

SCATCHET HEAD WATER DISTRICT (SHWD)
ISLAND COUNTY WASHINGTON

Minutes for April 21, 2026

MEETING PLACE

Scatchet Head Community Club Building, 3742 Driftwood Drive, Clinton, WA

IN ATTENDANCE:

Commissioner Lipoti
Commissioner Mullins
Commissioner Peterson

COMMUNITY MEMBERS IN ATTENDANCE

Jordan Boyer
Drea Boyer
John Chaffey

The meeting was called to order at 7:00 PM by Commissioner Lipoti.

Commissioner Peterson read the land acknowledgement.

Public Comment

John Chaffey asked about whether Well #3 low pumping rate had been addressed by the Commissioners. The Commissioners have not had a chance to do so but plan to do so as soon as they can. He then asked what would happen if Well #2 had a problem. The Commissioners said that they would turn on Well #3 at the maximum pumping rate, and would immediately put the entire community on extreme conservation measures. They would then engage a well repair company to address Well #2 or Well #3 depending on which one would come back on line with adequate water supply. John said he was satisfied that there was a plan.

Minutes

Approval of the minutes from March 10, 2026 regular meeting was moved by Commissioner Mullins, seconded by Commissioner Peterson, and passed unanimously. Approval of the minutes from the special meeting on April 6, 2026 was moved by Commissioner Peterson, seconded by Commissioner Mullins, and passed unanimously.

Vouchers

Approval of operational vouchers in the amount of \$32,654.70 and Electronic vouchers of \$3,318.42 for a total of \$35,973.12 was moved by Commissioner Mullins and seconded by Commissioner Peterson. After discussion about the NW Natural bill

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amounts and the corrections that were recommended by Dawn Wilson at Branch Business Services, the Commissioners commended Dawn for catching the problem, and passed the motion unanimously.

Approval of construction account vouchers in the amount of \$11,499.26 was moved by Commissioner Mullins, seconded by Commissioner Mach, and passed unanimously.

Financials and Accounts Receivable

Financial statements were reviewed and discussed. The water district's cash position is still comfortable, but we will soon be paying the principle and interest monthly, which will affect our balance.

Accounts Receivable still show a few customers who are not paying their bills.

Review of Operating Reports

An operating report was received. Commissioners discussed what it means and would like to have NW Natural present a tutorial on how to use these for our needs.

Old Business

System Upgrade Project

The USDA checklist was examined and everything has been completed except for the resolution which the Commissioners will consider under New Business and the last Outlay Report which will release the retainage to SRV. Preparation of this OLR was discussed with some recommendations for allocation of costs to specific line items.

After the finalization of the USDA OLR, the District can work with our attorney on the paperwork for the Bond. In preparation for the District's requirements for the bond, Commissioner Mullins offered 3 motions to change the District's accounts.

Motion 1: Commissioner Mullins moved that SHWD open a new interest bearing account entitled "DEBT SERVICE RESERVE" and deposit the amount of \$791.67 into this account from our operating fund. This deposit represents the SHWD's first required monthly payment into the USDA required account and this amount should be moved into the account every month. The motion was seconded by Commissioner Peterson, and passed unanimously.

Motion 2: Commissioner Mullins moved that SHWD deposit \$8,675.00 into the SHORT TERM ASSET ACCOUNT. This deposit represents the SHWD's annual required payment. By paying it up front, we will have satisfied the obligation for the year. The motion was seconded by Commissioner Peterson, and passed unanimously.

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Motion 3: Commissioner Mullins moved that the following two interest bearing accounts: ICT USDA Reserve Inv Fund #764 and ICT SHWD Available Funds #764 be merged into one account entitled SHWD RESERVE ACCOUNT #764. The motion was seconded by Commissioner Peterson, and passed unanimously.

The Commissioners discussed the Sewer District issue under George Drive. A claim has been submitted by the attorney representing the Sewer District in the amount of \$237,198.78. While some documentation was submitted with the claim including bills from Blackwater for \$92,798.78, and a bill from Commissioner Bowman for \$29,400.00, the information available to the Water District seems incomplete. However, the Commissioners are aware that the claim was received by the SHWD insurance company, Enduris, and was tendered to SRV construction. No further information was available to the Water District at this time and no further actions were taken.

New Business

Commissioners considered the request from Branch Business Services to increase the compensation that they are provided in light of the amount of time and effort that has been required for the billing and accounts receivable work. The Commissioners realized that Branch Business Services may have underestimated the amount of time involved, and is happy with the work that Branch has been providing. A motion was made by Commissioner Peterson, seconded by Commissioner Mullins and passed unanimously to approve the new compensation request from Branch for a total of \$1,955.00.

Resolution 2026-6 accepting the System Upgrade Project as completed, as recommended by Curt Schoenfelder, Wilson Engineering, was moved by Commissioner Mullins and seconded by Commissioner Peterson, and passed unanimously. Whew!

Commissioners considered the implications of the Statewide Drought Declaration and requested guidance from the Island County Hydrologist. Dr. Chris Kelley wrote that the statewide declaration was primarily driven by low snowpack and that does not recharge Whidbey Aquifers. However, he does encourage water conservation year round as a best management practice, regardless of drought status. Commissioner Mullins requested that NW Natural Water measure the aquifer twice a year as a way to monitor the status.

Water testing for coliform bacterial was also conducted in March and April. The District is in compliance.

Water testing for chloride was conducted and the District is in compliance.

Water testing for arsenic was conducted and the District is in compliance.

The ribbon cutting ceremony is set for Saturday, April 25 at 10am. A number of dignitaries will attend. Cake will be served at the clubhouse after the ceremony.

A long list of needed maintenance was discussed. It was agreed that after everything else

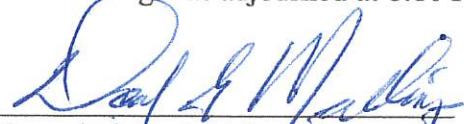
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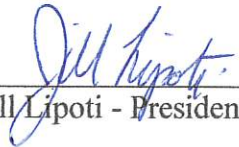
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is settled, we will prioritize the list and check off a few items as we have funds available. Some of the items are simple, but others will take planning.

Commissioner Peterson has taken over the website. He was able to put all of the 2026 resolutions on the site, and is now moving on to the minutes. He is also making it more readable and better organized. He has found some items which were outdated and is working to replace them with relevant info. This is a major effort and also provides a cost savings in that the District is not paying someone to post things to our website. A big thank you to Commissioner Peterson!

The meeting was adjourned at 8:10 PM.


Commissioner Mullins, Treasurer


Jill Lipoti - President


Commissioner Peterson