt increased, most likely due to forgiveness request, along with permits and licenses. The water committee will include forgiveness debt when budgeting in the future.
- Don will ask Shauna about making a separate line item for permits and licenses.
- Payroll increased, most likely due to three paychecks for water employees and extra work being done in house vs hiring a third party to complete jobs.
- Operating expenses are 35% of budget, 15% below budget.
- Income is 66% of budget, 16% more than budgeted. Rhonda has continued to collect on the over 90 days past due accounts and reduced it to \$6,554.00 being owed. Thank you!

2) Cash Accounts, CD & Money Market Review: See attached Edward Jones Investments for Month end March.

- Shauna updated the Water Reserve accounts sheet to show what the interest rate is on the Edward Jones Investment sheet. Thank you!
- Don and Shauna worked together to edit the Cash accounts report.
- Edward Jones accounts are looking good and earning interest. Don will follow up with Scott Davis at Edward Jones to check why the interest rate for line items are at lower %.
- CD's are incurring interest.
- Don will get advice from Esther on certain future money transfers.

**Motion made by Don Bird to transfer: (this motion does not need to go before the BOD)*

- \$10,000.00 from the Heritage savings Mainline Reserve account to the corresponding Edward Jones account and

- \$5,000.00 from the Heritage Well reserve account to the corresponding Edward Jones account. Seconded by Dan Cossano and carried with no nays.

FINANCIAL ADVISORY TEAM LIAISON REPORT –

- Continue to work on the GL before the audit.
- Working on next steps for overdue HOA accounts (severely overdue accounts and foreclosures & staff safety). Discussion of contacting sheriff to assist if need be.
- The advisory team is an advisory group.

**Motion made by Anne Moen to approve the March financials. Seconded by Dan Cossano and carried with no nays.*

WATER SYSTEM MANAGER'S REPORT: CHRIS MCMULLEN

1) Mangers Report & Consumption Spreadsheet – See attached *April's spreadsheet*.

- All the well sites are working well.
- Don and Chris will continue to work together editing the Excel document and editing the formulas creating accurate consumption data.
- Well Site #4 intermittently has a ground fault issue. Coast Controls will check it when they are out next time.
- Chris is going to get an estimate for a back up laptop capable of managing meter readings.
- With new cell towers going up in several locations surrounding Lake Limerick, Chris will revisit the idea of installing security cameras.
- Chris is checking with other PUD's on what their process is for water shutoffs due to non-payment. This will help guide further processes.

2) Project Status:

- **Well #2 Repair** – Coast Controls has ordered the parts and they should be here by mid-June to move forward on the repairs.
- **Privacy Fencing at Well #3** – Discussion amongst meeting members to install a green privacy fabric in the new fence to potentially reduce vandalism and improve aesthetics. Chris will make an estimate for this job and present it to the committee at May's meeting.
- **Well Site Evaluations** – Chris is putting together a scope of work and sending it out to three companies to give estimates on.
- **Asphalt Patches** – Sections of road including golf course paths need to be repaired and some of these repairs are due to water line work. Chris received a bid and will coordinate with other Lake Limerick departments to have them repaired at the same time. Water's estimated part of the patches is approx. \$6,220.08.

3) Water Sample testing: April's routine samples came back satisfactory.

4) Other:

- A fuel efficient and sound small truck or van is needed for the Water department. Chris continues to look for the proper vehicle. research the best options for the needs of the department.
- Repaired a water connection that had been locked out / shutoff, individuals cut the lock and made a makeshift connection.

CORRESPONDENCE FROM MEMBERS

- No correspondence this month.

UNFINISHED BUSINESS:

1) Water System Plan – The plan has been submitted to Lydia at Northwest Water. Kelly has reached out twice and still has not heard back from Lydia but will call her this week to get status update.

2) Hydrant issues –

- Hydrants are in the process of being painted. Black bags have been removed.
- A fire hydrant maintenance plan needs to be written.

3) 2023-2024 Budget – A meeting has been set for June 8, 2023 @ 5:00 to begin budget discussions. Reserves need to be looked at.

4) CAC – In the executive committee it was voted and approved to reinstate CAC. The money will go to pay for water and the rest will go to HOA. This has been approved by Lake Limerick per John I.

5) Navy Trestle – Discussion of community safety concerns and how to address them. Roger is working with the county for possible additional signage and other options. Worry of increased traffic and large trucks coming through residential areas. Besides resident safety, it also increases concern of utility infrastructure and increased weight on the road.

NEW BUSINESS

1) Water Department Vehicle Backup Cameras – Chris will research the cost of installing backup cameras and backup alerts for vehicles. He is also checking with the Lake Limerick mechanic Jeff.

2) RH2 Invoice Past Due – A past due bill of \$5,041.68 for RH2 is overdue. The bill is for extra work that they did when working on the water report.

*Motion made by Don Bird to pay RH2's overdue invoice #90212 of \$5,041.68 for work beyond the quoted amount. Seconded by Anne Moen and carried with no nays.

3) Hydrant Testing –

- Kelly presented Don's draft of the Lake Limerick Water System Hydrant Deployment Plan. Discussion was had around the items and edits to possibly be made/
- Discussed the importance of having hydrants and proper use of them to help fight fires in the community with a reduced risk of contaminating or wrecking the aging water infrastructure.
- Fire flow analysis will not be done until well #2 is up and running.
- Higher water pressure could interfere with the calculated pressure for homes at a lower elevation.

TOPICS FOR NEXT MEETING

ANNOUNCEMENTS

Next meeting: May 13, 2022 @8:30 AM **Location:** Zoom for committee members and guests.

Lake Limerick Daze Participation – committee will not be participating this year.

Closed Session to discuss personnel and / or legal issues:

*Motion made by Anne Moen to move to a closed session. Seconded by Don Bird and carried with no nays.

*Motion made by Anne Moen to return to open session. Seconded by Don Bird and carried with no nays.

No motions were made during the closed session.

Adjourn:

*Motion made by Dan Cossano to adjourn the meeting. Seconded by Don Bird and carried with no nays.

Action Items

- Chris and Rhonda to write a process for Meter Locks.

- Chris will define the needs and contact various companies to get updated bids for well site evaluations.
- Chris and Rhonda will create a policy to explain the hourly fee schedule for billing when Water staff need to perform repairs outside of daily tasks. The fee schedule is still being completed. Kelly will assist if needed.
- Chris will research the cost of getting a new laptop and report back to the committee next month with the purpose of submitting a proposal.
- Chris will revisit the idea of installing security cameras.
- Chris will build an estimate for privacy fencing at well #3 and present it to the committee at June's meeting.
- Chris is checking with other PUDs on what their process is for water shutoffs due to non-payment. This will help guide further processes.
- Chris will research the cost of installing backup cameras and backup alerts for vehicles. He is also checking with the Lake Limerick mechanic Jeff.
- Don and Chris will work together to edit the formulas creating accurate consumption data.
- Don will ask Shauna about making a separate line item for permits and licenses.
- Don will follow up with Scott Davis at Edward Jones to check why the interest rate for line items are lower %.
- Kelly continues to work on refrigerator magnets with important phone numbers for community members. Costs so far approximately 900.00 – 11,000.00.
- Kelly will reach out to Lydia for a report status update.
- A fire hydrant maintenance plan needs to be written.
- Follow up with CAM regarding an appropriate workspace (modular or stick building) for water staff to work in.

Motions for the Board

*Motion made by Don Bird to pay RH2's overdue invoice #90212 of \$5,041.68 for work beyond the quoted amount. Seconded by Anne Moen and carried with no nays.

**Lake Limerick
BUDGET TO ACTUAL
March 2023**

Variance	Water HOA Budget	Water HOA Actual		Water HOA Actual	Water HOA Budget	Variance	Water HOA Budget	50%
Revenue								
\$ (1,092)	\$ 54,500	\$ 53,408	Water Metered	\$ 334,908	\$ 329,500	\$ 5,408	\$ 721,800	
(3,000)	3,000	0	Meter Installation	0	6,000	(6,000)	15,000	
(10,988)	16,488	5,500	Water Reserves - Well	33,004	98,928	(65,924)	197,856	
11,008	0	11,008	Water Reserves - Main Line	66,016	0	66,016	0	
240	0	240	Water-Disconnect/Reconnect Fee	1,140	0	1,140	0	
(3,832)	73,988	70,156	Total Revenue	435,068	434,428	640	934,656	47%
Cost of Goods Sold								
0	0	0	Total Cost of Goods Sold	0	0	0	0	
(3,832)	73,988	70,156	Gross Profit	435,068	434,428	640	934,656	47%
Operating Expenses								
(448)	1,167	719	Fuel/Gas Expense	4,532	6,998	(2,466)	14,000	32%
(375)	375	0	Auto Repairs & Maintenance	358	2,250	(1,892)	4,500	8%
(37)	85	48	Bank Service Charges	285	490	(205)	1,000	29%
0	0	0	Bad Debt Written off	2,945	0	2,945	500	589%
(824)	1,000	176	Computer and Internet Expenses	1,987	6,000	(4,013)	12,000	17%
(250)	250	0	Dues and Subscriptions	632	1,500	(868)	3,000	21%
(304)	470	166	Employee Expense	758	3,610	(2,852)	8,310	9%
(300)	1,480	1,180	Health Insurance	7,015	8,340	(1,325)	17,220	41%
1,815	0	1,815	Equipment Rental	4,055	4,500	(445)	9,000	45%
(1,195)	2,100	905	Insurance Expense	6,864	12,150	(5,286)	24,750	28%
0	0	0	Interest Expense	0	816	(816)	816	0%
5,189	16,600	21,789	Labor	99,526	97,000	2,526	191,300	52%
(425)	425	0	Legal	0	2,475	(2,475)	5,000	0%
1,784	200	1,984	Licenses and Permits	3,625	1,200	2,425	2,400	151%
0	0	0	Meals & Entertainment	0	500	(500)	1,000	0%
(750)	750	0	Merchant Account Charges	4,617	4,500	117	9,000	51%
0	0	0	NSF Check Fees Returned Items	0	50	(50)	100	0%
(100)	100	0	Office Expense	0	600	(600)	1,200	0%
(90)	90	0	Office Supplies	77	540	(463)	1,100	7%
825	1,265	2,090	Payroll Expenses	10,008	7,395	2,613	14,580	69%
(43)	50	7	Payroll Tax Expense	27	300	(273)	600	5%
0	0	0	Postage and Delivery	750	1,350	(600)	2,700	28%
(6,791)	7,500	709	Professional Fees	11,147	42,000	(30,853)	84,000	13%
(5,000)	5,000	0	Repairs and Maintenance	1,063	30,000	(28,937)	60,000	2%
0	0	0	Tree Felling / Trimming	0	3,300	(3,300)	5,000	0%
0	0	0	Small Tools and Equipment	1,661	2,200	(539)	4,500	37%
(307)	1,000	693	Supplies	8,082	8,000	82	16,000	51%
(64)	2,800	2,736	Taxes - Public Utility	17,490	16,400	1,090	34,100	51%
(124)	335	211	Telecommunication Expense	1,464	1,990	(526)	4,000	37%
0	0	0	Travel Expense	0	1,700	(1,700)	3,400	0%
0	0	0	Uniforms	87	1,300	(1,213)	2,000	4%
372	2,010	2,382	Utilities	14,479	11,610	2,869	25,560	57%
(379)	425	46	Water Testing	530	2,450	(1,920)	5,000	11%
0	0	0	Miscellaneous Expense	0	18,123	(18,123)	18,123	0%
0	0	0	Water - Dues & Subscriptions	389	0	389	0	
0	0	0	Water - Education & Training	104	0	104	0	
0	0	0	Water - Supplies	81	0	81	0	
(7,821)	45,477	37,656	Total Operating Expenses	204,638	301,637	(96,999)	585,759	35%
3,989	28,511	32,500	Operating Income (Loss)	230,430	132,791	97,639	348,897	66%
Other Income								
8	0	8	Interest Income	51	0	51	10,000	1%
8	0	8	Water - Interest Income	53	0	53	0	
4,005	28,511	32,516	Income (Loss) Before Income Taxes	230,534	132,791	97,743	358,897	64%

CASH ACCOUNTS

March 2023

Location	Type	Name	Balance	Operating	Savings	Reserve	
<u>WATER</u>							
Heritage	Checking-8937	Water Operating	\$ 336,042.65	\$ 336,042.65			
	Money Market-8953	Water Mainline	\$ 26,090.11			\$ 26,090.11	
	Money Market-8945	Well #6 Reserves	\$ 36,930.00			\$ 36,930.00	
OCCU	Checking-0216S50	Water Committee	\$ 76,744.80	\$ 76,744.80			
	Savings-0216S7	Water Committee	\$ 102,495.01		\$ 102,495.01		
Edward Jones #11177	various length investments	LLWS Mainline Reserve	\$ 640,172.86			\$ 640,172.86	
Edward Jones #20044	various length investments	LLWS Capacity Reserve	\$ 359,748.30			\$ 359,748.30	
Edward Jones #22968	Savings Account	LLWS	\$ 124,610.00		\$ 124,610.00		
Upcoming Accounts Payable		\$32,323.63	Total Water	\$ 1,702,833.73	\$ 412,787.45	\$ 227,105.01	\$ 1,062,941.27

Heritage Bank	\$	591,822.27	HOA & Water
OCCU	\$	179,239.81	Water
Edward Jones	\$	2,455,131.77	HOA & Water
	\$	<u>3,226,193.85</u>	

EDWARD JONES INVESTMENTS

March-23

<u>Acct No.</u>	<u>Type</u>	<u>Value</u>	<u>Purchase</u> <u>date</u>		<u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Maturity</u> <u>Value</u>	<u>Interest at</u> <u>Maturity</u>	<u>FDIC</u> <u>Insured</u>	<u>2023</u>
WATER	Cert of Deposit	\$ 59,979.60	1/18/2023	Citizens Bank Na Providence RI	4.25%	4/18/2023	\$ 60,000	\$ 628.77	yes	\$ 60,000
841-11177-1-9	Cert of Deposit	\$ 59,936.40	1/26/2023	Partners Bk Snaford ME	4.30%	5/26/2023	\$ 60,000	\$ 848.22	yes	\$ 60,000
Main Line	Cert of Deposit	\$ 39,949.20	2/17/2023	American St Bk Sioux Ctr	4.40%	6/16/2023	\$ 40,000	\$ 573.81	yes	\$ 40,000
	Cert of Deposit	\$ 39,940.00	2/15/2023	Cambridge Tr Co Mass	4.55%	7/17/2023	\$ 40,000	\$ 757.92	yes	\$ 40,000
	Cert of Deposit	\$ 83,800.92	11/8/2022	Silvergate Bk La Jolla CA	4.45%	8/8/2023	\$ 84,000	\$ 2,795.82	yes	\$ 84,000
	Cert of Deposit	\$ 39,917.20	2/14/2023	Synovus Bk Columbus GA	4.60%	9/14/2023	\$ 40,000	\$ 1,068.71	yes	\$ 40,000
	Cert of Deposit	\$ 99,446.00	10/13/2022	City Natl Bk Los Angeles	4.10%	10/13/2023	\$ 100,000	\$ 4,100.00	yes	\$ 100,000
	Cert of Deposit	\$ 31,907.84	2/13/2023	Trust Bk Charlotte NC	4.65%	11/13/2023	\$ 32,000	\$ 1,112.94	yes	\$ 32,000
	Cert of Deposit	\$ 83,669.88	11/9/2022	Synovus Bk Columbus GA	4.55%	12/11/2023	\$ 84,000	\$ 4,157.08	yes	\$ 84,000
	Cert of Deposit	\$ 49,878.50	12/5/2022	Wells Fargo Bk	4.85%	12/5/2024	\$ 50,000	\$ 4,856.64	Yes	\$ 50,000
	Money Market	\$ 51,747.32		Edward Jones	2.68%				Yes	
		<u>\$ 640,172.86</u>								
WATER	Cert of Deposit	\$ 50,002.50	3/30/2023	Mizrahi Tefahot Bk Ltd	5.05%	6/30/2023	\$ 50,000	\$ 636.44	Yes	\$ 50,000
841-20044-1-1	Cert of Deposit	\$ 36,877.53	10/12/2022	Citizens Bank	3.95%	7/12/2023	\$ 37,000	\$ 1,093.12	Yes	\$ 37,000
Well Reserve	Cert of Deposit	\$ 34,958.00	2/17/2023	Crossfirst Bk Leawood KS	4.65%	7/17/2023	\$ 35,000	\$ 668.84	Yes	\$ 35,000
	Cert of Deposit	\$ 74,808.00	11/9/2022	Limestone Bk Louisville KY	4.40%	8/9/2023	\$ 75,000	\$ 2,468.22	Yes	\$ 75,000
	Cert of Deposit	\$ 75,352.48	9/20/2022	Discover Bk Greenwood Del	3.30%	9/20/2023	\$ 76,000	\$ 2,508.00	Yes	\$ 76,000
	Cert of Deposit	\$ 51,030.09	3/31/2023	Nexvank SSB Dallas TX	5.15%	9/29/2023	\$ 51,000	\$ 1,309.65	Yes	\$ 51,000
	Cert of Deposit	\$ 35,793.72	10/11/2022	Wells Fargo Kk NA Sioux Falls	4.05%	10/11/2023	\$ 36,000	\$ 1,458.00	Yes	\$ 36,000
	Cash	\$ 925.98		Edward Jones	0.01%				Yes	
		<u>\$ 359,748.30</u>								
WATER	Cert of Deposit	\$ 44,737.20	10/4/2022	Ally Bk	4.00%	10/6/2023	\$ 45,000	\$ 1,809.86	Yes	\$ 45,000
841-22968-1-9	Cert of Deposit	\$ 39,881.60	10/7/2022	Citizens Bank	3.95%	7/12/2023	\$ 40,000	\$ 1,203.40	Yes	\$ 40,000
	Cert of Deposit	\$ 39,991.20	10/3/2022	Wells Fargo	3.85%	4/11/2023	\$ 40,000	\$ 801.64	Yes	\$ 40,000
	Cash	\$ 41.71		Edward Jones				\$ -	Yes	\$ -
		<u>\$ 124,651.71</u>								



Lake Limerick Water

Manager's Report April 2023

The condition of the water system is good, with reliable water availability to the customers.

All Well sites are up and running appropriately.

SCADA is regularly monitored and operated throughout the 24 hour period.

Well Conditions:

- ✚ Well #1 is operating “normally.”
- ✚ Well #2 Offline
- ✚ Wells #3A/3B are operating “normally”
- ✚ Well #4 is operating “normally.”
- ✚ Well #5 is operating “normally.”
- ✚ Well #6 is operating “normally.”

LLWS had 11 locates and 1 Emergency locate.

Well Site 2- Coast Controls has ordered supplies, they plan to schedule a start date by the end of the month.

Monthly coliform samples came back satisfactory.

Well Site #3 Privacy Fence

Water Shut Offs

Meter Reading Laptop

Security Cameras at Well Sites

Well Site Evaluations