

SCATCHET HEAD WATER DISTRICT (SHWD)
ISLAND COUNTY WASHINGTON

Minutes for June 17, 2021 - Regular Meeting, 7:00 PM

MEETING PLACE

Online Meeting on Zoom because of Corona virus outbreak and Governor Inslee Proclamation.

IN ATTENDANCE:

Commissioner Collar
Commissioner Lipoti
Commissioner Mullins

ABSENT:

None

ALSO PRESENT:

Sandra Bodamer – King Water Company
Scott Carr
Bill Benshoof - Manager

COMMUNITY MEMBERS IN ATTENDANCE:

(Customers were invited to attend by Zoom through email.)
Kurt Horton

The meeting was called to order at 7:00 PM by Commissioner Mullins. Commissioner Lipoti opened the meeting with recital of the Land Acknowledgement.

Commissioner Lipoti motioned that the prior meeting minutes from the May 20, 2021 meeting be approved. Commissioner Mullins seconded the motion. (*Motion carried, unanimously approved and passed.*)

Commissioner Mullins preceded over the swearing in of Loretta Collar as Commissioner.

Audience Participation

Kurt Horton thanked the commissioners for the excellent notification of the flushing.

Financial Report

The vouchers for the month were reviewed and Sandra from King Water Company gave the bookkeeper report. A motion was made by Commissioner Lipoti that Maintenance vouchers (06) - 1 through (06) – 10 in the amount of \$11,057.61 plus EFT vouchers (06) 1 and (06) 2 in the amount of \$343.69 for a total of \$11,401.30 be approved. Commissioner Collar seconded the motion. (*Motion carried, unanimously approved and passed.*)

Financial reports were reviewed. Cash in the Operating Fund at May 31, 2021 was \$84,909.05, the Short Term Asset Fund was \$5,927.00 and the Emergency fund was

Meeting minutes

Scatchet Head Water District

101,055.88, of which \$99,000.00 is invested. The balance due on water bills was \$32,972.02, which includes past due accounts of \$7,155.43 (1 account for \$809.24 has been locked off, and one account for \$2,883.63 has had the meter removed with lien filed).

Manager/Operations Report

Sandra reviewed the Monthly Operations Report with the Commissioners.

Arsenic – raw water: It was noted that raw water samples were taken from each well and well #3 was very high in arsenic and #2 was below MCL. Though blending is helping keep the distribution levels below MCL we may not be able to maintain that level should DOH drop the MCL below 5 ppb.

USDA

Commissioner Mullins reported that there was nothing new to report on the USDA loan. He had applied for a \$300,000 line of credit from Whidbey Island Bank to cover expenses until USDA approval was made. Whidbey Island Bank won't approve any advances until USDA approval is made, thus the need for the credit line.

Commissioner Mullins also stated it is time to hire a bond attorney. Motion was made by Commissioner Mullins to hire a bond attorney and was seconded by Commissioner Collar. (*Motion carried, unanimously approved and passed.*)

Old Business/Pending

Action Items: See attached list

New Business

Bill Benshoof submitted his resignation from the manager position. Laurel Coombes was hired to take Bill's place. Laurel Coombes, Bill Benshoof and Commissioner Mullins will meet on June 24th to go over maintenance items that Ms. Coombes can take over from Bill.

Website – It was noted that the website hadn't been update for several months. King has sent over several items to be included on the website and noted that they had not seen them displayed on the website. Going forward the items being sent will be CC'd to the Commissioners.

Auditing Officer – It was noted that since Scott was resigning the auditing officer position was open. Commissioner Mullins motioned for Brenda Bosman to be appointed the Auditing Officer. Commissioner Lipoti seconded the motion. (*Motion carried, unanimously approved and passed.*)

Meeting minutes

Scatchet Head Water District

Commissioner Mullins motioned to close the meeting at 7:54 PM.
Commissioner Lipoti seconded the motion. (*Motion carried, unanimously approved and passed*).

Commissioner Mullins, President

Jill Lipoti - Secretary

Commissioner Collar – V.P.

Scatchet Head Water District
County Expenditure - 2021

County #

7090095000
524900

To: Island County Auditor
Subject: Vouchers for month of: July

(07)

Voucher #	Vendor	Vendor #	Amount
(07) 1	Benshoof, William	5005634	\$ 554.10
(07) 2	Collar, Loretta	5009375	\$ 128.00
(07) 3	Coombes, Laurel A	4000130	\$ 110.82
(07) 4	Dept. of Labor & Industries	5001129	\$ 88.23
(07) 5	Employment Security Dept.	5005415	\$ 4.14
(07) 6	Employment Security Dept.	5005415	\$ 4.56
(07) 7	King Water Company	5002245	\$ 4,780.51
(07) 8	Lipoti, Jill	4000038	\$ 128.00
(07) 9	Mullins, David	5001077	\$ 128.00
(07) 10	Puget Sound Energy	5002726	\$ 877.17
(07) 11	Sebo's Do It Center	5003044	\$ 48.34
(07) 12	Utilities Underground Location	5003650	\$ 10.78
(07) 13	Whidbey Geological LLC	4000132	\$ 600.00
(07) 14	Whidbey Telephone	5003941	\$ 17.87

Sub Total \$ 7,480.52

EFT Voucher #

(07) 1	United States Treasury	\$ 110.16
(07) 2	Department of Revenue	\$ 1,921.40

Sub Total \$ 2,031.56

Total \$ 9,512.08

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein, and that the claims are just due, and unpaid obligations against Scatchet Head Water District and that I am authorized to authenticate and certify said claims.

Auditing Officer

Date

As of this date, the Commissioners, by a majority vote, do hereby approve for payment those vouchers included in the above list bearing Voucher no's (07) 1 through (07) 14, plus EFT Vouchers (07) 1 and (07) 2.

Commissioner Lipoti

Commissioner Mullins

Commissioner Collar

Date

Scatchnet Head Water District
Balance Sheet Prev Year Comparison
 As of June 30, 2021



	<u>Jun 30, 21</u>	<u>Jun 30, 20</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
Heritage Bank - Cash			
Operating Fund - 709	114,160.99	29,893.62	84,267.37
Emergency Fund - 764	101,103.93	0.00	101,103.93
Short Term Asset - 718	5,927.00	0.00	5,927.00
Total Heritage Bank - Cash	<u>221,191.92</u>	<u>29,893.62</u>	<u>191,298.30</u>
Total Checking/Savings	<u>221,191.92</u>	<u>29,893.62</u>	<u>191,298.30</u>
Total Current Assets	<u>221,191.92</u>	<u>29,893.62</u>	<u>191,298.30</u>
TOTAL ASSETS	<u>221,191.92</u>	<u>29,893.62</u>	<u>191,298.30</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Other Current Liabilities			
Payroll Liabilities	-24.66	-38.34	13.68
Total Other Current Liabilities	<u>-24.66</u>	<u>-38.34</u>	<u>13.68</u>
Total Current Liabilities	<u>-24.66</u>	<u>-38.34</u>	<u>13.68</u>
Total Liabilities	<u>-24.66</u>	<u>-38.34</u>	<u>13.68</u>
Equity			
Opening Bal Equity	129,925.70	29,021.80	100,903.90
Retained Earnings	58,155.30	-4,055.42	62,210.72
Net Income	33,135.58	4,965.58	28,170.00
Total Equity	<u>221,216.58</u>	<u>29,931.96</u>	<u>191,284.62</u>
TOTAL LIABILITIES & EQUITY	<u>221,191.92</u>	<u>29,893.62</u>	<u>191,298.30</u>

Scatchet Head Water District
Profit & Loss Prev Year Comparison
June 2021



	Jun 21	Jun 20	\$ Change
Ordinary Income/Expense			
Income			
INCOME			
Water Fees	38,206.48	30,134.81	8,071.67
Late Fees	2,446.76	0.00	2,446.76
Investment Interest	48.05	0.00	48.05
Total INCOME	40,701.29	30,134.81	10,566.48
Total Income	40,701.29	30,134.81	10,566.48
Expense			
EXPENSES			
DIRECT SALARIES & WAGES			
Managers Salary	600.00	600.00	0.00
Commissioners Pay	384.00	384.00	0.00
Payroll Expenses	47.42	47.42	0.00
Total DIRECT SALARIES & WAGES	1,031.42	1,031.42	0.00
WATER MAINTENANCE			
Water Management	1,250.00	1,131.00	119.00
Water Repairs & Maintenance	2,667.32	15.40	2,651.92
Water Testing	110.00	505.00	-395.00
Chlorine and Chemicals	239.62	104.92	134.70
Supplies/Parts	1,418.36	0.00	1,418.36
Flushing	0.00	1,050.04	-1,050.04
Meter Reading	565.24	0.00	565.24
Total WATER MAINTENANCE	6,250.54	2,806.36	3,444.18
Utilities			
Telephone	17.87	17.87	0.00
Electric	1,805.49	974.25	831.24
Total Utilities	1,823.36	992.12	831.24
GENERAL & ADMINISTRATIVE			
Billing Statements & Postage	485.35	411.02	74.33
Mailings	0.00	236.78	-236.78
Office	197.87	0.00	197.87
Printing and Reproduction	67.01	0.00	67.01
Taxes			
State Utility Tax	251.89	271.36	-19.47
Total Taxes	251.89	271.36	-19.47
Total GENERAL & ADMINISTRATIVE	1,002.12	919.16	82.96
PROFESSIONAL SERVICES			
Engineering	0.00	334.06	-334.06
Accounting	1,000.00	872.00	128.00
Audit	260.88	0.00	260.88
Legal Fees	34.50	128.00	-93.50
Total PROFESSIONAL SERVICES	1,295.38	1,334.06	-38.68
Total EXPENSES	11,402.82	7,083.12	4,319.70

Scatchet Head Water District
Profit & Loss Prev Year Comparison



June 2021

Total Expense
Net Ordinary Income
Net Income

Jun 21	Jun 20	\$ Change
11,402.82	7,083.12	4,319.70
29,298.47	23,051.69	6,246.78
29,298.47	23,051.69	6,246.78

Scatchet Head water District
Profit & Loss Prev Year Comparison
 January through June 2021

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	Jan - Jun 21	Jan - Jun 20	\$ Change
Ordinary Income/Expense			
Income			
INCOME			
Water Fees	102,819.58	82,646.98	20,172.60
Late Fees	2,446.76	820.18	1,626.58
Reimbursed Expenses	0.00	1,239.02	-1,239.02
Investment Interest	300.03	0.00	300.03
Total INCOME	105,566.37	84,706.18	20,860.19
Total Income	105,566.37	84,706.18	20,860.19
Expense			
EXPENSES			
DIRECT SALARIES & WAGES			
Managers Salary	3,600.00	3,600.00	0.00
Commissioners Pay	3,456.00	2,816.00	640.00
Meter Reading	0.00	200.00	-200.00
Payroll Expenses	483.64	531.09	-47.45
Total DIRECT SALARIES & WAGES	7,539.64	7,147.09	392.55
WATER MAINTENANCE			
Water Management	7,143.00	6,755.00	388.00
Water Repairs & Maintenance	7,931.51	15,364.95	-7,433.44
Water Testing	1,377.00	2,562.00	-1,185.00
Chlorine and Chemicals	974.06	1,058.32	-84.26
Supplies/Parts	7,155.71	5,678.88	1,476.83
Flushing	0.00	1,050.04	-1,050.04
Generator	561.81	0.00	561.81
Meter Reading	565.24	0.00	565.24
Total WATER MAINTENANCE	25,708.33	32,469.19	-6,760.86
Utilities			
Telephone	107.22	107.22	0.00
Propane	337.41	0.00	337.41
Electric	6,956.36	6,568.23	388.13
Total Utilities	7,400.99	6,675.45	725.54
GENERAL & ADMINISTRATIVE			
Billing Statements & Postage	987.22	874.04	113.18
Certified Letter Fees	0.00	782.65	-782.65
Dues and Subscriptions	3,406.40	1,156.40	2,250.00
Election Costs	0.00	183.19	-183.19
Freedom of Information Response			
Attorney Fees	0.00	669.00	-669.00
Total Freedom of Information Response	0.00	669.00	-669.00
Liability Insurance	0.00	5,536.00	-5,536.00
Licenses and Permits	0.00	1,206.00	-1,206.00
Lien & Recording Fees	125.56	227.18	-101.62
Mailings	0.00	594.89	-594.89

Scatchet Head Water District
Profit & Loss Prev Year Comparison
January through June 2021

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	Jan - Jun 21	Jan - Jun 20	\$ Change
Office	493.18	156.00	337.18
Printing and Reproduction	365.63	0.00	365.63
Taxes			
State Utility Tax	5,428.75	4,048.87	1,377.88
Property	78.26	78.26	0.00
Total Taxes	5,505.01	4,127.13	1,377.88
Training			
Travel	0.00	110.34	-110.34
Total Training	0.00	110.34	-110.34
Total GENERAL & ADMINISTRATIVE	10,883.00	15,622.82	-4,739.82
PROFESSIONAL SERVICES			
Engineering	8,431.95	334.06	8,097.89
Accounting	5,616.00	5,208.00	408.00
Audit	260.88	0.00	260.88
Legal Fees	915.00	994.00	-79.00
Subcontractor	5,675.00	0.00	5,675.00
Total PROFESSIONAL SERVICES	20,898.83	6,536.06	14,362.77
Miscellaneous	0.00	39.99	-39.99
Total EXPENSES	72,430.79	68,490.80	3,940.19
Total Expense	72,430.79	68,490.60	3,940.19
Net Ordinary Income	33,135.58	16,215.58	16,920.00
Other Income/Expense			
Other Expense			
Transfer to Reserve Fund	0.00	11,250.00	-11,250.00
Total Other Expense	0.00	11,250.00	-11,250.00
Net Other Income	0.00	-11,250.00	11,250.00
Net Income	33,135.58	4,965.58	28,170.00

Scatchet Head Water District

July 15, 2021

Accounts Receivable

Total Balance Owing: \$13,847.98

Past Due: \$6,844.45

Locked Meters: 1 at \$809.24

1 Meter Removed/Lien Filed: \$2,883.63

July 9, 2020: Total Balance Owing: \$20,832.11

Past Due \$14,712.87

Locked Meters: 4 at \$5,598.74

2 Meters Removed/Lien Filed: \$8,300.28

No late fees or lock-offs allowed until September 30, 2021 per Governor Inslee's Covid Proclamation.

Scatchett Head WD

Monthly Operations -

June

2021

Water pumped:

	Cu. Ft. Start	Cu. Ft. End	Cu. Ft. Month	Gals. Month
Well # 2	3,759,260	4,041,880	282,620	2,113,998
Well # 3	7,323,820	7,348,810	24,990	186,925
Total			307,610	2,300,923

Treatment Meter:

	57,180,900	57,509,800	328,900	2,460,172
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Difference

	-21,290	-159,249
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Backwash

	4,888,700	4,926,500	37,800
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Backwash %

12.3%

Cottage Glen reservoir

				Gallons
Inlet meter (Cu. Ft.)	6,518,430	6,586,160	67,730	506,620
Outlet meter (Cu. Ft.)	47,377	112,002	64,625	483,395

Difference

23,225

Booster Pumps:

#1	9,622	9,679	57
#2	9,199	9,266	67
#3	11,764	11,818	54
#4	9,109	9,186	77
			255

Booster gals/hr.

<u>Flushing</u>	Cu Ft	Gallons
2019		
March - full system flush		100,000
2020		
February - spot flushing		50,000
March - full system flush		100,000
June - full system flush		200,000
Sept - full system flush		100,000
Dec - full system flush		200,000
2021		
March - full system flush		100,000
June - full system flush		100,645

Scatchet Head Water District meeting June 17, 2021

Action Items with resolution in **BOLD** as discussed at July 15, 2021 meeting.

1. At the next flush, the techs brought a meter to measure the amount of water that is used during flushing. The estimates varied from 100,000 gallons to 200,000 gallons. The number will be reported at the July meeting. **The meter showed a little over 100,000 gallons were used in the flushing.** There will also be a report on the % loss as the number this month was 21% and the goal is 10%. **The % loss is calculated when meters are read, and that will be done in August.**
2. Monitoring - Fidalgo slide – our insurance company says that SHWD is not responsible – any word from the County? **This item is resolved – our insurance company has dropped the claim.**
3. Sandra – check with the reservoir cleaning people in Utah about a cost to fix the water level indicator on the Guemes Reservoir. Email sent. Sandra will follow up with a different company (Liquivision?) because there has been no response from the folks in Utah. **Neither company has responded to Sandra so she will continue to follow up. She is also asking the King Water technician whether they can rent a bucket truck and fix the problem themselves. What would it cost? Is it possible to do?**
4. Jill reported on the geologist's findings regarding the undermining of the area near the well. The geologist will send a report, along with the pictures that he has taken. The issue is that a culvert is being undermined by water and is causing the erosion of the well area. The geologist says that it should be addressed promptly. It is possible the culvert belongs to the county. Sandra will send Jill names and numbers of county road department contacts and Jill will arrange to meet them to show them the area. **The geologist has prepared a letter to be sent to the Island County road department about the erosion due to the culvert. The Commissioners voted affirmatively to send the letter.**
5. Laurel Coombs will meet Bill Benshoof on June 24 to go over the meter reading and other job duties. **The Commissioners voted to accept Laurel Coombs resignation, but to pay her for the time she spent with Bill Benshoof discussing job duties. A new ad for a meter reader will be prepared and hopefully a replacement will be hired quickly.**
6. A lawnmowing contractor is still needed. Dave got one bid at \$500 per month during lawn growing season, but is looking at additional bids. Having trouble getting landscape contractors to return calls. Sandra will send contact info to Dave. **A job description for a maintenance person will be drafted and advertised in the Whidbey Island News and Next Door, as well as the Scatchet Head Community Club newsletter.**
7. Small tablet for meter reading was ordered and received. It is being set up to be used for the next meter reading. **King Water will be requested to do the next meter reading since we don't have anyone at the moment. That way, they can also ensure that the tablet is working and that the info can be easily uploaded for billing.**
8. Dave and Scott met with 2 of the engineering firms to show them the facilities. We are hopeful that we will receive several bids by the July 1 deadline. **Done.**
9. Bill Benshoof has resigned as of June 30. **Done.**
10. Brenda Bosman will serve as the Auditing Officer, in addition to Dave. **Done and the audit results were in our packet for the 7/15/21 meeting.**
11. Commissioners voted to approve Dave engaging a bond attorney. **Done.**

Brenda Bosman

From: Brenda Bosman
Sent: Monday, July 12, 2021 4:08 PM
To: Brenda Bosman
Subject: Scatchet Head Water District - July Commissioners Meeting - July 15, 7:00 PM

Please join us:

Topic: Scatchet Head Water District July, 2021 Meeting
Time: July 15, 2021 07:00 PM Pacific Time

Log in info:

Join Zoom Meeting

<https://us02web.zoom.us/j/86319150164?pwd=Sms2bm41NiR4WjNtdmZBRGVFYXBjZz09>

Meeting ID: 863 1915 0164

Passcode: 390906

Thanks, Brenda, King Water Company, 360-678-5336, brenda@kingwater.com